Official Notice

Repsol International Finance B.V.
Koninginnegracht 19
2514 AB The Hague
The Netherlands
Tel. 31 703141611
www.repsolinternationalfinancebv.com

The Hague, February 16, 2023

In accordance with Law of 23 December 2016, on market abuse, Repsol International Finance B.V. (the "**Company**") is filing the attached Consolidated Annual Financial Report of Repsol, S.A., the Guarantor of the Company´s Euro 10,000,000,000 Guaranteed Euro Medium Term Note Programme.

The Consolidated Annual Financial Report 2022 of Repsol, S.A. has been filed today by Repsol, S.A. with the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*).

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2022

REPSOL Group

Annual Financial Report

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

The Repsol Commitment
Net Zero Emissions
by 2050

REPSOL

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Repsol, S.A. and investees comprising the Repsol Group

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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 auditor's report on the consolidated financial statements

To the shareholders of Repsol, S.A.

Report on the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Repsol, S.A. (the Parent company) and investees comprising the Repsol Group (the Group), which comprise the balance sheet as at 31 December 2022, the income statement, statement of recognized profit or loss, statement of changes in equity, statement of cash flows and related notes, all consolidated, for the year then ended.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the equity and financial position of the Group as at 31 December 2022, as well as its financial performance and cash flows, all consolidated, for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and other provisions of the financial reporting framework applicable in Spain.

Basis for opinion

We conducted our audit in accordance with legislation governing the audit practice in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the consolidated financial statements in Spain, in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
Assessment of the recoverability of the carrying amount of the Group's intangible assets, property, plant and equipment and joint ventures considering the impacts of the energy transition and climate change	
The accompanying consolidated financial statements reflect intangible assets (including goodwill) and property, plant and equipment amounting to €1,976 million (note 11) and €22,470 million (note 12), respectively, at 31 December 2022. As disclosed in note 13, the Group also has joint ventures with a carrying amount of €3,916 million at year-end 2022. The Group allocates the assets to cash-generating units (CGUs) and analyses each CGU's assets for impairment annually using the method and the key assumptions described in notes 3.5.1 and 20. The assets' recoverable amount is determined based on the present value of future cash flows generated by the assets in accordance with the strategic plans for each business approved by management and prepared using scenarios that take into account the energy transition and decarbonisation of the economy. In the impairment tests, as indicated in the said notes and in note 3.5.2, the Group also takes into consideration the main risks arising from climate change (transitional risks) and therefore the price paths for hydrocarbons, electricity and CO2 and the demand assumptions that take into account commitments to decarbonise the economy, including restrictions on the use of fossil fuels and the development of new alternative technologies that will reduce demand for hydrocarbon products in the medium and long term, as reflected in the strategic plans for each business.	The main audit procedures performed on this key matter are described below. We gained an understanding of management's impairment test preparation process with regard to: • The fulfilment of applicable accounting legislation by the method applied. • The design and operating effectiveness of the relevant controls put in place by management. • The allocation of assets to CGUs and the process followed to identify which CGUs require impairment testing in accordance with applicable accounting legislation. As regards the way in which management took into consideration the potential effects of the energy transition and climate change in its impairment testing, we performed the following procedures together with our climate change and energy transition experts: • We gained an understanding of the Repsol Group's energy transition and climate change commitments by interviewing management and analysing the Repsol Group's related public information (among others, Strategic Plan 2021-2025, documentation published in the ESG Day in October 2022, consolidated management report and consolidated statement of non-financial information), as well as by analysing and assessing how such commitments are reflected in the strategic business plans.

Key audit matters	How our audit addressed the key audit matters
In this context, in 2022 the Group revised the price paths prepared as explained in note 3.5.1 to the accompanying consolidated financial statements. Specifically: • Oil and natural gas: In view of the bullish dynamics in commodities markets in 2022, primarily due to Russia's invasion of Ukraine, the Group upgraded its short- and medium-term expectations of future oil and natural gas prices. In addition, the Group took the view that natural gas will continue to contribute largely to the power generation mix in the long term as a transition fuel in decarbonisation processes and therefore also upgraded long-term natural gas price expectations. • CO_2: The Group slightly upgraded price forecasts compared to the figures used in 2021, in line with the internal price of carbon, when making decisions on investments in new projects. • Power: The Group upgraded the price path, essentially for the first decade, so as to take account of natural gas price rises and the effects of the bullish commodity cycle. Management states in note 1 that the IASB publication "Effects of climate-related matters on financial statements" is taken into account in the disclosures on accounting estimates and judgements related to climate change, decarbonisation and their impact on the impairment analysis included in note 3.5.2 to the accompanying consolidated financial statements. Note 3.5.2 explains that the Group expects the energy transition to bring volatility and uncertainty as to how commodity prices and demand will evolve in the coming decades, so various sensitivity analyses were conducted on changes to the main key assumptions used in the impairment tests taking into account the hydrocarbon price paths of the Net Zero Emissions 1.5º C scenario published by the International Energy Agency in its World Energy Outlook 2022 report (note 20.2).	• We gained an understanding of the industry context (price trends, results presentations of other industry companies, analyst and agency reports, investor expectations regarding climate change, regulatory and tax developments in relation to climate change, etc.) in order to evaluate the alignment of the Group's strategic priorities with the actual situation in the global hydrocarbons market and the energy transition and climate change scenarios considered at the global level. • We gained an understanding of the map of risks related to climate change and energy transition identified by the Group and we held meetings with management to identify the areas in which the energy transition and climate change risks included in the risk map could impact the consolidated financial statements. We also assessed the assumptions and main estimates employed in the calculations, which include both short- and long-term estimates of prices of hydrocarbons, electricity and CO_2; the volume of hydrocarbon reserves and resources, related production profiles, refining margins, hydrocarbon demand trends, operating costs, necessary investments and the period covered by projections, and we performed the following procedures on the main assumptions and estimates. As regards of future prices of hydrocarbons, power, CO_2 and refining margins: • We, assisted by our valuation specialists, compared management's price estimates with the information published by investment banks, consulting firms and relevant industry organisations and agencies. • We checked whether management took into consideration the energy transition and economic decarbonisation context. • We assessed the consistency of the estimates with the related objectives set by the Group in its strategic plans.

Key audit matters	How our audit addressed the key audit matters
As a result of these analyses, Group management has recorded valuation adjustments, net of reversals, in the amounts stated in note 20.1.c). This is a key audit matter as it involves critical judgements and significant estimates on the part of management, particularly in the Exploration & Production and Refining businesses in Spain (notes 3.5.1 and 3.5.2) in relation to the key assumptions employed, which are influenced by the view being taken that climate change and the energy transition could have a material impact on the Group's consolidated financial statements.	• For the refining activities in Spain, we analysed the estimated refining margin and demand for fossil fuels, as well as the consistency of the strategic plan for this business with energy transition and climate change dynamics. We evaluated the assumptions and main estimates used to calculate discount rates, together with our valuation specialists, including both short- and long-term estimates of rate trends for each of the businesses assessed. We performed the following procedures in connection with the estimates of hydrocarbon reserves and resources for the assets included in the Upstream segment: • We gained an understanding of the process followed by the Group, which involves management experts. We assessed the work findings and the competence, ability and objectivity of the experts. • We checked the consistency of the volumes estimated by the management experts with the data employed to calculate the recoverable amount of the assets analysed. We also checked whether the hydrocarbon reserves and resources production profiles of the Upstream segment assets and the projection periods of the cash flows of the CGUs Refining Spain, Chemicals and Mobility Spain are consistent with the Repsol Group's “Net Zero by 2050” strategic objective. We checked the mathematical calculations included in the models prepared by management and we compared the recoverable amount calculated by the Group with the carrying amounts of the CGUs so as to identify any impairment or reversal of impairment, checking the relevant accounting treatment where applicable. As regards management's sensitivity analyses: • We evaluated the calculations of the main assumptions employed in the sensitivity analyses. • We checked that the sensitivity analyses took into consideration the hydrocarbon prices included in the Net Zero Emissions 1.5º C scenario published by the International Energy Agency in its World Energy Outlook 2022 report.

Key audit matters	How our audit addressed the key audit matters
	As regards the information and disclosures included in the consolidated financial statements: • We checked that they are consistent with the information included in the consolidated management report and the consolidated non-financial information statement. • We analysed the sufficiency of the said information relating to the evaluation of the recoverable amount of the assets analysed, in accordance with applicable accounting legislation. On the basis of the procedures carried out, we consider that management's approach and conclusions, and the information disclosed in the accompanying consolidated financial statements, are consistent with the evidence obtained.
Assessment of the recoverability of the carrying amount of deferred tax assets As reflected in the accompanying consolidated balance sheet, at 31 December 2022 the balance in deferred tax assets amounted to €2,757 million, of which, as indicated in note 22.3 to the accompanying consolidated financial statements, tax losses, tax credits and similar benefits not yet used totalled €2,303 million. When assessing whether the amount recognised in the consolidated financial statements for these assets is recoverable, Group management considers, as indicated in note 22, the expected generation of future taxable profits based on the methodology defined to analyse the recovery of its assets, the assessment of the estimated results of each tax group or entity in accordance with the Group's strategic orientation, the applicable tax regulations and the term and time limit within which these assets may be recovered. As a result of the above analyses, Group management has reduced the amount of deferred tax assets recognised in the balance sheet by the amount indicated in note 22.3.	Our analysis commenced with an understanding of both the methodology applied and the relevant controls the Group has in place for the recoverability analysis of these assets. We have also checked the consistency of the assumptions used by management in the financial projections used to determine future taxable profits against the assumptions used in the impairment testing of the Group's intangible and tangible assets. In addition, together with our tax experts, we have evaluated the corporate income tax estimate, mainly with regard to the suitability of the tax treatment of the transactions performed and the calculations of the deferred tax assets in the light of the applicable tax regulations. Finally, we assessed the sufficiency of the disclosures in the consolidated financial statements concerning the measurement and recognition of these assets. On the basis of our work, we believe that the assumptions and estimates made by Group management concerning the recoverability of the assets analysed are consistent with the evidence obtained.

Key audit matters	How our audit addressed the key audit matters
This is a key audit matter because of the nature and significance of the assets recognised and because it involves the application of significant estimates (notes 3.5 and 3.5.1) of future taxable profits, which affects the assessment of their recoverability.	
Evaluation of the recoverability of the Group's assets in Venezuela	
As disclosed in note 20.3 to the accompanying consolidated financial statements, the Group's financial exposure in Venezuela at 31 December 2022 amounted to €411 million. This amount mainly includes the investment in the joint venture Cardon IV, S.A. amounting to €158 million (note 13) and the US dollar financing granted by the Group to the joint venture Petroquiriquire, S.A. amounting to €347 million (note 8.1) and trade receivables from Petróleos de Venezuela, S.A. (PDVSA) amounting to €318 million, which are recorded as Other non-current assets (note 14), less provisions for liabilities and charges amounting to €501 million (note 13). As detailed in note 20.3, although future expectations in Venezuela have improved as a result, mainly, of a relative decrease in the coercive measures of the Government of the United States of America, the general situation of the country continues to be affected by a very significant drop in the gross domestic product in recent years, a regulated exchange system, high levels of inflation and continued devaluations of the local currency, an oil sector whose production has been significantly reduced in recent years, political instability and international sanctioning measures, among others. Furthermore, except in the case of Quiriquire Gas, S.A., whose carrying value is zero, the functional currency of the investments in Venezuela is the US dollar, as indicated in note 20.3 to the accompanying consolidated financial statements. In the context described above, the Group has analysed the recoverability of its investments in Venezuela and the credit risk relating to the PDVSA receivables, recording an impairment of €266 million in the consolidated income statement, as detailed in note 20.3.	Our analysis commenced with an understanding of the processes the Group has in place for performing the asset value analysis, including the relevant controls. With the collaboration of our team in Venezuela, we have gained an understanding of the political, social and economic situation in the country. In relation to the financial information of the joint venture Cardón IV, S.A. included in the consolidated financial statements, we have assessed the competence and objectivity of this component's auditor and have obtained and evaluated the auditor's reports, including its overall findings, conclusions and opinion. We have also evaluated the financial information of the joint venture Petroquiriquire, S.A., which has been included in the Group's consolidated financial statements. In relation to the analysis of impairment losses on non-current assets in the above companies, we have performed audit procedures such as those described in the key audit matter *"Assessment of the recoverability of the carrying amount of the Group's intangible assets, property, plant and equipment and joint ventures considering the impacts of the energy transition and climate change"* referred to above. We have also analysed the reasonableness of the provision for liabilities and charges. In addition, to analyse the credit risk of the loans granted to the joint ventures and the receivables from PDVSA, we have performed the following audit procedures, among others: • Obtaining and evaluating the loan agreements with Cardón IV, S.A. and Petroquiriquire, S.A., as well as other relevant contractual information.

Key audit matters	How our audit addressed the key audit matters
To determine the expected credit losses associated with loans to the joint ventures and the PDVSA receivables, the Group has engaged an independent expert to validate management's judgements. This matter requires a high level of judgement and estimation (note 20.3) by management when assessing the recoverability of its assets in Venezuela and has therefore been considered as a key audit matter.	• Analysing the reasonableness of the expected credit loss model prepared by management. • We have analysed the information contained in the report of the independent expert engaged by the Group to assess management's judgements on the Venezuela credit risk and have assessed this expert's competence and objectivity, to satisfy ourselves that the expert was suitably qualified to carry out this assignment. Finally, we have assessed the sufficiency of the information disclosed in the consolidated financial statements regarding the situation in Venezuela, the Group's presence in that country and the assumptions underlying the measurement of these assets. On the basis of our work, we believe that the assumptions and estimates made by Group management concerning the recoverability of the assets analysed are consistent with the evidence obtained.
Analysis of the effects of the partial arbitral award relating to the acquisition of Talisman Energy UK Limited (TSEUK), now named Repsol Sinopec Resources UK Limited (RSRUK)	
As indicated in note 15 of the accompanying notes to the consolidated financial statements, Addax Petroleum UK Limited (Addax) and Sinopec International Petroleum Exploration and Production Corporation (Sinopec) submitted a "Notice of arbitration" against Talisman Energy Inc. (now Repsol Oil & Gas Canada Inc. – ROGCI) and Talisman Colombia Holdco Limited (TCHL) in connection with the purchase of 49% of the shares in RSRUK in 2012 by Addax and Sinopec. This transaction took place before the Talisman Group was acquired by the Repsol Group in 2015. The Arbitration Court decided to split the proceeding into two phases: the first relating to the liability for the five matters in dispute (Reserves, Production, Abandonment, Projects and Maintenance) and the second phase in which the amount of liability would be decided, if applicable.	Our audit procedures in relation to this matter included, among others, the following: • We met with Group management to gain an understanding of their analysis and assess the risks underlying the awards. • We obtained the Group's external lawyers' evaluation of the classification of the risks identified for the Repsol Group in the partial awards and related implications. • With the help of our legal specialists, we analysed the documents relating to the partial awards issued to date and we assessed whether the risks identified in the partial awards by the internal and external lawyers reflect the content of the documents.

Key audit matters	How our audit addressed the key audit matters
On 29 January 2020, the Singapore Arbitration Court issued a partial award addressing only liability for the Reserves matter. In that partial award, the Arbitration Court decided that ROGCI and TCHL are liable to Sinopec and Addax for that matter. As a result of this partial award, the Group recognised a provision in prior years. On 20 April 2021, the Arbitration Court issued a new partial award, completing the liability phase, in which TCHL and ROGCI were declared liable for the Production matter and the claims made by Addax and Sinopec for liabilities in relation to the other matters were rejected. Following this award, the arbitration proceeding will continue in the quantification phase and a decision is not expected until the final quarter of 2023. The Group challenged the two awards referred to above before the Singapore courts. However, in January 2023 the courts handed down a judgement disallowing the appeals for annulment lodged by the Group. The partial award of 20 April 2021 allows the liabilities that could derive from this arbitration proceeding to be estimated and therefore the Group, assisted by external lawyers and advisors, recognised a provision to cover arbitration risks in prior years. This is a key matter as it involves critical judgements and significant estimates (notes 3.5 and 15.2) by management in the calculations made, which are subject to uncertainty, and due to the fact that changes in the course of the arbitration proceeding could have a material impact on the Group's consolidated financial statements.	• We gained an understanding and assessed the method applied by the Group to quantify the risks reflected in its analysis of the awards and we checked whether the risks quantified by the Group match those reflected in the awards issued. • We compared the estimates with the arbitration documents and checked the mathematical accuracy of management's calculations. • We verified that the amounts recognised in the consolidated financial statements match the results of the above-mentioned calculations. • We evaluated the sufficiency of the information disclosed in the consolidated financial statements with respect to this matter. On the basis of the procedures carried out, we consider that management’s approach and conclusions, and the information disclosed in the accompanying consolidated financial statements, are consistent with the available evidence.

Other information: Consolidated management report

Other information comprises only the consolidated management report for the 2022 financial year, the formulation of which is the responsibility of the Parent company's directors and does not form an integral part of the consolidated financial statements.

Our audit opinion on the consolidated financial statements does not cover the consolidated management report. Our responsibility regarding the consolidated management report, in accordance with legislation governing the audit practice, is to:

a) Verify only that certain information included in the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration, as referred to in the Auditing Act, have been provided in the manner required by applicable legislation and, if not, we are obliged to disclose that fact.

b) Evaluate and report on the consistency between the rest of the information included in the consolidated management report and the consolidated financial statements as a result of our knowledge of the Group obtained during the audit of the aforementioned financial statements, as well as to evaluate and report on whether the content and presentation of this part of the consolidated management report is in accordance with applicable regulations. If, based on the work we have performed, we conclude that material misstatements exist, we are required to report that fact.

On the basis of the work performed, as described above, we have verified that the information mentioned in section a) above has been provided in the manner required by applicable legislation and that the rest of the information contained in the consolidated management report is consistent with that contained in the consolidated financial statements for the 2022 financial year, and its content and presentation are in accordance with applicable regulations.

Responsibility of the directors and the audit and control committee for the consolidated financial statements

The Parent company's directors are responsible for the preparation of the accompanying consolidated financial statements, such that they fairly present the consolidated equity, financial position and financial performance of the Group, in accordance with IFRS-EU and other provisions of the financial reporting framework applicable to the Group in Spain, and for such internal control as the aforementioned directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Parent company's directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the aforementioned directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Parent company's audit and control committee is responsible for overseeing the process of preparation and presentation of the consolidated financial statements.

Auditor’s responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with legislation governing the audit practice in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with legislation governing the audit practice in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent company's directors.

- Conclude on the appropriateness of the Parent company's directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Parent company's audit and control committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Parent company's audit and control committee with a statement that we have complied with relevant ethical requirements, including those relating to independence, and we communicate with the aforementioned those matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Parent company’s audit and control committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

European single electronic format

We have examined the digital files of the European single electronic format (ESEF) of Repsol, S.A. and investees comprising the Repsol Group for the financial year that comprise an XHTML file which includes the consolidated financial statements for the financial year and XBRL files with tagging performed by the entity, which will form part of the annual financial report.

The directors of Repsol, S.A. are responsible for presenting the annual financial report for the financial year 2022 in accordance with the formatting and markup requirements established in the Delegated Regulation (EU) 2019/815 of 17 December 2018 of the European Commission (hereinafter the ESEF Regulation).

Our responsibility is to examine the digital files prepared by the Parent company's directors, in accordance with legislation governing the audit practice in Spain. This legislation requires that we plan and execute our audit procedures in order to verify whether the content of the consolidated financial statements included in the aforementioned digital files completely agrees with that of the consolidated financial statements that we have audited, and whether the format and markup of these accounts and of the aforementioned files has been affected, in all material respects, in accordance with the requirements established in the ESEF Regulation.

In our opinion, the digital files examined completely agree with the audited consolidated financial statements, and these are presented and have been marked up, in all material respects, in accordance with the requirements established in the ESEF Regulation.

Report to the audit and control committee of the Parent company

The opinion expressed in this report is consistent with the content of our additional report to the audit and control committee of the Parent company dated 16 February 2023.

Appointment period

The General Ordinary Shareholders' Meeting held on 6 May 2022 appointed us as auditors of the Group for a period of one year, for the year ended 31 December 2022.

Previously, we were appointed by resolution of the General Ordinary Shareholders' Meeting for a period of three years and we have audited the accounts continuously since the year ended 31 December 2018.

Services provided

Services provided to the Group for services other than the audit of the accounts are disclosed in note 29.3 to the consolidated financial statements.

PricewaterhouseCoopers Auditores, S.L. (S0242)

Iñaki Goiriena Basualdu (16198)

16 February 2023

2022

REPSOL Group

Consolidated financial statements

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

The Repsol Commitment
Net Zero Emissions
by 2050

REPSOL

Repsol, S.A. and Investees comprising the Repsol Group
Balance sheet at December 31, 2022 and 2021

Balance sheet		€ Million	
ASSETS	Note	**12/31/2022**	**12/31/2021**
Intangible assets	11	1,976	3,497
Property, plant and equipment	12	22,470	21,726
Investments accounted for using the equity method	13	4,302	3,554
Non-current financial assets	8	1,437	1,249
Deferred tax assets	22	2,757	2,878
Other non-current assets	14	839	908
NON-CURRENT ASSETS		**33,781**	**33,812**
Non-current assets held for sale		—	605
Inventories	16	7,293	5,227
Trade and other receivables	17	9,027	8,238
Other current assets		293	326
Other current financial assets	8	3,058	2,451
Cash and cash equivalents	8	6,512	5,595
CURRENT ASSETS		**26,183**	**22,442**
TOTAL ASSETS		**59,964**	**56,254**

		€ Million	
EQUITY AND LIABILITIES	Note	**12/31/2022**	**12/31/2021**
Shareholders' equity		24,611	22,320
Other cumulative comprehensive income		683	94
Non-controlling interests		679	380
EQUITY	6	**25,973**	**22,794**
Non-current provisions	15	3,553	3,264
Non-current financial liabilities	7	10,130	10,185
Deferred tax liabilities and other tax items	22	2,194	2,022
Other non-current liabilities	14	1,196	671
NON-CURRENT LIABILITIES		**17,073**	**16,142**
Changes in ownership interest in companies without loss of control		—	460
Current provisions	15	1,579	1,024
Current financial liabilities	7	3,546	4,611
Trade and other payables	18	11,793	11,223
CURRENT LIABILITIES		**16,918**	**17,318**
TOTAL EQUITY AND LIABILITIES		**59,964**	**56,254**

Repsol, S.A. and Investees comprising the Repsol Group
Income statement for the years ending December 31, 2022 and 2021

Income statement	Note	€ Million 2022	2021
Sales		74,828	49,480
Income from services rendered and other income		325	265
Changes in inventories of finished goods and work in progress		595	759
Procurements		(56,178)	(37,448)
Amortization and depreciation of non-current assets		(2,339)	(2,004)
(Provision for)/Reversal of impairment provisions		(2,673)	(663)
Personnel expenses		(1,967)	(1,802)
Transport and freights		(1,781)	(1,103)
Supplies		(858)	(769)
Gains/(Losses) on disposal of assets		77	10
Other operating income / expenses		(4,169)	(2,968)
OPERATING INCOME / (LOSS)	19	**5,860**	**3,757**
Net interest		(81)	(152)
Change in fair value of financial instruments		941	644
Exchange gains/(losses)		(434)	(131)
(Provision for)/Reversal of impairment provisions of financial instruments		49	27
Other financial income and expenses		(144)	(117)
FINANCIAL RESULT	21	**331**	**271**
NET INCOME FROM INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD [(1)]	13	989	301
NET INCOME / (LOSS) BEFORE TAX		**7,180**	**4,329**
Income tax	22	(2,835)	(1,801)
CONSOLIDATED NET INCOME / (LOSS) FOR THE PERIOD		**4,345**	**2,528**
NET INCOME / (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		(94)	(29)
NET INCOME / (LOSS) ATTRIBUTABLE TO THE PARENT		**4,251**	**2,499**

EARNINGS PER SHARE ATTRIBUTABLE TO THE PARENT	23		**Euros / share**
Basic		2.96	1.64
Diluted		2.96	1.64

Note: The "Other operating income" and "Other operating expenses" headings of operating income that were presented separately in previous years have been grouped into a single heading called "Other operating income/(expenses)" for the purposes of simplification and improving the clarity of the consolidated income statement. These headings are detailed by item in Note 19.8.
[(1)] Net of taxes.

Repsol, S.A. and investees comprising the Repsol Group

Statement of recognized profit or loss corresponding to the years ending December 31, 2022 and 2021

Statement of recognized income and expense	€ Million	
	2022	**2021**
CONSOLIDATED NET INCOME / (LOSS) FOR THE PERIOD	**4,345**	**2,528**
Due to actuarial gains and losses	18	7
Investments accounted for using the equity method	6	21
Equity instruments with changes through other comprehensive income	(29)	(1)
Tax effect	(1)	(8)
OTHER COMPREHENSIVE INCOME / (LOSS). ITEMS NOT RECLASSIFIABLE TO NET INCOME / (LOSS)	(6)	19
Cash flow hedging:	**(336)**	**133**
Valuation gains / (losses)	(490)	173
Amounts transferred to the income statement	154	(40)
Translation differences:	**835**	**820**
Valuation gains / (losses)	848	1,081
Amounts transferred to the income statement	(13)	(261)
Investments in joint ventures and associates:	**11**	**—**
Valuation gains / (losses)	11	—
Amounts transferred to the income statement	—	—
Tax effect	**119**	**34**
OTHER COMPREHENSIVE INCOME / (LOSS). ITEMS RECLASSIFIABLE TO NET INCOME	629	987
TOTAL OTHER COMPREHENSIVE INCOME / (LOSS)	**623**	**1,006**
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	**4,968**	**3,534**
a) Attributable to the parent	4,896	3,505
b) Attributable to non-controlling interests	72	29

Repsol S.A. and Investees comprising the Repsol Group

Statement of changes in equity corresponding to the years ending December 31, 2022 and 2021

Statement of changes in equity	**Equity attributable to the parent and other equity instrument holders**							
	Shareholders' equity							
€ Million	Share capital	Share premium, reserves & dividends	Treasury shares and own equity investments	Net income for the period attributable to the parent	Other equity instruments	Other cumulative comprehensive income	Non-controlling interests	**Equity**
Closing balance at 12/31/2020	**1,568**	**21,132**	**(162)**	**(3,289)**	**1,936**	**(890)**	**244**	**20,539**
Total recognized income/(expenses)	**—**	**20**	**—**	**2,499**	**—**	**986**	**29**	**3,534**
Transactions with partners or owners:								
Share capital increase/(reduction)	(41)	(386)	427	—	—	—	—	—
Dividends and shareholder remuneration	—	(916)	—	—	—	—	—	(916)
Transactions with treasury shares and own equity investments (net)	—	46	(906)	—	—	—	—	(860)
Increases/(reductions) due to changes in scope	—	115	—	—	—	—	104	219
Other transactions with partners or owners	—	—	—	—	—	—	—	—
Other equity variations:								
Transfers between equity-line items	—	(3,289)	—	3,289	—	—	—	—
Subordinated perpetual obligations	—	(63)	—	—	340	—	—	277
Other variations	—	(4)	—	—	4	(2)	3	1
Closing balance at 12/31/2021	**1,527**	**16,655**	**(641)**	**2,499**	**2,280**	**94**	**380**	**22,794**
Total recognized income/(expenses)	**—**	**23**	**—**	**4,251**	**—**	**622**	**72**	**4,968**
Transactions with partners or owners:								
Share capital increase/(reduction)	(200)	(2,267)	2,467	—	—	—	—	—
Dividends and shareholder remuneration	—	(944)	—	—	—	—	(66)	(1,010)
Transactions with treasury shares and own equity investments (net)	—	36	(1,829)	—	—	—	—	(1,793)
Increases/(reductions) due to changes in scope	—	735	—	—	—	32	299	1,066
Other transactions with partners or owners	—	—	—	—	—	—	—	—
Other equity variations:								
Transfers between equity-line items	—	2,499	—	(2,499)	—	—	—	—
Subordinated perpetual obligations	—	(60)	—	—	2	—	—	(58)
Other variations	—	73	—	—	4	(65)	(6)	6
Closing balance at 12/31/2022	**1,327**	**16,750**	**(3)**	**4,251**	**2,286**	**683**	**679**	**25,973**

Repsol S.A. and investees comprising the Repsol Group

Statement of cash flows corresponding to the years ending December 31, 2022 and 2021

Statement of cash flows	Note	€ Million 2022	2021
Income before tax		**7,180**	**4,329**
Adjustments to income:		**4,026**	**2,390**
Amortization of non-current assets	11 and 12	2,339	2,004
Other (net)		1,687	386
Changes in working capital		(1,375)	(1,107)
Other cash flows from operating activities:		**(1,999)**	**(935)**
Dividends received		753	281
Income tax refunded/(paid)		(2,398)	(920)
Other proceeds from/(payments for) operating activities		(354)	(296)
CASH FLOWS FROM OPERATING ACTIVITIES	24	**7,832**	**4,677**
Payments for investments:	11 and 12	**(5,096)**	**(4,234)**
Group companies and associates		(193)	(539)
Property, plant and equipment, intangible assets and investment property		(3,535)	(1,902)
Other financial assets		(1,368)	(1,793)
Proceeds from divestments:		**962**	**1,277**
Group companies and associates		124	270
Property, plant and equipment, intangible assets and investment property		473	105
Other financial assets		365	902
Other cash flows from investing activities		**31**	**24**
CASH FLOWS FROM INVESTING ACTIVITIES	24	**(4,103)**	**(2,933)**
Proceeds from and (payments for) equity instruments:	6	**(1,714)**	**(382)**
Issue		—	746
Return and redemption		—	(406)
Acquisition		(1,884)	(1,123)
Disposal		170	401
Changes in ownership interest in companies without loss of control	6	**1,155**	**200**
Acquisition		—	**(23)**
Disposal		**1,155**	**223**
Proceeds from and (payments for) financial liability instruments:	7	**(1,148)**	**825**
Issuance		13,500	11,417
Repayment and redemption		(14,648)	(10,592)
Payments on shareholder remuneration and other equity instruments	6	**(1,027)**	**(625)**
Other cash flows from financing activities:		**(98)**	**(547)**
Net interest payments and payments under leases		(365)	(356)
Other proceeds from/(payments for) financing activities		267	(191)
CASH FLOWS FROM FINANCING ACTIVITIES	24	**(2,832)**	**(529)**
EXCHANGE RATE FLUCTUATIONS EFFECT		**20**	**59**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	24	**917**	**1,274**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		**5,595**	**4,321**
CASH AND CASH EQUIVALENTS AT END OF PERIOD:	8	**6,512**	**5,595**
Cash and banks		2,676	2,508
Other financial assets		3,836	3,087

NOTES

(1) The Appendices form an integral part of the consolidated Financial Statements.

GENERAL INFORMATION

(1) About these Financial Statements

These consolidated Financial Statements of Repsol, S.A.[1] and its investees, comprising the Repsol Group, present fairly the Group's equity and financial position and its results, as well as the consolidated equity and the consolidated cash flows for the period ending December 31, 2022.

They are presented in accordance with the International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB), adopted by the European Union (EU) as of December 31, 2022, and other provisions of the applicable regulatory framework. Compliance with accounting regulations requires the company to apply criteria and policies (see Note 3.4); preparing the information contained in these financial statements also requires accounting estimates and judgments to be made that may be significant (see Note 3.5).

Repsol has a strategy to be a net zero emissions company by 2050, in line with the objectives of the Paris[2] Climate Summit and the United Nations Sustainable Development Goals. These financial statements include information that reflects the impacts of climate change and the dynamics of energy transition (see Notes 3.5.2 and Appendix III) In addition, that established in the IASB publication "Effects of Climate-Related Issues on Financial Statements" on the impact of climate change on the application of IFRSs in financial reporting was taken into account in preparing these Financial Statements.

The preparation of the consolidated Financial Statements is the responsibility of the directors of Repsol, S.A., the parent company of the Group. They were authorized for issue by the Board of Directors of Repsol, S.A. at its meeting held on February 15, 2023 and they will be submitted for approval at the Annual General Meeting; it is expected that they will be approved without any modifications. The 2021 consolidated Financial Statements were approved at Repsol's Annual General Meeting held on May 6, 2022.

The Group's consolidated Management Report, which includes financial and non-financial information and, in particular, the consolidated Statement of Non-Financial Information and other information on sustainability, including Environmental, Social and Governance (ESG) matters, is published together with the consolidated Financial Statements.

(2) About Repsol

2.1) Repsol Group

Repsol is a group of companies with a presence worldwide (hereinafter "*Repsol*", "*Company*", "*Repsol Group*" or "*Group*") that, with a vision of being a multi-energy efficient, sustainable and competitive company, performs activities in the hydrocarbon sector throughout its entire value chain (exploration, development and production of crude oil and natural gas, refining, production, transportation and sale of a wide range of oil and petrochemical products, oil derivatives and natural gas), as well as activities for the generation and sale of electricity[3]. The Group comprises more than 300 companies, subsidiaries, joint arrangements and associates incorporated in 36 countries (mainly in Spain, the United States and the Netherlands) that occasionally carry out activities abroad through branches, permanent establishments, etc. The Group's main companies and the summarized corporate organization chart are presented in section 2.3 of the 2022 consolidated Management Report.

[1] The financial statements , together with the 2022 consolidated Management Report of Repsol S.A, can be seen on the Repsol website. Additionally, as supplementary information, Repsol publishes the "Information on hydrocarbon Upstream activities" and the "Report on payments to public administrations for hydrocarbon Upstream activities", also available on the Repsol website.
[2] The Paris Agreement has had a significant impact on the development of new climate policies and the approval of new regulations. The European Union (EU), having assumed the commitment of climate neutrality by 2050 and "The European Green Deal," which constitutes the new growth strategy of the EU, has approved different regulations on this matter. Spain is also issuing different legislative packages on this matter, so the regulations on climate change and energy transition are evolving continuously. For more information, see Appendix III.
[3] For more information see section 2.1 Value chain and business segments of 2022 consolidated Management Report.

The Group operates in several business segments, the main metrics and scope of which are summarized below:

Segment information	**Income from ordinary activities [5]**		**Operating income**		**Adjusted net income**		**Free cash flow**		**Capital employed**	
€ Million	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Upstream [1]	7,484	4,924	5,705	3,027	3,029	1,687	3,983	2,465	12,282	12,348
Industrial [2]	37,315	25,502	4,315	792	3,150	606	1,547	196	11,108	11,163
Commercial and Renewables [3]	33,925	21,703	809	761	540	542	(26)	475	4,667	4,451
Corporate [4] and others	—	1	(181)	(208)	(58)	(381)	(293)	(297)	172	594
TOTAL	**78,724**	**52,130**	**10,648**	**4,372**	**6,661**	**2,454**	**5,211**	**2,839**	**28,229**	**28,556**

Note: Figures calculated in accordance with the Group's reporting model described in Note 4 and Appendix I.
[1] Activities involving the exploration, development and production of crude oil and natural gas reserves.
[2] Activities involving refining, petrochemicals, trading and transportation of crude oil and other products and the sale, transportation and regasification of natural gas and liquefied natural gas (LNG).
[3] Sale of electricity and gas, mobility and the sale of oil products and liquefied petroleum gases (LPG), as well as low-carbon power generation and electricity generation from renewable sources.
[4] Corresponds to the operating expenses of the corporation and, specifically, those of the Group's management that have not been invoiced as services to the businesses, the financial result and inter-segment consolidation adjustments
[5] Corresponds to the sum of the "*Sales*" and "*Services rendered and other income*" (see Appendix I).

In relation to changes in the composition of the Group in 2022, the divestments in the Upstream segment and the acquisition and dilution agreements for assets linked to the energy transition described in Note 4.4 stand out.

For further information on the Group's composition and the changes in its corporate structure, see Appendices IIA, IIB and IIC.

2.2) Parent company

The parent company of the Group is Repsol, S.A. It is registered at the Madrid Companies Register on sheet no. M-65289; its tax ID number (C.I.F.) is A-78/374725 and its National Classification of Economic Activities (C.N.A.E.) no. is 70.10.

Repsol, S.A. is a private-law entity, incorporated in accordance with Spanish law, which is subject to the Spanish Companies Act (*Ley de Sociedades de Capital*), and all other legislation related to listed companies.

Its registered office is located at Calle Méndez Álvaro, 44, Madrid, where the Shareholder Information Office is also located, the telephone number of which is 900 100 100.

The shares of Repsol, S.A. are represented by book entries and listed on the continuous market of the Spanish stock exchanges (Madrid, Barcelona, Bilbao and Valencia). The Company also has an ADS (American Depositary Shares) Program, which is quoted on the OTCQX market (a platform in the US over-the-counter markets that differentiates those issuers with better market information policies and solid business activities).

(3) Criteria for the preparation of these Financial Statements

3.1) General principles

The consolidated Financial Statements were prepared based on the accounting records of Repsol, S.A. and its investees. They are presented in accordance with the International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB), adopted by the European Union (EU) as of December 31, 2022, and other provisions of the applicable regulatory framework.

Repsol prepares its consolidated financial statements including the investments in all its subsidiaries, joint arrangements and associates, whose accounting standards have been unified with those of the parent in order to present consolidated financial statements by applying uniform accounting policies.

The consolidated Financial Statements are presented in millions of euros, which is also the functional currency of the parent company, except when another unit is mentioned.

3.2) Comparative information

The new developments in the accounting standards applied by the Group as of January 1, 2022[4] did not have a significant impact given their nature and scope.

3.3) New standards issued for mandatory application in future years

The standards and amendments to standards issued by the IASB that will be mandatory in future reporting periods are listed below:

Standards and amendments to standards	
Adopted by the European Union	**Date of first application**
IFRS 17 "*Insurance Contracts*" (1)	January 1, 2023
Amendments to IFRS 17 - Initial application of IFRS 17 and IFRS 19 - Comparative information(2)	January 1, 2023
Amendments to IAS 1 – Breakdown of accounting policies information	January 1, 2023
Amendments to IAS 8 – Definition of accounting estimates	January 1, 2023
Amendments to IAS 12 - *Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction*(3)	January 1, 2023
Pending adoption by the European Union	
Amendments to IAS 1 - *Classification of Liabilities as Current or Non-Current* (4)	January 1, 2024
Amendments to IAS 1 - *Non-current liabilities with covenants*(5)	January 1, 2024
Amendments to IFRS 16 - *Lease liability in a sale and leaseback*(6)	January 1, 2024
Amendments to IFRS 10 and IAS 28 - *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Undefined

(1) Includes the Amendments to IFRS 17 issued by the IASB on June 25, 2020.
(2) Modifications adopted by the EU on September 8, 2022.
(3) Modifications adopted by the EU on August 11, 2022.
(4) Includes the deferral of the first application of the Amendments to IAS 1 issued on July 15, 2020.
(5) Modifications issued on October 31, 2022.
(6) Modifications issued on September 22, 2022.

The Group is analyzing the potential impacts that these regulatory changes could have on its consolidated financial statements, although to date none of significance have been identified. Specifically, with regard to the first application of IFRS 17 Insurance contracts, as of January 1, 2023, the Group has carried out an analysis of all contracts that may fall within the scope of the standard. Based on this analysis, (i) it was determined that no contracts outside the insurance activity would be within the scope of the standard, according to the scope exceptions mentioned in the standard itself; and (ii) that contracts within the scope of the standard, which are practically all short-term contracts, are eliminated in the consolidation process, in accordance with IFRS 10, and thus have not been identified as having any significant impact on the consolidated financial statements.

3.4) Accounting policies

It should be noted that the significant accounting policies and options are highlighted, in text boxes, throughout the notes to these Financial Statements, except for those that , due to their more cross-cutting or general nature, are detailed below:

<u>Consolidation principles</u>

Repsol classifies investments as subsidiaries, joint arrangements and associates based on the control exercised over them:

i. subsidiaries: those over which Repsol exercises control and are consolidated under the full consolidation method;

ii. joint arrangements: those in which strategic operational and financial decisions require the unanimous consent of the parties sharing control (joint control) and are classified as: a) joint operations arranged through a *Joint Operating Agreement* (JOA) or similar vehicle that does not limit the risks and rewards of the venturer and that are included in the financial statements of the partners based on the ownership interest in the assets, liabilities, income and expenses arising from the agreement; or b) *Joint Ventures* (JVs) that represent an interest in the net assets of the agreement and that are accounted for using the equity method; and

iii. associates: interests over which it has significant influence, which do not require consent from Repsol in making strategic operational and financial decisions but over which it has the power to participate, and that are accounted for using the equity method.

[4] The following standards have been applied as of January 1, 2022 with no significant impact on the Group's financial statements: (i) Amendments to IFRS 3 — Reference to the Conceptual Framework; (ii) Amendments to IAS 16 — Sales of goods from assets under construction during the test period; (iii) Amendments to IAS 37 — Onerous Contracts: Costs of Fulfilling a Contract; and (iv) Annual Improvements to IFRS 2018-2020.

Functional currency

The items included in these consolidated Financial Statements relating to the Group companies are measured using their functional currency, which is the currency of the main economic environment in which they operate; when this differs from the presentation currency of the financial statements, the conversion is carried out as stated below: (i) the assets and liabilities in each of the balance sheets presented are translated applying the closing exchange rate on the balance sheet date, (ii) income and expense items are translated applying the average cumulative exchange rate for the financial year in which the transactions were performed (however, the transaction-date exchange rate is used to translate significant transactions), and (iii) any exchange differences arising as a result of the foregoing are recognized under "*Equity - Translation differences*".

Transactions in currencies other than the functional currency of a Group company are deemed to be 'foreign currency transactions' and are translated to the functional currency by applying the exchange rates prevailing at the date of the transaction. At each year end, the foreign currency monetary items on the balance sheet are measured applying the exchange rate prevailing at that date and the exchange rate differences arising from such measurement are recognized under "Financial result - *Exchange gains/(losses)*".

Hydrocarbon upstream activities

Repsol recognizes hydrocarbon Upstream activities using mainly *successful-efforts* accounting. Under this method, the various costs incurred are treated as follows for accounting purposes:

- The costs of acquiring new interests (including bonds, legal costs, etc.) in areas with reserves, including those acquired in business combinations, are capitalized under *"Investments in areas with reserves"* in property, plant and equipment.

- The costs of acquiring exploration permits and the geological and geophysical (G&G) costs incurred during the exploration phase are capitalized under *"Exploration permits"* in intangible assets.. They are not amortized during the exploration and evaluation phase and they are tested for impairment at least once a year and, in any case, when there is an indication that they may have become impaired, in accordance with the indicators of IFRS 6 *"Exploration for and evaluation of mineral resources"*. Once the exploration and evaluation phase is over, if no economically viable reserves are found, the amounts capitalized are recognized as an expense in the income statement.

- Exploratory drilling costs are capitalized under "*Investments in exploration*" in property, plant and equipment until it is determined whether reserves justifying their commercial development have been found. If no economically viable reserves are found, the capitalized drilling costs are recognized in the income statement. In the event that reserves are found, but remain under evaluation for their classification as proved (see next section), their recognition depends on the following:

    a. If additional investments are required prior to the start of production, they continue to be capitalized as long as the following conditions are met: (i) the amount of reserves found justifies the completion of a productive well if the required investment is made, and; (ii) satisfactory progress has been made in the evaluation of reserves and the operational viability of the project. If any of these conditions fails to be met, they are treated as impaired, and are expensed in the income statement.

    b. In all other cases, if there is no commitment to carry out significant activities to evaluate the reserves or develop the project within a reasonable period after well drilling has been completed, they are recognized as an expense in the income statement.

- The costs incurred in exploratory drilling work that have yielded a commercially exploitable reserve are reclassified (along with the associated exploration and G&G licenses - *"Exploration investments"*) at their carrying amount to *"Investments in areas with reserves"* under property, plant and equipment.

- Exploration costs other than G&G costs, excluding the costs of drilling exploration wells and exploration licenses, are recognized as an expense in the income statement when incurred.

- Development expenditure incurred in extracting, processing or storing hydrocarbon is capitalized under "*Investments in areas with reserves"* in property, plant and equipment.

– Future field abandonment and decommissioning costs are capitalized at their present value when they are initially recognized under *"Investments in areas with reserves"* against the line item for decommissioning provisions (see Note 15).

– The investments capitalized are depreciated according to the unit of production method and in accordance with the following criteria:

  a. Investments made for the acquisition, discovery, development and production of proven and probable reserves (including exploration costs reclassified to investments in areas with reserves), are amortized based on the relationship between production for the year and the reserves that are expect to be produced without needing to incur additional investment

  b. The costs incurred in surveys for the development and extraction of hydrocarbon reserves are depreciated on the basis of the relationship between the production for the year and the total expected to be obtained of proven reserves most likely to be developed (see next section).

The changes in estimated reserves are considered on a prospective basis in calculating depreciation.

3.5) Accounting estimates and judgments

The preparation of financial statements in accordance with applicable accounting principles makes it necessary to make judgments and estimates that affect the recognition and valuation of assets and liabilities, income and expenses for the period, and the breakdown of the contingent assets and liabilities. The actual results could differ significantly depending on the estimates made.

The accounting policies and areas that require the highest degree of judgment and estimates in the preparation of these financial statements are: (i) crude oil and natural gas reserves (see Note 3.5.1); (ii) recoverable amount of assets (see Note 3.5 and Note 20); (iii) provisions for litigation, decommissioning and other contingencies, such as those caused by environmental damage (see Notes 15 and 29.1); (iv) income tax, tax credits and contingencies, and deferred tax assets (see Note 22); (v) market value of derivative financial instruments (see Notes 7, 8 and 9); (vi) expected loss on financial instruments (see Notes 10.3 and 20.3); and (vii) assessment of investments in Venezuela (see Notes 13 and 20.3).

Additionally, the main estimates and accounting judgments made by Repsol's management and director, when preparing the consolidated financial statements, related to the expected effects of climate change and the energy transition, and with risk of significant impact on the book value of assets and liabilities at December 31, 2022, are described below:

3.5.1) Calculating the recoverable amount of the assets

Methodology

The methodology used by the Group to estimate the recoverable amount of assets is, in general, the value in use calculated by discounting to present value the future cash flows after tax expected to derive from the operation of these assets.

The cash flow projections are based on the best available estimates of the income, expenses and investments of the different cash-generating units (CGUs)[5], whereby they use sector forecasts, prior results and the outlook for the performance of the business and development of the market that consider scenarios for the energy transition and decarbonization of the economy that are consistent with the objectives of the Paris Climate Summit and with the decarbonization commitments made by Repsol. See Note 3.5.2 of these consolidated financial statements and section 6.1 of the Group's consolidated Management Report:

[5] Cash-generating unit: the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The recoverability of the Group's investments in associates or joint ventures is assessed by comparing their recoverable amount with their carrying amount (see Note 13). The recoverable amount of an investment in an associate or joint venture is assessed individually, unless the associate or joint venture does not generate cash inflows that are largely independent of those from the Group's other assets or CGUs.

Main macroeconomic assumptions

Macroeconomic variables are those used in the preparation of the budgets and business plans.

- The macroeconomic framework for the countries in which the Group operates takes into consideration variables such as inflation, GDP, exchange rate, etc. and is prepared on the basis of the content of internal reports that use in-house estimates, based on updated external information of relevance (forecasts prepared by consultants and specialized entities).
- The oil, natural gas, electricity and CO_2 price paths used for the impairment test are our own estimates, which are compared with the scenarios given by international agencies and other market players. The paths are developed on the basis of available macroeconomic, financial and market information and the forecasts provided by analysts.

  In particular, crude oil and gas prices are calculated by analyzing key market variables and their foreseeable trend, including our own forecasts of the balance of supply and demand of energy and prices. The longer-term vision is also explained by monitoring other variables such as the decline of crude oil and gas fields, the current CAPEX, the financial sustainability of companies in the sector to certain price environments, and the dynamics in OPEC countries in terms of fiscal sustainability.

  i. To estimate near-term price trends, forecast reports produced by a selection of investment banks, macro consultants (Platts Analytics, IHS, Wood Mckenzie, Energy Aspects and Oxford Economics) and the International Energy Agency (IEA) are taken into account.
  ii. The source that provides a sufficiently detailed analysis of long-term forecasts is the IEA, a benchmark agency that also carries out detailed studies of supply, demand and price forecasts under different scenarios.

  With all these elements, econometric models of prices are made, which are compared with external forecasts, both public and private.[6]

  In 2022, the Group revised its short and medium-term expectations for future oil and gas prices, with respect to those used in the previous year, in view of the upward dynamics in the commodity markets in 2021, due to the economic recovery, the increase in demand and lower levels of investment, and in 2022, as a consequence of the changes in market dynamics brought on by the Russian invasion of Ukraine. Long term price forecasts for gas, which, as a transition fuel in decarbonization processes, will continue to play a big part in the electricity mix, are also revised upward.

- The most relevant CO_2 price path for the Group in the impairment test corresponds to emission allowance prices in the current EU ETS mechanism. The path used for the impairment test (see Note 20) is aligned with the internal carbon price for making investment decisions on new projects. In 2021, the price path was revised upward with a significant increase over the prices used in 2020, mainly as a result of the more ambitious decarbonization targets announced by Repsol and those set by the European Union (up to 55% - Fit for 55. See Annex IV). In 2022, the path was revised only slightly upward compared to 2021 since the market situation did not change substantially. For other countries with emission allowances or CO_2 taxes, specific assumptions are used.

- Forecasts for electricity prices in Spain are calculated using the Company's own model that weights the influence of the different factors on the wholesale market. Although the model is used mainly for natural gas prices and CO_2 emission allowances, it also reflects the impact of new future developments on renewable generation capacity, as well as economic forecasts that may influence changes in demand. The conclusions obtained are compared with external forecasts that the Company obtains from specialized agencies. In 2022, the price path was revised upward, mainly in the first decade, with a significant increase over the prices used in 2021, to take into account higher gas prices and the effects of the upward cycle of raw materials.

- Regarding the expected demand scenarios for land transport used in the estimation of Repsol's industrial and commercial business cash flows, account was taken of the "Fit for 55" package of measures announced by the European Commission, and the new Repower EU roadmap for decarbonization, which brings forward the ban on the combustion engine and thus accelerates the energy transition in Europe, with significant decreases in the demand for fuels.

[6] The comparison is made to position the internal paths with respect to the averages and standard deviations calculated from the market consensus, which includes, among others, the "STEP" and "APS" scenarios of the World Energy Outlook 2022 - IEA (for more information https://www.iea.org).

To complete the information, given the inherent uncertainty of the long-term assumptions used, sensitivities (positive and negative) to reasonable variations in the main assumptions used in the impairment test (crude oil and gas prices, discount rates, etc.) are offered. See Note 20.2.

Discount rates

Future cash flows are discounted to their present value at a specific rate for each CGU, determined based on the currency of its cash flows and the risks associated with them. The discount rate used by Repsol is the weighted average cost of capital employed after tax for each country and business. This rate seeks to reflect current market assessments with regard to the time value of money and the specific risks of the business. Therefore, the discount rate used takes into account the risk-free rate, the country risk, the currency in which the cash flows are generated, and the market, credit and business risk. For the sake of consistency, estimated future cash flows do not reflect the risks that have already been considered in the discount rate or vice versa. The discount rate used considers the average leverage of the sector over the last five years, as a reasonable approximation of the optimal capital structure, using comparable oil companies as a reference and their main components are as follows:

– The risk-free interest rate for cash flows in US dollars is the US 10-year treasury bond and for cash flows in euros it is the German 10-year sovereign bond, adjusted when rates are negative;
– With regard to country risk, the following are used: (i) market quotations, such as the spread of sovereign bonds in euros or US dollars over debt issued by Germany (euros) or the US (USD), respectively, (ii) country risk estimates contained in the EMBI (Emerging Markets Bond Index) published by JP Morgan, and (iii) country risk estimates published by three external providers - Country Risk Rating (IHS Global Insight), International Country Risk Guide (PRS Group) and Business Monitor (Fitch Group) - all adjusted for specific risks of the business and/or asset;
– A different credit risk premium is used depending on the currency (EUR and USD); and
– Business risk premiums are specifically calculated on the basis of 5-year historical series from comparable companies, for each of the businesses.

Note 20.1 shows the discount rates used in the 2022 impairment test.

Estimated cash flows

For the estimation of cash flows[7] the expected path of the key variables is calculated in accordance with the forecasts used in the annual budget and in the strategic plans of each business, which are prepared using scenarios that consider the energy transition and decarbonization of the economy, and consistent with the decarbonization targets assumed by Repsol (see Note 3.5.2).

However, cash flows only take account of the current state of assets at the time of carrying out the estimate, without considering cash inflows and outflows corresponding to future improvements or restructuring. Specifically, future investments for improvements in the performance of the asset or for technological changes are not taken into account, not even those that can be anticipated today and that may represent a valid asset transformation strategy in the foreseeable context of the energy transition.

Hydrocarbon Upstream assets

Valuations of the production assets of Exploration and Production (Upstream) use cash flow projections for a period that covers the economically productive useful lives of the oil and gas fields, limited by the contractual expiration of the operating permits, agreements or contracts and consistent with the climate and environmental regulations of each country. The maturity of the cash flows ranges between 2030 and 2071. Conventional assets do not go past the year 2050, while non-conventional assets, located in the USA, have a longer productive life. Approximately 97% of the value of the cash flows of these assets will be recovered before 2040, which demonstrates the Group's low exposure to "*stranded*" assets.

The general principles applied to determine the variables that most affect the cash flows of this business are described below:

– Hydrocarbon sale prices. The main international benchmark prices used by the Group are: Brent, WTI (*West Texas Intermediate*) and HH (*Henry Hub*). In countries where international list prices do not reflect local market circumstances, the prices modeled factor in local market prices.

[7] With the first application of IFRS 16 it became necessary to recognize rights of use and their allocation to different CGUs, with the consequent exclusion of fixed lease payments in calculations of value in use.

– Reserves, resources and production profiles. Production profiles are estimated on the basis of the productive life of existing wells and the development plans in place for each productive field. To estimate oil and gas reserves and 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-Society of Petroleum Engineers)". The price paths used in this estimation are the same as in the asset impairment test.

  The estimate of oil and gas reserves and resources[8] is a key component of the Company's decision-making process[9]. The volume of oil and gas reserves and resources is used to calculate depreciation and amortization charges, and to assess the recoverability of the investments in assets and calculate dismantling provisions in the Upstream segment.

  Changes in volumes of reserves and resources could have a significant impact on the Group's results. For information on the Group's reserves, see the document *"Information on oil and gas Upstream activities."*

– Operating expenses and investments. These are calculated for the first year on the basis of the Group's annual budget and thereafter in accordance with the asset development plans.

Assets of the Industrial segment

Cash flows are estimated on the basis of the outlook for their key variables (demand for oil products, unit contribution margins, investments and fixed costs). The main particular features of the most significant businesses are described as follows:

– With regard to Refining in Spain, projections were made up to 2040, foreseeing a drop in activity of around 80%. Demand for oil products is estimated to fall significantly both globally. In this scenario, less investments will be made in the refining sector, which will partly offset the effect of the drop in demand. It should be noted that this reduction in investments in traditional crude oil refining assets (as reflected in the recoverable value of current assets in the 2022 impairment test) does not include new investments in the transformation of industrial complexes in the context of the energy transition and in accordance with the Repsol Group's strategic vision (for example, investments in biofuels and synthetic fuels, circularity, hydrogen, etc.)

  In the short term, the war in Ukraine has generally increased hydrocarbon prices and has caused strengthening of the industrial margins. However, in the long term, the new dynamics caused by the conflict seem to favor an acceleration of the energy transition in Europe (new roadmap for decarbonization, Repower EU[10], bringing forward the ban on the combustion engine) and other public policies may reduce the competitiveness of the traditional refining industry in Spain (new taxes on oil companies), as well as the impact on refinery supply alternatives due to the restrictions on the supply of heavy crudes. In light of the above, a fall has clearly been seen in the outlook for the use and future profitability of the refining industrial complexes, as described in Note 20.1.

– In the Chemicals business, forecasts are made for five years, extrapolating from the fifth year's flow for subsequent years, without applying a growth rate. Chemical products are present throughout the value chain of almost all industries, so they play a fundamental role in facilitating the energy transition and decarbonization and it is estimated that they will remain strong in a scenario of Energy Transition. The use of chemical products and solutions can help address several of the challenges related to the energy transition, and many low carbon technologies rely on innovations in chemistry to become more efficient, affordable and scalable (e.g., materials for photovoltaic panels, weight reduction in vehicles, insulation, food preservation, and energy saving and efficiency).

  In the short term, the context of uncertainty caused by the war in Ukraine is reflected in a drop in demand and margins in the chemical industry, as described in Note 20.1.

– The cash flows for the Wholesale and Trading Gas businesses in North America are projected according to the term of the regasification and gas transportation contracts and were estimated in accordance with the following assumptions:

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[8] Reserves are classified as (i) Proven: the quantities of crude oil, natural gas and natural gas liquids that, with the information available to date, it is estimated can be recovered with reasonable certainty (there should be at least a 90% probability that the recovered quantities will equal or exceed the 1P estimate), (ii) Probable: additional reserves, which, added to the proven reserves, make up the 2P scenario (there should be at least a 50% probability that the quantities recovered will equal or exceed the 2P estimate; this scenario reflects the best estimate of reserves), and (iii) Contingent Resources: quantities of oil and natural gas that are estimated, at a given date, to be potentially recoverable from accumulations known from the application of development projects, but which are not currently considered commercially recoverable due to one or more contingencies. Proven or probable reserves can be developed (expected to be recovered from existing wells and facilities) or undeveloped (expected to be recovered through future investments.)

[9] Independent engineering firms periodically audit registered volumes (at least 95% of the reserves are audited externally in a three-year cycle.)

[10] REPowerEU is the European Commission's plan to make Europe independent of Russian fossil fuels well before 2030. The plan sets out several measures to reduce dependence on Russian fossil fuels rapidly and to bring forward the green transition, while increasing the resilience of the EU-wide energy system. This plan is based on the "Fit for 55" package of proposals. For more information, see Appendix III.

i. Gas and LNG prices. The international benchmark prices used are: HH, Algonquin and TTF (Title Transfer Facility), adjusted in accordance with references in the corresponding market if the prices do not reflect market circumstances.

ii. Gas and LNG sales volumes and margins. The volumes used for cash flow forecasting purposes are estimated on the basis of the contracts in force at year-end and expected activity, all in accordance with the annual budget and strategic plan. Margins factor in historical data, the price forecasts detailed in the previous point and the outlook for margins going forward.

In the short term, the context of uncertainty caused by the war in Ukraine is reflected in a drop in demand for gas and in margins (due to the differential between the European and American markers) in the chemical industry, as described in Note 20.1.

Assets of the Commercial and Renewables segment

– For Commercial businesses, as a general rule, forecasts are made up to 2032. Perpetual income is not taken into account. Reductions in demand for fossil fuels forecast within the framework of European and Spanish decarbonization policies are taken into account, nor a period greater than ten years because, as this is sufficient to demonstrate the recoverability of the book value of current assets, it is unnecessary to assess long-term scenarios subject to high uncertainty under the European regulatory framework

– Forecasts for the electricity generation assets were made according to the expected useful life of the plants, in a range between 13 to 38 years depending on the technology (from lowest to highest: combined cycles, wind and photovoltaic and hydraulic power plants), applying the electricity sale prices included in the power purchase agreements (PPAs) for energy commitments with third parties and the estimate of market prices for the rest.

The recoverability of the Group's investments in associates or joint ventures is assessed by comparing their recoverable amount with their carrying amount (see Note 13). The recoverable amount of an investment in an associate or joint venture is assessed individually, using the same assumptions described previously, unless the associate or joint venture does not generate cash inflows that are largely independent of those from the Group's other assets or cash-generating unit.

3.5.2) Estimates and accounting judgments related to the risks and implications of climate change, decarbonization and the energy transition

The main risks associated with climate change are the so-called "*transitional*" risks[11], associated with the energy transition, and "*physical*" risks[12], which could be exacerbated by the advance of climate change. Given the nature and location of the Company's activities, Repsol is more exposed to transitional risk than to physical risk.

In December 2019, Repsol made public its commitment to be part of the solution in the fight against climate change by orienting its strategy toward being a company with net zero CO2 emissions by 2050, in line with the goals of the Paris summit to limit global warming, and with the United Nations Sustainable Development Goals (SDGs). This objective was the basis for preparing the 2021-2025 Strategic Plan.

The reduction in the Carbon Intensity Indicator (CII)[13], measured in gCO2e/MJ, is the metric used by the Company to monitor and set intermediate decarbonization targets toward reaching the Company's emission neutrality by 2050. The intermediate CII reduction objectives, with respect to 2016 levels, are: 15% in 2025, 28% in 2030 and 55% in 2040. The CII for 2022 (70.3 gCO2e/ MJ) has decreased by 9.6% compared to the base year (2016).

For more information on the strategy and on the risks and opportunities of decarbonization, see section 6.1 Climate Change of the 2022 consolidated Management Report, prepared following the recommendations of the *Task Force on Climate-Related Financial Disclosures* (TCFD)[14], which Repsol has adopted voluntarily.

[11] The main transitional risks are regulatory, legal, technological, market and reputational.
[12] Floods or droughts, forest fires, tropical storms, tectonic movements, etc.
[13] The CII numerator takes account of emissions resulting from the company's activity (direct and indirect emissions from upstream, refining and chemical operations and from electricity generation) and emissions associated with the use of fuel products resulting from our primary energy production (oil and natural gas). The CII denominator includes energy that Repsol makes available to society in the form of end products resulting from the production of primary energy from oil and gas and from low-carbon energy sources. More information is available at www.repsol.com.
[14] G-20 finance ministers and central bank governors asked the Financial Stability Board (FSB) to review how the financial sector could deal with climate-related issues. The Financial Stability Board established a working group on disclosure of climate-related financial information (Task Force) that has prepared recommendations with the following central elements: governance, strategy, risk management, metrics and objectives. More information at https://www.fsb-tcfd.org.

The main accounting estimates and judgments made by Repsol's Management and Directors for the preparation of the consolidated financial statements that are most closely related to the effects of climate change and the energy transition.

<u>Recoverable amount of the assets.</u>

In accordance with IFRS standards, Repsol's financial statements are based on reasonable and sound assumptions that represent the Directors' best current estimate of the range of economic conditions that may exist in the foreseeable future in relation to climate change and energy transition (see 3.5.1).

Both the price paths and the demand, etc. used for the valuation of the assets in the impairment test take account of the commitments to decarbonize the economy and, therefore, assume restrictions on the use of fossil fuels and the development of new alternative technologies to drive the energy transition, which will lead to a reduction in the demand for hydrocarbon products in the medium and long term. Specifically, the assumptions used by Repsol consider energy transition scenarios, driven by decarbonization policies aligned with the climate change objectives of the COP-21 in Paris. The Company's strategy in these scenarios is oriented toward the objective of "net zero emissions" in 2050 (see section 6.1 of the Group's consolidated Management Report).

It is foreseeable that the energy transition will bring with it volatility and uncertainty regarding the evolution of prices and demand for raw materials over the coming decades. Some price paths prepared by third parties foresee a lower structural price for raw materials during the transition period, while other paths foresee higher structural prices as a result of changes in both supply and demand. Consequently, section 6.1. of the 2022 consolidated Management Report includes an analysis assessing the Company's resilience and its ability to achieve its net zero emissions goals by 2050 in different scenarios of decarbonization of the economy in the long term (2031-2050). This responds to the TCFD recommendations: "*Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.*"

In response to the demands of some information users, Note 20 reports the additional impacts that would result from using in the impairment the Net Zero Emissions 1.5°C scenario of the International Energy Agency published in its World Energy Outlook 2022 report[15].

The Group's assets with the greatest exposure to climate change are:

- Upstream activities in which the Group has significantly reduced its exposure in recent years. The capital employed in this business segment has decreased from €21,515 million in December 2018 to €12,282 million at December 31, 2022 (-43%). This reduction is explained by divestments in non-priority assets, by a progressive decrease in the investment effort in exploration, and by significant impairments recognized, in particular those of 2019 (approximately €6,000 million, mainly as a consequence of the evolution of forecasts for crude oil, and gas prices. It should also be taken into account that most of the Group's hydrocarbon reserves are gas (67%), a crucial product to facilitate the energy transition.
- The Refining business in Spain could be affected by regulatory measures associated with decarbonization policies or by a faster drop in demand for fossil fuels. Assuming more accelerated energy transition scenarios in Europe, in 2022, the Refining business revised downward its medium and long term forecasts as a result of the new European measures to accelerate the energy transition, the approved tax measures and the negative impact (beyond the short term) of market dynamics driven by the war in Ukraine. These circumstances will affect the profitability and competitiveness of some facilities and have led to the recognition of impairment provisions and for the dismantling of units that cannot be reconverted, and to a review of their useful lives for the purposes of amortization and provisions for dismantling. The impact of impairments on the 2022 income statement amounts to €-1,479 million before tax (see Note 20.1). In line with Repsol's strategy, the refining plants are being transformed into energy plants that will provide raw materials for the chemical and lubricants business, as well as other low-carbon energy products, including biofuels and hydrogen.
- Mobility businesses could also be affected by the reduction in the consumption of fossil fuels. For businesses in Spain, only cash flow projections for the next ten years have been considered, without the need to recognize any impairment; in Portugal, however, impairments have been recognized in the Mobility businesses, affected by the drop in future volumes in the new demand scenarios (see Note 20.1).

[15] The IEA NZE scenario is a "normative" scenario and is not intended to simulate demand for hydrocarbons based on market factors. Therefore, the price scenario that it proposes does not include, for asset valuation purposes, a realistic evolution of prices or demand. Normative (or prescriptive) scenarios describe a pre-specified future, presenting "a picture of the world achievable (or avoidable) only through certain actions. The scenario itself becomes an argument for taking those actions.

Useful lives of property, plant and equipment.

The energy transition and the rate at which it progresses may impact the remaining useful life of certain assets.

Assets assigned to the Upstream segment are generally amortized using a production unit methodology where amortization depends on the relationship between production (see Note 3.4) and the reserves that are expected to be produced without making additional investments. Expected production and reserve calculations take into account future demand and price impacts from decarbonization. It is estimated that 52% of the expected production will have been extracted by 2030 and 86% by 2040.

The depreciable assets existing in refining industrial complexes in Spain will be fully amortized for accounting purposes in 2040. In 2022, the useful life of units of the refining plants in Spain most affected by the energy transition has been reviewed and the date scheduled for starting their dismantling has been brought forward. This change in useful lives has not had a significant impact due to amortization on the Group's income statement. In relation to the depreciable assets that currently exist in the petrochemical complexes on the Iberian Peninsula, it is also estimated that they will be fully depreciated around 2040.

Regarding Mobility assets in the Iberian Peninsula, it is estimated that 72% of the book value of the current assets would be amortized in 2030 and 91% in 2040.

Dismantling provisions.

The assumptions initially used in the valuation of dismantling provisions (both in the initial recognition of the current value of estimated future costs and subsequent adjustments to reflect the passage of time) are subject to changes due to technological advances, regulatory changes, economic, political and environmental security factors, variations in the calendar or in the conditions of operations, etc. The energy transition may bring forward dismantling of the assets of the Upstream and Industrial segments. For the purposes of calculating the corresponding provisions, it is considered that most of these assets will begin to be dismantled in the next two decades. The risk from the calendar of dismantling and restoration activities for the Upstream and Industrial areas is limited thanks to expected production plans.

The calendar of dismantling and restoration activities is also reflected in the discount rate, in line with the average remaining useful life of the assets concerned. For more information, see Note 15.1.

CO_2 emission allowances.

In 2021, phase IV of the EU Emissions Trading System (EU-ETS) Directive began in Europe for the period 2021-2030. This would mean a reduction in the global number of emission allowances at an annual rate of 2.2% from 2021 to 2025. From then on, new rules, currently under discussion in the EU Parliament, Council and Commission, will be applied to increase the reduction of CO_2 emissions (in line with the new objective of a reduction of 55% in CO_2 emissions in the total European economy by 2030 compared to 1990 – Fit for 55) and to address its social impact. In this regard, at the end of 2022, a provisional tripartite agreement was reached to increase the reduction of emissions by 2030 to 62% in the sectors covered by this regime.

In 2022, Group companies were assigned free CO_2 allowances equivalent to 7.3 million tons of CO_2. The net expense for CO_2 emissions in 2022 was €493 million (mainly due to CO_2 emissions from Industrial complexes in Spain). For further detailed information on the recognition and valuation of CO_2 allowances, see Notes 15.1 and 16.

Others

- Deferred taxes. The valuation of the recoverability of deferred tax assets is carried out with the same scenarios and assumptions used to calculate the recoverable value of the assets (see 3.5.1), so they take account of decarbonization and energy transition processes. There are expected to be sufficient cash flows to recover the deferred tax assets recognized at December 31, 2022 (see Note 22).
- Onerous Contracts The closing or early termination of certain assets or activities may convert some supply contracts into onerous contracts. At December 31, 2022, the onerous contract provisions are not significant for the Group (see Note 15.1).
- Lawsuits In the normal course of the Group's business, entities are subject to legal and regulatory proceedings arising from current and past laws, including matters related to environmental issues (see Notes 15 and 29.1). At December 31, 2022, no lawsuits or litigation were being pursued against Repsol related to climate change.

BUSINESS SEGMENT REPORTING

(4) Information by business segment[16]

4.1) Definition of business segments

The segment reporting disclosed by the Group in this section is presented in accordance with the disclosure requirements of IFRS 8 *Operating segments*.

The definition of the Group's business segments is based on the different activities performed by the Group and their level of significance, as well as on the organizational structure and the way in which Repsol's management and directors analyze the main operating and financial aggregates in order to make decisions about resource allocation and to assess how the Company is performing.

At December 31, 2022 and 2021, Repsol's reporting segments are as follows:

- Upstream (*Upstream/E&P*): activities for the exploration, development and production of crude oil and natural gas reserves.
- Industrial: activities related to (i) refining, (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: (i) low-carbon power generation and renewable sources, (ii) sale of gas and power, (iii) mobility and sale of oil products, and (iv) liquefied petroleum gas (LPG).

On the other hand, "Corporate and other" includes (i) corporate overhead expenses and, specifically, those expenses related to managing the Group that have not been invoiced to the business divisions as a service, (ii) the financial result, and (iii) intersegment consolidation adjustments.

4.2) Presentation model of the results by segments

In presenting the results and other financial aggregates of its operating segments, Repsol includes the results of its joint ventures[17] (Group Reporting Model), in accordance with the Group's interest, considering its operational and economic metrics in the same manner and with the same level of detail as for fully consolidated companies. 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.

In addition, the Group, considering its business reality and in order to make its disclosures more comparable with those in the sector, uses a measure of segment profit known as adjusted net income, which corresponds to net income from continuing operations at replacement cost ("*Current Cost of Supply*" or CCS), net of taxes and non-controlling interests, without including certain income and expenses that are presented separately ("*Special Items*"). The financial result is assigned to the adjusted net income of *Corporate and other*.

The current cost of supply (CCS), commonly used in this industry to present the results of the Industrial and the Commercial and Renewables businesses that must work with huge inventories subject to continual price fluctuations, is not an accepted European accounting regulation, yet does enable the comparability with other sector companies as well as the monitoring of businesses independently of the impact of price variations on their inventories. Under income at CCS, the cost of volumes sold during the reporting period is calculated using the procurement and production costs incurred during that same period. Therefore, adjusted net income does not include the so-called inventory effect. This inventory effect is presented separately, net of tax and non-controlling interests, and corresponds to the difference between income at CCS and that obtained using the weighted average cost approach, which is the method used by the Group to determine its earnings in accordance with European accounting regulations.

[16] Some of metrics presented in this Note are classified as Alternative Performance Measures (APMs) in accordance with ESMA guidelines (for further information, see Appendix II. Alternative Performance Measures of the consolidated Management Report or www.repsol.com.) All of the figures shown throughout this Note have been reconciled with the EU-IFRS financial statements in Appendix I.
[17] See Note 13 and Appendix II, where the Group's main joint ventures are identified.

Furthermore, adjusted net income does not include the so-called special items, i.e. certain material items whose separate presentation is considered appropriate in order to facilitate analysis of the ordinary business performance. This heading includes gains/losses on divestments, restructuring costs, asset impairment losses (provisions/reversals), provisions for contingencies and charges, and other relevant income/expenses that do not form part of the ordinary management of the businesses. These results are presented separately, net of the tax effect and non-controlling interests.

4.3) Financial information by business segment

The main financial information by business segment is included in this note and Appendix I. Additional information on the performance of these segments can be found in the accompanying consolidated Management Report, which is published together with these consolidated financial statements.

Business segment results	€ Million	
	2022	**2021**
Upstream	3,029	1,687
Industrial	3,150	606
Commercial and Renewables	540	542
Corporate and other	(58)	(381)
ADJUSTED NET INCOME	**6,661**	**2,454**
Inventory effect	75	797
Special items	(2,485)	(752)
NET INCOME	**4,251**	**2,499**

Other figures	**Operating income**		**Cash flow from operations**		**Free cash flow**		**Operating investment**[1]		**Capital employed**	
€ Million	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Upstream	5,705	3,027	5,706	3,355	3,983	2,465	2,127	1,223	12,282	12,348
Industrial	4,315	792	2,639	1,031	1,547	196	1,025	859	11,108	11,163
Commercial and Renewables	809	761	770	1,288	(26)	475	925	829	4,667	4,451
Corporate and other	(181)	(208)	(192)	(221)	(293)	(297)	105	83	172	594
TOTAL	**10,648**	**4,372**	**8,923**	**5,453**	**5,211**	**2,839**	**4,182**	**2,994**	**28,229**	**28,556**

[1] Includes investments accrued during the period.

4.4) Main developments in the year[18]

– The gradual recovery of the economy and mobility, allowed by the favorable evolution of COVID-19, was halted by the Russian **invasion of Ukraine**. As a consequence of the war (see Note 20.3), inflationary pressures have been exacerbated, bottlenecks have been generated in the supply chain and extraordinary volatility in the financial and raw material markets. Central banks have also changed their monetary policies, leading to a significant increase in interest rates, and there has been an increase in tax pressure on energy companies, (see Note 22). The Group completed the sale of the remaining assets in Russia in January 2022 (see Note 20.3 and 10).

– The complex, volatile **environment** has affected activities and results of the Company's businesses, but unevenly (see section 4. "*Financial performance and shareholder remuneration*" of the 2022 consolidated Management Report): although the rise in the prices of hydrocarbons and derivative products has raised the prices for the Upstream and the disruption of supply chains has increased Refining margins; but conversely the margins in Mobility businesses in Spain have been reduced by the policy of discounts applied by the company to mitigate the impacts on society of the rise on the sale prices of its products (see Note 19.1) and the extreme volatility in prices has caused losses in the gas trading businesses.

– In line with the provisions of the 2021-2025 Strategic Plan, in 2022, important agreements on **dilution** without loss of control (operations with minority interests), **divestment and acquisition** were reached. They will allow Repsol to focus its activities on the areas that offer the greatest competitive advantages, accelerate the decarbonization goals assumed.

[18] For a detailed description of the main events of the period, see the section 1. 2022 Overview of the 2022 consolidated Management Report .

In the Upstream segment: in September a binding agreement was signed with EIG (through its subsidiary Breakwater Energy Holdings S.À R.L.) for the **sale of a 25% stake in Repsol's hydrocarbon Upstream business** for an equity value of $3,350 million (subject to the customary closing adjustments for such transactions). This agreement values the Upstream business at $19 billion. The transaction is expected to be closed in the first quarter of 2023, since the customary regulatory approvals have been completed, following completion of the corporate reorganization of the business. Additionally, in 2022, divestments in Malaysia, Ecuador, Russia and Greece and the sale of part of the Canada assets were completed.

In Commercial and Renewables: **a 25% stake in Repsol Renovables, S.L.U. was sold** to Crédit Agricole Assurance and Energy Infrastructure Partners (EIP) for a price of €986 million (see Note 6.5), meaning that the Renewables business is valued at €4,383[19] million. At the time of the transaction, the company had a portfolio of more than 1.6 GW of installed renewable capacity, operating in Spain (conventional hydraulic and pumped-storage generation, Delta I and Delta II wind farms, Valdesolar photovoltaic plant, Kappa photovoltaic complex, etc.), the United States (Jicarilla 1 and Jicarilla 2 photovoltaic plants) and Chile (Cabo Leonés III wind farm, etc.). The agreement reinforces the financial position of the Company to achieve the strategic objective of reaching an installed capacity of 6 GW in 2025 and 20 GW in 2030.

An agreement was also reached to **acquire 100% of Asterion Energies**, which manages a portfolio of renewable assets of 7,700 MW in Spain, Italy and France, from the infrastructure fund Asterion Industrial for an amount of €560 million (its conclusion being subject to the customary regulatory approvals). Additionally, new solar projects have been acquired (such as Frye Solar, Outpost and Pinnington) in Texas (USA).

For more information, see section 2.5 of the 2022 consolidated Management Report.

– Regarding progress in the transformation of our businesses, the low-emission generation capacity in operation was increased with the entry into operation of the Jicarilla 2 photovoltaic project in the United States (63 MW) and, in Spain, entry into operation of the first farms of the Delta II wind project (60 MW) the sales of 49% of the stake in the Valdesolar photovoltaic project to The Renewables Infrastructure Group (TRIG) and of 49% of the Kappa photovoltaic project to the Pontegadea group have also been completed. In the Commercial businesses, digitalization continued to be promoted to achieve 8 million digital customers in 2025. The Waylet application incorporated 2.3 million new users during the year to end it with 5.5 million users. Advancing in its role as a significant player in the electricity and gas market in Spain, Repsol continued to increase its number of customers, which reached 1.5 million. For more information, see section 5.3 of the 2022 consolidated Management Report.

  In the Industrial segment, progress continued to be made in the transformation of its industrial facilities into energy hubs, capable of generating products with a low, zero or even negative carbon footprint. At the beginning of March, work began on the first advanced biofuels plant in Spain, being built at the Cartagena refinery, and a stake was acquired in the Canadian company Enerkem, a world leader in the production of fuels and renewable chemical products through gasification of non-recyclable waste, for €54 million. Another of the pillars identified by the company to achieve a more sustainable industry is renewable hydrogen. Repsol has been a leader in the SHYNE (*Spanish Hydrogen Network*) project, a Spanish consortium made up of 33 entities from different sectors that will implement projects expected to generate more than 13,000 jobs. For more information, see section 5.2 of the 2022 consolidated Management Report.

– The financial structure is significantly strengthened by the **reduction of net debt** (see Note 5) and **increased liquidity** (see Note 10.2) driven by the higher cash flow from operations (see Note 24) and, to a lesser extent, by cash obtained from the sale of minority stakes and divestments of Upstream assets. In 2022 (i) the outstanding bonds issued by Repsol Oil & Gas Canada Inc. were **repurchased** and canceled, with a nominal amount of $412 million; (ii) a bond issued by RIF for a nominal amount of €500 million was canceled at maturity; and (iii) the financial debt (project finance) associated with the Saint John LNG regasification plant was canceled for an amount of $586 million. All these actions were recognized by two of the main credit rating agencies (Moody's and Standard & Poor's) which improved Repsol's long-term credit rating, with a stable outlook (see Note 7 and section 4.3 of the 2022 consolidated Management Report).

[19] Considers the business value after divestment of 49% of Delta's stake.

– Following the strong performance of its businesses, the **Group's tax contribution**[20] reached an all-time high in 2022, with taxes paid in the year amounting to €17,002 million (cash basis)[21]. The taxes that reduce our profit (including not only corporate income tax but all taxes that constitute an expense in the income statement) accrued in the year amounted to €5,530 million, accounting for 56% of our profit before tax. These amounts do not include the Temporary Energy Levy payable on transactions carried out in Spain during 2022 (1.2% of revenue, subject to certain adjustments), as it is payable in 2023 and, according to the Spanish Securities and Exchange Commission, the corresponding expense should not be recognized until 1 January 2023. For more information, see Note 22 to these financial statements and section 6.6 of the 2022 consolidated Management Report.

– The **share price** experienced a significant recovery (average price in 2022 27% above that of 2021). Shareholder **remuneration** in 2022 was made with the payment of a dividend of 0.30 euros gross per share for a total amount of €439 million in January 2022, charged to voluntary reserves from retained earnings, and a gross dividend of 0.33 euros per share for a total amount of €471 million in July 2022, charged to the 2021 financial results (taken together, 7% higher than the remuneration in 2021). Additionally, three capital reductions were carried out through the redemption of a total of 200 million treasury shares (see Note 6.2), which permits improve earnings per share.

[20] Figures of Group's tax contribution calculated according to Group Reporting Model described in this Note.
[21] The tax contribution generated by our activities and paid by our companies is supported by the company ("tax burden") and by its customers, employees and investors (taxes collected from third parties).

CAPITAL STRUCTURE AND FINANCIAL RESOURCES

(5) Financial structure

Repsol has adopted a policy of financial prudence with the aim of maintaining its investment grade credit rating.

The determination of the target financial structure takes into account a leverage ratio that ensures the Group's financial strength, defined as the relationship between Net debt[22] and Capital employed[23]. Both metrics are calculated, for these purposes, in accordance with the Group's reporting model described in Note 4 and the reconciliation of these figures to those established in EU-IFRSs and used for the preparation of these consolidated Financial Statements can be found in Appendix I and in the consolidated Management Report (www.repsol.com). The calculations of these ratios at December 31, 2022 and 2021, are as follows:

Financial structure *€ Million*	**2022**	**2021**
Equity	25,973	22,794
Net financial debt (1)	2,256	5,762
Capital employed (1)	28,229	28,556
Leverage ratio (%)	**8.0**	**20.2**

(1) Alternative Performance Measure.

(6) Equity

Equity	€ Million	
	2022	**2021**
Shareholders' equity:	**24,611**	**22,320**
Share capital	1,327	1,527
Share premium and Reserves:	16,750	16,655
Share premium	4,038	4,038
Legal reserve (1)	314	314
Retained earnings and other reserves (2)	12,431	12,303
Dividends and remuneration on account	(33)	—
Treasury shares and own equity investments	(3)	(641)
Net income for the period attributable to the parent	4,251	2,499
Other equity instruments	2,286	2,280
Other cumulative comprehensive income	**683**	**94**
Equity instruments with changes through other comprehensive income	(15)	(4)
Hedging transactions	(144)	51
Translation differences	842	47
Non-controlling interests	**679**	**380**
TOTAL EQUITY	**25,973**	**22,794**

(1) Under the Spanish Companies Act, 10% of profit for each year of the parent company must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of share capital. The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.
(2) This heading includes (i) the transfer from income for the year attributable to the parent for 2021. (ii) a reserve for retired capital amounting to €480 million, which is equivalent to the nominal value of the shares retired in the capital reductions for the 2018-2021 period under the "*Repsol Flexible Dividend*" program (see Note 6.3) and (iii) income from sales transactions without loss of control (see Note 6.5).

[22] The formula considers net and not gross financial debt to factor in the effect of financial investments.
[23] Corresponds to the sum of net financial debt and equity.

6.1) Share capital

The share capital at December 31, 2022 and 2021 was represented by 1.327.396.053[24] and 1,527,396,053 shares of 1 euro par value each, respectively, fully subscribed and paid up, represented by book entries and admitted to official listing on the continuous market of the Spanish stock exchanges.

According to the latest information available, the significant shareholders of the Repsol company are:

	% of voting rights attributed to shares		% of voting rights through financial instruments	% of total voting rights
Significant shareholders	**Direct**	**Indirect**		
BlackRock, Inc. (1)	—	5.306	0.169	5.475
Norges Bank	3.244	—	0.006	3.250

(1) BlackRock, Inc. holds its interest through a number of controlled entities.

At December 31, 2022 Repsol, S.A.'s shares were listed on the following markets:

Number of shares listed	% of share capital listed	Stock exchanges (1)	Closing	Quarter average	Currency
1,327,396,053	100%	Spanish stock exchanges (Madrid, Barcelona, Bilbao, Valencia)	14.850	13.838	Euros
		OTCQX	15.930	14.090	Dollars

Note: For more information regarding Repsol's shares, see section 4.4 of the 2021 consolidated Management Report.
(1) Exchanges, markets or multilateral trading platforms on which the shares may be traded without having been specifically requested by the Group are not included.

For more information on the share price, see section 4.4 of the 2022 consolidated Management Report.

6.2) Treasury shares and own equity investments

The main transactions undertaken by the Repsol Group involving treasury shares[25] were as follows:

	2022			2021		
€ Million (amount)	No. of shares	Amount	% capital	No. of shares	Amount	% capital
Opening balance	**64,110,571**	**641**	**4.20 %**	**19,601,118**	**162**	**1.25 %**
Market purchases (1)	148,084,074	1,990	11.16 %	123,085,955	1,272	8.06 %
Market sales (1)	(11,969,080)	(161)	0.90 %	(38,081,992)	(366)	2.49 %
Capital reduction	(200,000,000)	(2,467)	15.07 %	(40,494,510)	(427)	2.65 %
Balance at year end	**225,565**	**3**	**0.02 %**	**64,110,571**	**641**	**4.20 %**

(1) In 2022 and 2021 “Market purchases” included purchases made under the Company’s Treasury Share Repurchase Plan for redemption (in 2022, a total of 106 million shares were acquired. In 2022 and 2021 “Market purchases” and “Market sales” also included the shares acquired and delivered within the framework of the Share Acquisition Plan and the Share Purchase Plans for the beneficiaries of the multi-year variable remuneration plans (819,080 shares were delivered in 2021 in accordance with that established in each of the plans described in Note 27.4), as well as other transactions within the framework of the discretionary treasury share transactions described in the Repsol Group’s Internal Code of Conduct in the securities market.

At December 31, 2022, the Company also held derivatives on treasury shares (see Note 9)

6.3) Dividends and shareholder remuneration

The cash remuneration to the shareholders of Repsol, S.A. in 2022 was 0.63 euros per share:

- In January, a cash dividend of 0.30 euros gross per share was paid, charged to voluntary reserves from retained earnings, for a total amount of €439[26] million.
- In July, a cash dividend of 0.33 euros gross per share was paid, charged to the results of the 2021 financial year, for a total amount of €471[23] million.

[24] Share capital after the execution in December of the capital reduction through the redemption of 50 million treasury shares.
[25] The shareholders at the Annual General Meeting held on May 11, 2018, authorized the Board of Directors for a period of 5 years to carry out the acquisition of Repsol shares, directly or through subsidiaries, up to a maximum number of shares such that the sum of those already held by Repsol and any of its subsidiaries does not exceed 10% of the Company’s share capital, insofar as the price or value of the consideration delivered is not less than the par value of the shares or more than their quoted price on the stock exchange.
[26] Remuneration paid for outstanding shares of Repsol, S.A. carrying dividend rights.

Additionally, three capital reductions were executed through the amortization of 200 million treasury shares that contribute to shareholder remuneration by increasing earnings per share:

- In May, the capital reduction approved by the 2022 Annual General Meeting, under item seven of the Agenda, was carried out through the redemption of 75 million treasury shares with a par value of one euro each.
- In October, the capital reduction agreed by the Board of Directors on July 27, 2022, as approved by the 2022 Annual General Meeting, under item eight of the agenda, was carried out through the redemption of 75 million treasury shares with a par value of 1 euro each.
- In December, the capital reduction agreed by the Board of Directors on Wednesday, October 26, 2022, as approved by the 2022 Annual General Meeting, under item eight of the agenda, was carried out through the redemption of 50 million treasury shares with a par value of one euro each. The share capital resulting from the reduction was set at 1,327,396,053 shares (see previous section of this Note 6.1, "Share Capital").

In 2021, shareholder remuneration amounted to 0.588 euros per share, corresponding to the implementation in January 2021 of the "Repsol Flexible Dividend" program and a cash dividend paid in July (0.30 euros gross per share). Additionally, a capital reduction was carried out through the amortization of 40,494,510 treasury shares.

2023 shareholder remuneration

On January 11, 2023, shareholders were paid a total of €0.35 gross per share corresponding to: (i) the amount of €0.325 gross per share charged to voluntary reserves (approved by the 2022 Annual General Meeting, under item six of the agenda.) and (ii) an amount of €0.025 per share, as an interim dividend against the results of the 2022 financial year (approved by the Board of Directors in October). The paid amount was €454[27] million.

Additionally, the meeting of the Board of Directors in October agreed to submit for the approval of the next Annual General Meeting the payment in 2023 of a complementary remuneration (in addition to that paid in January 2023) to shareholders of 0.35 gross euros per share which, at the date of preparing these financial statements, the Board of Directors has agreed to propose being charged to the 2022 financial results. At the date of authorization for issue, the Board of Directors agreed to implement a program to repurchase treasury stock for a maximum of 35 million shares and to propose to the next Annual General Meeting a capital reduction through the amortization of 50 million treasury shares with a nominal value of €1 each.

For more information, see section 4.4 of the 2022 consolidated Management Report.

6.4) Other equity instruments

- On March 2021, Repsol International Finance, B.V. ("RIF") finalized the terms of the issuance of a series of subordinated bonds secured by Repsol, S.A. for a total of €750 million, which were perpetual bonds or did not have a maturity date, redeemable at the request of the issuer after the sixth year, or in certain cases provided for in the terms and conditions. The bonds were placed with qualified investors and are listed on the Luxembourg Stock Exchange. Their main characteristics are as follows:

ISIN	XS2320533131
Amount	€750 million
Period for the first option to redeem	12/22/2026 - 03/22/2027
Interest (payable annually)	2.5% until March 22, 2027, and on that date a 5-year swap rate applies plus an additional spread according to the terms and conditions of the bonds.

In addition, in March 2021 RIF redeemed the remaining balance of the issue of subordinated bonds issued in March 2015 at their nominal value plus the unpaid interest accrued up until the redemption date for a total of €422 million (€594 million of the nominal amount corresponding to this issue were redeemed in 2020, paying those accepting the offer a total of €606 million in cash).

- On June 2, 2020, RIF issued two series of subordinated bonds secured by Repsol, S.A. for a total of €1,500 million, which were perpetual bonds or did not have a maturity date, redeemable at the request of the issuer after the sixth and eighth year, or in certain cases provided for in the terms and conditions. The bonds were placed with qualified investors and are listed on the Luxembourg Stock Exchange. Their main characteristics are as follows:

[27] Remuneration paid to the outstanding shares of Repsol, S.A. entitled to receive the dividend

	Series 1	Series 2
ISIN	XS2185997884	XS2186001314
Amount	€750 million	€750 million
Period for the first option to redeem	03/11/2026-06/11/2026	09/11/2028-12/11/2028
Interest (payable annually)	3.750% until June 11, 2026, and on that date a 5-year swap rate applies plus an additional spread according to the terms and conditions of the bonds	4.247% until December 11, 2028, and on that date a 5-year swap rate applies plus an additional spread according to the terms and conditions of the bonds

In accordance with the terms and conditions of the issues, the issuer can defer the coupon payments without triggering an event of default. Coupons so deferred will be cumulative and must be paid in certain cases described in the related terms and conditions of the issues (the prospectuses on the issues are available on www.repsol.com).

These bonds, which totaled a nominal amount of €2,250 million at December 31, 2022, were recognized under *"Other equity instruments"*, since it is considered that they do not qualify for recognition as financial liabilities, since their redemption and coupon payments are at the discretion of Repsol. The finance expense, net of taxes, associated with the coupon on the subordinated bonds has been recognized under "*Retained earnings and other reserves*" amounting to €-60 million (€-60 million in 2021).

6.5) Non-controlling interests

Equity attributed to minority interests at December 31, 2022 and 2021 corresponds mainly to the companies or subgroups of companies detailed below:

Non-controlling interests *€ Million*	Repsol Renovables, S.L.U.	Petronor, S.A.	Rest	Total
Balance at December 31,2020	**—**	**172**	**72**	**244**
Distributed dividends	—	1	(1)	—
Income for the year	8	5	16	29
Investments/Divestments[(1)]	170	—	(66)	104
Other movements	—	(3)	6	3
Balance at December 31,2021	**178**	**175**	**27**	**380**
Distributed dividends	(33)	(29)	(4)	(66)
Income for the year	13	76	5	94
Investments/Divestments[(1)]	294	—	5	299
Other movements	(29)	(2)	2	(28)
Balance at December 31,2022	**423**	**220**	**35**	**679**

Note: For additional information on the companies in the Group, see Appendix IIA.
[(1)] Repsol Renovables, S.L.U. includes, in 2022, the impact of non-controlling interests associated with (i) the sale of 25% of Repsol Renovables, S.L.U. (see Note4.4), (ii) the sale of 49% of the stake in the Valdesolar photovoltaic park to The Renewables Infrastructure Group (TRIG) and (iii) the sale of 49% of the Kappa photovoltaic complex to Pontegadea. In 2021, the divestment of 49% of Delta I's stake to the Pontegadea group. The total impact on reserves of these operations amounts to €735 million.

The most relevant items related to the subgroups of companies with minority interest stakes that appear on the balance sheet and income statement and that are used as the basis for the preparing these consolidated financial statements, i.e., prior to intercompany eliminations, are as follows:

Balance sheet and income statement summary (100%, before eliminations)	2022	
€ Million	Repsol Renovables, S.L.U. Subgroup	Petronor, S.A.
Non-current assets	2,494	1,206
Current assets	713	1,982
Total Assets	**3,207**	**3,188**
Non-controlling interests	**206**	**—**
Non-current liabilities	1,280	154
Current liabilities	835	1,468
Total Equity and Liabilities	**2,115**	**1,622**
Operating Income	105	736
Net Income before tax	58	742
Net income	**23**	**543**

(7) Financial resources

7.1) Financial liabilities

The breakdown of financial liabilities included in the balance sheet headings can be found below:

Financial Liabilities	€ Million	
	2022	**2021**
Non-current financial liabilities:		
Non-current financial liabilities	10,130	10,185
Non-current trade derivatives (1)	639	180
Current financial liabilities:		
Current financial liabilities	3,546	4,611
Current trade derivatives (2)	718	871
TOTAL	**15,033**	**15,847**

(1) Recognized under "*Other non-current liabilities*" on the balance sheet.
(2) Recognized under "*Trade and other payables*" on the balance sheet.

The breakdown of these financial liabilities at December 31, 2022 and 2021, is provided below:

Financial Liabilities	December 31, 2022 and 2021									
	At fair value through profit or loss		other comprehensive income		At amortized cost		**Total**		Fair value	
€ Million	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	2022	2021
Bonds	—	—	—	—	5,924	6,584	**5,924**	**6,584**	5,362	6,970
Loans (1)	—	—	—	—	1,258	—	**1,258**	**—**	1,267	—
Lease liabilities	—	—	—	—	2,404	2,441	**2,404**	**2,441**	n/a	n/a
Bank borrowings	—	—	—	—	544	983	**544**	**983**	526	852
Derivatives	332	207	307	51	—	—	**639**	**258**	—	—
Other financial liabilities	—	—	—	—	—	99	**—**	**99**	—	102
Non-current	**332**	**207**	**307**	**51**	**10,130**	**10,107**	**10,769**	**10,365**		
Bonds	—	—	—	—	1,892	1,986	**1,892**	**1,986**	1,885	1,977
Loans (1)	—	—	—	—	225	1,087	**225**	**1,087**	225	1,087
Lease liabilities	—	—	—	—	519	507	**519**	**507**	n/a	n/a
Bank borrowings	—	—	—	—	593	904	**593**	**904**	593	904
Derivatives	872	747	163	244	—	—	**1,035**	**991**	—	—
Other financial liabilities	—	—	—	—	—	7	**—**	**7**	—	6
Current	**872**	**747**	**163**	**244**	**3,229**	**4,491**	**4,264**	**5,482**		
TOTAL (1) (2)	**1,204**	**954**	**470**	**295**	**13,359**	**14,598**	**15,033**	**15,847**		

NOTE: For the fair value hierarchy of financial liabilities measured at fair value, see section 7.5.
(1) Includes loans granted by Group companies that are not eliminated in the consolidation process.
(2) In relation to liquidity risk, the distribution of financing by maturity at December 31, 2022 and 2021 is disclosed in Note 10.

The breakdown of average financial balances outstanding and cost by instrument is as follows:

Average financing and cost	**2022**		**2021**	
€ Million	Average volume	Average cost	Average volume	Average cost
Bonds	8,267	1.53 %	8,646	1.69 %
Bank borrowings	1,494	2.68 %	1,181	1.75 %
Other financial liabilities	1,273	3.66 %	1,104	1.34 %
TOTAL	**11,034**	**1.93 %**	**10,931**	**1.71 %**

NOTE: Does not include lease liabilities or derivatives.

7.2) Bonds

Key issues, repurchases and redemptions carried out in 2022[28]*:*

In May 2022, the bond issued by Repsol International Finance B.V. (RIF) in May 2017 under the EMTN Program for a nominal amount of €500 million and a fixed annual coupon of 0.500% was redeemed.

Between the months of May and June, all the bonds issued by Repsol Oil & Gas Canada Inc. (ROGCI) pending maturity were repurchased and canceled for a nominal amount of $412 million, with the following breakdown:

ISIN	Issuer	Date of issue	Currency	Nominal amount (millions)	Average rate %	Maturity
US87425EAE32	Repsol Oil & Gas Canada Inc.	Oct-97	Dollar	50	7.250%	Oct-27
US87425EAH62	Repsol Oil & Gas Canada Inc.	May-05	Dollar	88	5.750%	May-35
US87425EAJ29	Repsol Oil & Gas Canada Inc.	Jan-06	Dollar	102	5.850%	Feb-37
US87425EAK91	Repsol Oil & Gas Canada Inc.	Nov-06	Dollar	115	6.250%	Feb-38
US87425EAN31	Repsol Oil & Gas Canada Inc.	May-12	Dollar	57	5.500%	May-42

Detail of bonds outstanding at December 31, 2022, all secured by Repsol, S.A.:

ISIN	Issuer	Date of issue	Currency	Nominal amount (millions)	Average rate %	Maturity	Listed (3)
XS1148073205 (1)	Repsol International Finance, B.V.	Dec-14	Euro	500	2.250%	Dec-26	LuxSE
XS1207058733 (2)	Repsol International Finance, B.V.	Mar-15	Euro	1,000	4.500%	Mar-75	LuxSE
XS1352121724 (1)	Repsol International Finance, B.V.	Jan-16	Euro	100	5.375%	Jan-31	LuxSE
XS2035620710 (1)	Repsol International Finance, B.V.	Aug-19	Euro	750	0.250%	Aug-27	LuxSE
XS2156581394 (1)	Repsol International Finance, B.V.	Apr-20	Euro	750	2.000%	Dec-25	LuxSE
XS2156583259 (1)	Repsol International Finance, B.V.	Apr-20	Euro	750	2.625%	Apr-30	LuxSE
XS2241090088 (1)	Repsol International Finance, B.V.	Oct-20	Euro	850	0.125%	Oct-24	LuxSE
XS2343835315 (1)	Repsol International Finance, B.V.	May-21	Euro	300	EUR 3m + 0.7%	May-23	LuxSE
XS2361358299 (1) (4)	Repsol Europe Finance, S.à.r.l.	Jul-21	Euro	650	0.375%	Jul-29	LuxSE
XS2361358539 (1) (5)	Repsol Europe Finance, S.à.r.l.	Jul-21	Euro	600	0.875%	Jul-33	LuxSE

Note: Excludes perpetual subordinated bonds, which qualify as equity instruments (see Note 6.4 of the 2021 consolidated financial statements), issued by RIF in June 2020 and March 2021 for an outstanding nominal amount at December 31 2022 and 2021 of €1,500 million and €750 million, respectively (see Note 6.4).

(1) Issues made under the EMTN Program.
(2) Subordinated bond (does not correspond to any open-ended or shelf program) with a coupon that will be revised on March 25, 2025 and March 25, 2045.
(3) LuxSE (Luxembourg Stock Exchange). Multilateral trading systems or other trading centers or non-official OTC markets are not considered. In January 2023, a repurchase and partial redemption of this bond was completed (see Note 30).
(4) Bond linked to a target of a 12% reduction in the Carbon Intensity Indicator (CII) by 2025. If the Group fails to meet these targets, the coupon on the bonds will be increased by 0.25% (payable in 2027, 2028 and 2029).
(5) Bond linked to a target of a 25% reduction in the CII by 2030. If the Group fails to meet these targets, the coupon on the bonds will be increased by 0.375% (payable in 2032 and 2033). For information on the performance of the CII, see section 6.1 of the 2021 consolidated Management Report and the CII verification report (available at www.repsol.com).

In 2022 Repsol Europe Finance, S.à.r.l. (REF) maintain a Euro Commercial Paper (ECP) Program, underwritten by Repsol, S.A., with a limit of up to €3,000 million. Under this program, several issues and cancellations took place over the course of the period, with an outstanding nominal amount of €1,532 million at December 31, 2022 (€1,418 million at December 31, 2021), that were issued by RIF under the Program that was in force as of that date.

Sustainable finance framework

The sustainable finance framework (the "Framework", available at www.repsol.com), published in June 2021 was updated in March 2022 with the new transition path published on "Low Carbon day". This framework incorporates both instruments aimed at financing specific projects (green and transition) and instruments linked to the company's sustainability

[28] Main issues and redemptions in 2021: (i) in May, RIF issued bonds guaranteed by Repsol S.A. under the EMTN Program for an amount of €300 million, maturing in May 2023 and with a variable coupon equivalent to 3-month Euribor plus 70 basis points, (ii) in July, REF completed the issuance of two bonds guaranteed by Repsol S.A. under the EMTN Program linked to sustainable commitments; one for the amount of €650 million, maturing in May 2029 and with a fixed coupon of 0.375% and, the other, for the amount of €600 million, maturing in May 2033 and with a fixed coupon of 0.875% and (iii) in October, RIF canceled the bond issued for a face value of €1,000 million and a fixed annual coupon of 3.625% at maturity.

commitments (Sustainability-Linked Bonds, or SLBs). For more information, see section 4.3 of the 2022 consolidated Management Report.

Financial conditions and debt obligations

In general, the financial debt agreements include the early termination clauses customary in agreements of this nature.

- The ordinary bonds issued by RIF and REF and secured by Repsol, S.A., with a face value of €5,250 million, contain certain early termination clauses of the debt (including cross-acceleration and cross-default, applicable to the issuer and the guarantor) and negative pledge covenants in relation to future bond issues. In the event of failure to comply with any of these covenants, the trustee, at its sole discretion or at the behest of the holders of at least one-fifth of the series of bonds affected or on the basis of an extraordinary resolution, may declare the early maturity of the bonds. In addition, the holders of these bonds may redeem them if, as a result of a change in control of Repsol S.A., Repsol's credit ratings are downgraded to below investment grade status.
- The subordinated bond issued by RIF and secured by Repsol, S.A. in March 2015 for a total nominal value of €1,000 million, do not have early redemption covenants other than in the event of dissolution or liquidation. These same conditions apply to the subordinated bonds issued in June 2020 and March 2021 for a nominal amount of €2,250 million, described in Note 6.4.

At the date of authorization for issue of these consolidated Financial Statements, the Repsol Group was not in breach of any of its financial obligations or of any other obligation that could give rise to the early repayment of any of its financial commitments.

At December 31, 2022 and 2021 there are no amounts secured by the Group companies in issuances, repurchases or redemptions made by associates, joint arrangements or companies that are not part of the Group.

7.3) Lease liabilities

The liabilities recognized[29] for lease payables at December 31, 2022 and 2021 amounted to €2,923[30] million and €2,948 million, respectively. The main lease agreements relate to gas transportation contracts in North America and the Group's gas stations in Spain, Portugal and Peru, which are described in Note 12.

7.4) Bank borrowings

This heading reflects the loans granted to the Group companies, mainly in Spain and Peru, by several banks in order to fund their projects and operations. It also includes drawdowns under short-term credit facilities extended by banks.

In 2022, the loans (principal and interest) arranged to finance the investment in the Saint John LNG, S.L. project in Canada and the associated financial derivatives were repaid, leading to the derecognition of bank borrowings for a total of $586 million.

Additionally, in December 2022 a loan was signed with the European Investment Bank (EIB) for an amount of €120 million. The disbursement of the loan will take place in January 2023.

[29] The liabilities recognized do not include: (i) variable lease payments, which are not significant with respect to fixed payments; (ii) the options for expanding the current portfolio of contracts, most of which extend for the period 2023-2044, the estimated future undiscounted payments of which would amount to 164 million euros, the most significant being the five-year extension of the lease agreement for a vessel amounting to €119 million (these amounts do not include the optional extensions of contracts with a low probability of execution, specifically the contracts, described in Note 12, with Emera Brunswick Pipeline and Maritimes & North East Pipeline); and (iii) lease contracts signed and not started, with future fixed payments of €2 million in 2023 and €9 million in 2024 and subsequent years.

[30] In 2022 and 2021, 7% and 6%, respectively, correspond to contracts that mature in more than 15 years.

7.5) Fair value of financial liabilities

Fair value of financial instruments

The valuation techniques used for financial instruments classified in level 2 and 3 hierarchies are based, in accordance with accounting regulations, on an income approach, which consists of discounting known or estimated future flows using discount curves built from the reference interest rates in the market (in derivatives, they are estimated through market-implied forward curves, with adjustments for credit risk based on the life of the instruments, or other types of adjustments. In the case of options, pricing models based on the Black & Scholes formulas are used.

The essential variables for the valuation of financial instruments depend on the type of instrument, but are basically: exchange rates (spot and forward), interest rate curves, counterparty risk curves, commodity prices (spot and forward) and equity prices, as well as the volatility of all the aforementioned factors. In all cases, market data is obtained from recognized information agencies or corresponds to quotes from official organizations.

Financial instruments recognized at fair value are classified, based on their calculation methodology, into three levels:
Level 1: Valuations based on a quoted price in an active market for the same instrument, referring mainly to derivatives held to trade.
Level 2: Valuations based on a quoted price in an active market for similar financial assets or based on other valuation techniques that take into account observable market data.
Level 3: Valuations based on variables that are not directly observable in the market, such as financial participations or electricity PPAs.

The classification of financial liabilities recognized in the financial statements at their fair value, based on the methodology for calculating such fair value, is as follows:

Fair value of financial liabilities	Level 1		Level 2		Level 3 [(1)]		**Total**	
€ Million	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
At FV through profit or loss	366	647	461	301	377	6	1,204	954
At FV through other comprehensive income	1	96	73	132	396	67	470	295
TOTAL	**367**	**743**	**534**	**433**	**773**	**73**	**1,674**	**1,249**

[(1)] The breakdown of the reconciliation of opening balances to closing balances for those financial liabilities classified under level 3 is as follows:

€ Million	**2022**
Opening balance	**73**
Income and expenses recognized in profit and loss	370
Income and expenses recognized in equity	330
Closing balance	**773**

NOTE: None of the possible foreseeable scenarios for the assumptions used would result in significant changes in the fair value of the instruments classified in level 3 of the fair value hierarchy.

In 2022 and 2021 there have been no transfers between levels of hierarchy in financial instruments.

(8) Financial assets

The breakdown of the current and non-current financial assets included under the headings of the balance sheet is as follows:

Financial assets	€ Million	
	2022	**2021**
Non-current assets		
Non-current financial assets	1,437	1,249
Non-current trade derivatives [(1)]	73	133
Current assets		
Other current financial assets [(2)]	3,058	2,451
Current trade derivatives [(3)]	498	1,027
Cash and cash equivalents	6,512	5,595
TOTAL	**11,578**	**10,455**

(1) Recognized under "*Other non-current assets*" on the balance sheet.
(2) The variation is due mainly to the placement of deposits during the period.
(3) Recognized under "*Trade and other receivables*" (see Note 17) in "*Other receivables*" on the balance sheet.

The detail of these assets at December 31, 2022 and 2021 is as follows:

Asset details	At fair value through profit or loss		At fair value through other comprehensive income		At amortized cost [4]		Total	
€ Million	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Equity instruments [1]	26	27	56	89	—	—	**82**	**116**
Derivatives	59	203	18	22	—	—	**77**	**225**
Loans	—	—	—	—	965	913	**965**	**913**
Time deposits	—	—	—	—	355	85	**355**	**85**
Other financial assets	22	24	—	—	9	19	**31**	**43**
Non-current	**107**	**254**	**74**	**111**	**1,329**	**1,017**	**1,510**	**1,382**
Derivatives	845	860	149	319	—	—	**994**	**1,179**
Loans	—	—	—	—	67	57	**67**	**57**
Time deposits	—	—	—	—	2,480	2,232	**2,480**	**2,232**
Cash and cash equivalents [2]	4	4	—	—	6,508	5,591	**6,512**	**5,595**
Other financial assets	1	1	—	—	14	9	**15**	**10**
Current	**850**	**865**	**149**	**319**	**9,069**	**7,889**	**10,068**	**9,073**
TOTAL [3]	**957**	**1,119**	**223**	**430**	**10,398**	**8,906**	**11,578**	**10,455**

NOTE: For the fair value hierarchy of financial assets measured at fair value, see 8.2 in this Note
[1] Includes non-controlling financial investments in certain companies over which the Group does not have management influence.
[2] Corresponds mainly to liquid financial assets, deposits or liquid financial investments needed to meet payment obligations in the short term that can be converted into a known amount of cash within a period usually shorter than three months and that are subject to an insignificant risk of changes in value. Includes "*Cash and banks*" for €2,676 and "*Other financial assets*" for €3,836.
[3] Does not include "*Other non-current assets*" and "*Trade and other receivables*" in the balance sheet, which at December 31, 2022 amounted to €766 million for non-current and €8,529 million for current, while at December 31, 2021 these headings amounted to €745 million for non-current and €7,211 million for current, respectively, corresponding to trade receivables net of the related provisions for impairment.
[4] The items that do not accrue explicit interest are recognized at their nominal value whenever the effect of not discounting the related cash flows is not significant.

The average return on the financial assets (not including cash and cash equivalents) was accrued at an average interest rate of 3.50% and 3.0% in 2022 and 2021, respectively.

8.1) Loans

In 2022 and 2021," *Current and non-current loans*" include mainly those loans granted to companies accounted for using the equity method, which are not eliminated in the consolidation process (see Note 13), amounting to €1,032 million and €970 million respectively. These included the credit facility signed by Petroquiriquire, S.A., Repsol and Petróleos de Venezuela, S.A. (PDVSA) and the financing of joint ventures.

In October 2016 Petroquiriquire, S.A., Repsol and PDVSA signed a range of agreements to shore up the financial structure of Petroquiriquire and enable it to implement its Business Plan. The agreements involved (i) the provision by Repsol of a credit facility for up to $1,200 million, backed by a guarantee given by PDVSA, to be used to pay past dividends owed to Repsol and for Petroquiriquire's capital and operating expenditures, from which no new drawdowns other than those already taken may be made until November 2021; and (ii) a commitment given by PDVSA to pay for hydrocarbon production of the mixed-ownership company via transfer to Petroquiriquire, S.A. of payments arising from crude oil sale contracts to offtakers or through outright cash payments in an amount sufficient for the mixed-ownership company to meet its capital and operating expenditures not covered by the financing from Repsol, and to pay Repsol's dividends generated in each financial year and its debt service obligations with Repsol. The financing granted by Repsol and the commitments assumed by PDVSA are governed by the Laws of the State of New York, and any disputes that may arise shall be submitted to arbitration in Paris in accordance with the rules of the International Chamber of Commerce. Drawdowns under the credit facility are subject to compliance by Petroquiriquire, S.A. and PDVSA of certain conditions precedent, and the terms and conditions include the covenants, breach clauses and acceleration or early termination clauses that are customary in such transactions. Failure by PDVSA to comply with any of its obligations under the guarantee, if there is a default by Petroquiriquire, could enable PDVSA's creditors and bondholders to declare default and acceleration of the rest of its financial debt. In addition, the agreement includes other elements such as a mechanism for offsetting of reciprocal debts between Petroquiriquire, S.A. and PDVSA. At December 31, 2022, the cumulative drawdowns under this credit facility amounted to $839 million, with an outstanding balance at December 31, 2022 of € 347 million (a gross balance of €868 million and a provision of €521 million) and €304 million at December 31, 2021 (see Note 20.3).

In addition, Repsol granted a loan to Cardón IV, which matures annually and can be extended by the shareholders (Repsol and Eni), and has been considered part of the net investment of this company (see Note 13).

The maturity of these types of net financial assets is as follows:

Maturity of loans	€ Million	
	2022	**2021**
2023	67	88
2024	112	106
2025	200	93
2026	293	208
2027	2	—
Subsequent years	358	418
TOTAL	**1,032**	**913**

8.2) Fair value of financial assets

The classification of the financial assets recognized in the financial statements at fair value (FV), by fair value calculation method, is as follows:

Fair value of financial assets	Level 1		Level 2		Level 3		Total	
€ Million	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
At FV through profit or loss	256	567	647	496	54	56	957	1,119
At FV through other comprehensive income	83	294	28	2	112	134	223	430
TOTAL	**339**	**861**	**675**	**498**	**166**	**190**	**1,180**	**1,549**

(1)The breakdown of the reconciliation of opening balances to closing balances for those financial assets classified under level 3 is as follows:

€ Million	**2022**
Opening balance	**190**
Income and expenses recognized in profit and loss	(1)
Income and expenses recognized in equity	(13)
Reclassifications and other	(10)
Closing balance	**166**

NOTE: None of the possible foreseeable scenarios for the assumptions used would result in significant changes in the fair value of the instruments classified in level 3 of the fair value hierarchy.

No financial instruments were transferred between hierarchy levels in 2022 or 2021.

(9) Derivative and hedging transactions

9.1) Accounting hedges

In cash flow hedges, the effective portion of changes in fair value is recognized under "*Hedging transactions*" in equity and the gain or loss relating to the ineffective portion (absolute excess of the cumulative change in fair value of the hedging instrument over the hedged item) is recognized in the income statement. Accumulated amounts in equity are transferred to the income statement in periods in which the hedged items affect the income statement or, in the case of a hedge of a transaction that results in the recognition of a non-financial asset or liability, are included in the cost of the asset or liability when the asset or liability is recognized in the balance sheet. Hedges of net investments are accounted for in the same way as cash flow hedges, although changes in the valuation of these transactions are recognized in equity under "*Translation differences*" until the hedged foreign transaction is disposed of, at which time they are transferred to the income statement.

The Group contracts derivatives to hedge exposure to changes in cash flows, most notably at close of 2022 the following::

– Cash flow hedges in the form of interest rate swaps arranged in 2014 for a notional amount of €1,500 million to hedge future bond issues in late 2014 and early 2015. Under these hedges, the Group pays a weighted average interest rate of 1.762% and receives 6-month Euribor. At December 31, 2022 the fair value recognized in equity, yet to be recognized in profit or loss, amounts to €-32 million after tax at December 31, 2022 (€-40 million after tax at December 31, 2021). The impact before tax recognized in the income statement in 2022 amounted to an expense of €17 million (€15 million in 2021).

– The interest rate cash flow hedge for the bond arranged by RIF in May 2021 for a notional amount of €300 million. With this instrument, the Group pays a weighted average interest rate of 0.1930% and receives 3-month Euribor plus 70 bps. At December 31, the instrument's fair value was €7 million. The impact recognized in 2022 in the income statement was, before-tax income, of €2 million (not significant in 2021).

– Cash flow hedges to mitigate the risk of fluctuations in the sale and purchase price of electricity, mainly through sale and purchase agreements, respectively (long-term financial Power Purchase Agreements (PPAs) maturing between 2023 and 2038 at a fixed price). At December 31, 2022, their net notional value was 31 million MWh sold, (equivalent to €-663 million) (11 million MWh sold, equivalent to €298 million in December 2021) and their fair value was.€-317 million (not significant in 2021). The net positive impact before tax recognized in the income statement in 2022 was €209 million (€139 million in December 2021).
– Cash flow hedges to mitigate the risk of fluctuations in the sale and purchase prices of gas and in the sale price of crude oil with maturity between 2023 and 2039 linked to international indexes. At December 31, 2022, its notional amount was -54 TBtu sold (equivalent to €-441 million) and its fair value was €59 million (€-59 million at December 31,2021). The impact before tax recognized in the income statement represented an expense of €388 million (€-27 million in December 2021).

In addition, the Group maintains instruments to hedge its exposure to fluctuations in foreign exchange rates associated with net assets of foreign businesses. Of note are the financial instruments designated as hedges of net investments with respect to certain dollar assets in the Upstream segment, the notional amount of which at December 31 amounted to $2,598 million (€2,434 million). In 2021, the notional amount was $3,000 million (€2,649 million).

The instruments designated as accounting hedges at December 31, 2022 and 2021 are detailed below:

Hedging instruments	Nominal amounts hedging instruments [2]		Balances of hedging instruments on the balance sheet: Non-current assets		Current assets		Non-current liabilities		Current liabilities		Total FV		Changes in FV of the hedging instrument [3]	
€ Million	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Cash flows:	**(626)**	**(441)**	**18**	**22**	**132**	**319**	**(307)**	**(51)**	**(90)**	**(165)**	**(247)**	**125**	**(355)**	**72**
Interest rate	326	326	4	2	7	—	—		—		11	2	7	18
Product price	(952)	(767)	14	20	125	319	(307)	(51)	(90)	(165)	(258)	123	(362)	54
Fair value:	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(1)**
Product price	—	—	—	—	—	—	—	—	—	—	—	—	—	(1)
Net investment:	**(2,434)**	**(2,649)**	**—**	**—**	**17**	**—**	**—**	**—**	**(73)**	**(79)**	**(56)**	**(79)**	**23**	**(136)**
Exchange rate	(2,434)	(2,649)	—	—	17	—	—	—	(73)	(79)	(56)	(79)	23	(136)
TOTAL [1]	**(3,060)**	**(3,090)**	**18**	**22**	**149**	**319**	**(307)**	**(51)**	**(163)**	**(244)**	**(303)**	**46**	**(332)**	**(65)**

[1] The fair value valuation methods are described in Note 7.5
[2] Instruments in US dollars translated into euros at year-end rates. In the case of product price derivatives, they correspond to the physical units at the contract price.
[3] In 2022 and 2021, changes in the FV of hedged items generally coincide with those of the hedging instruments, no significant amounts due to ineffectiveness have been recognized

The changes relating to hedging instruments at December 31, 2022 and 2021 recognized under "*Other cumulative comprehensive income*" in the balance sheet are detailed below:

Hedging instruments	Cash flow hedges	Hedges of net investments	Cash flow hedges	Hedges of net investments
€ Million	**2022**		**2021**	
Opening balance at December 31	**51**	**(177)**	**(62)**	**(23)**
Gains/(Losses) for measurement allocated to other comprehensive income	(490)	(227)	173	(221)
Amounts transferred to the income statement [1]	154	44	(40)	12
Translation differences	(1)	—	(2)	—
Share of investments in joint ventures and associates	11	—	—	—
Effective tax	78	57	(18)	55
Minority interests	53	—	—	—
Others	—	49	—	—
Closing balance at December 31	**(144)**	**(254)**	**51**	**(177)**

[1] Includes mainly the allocation to income of cash flow hedges related to the transactions described above.

The cumulative balances by type of hedging instrument at December 31, 2022 and 2021 are:

Accumulated balances of hedging instruments	Cash flow hedging reserve and translation reserves	
€ Million	**2022**	**2021**
Cash flow hedges:	**(144)**	**51**
- Interest rate	(39)	(63)
- Product price	(173)	111
- Tax effect	61	3
Hedges of net investments:	**(254)**	**(177)**
- Exchange rate	(365)	(262)
- Tax effect	111	85

9.2) Other derivative transactions

Furthermore, Repsol has arranged a series of derivatives to manage its exposure to foreign exchange rate and price risk of crude oil and oil products (including CO2) that are not recognized as accounting hedges. These derivatives include currency forward contracts that mature in less than a year, as part of the global strategy to manage the exposure to exchange rate risk. Additionally, futures and *swap* contracts are entered into to hedge the product risk associated with future physical transactions for the sale and/or purchase of crude oil and other oil products.

The breakdown of these derivative instruments is as follows:

Other derivative instruments	Non-current assets		Current assets		Non-current liabilities		Current liabilities		Total fair value	
€ Million	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Exchange rate	—	—	159	149	—	(76)	(239)	(36)	(80)	36
Interest rate	—	—	—	—	—	—	(4)	—	(4)	—
Product price	59	114	372	708	(332)	(128)	(629)	(706)	(530)	(12)
Derivatives on treasury shares	—	89	314	3	—	(3)	—	(5)	314	84
TOTAL	**59**	**203**	**845**	**860**	**(332)**	**(207)**	**(872)**	**(747)**	**(300)**	**109**

The breakdown, by maturity, of these derivatives at December 31, 2022 and 2021 is provided below:

Maturity fair values	€ Million											
	2022						**2021**					
	2023	**2024**	**2025**	**2026**	**years**	**Total**	**2022**	**2023**	**2024**	**2025**	**years**	**Total**
Exchange and interest rate	**(84)**	—	—	—	—	**(84)**	**36**	—	—	—	—	**36**
Product price:	**(291)**	**(120)**	**(117)**	—	**(2)**	**(530)**	**100**	**(115)**	**3**	—	—	**(12)**
Purchase futures (1)	126	22	1	—	—	149	834	94	12	—	—	940
Sale futures (2)	(256)	(28)	(3)	—	—	(287)	(882)	(197)	(10)	(1)	—	(1,090)
Options	2	—	—	—	—	2	3	1	—	—	—	4
Swaps	7	(3)	2	1	—	7	195	(9)	—	—	—	186
Others	(170)	(111)	(117)	(1)	(2)	(401)	(50)	(4)	1	1	—	(52)
Derivatives on treasury shares	**314**	—	—	—	—	**314**	**(2)**	**87**	—	—	—	**85**
TOTAL	**(61)**	**(120)**	**(117)**	—	**(2)**	**(300)**	**134**	**(28)**	**3**	—	—	**109**

(1) The physical units and fair value of product and other price derivatives associated with purchase agreements are broken down below:

Purchase futures	Physical units	FV (€ Million)	Physical units	FV (€ Million)
	2022		**2021**	
EUAs CO2 (Thousand tons)	14,656	42	4,773	58
Crude oil (Thousand barrels)	13,671	57	41,148	316
Gas (TBTU)	203	18	1	—
Electricity (MWh)	862	22	3,736	480
Products	n.a	10	n.a	86
Total		**149**		**940**

(2) The following is a breakdown of the physical units and the fair value of the product price derivatives associated with sales contracts:

Sale futures	Physical units	FV (€ Million)	Physical units	FV (€ Million)
	2022		**2021**	
EUAs CO2 (Thousand tons)	14,585	(52)	1,763	(57)
Crude oil (Thousand barrels)	15,644	(149)	43,794	(364)
Gas (TBTU)	396	(10)	48	(1)
Electricity (MWh)	1,126	(58)	4,521	(580)
Products	n.a.	(18)	n.a.	(88)
Total		**(287)**		**(1,090)**

In 2022 and 2021, the negative impact of the valuation of product derivatives and CO2 prices on "*Operating income*" was €1,090 and €311 million respectively.

In 2022 and 2021, short-term *forward contracts and currency swaps* were arranged that generated a positive financial gain of €603 and €490 million, respectively, recognized under "*Change in fair value of financial instruments*" in the financial result (see Note 21).

Derivatives on treasury shares

At December 31, 2022, the Group had options contracts on Repsol shares for a total volume of 75 million shares, (50 million for the acquisition of purchase options at an exercise price of €8,26 per share and 25 million from the sale of put options at an exercise price of €5.78 per share). These options (known jointly as "*Reverse collar*") are valued at fair value with changes under the "*Change in fair value of financial instruments*" heading of the income statement. In 2022, they had an impact of €228 million. Their maturity begins on January 16, 2023 and ends on February 17, 2023, at a rate of 2 million shares per day for the *call* tranche and 1 million shares per day for the *put* tranche. The *call* tranche can be settled by physical delivery or by differences, at Repsol's decision, and the *put* tranche can only be settled by differences.

In 2022, *equity swaps* arranged in 2021 on a volume of 25 million shares were settled early, at an average exercise price of €10.50 per share and originally due to mature in July and August 2022. Additionally, *equity swaps* were arranged and canceled on a total of 11 million shares at an average exercise price of €14.44 per share and with contractual maturity. Repsol has the option to settle them by physical delivery or by differences. These instruments are valued at fair value with changes under the "change in fair value of financial instruments" heading of the income statement and the impact for the period was for an amount of €114 million in 2022.

(10) Financial risks

Group business is exposed to different kinds of financial risk, including: market risk, liquidity risk and credit risk and which have been affected to a greater or lesser extent by the international crisis caused by the war in Ukraine and the ensuing market volatility. Repsol has a risk management structure and systems that enable it to identify, measure and mitigate the risks to which the Group is exposed.

10.1) Market risk

Market risk is the potential loss faced due to adverse changes in market variables. The Group is exposed to several types of market risks: exchange rate risk, interest rate risk and commodities risk.

The Company monitors exposure to market risk through ongoing sensitivity analysis. This strategy is complemented with other risk management measures when required by the nature of the risk exposure. Accordingly, the risk that affects the result is subject to maximum risk levels, measured in terms of Value at Risk (VaR), defined by Repsol's Executive Committee in line with the different authorization levels and supervised on a daily basis by an area that is separate from the area responsible for management.

A sensitivity analysis of the main risks inherent in financial instruments is included for each of the market risks described below, showing how profit and equity could be affected (under "*Other comprehensive income*") as a result of the financial instruments held by the Group at the reporting date.

a) Exchange rate risk

The Group's profit and equity are exposed to fluctuations in the exchange rates of the currencies in which it transacts, with the US dollar generating the greatest level of exposure. The US dollar-euro exchange rate at December 31, 2022 and 2021,with a stronger dollar due to the impact that the war has had on the money markets, was as follows:

Exchange rate €/$	**December 31, 2022**		**December 31, 2021**	
	Closing rate	**Accumulated average rate**	**Closing rate**	**Accumulated average rate**
US dollar	1.07	1.05	1.13	1.18

The dollar has appreciated in 2022, mainly as a consequence of the US Federal Reserve tightening its monetary policy to curb inflation in the context of the war in Ukraine. For more information see section 3.1. of the 2022 consolidated Management Report.

Exposure to exchange rate risk can be traced to financial assets and investments, liabilities and monetary flows in currencies other than the functional currency of Repsol, S.A. and to the translation to euros of the financial statements of Group companies with a different functional currency.

Repsol constantly monitors the Group's exposure to fluctuations in the exchange rate of currencies in which it undertakes significant operations and actively manages exchange rate risk positions that affect the financial result of the income statement. To this end, it contracts derivative financial instruments that seek to provide a consolidated economic hedge of currencies for which there is a liquid market.

Furthermore, net investment and cash flow hedges are arranged in order to ensure the carrying amount of net investments abroad, the economic value of the flows corresponding to investment and divestment operations, corporate operations or project execution or one-off contracts for which the monetary flows are distributed over a period of time.

For exchange rate derivatives, see Note 9.

The sensitivity of net income and equity to exchange rate risk, as a result of the effect on the financial instruments held by the Group at December 31, due to the appreciation or depreciation of the euro against the dollar, is illustrated below:

Exchange rate sensitivity	Appreciation (+) / depreciation (-) in exchange rate	€ Million	
		2022	2021
Effect on net income after tax	10%	(0.4)	8
	(10)%	0.4	(7)
Effect on equity	10%	(110)	493
	(10)%	90	(404)

b) Interest rate risk

Fluctuations in interest rates can affect interest income and expense from financial assets and liabilities with variable interest rates; which may also impact the fair value of financial assets and liabilities with a fixed interest rate. Furthermore, these fluctuations can affect the carrying amount of assets and liabilities due to variations in the discount rates of applicable cash flows, the return on investments and the future cost of raising financial resources.

Repsol's debt is linked to the most competitive financial instruments at any given time, both in terms of the capital market and banking market, and based on those market conditions considered to be ideal for each of them. Furthermore, Repsol contracts interest rate derivatives to reduce the risk of variations in financial burdens and in the fair value of its debt, and to mitigate the interest rate risk on future fixed-rate debt issues, which are designated in general as hedging instruments (see Note 9).

In the context of the war in Ukraine, the central banks have decided to tighten their monetary policy and therefore raise interest rates in response to rising inflation. Thus, the US Federal Reserve, which began the restrictive cycle in March, raising reference rates from 0% to 0.25%, finally raised rates to 4.25% at the end of the year. The European Central Bank abandoned negative rates in July and ended the year with reference rates at 2.5%. For more information see section 3.1. of the 2022 consolidated Management Report. Additional increases may increase the cost of debt and limit access to capital markets.

At December 31,2022, financing (gross debt) at a fixed rate amounted to 6,814 (€8,162 million in 2021). This amount represents 66% of the gross debt, excluding leases and including interest rate derivative financial instruments (70% in 2021) Variable-rate financial investments account for 95% of the total, and their average remuneration is reported in Note 9.

The sensitivity of net income and equity, as a result of the effect of fluctuations in interest rates on the financial instruments held by the Group at December 31, is shown in the following table:

Interest rate sensitivity	Increase (+) / decrease (-) in interest rates (basis points)	€ Million	
		2022	2021
Effect on net income after tax	50 b.p.	13	19
	-50 b.p.	(12)	(18)
Effect on equity	50 b.p.	1	38
	-50 b.p.	(1)	(39)

In connection with the process of transitioning to new benchmark interest rates currently under way in several jurisdictions worldwide, the Group reviewed the rates of the contracts entered into in accordance with the reform timetable affecting mainly loans and credit facilities. For more information, see Note 29.4.

c) *Commodity* price risk

The Group's results are exposed mainly to volatility in the prices of oil, derivative products, natural gas and electricity, as well as other *commodities* used in its activities.

In some cases, Repsol arranges derivatives to mitigate its exposure to commodity price risk. These derivatives provide an economic hedge of the Group's results, although they are not always designated as hedging instruments for accounting purposes (see Note 9).

During the year, the price of commodities rose sharply amid the energy crisis and shortage of commodities due to the international sanctions imposed on Russia following the outbreak of the war in Ukraine.

At December 31, 2022 an increase or decrease of 10% in commodity prices would have approximately led to the following changes in net income and in equity as a result of changes in value in the financial derivatives:

Commodities sensitivity	Increase (+) / decrease (-) in commodity prices	€ Million	
		2022	2021
Effect on net income after tax	+10%	(74)	(69)
	(10)%	74	69
Effect on equity	+10%	(136)	(35)
	(10)%	136	35

NOTE: A +/-50% change in commodity prices would have had an estimated impact of €-371 million and €371 million on net income, respectively, and €-680 million and €680 million on equity, respectively.

The sensitivity of the derivatives to increases in commodity prices partially offsets the adverse exposure of Repsol's physical operations -in inventories- inherent to its activity.

For more information on the impact of the current context on the exchange rate, interest rates and *commodity* prices, see section 3 of the 2022 consolidated Management Report.

10.2) Liquidity risk[31]

The liquidity policy applied by Repsol is structured around guaranteeing the availability of the necessary funds to ensure compliance with the obligations assumed and the evolution of the Group's business plans, while maintaining the ideal amount of liquid resources and seeking the highest level of efficiency in the management of financial resources at all times. In line with this prudent financial policy, at December 31, 2022 Repsol had cash resources and other liquid financial instruments and undrawn credit facilities that are sufficient to cover current debt maturities 3.8 times.

[31] For information on the definitions of the liquidity and solvency ratios and their reconciliations to the Alternative Performance Measures, see 4.3 of the 2022 consolidated Management Report. For information on the credit rating, see section 4.3 of the 2022 consolidated Management Report and www.repsol.com.

Repsol controls and monitors its financial needs ranging from the production of daily cash flow forecasts to the financial planning involved in the annual budgets and its strategic plan; it maintains diversified and stable sources of financing that facilitate efficient access to financial markets, all within the framework of a financing structure that is compatible with the corresponding credit rating in the investment grade category.

The Group had undrawn credit facilities amounting to €2,674 million and €2,664 million at December 31, 2022 and 2021, respectively.

At the end of the period, liquidity stood at €11,575 million (including undrawn committed credit facilities).

Liquidity	€ Million	
	2022	**2021**
Cash and banks	2,676	2,508
Other cash equivalents	3,836	3,087
Cash and other cash equivalents	**6,512**	**5,595**
Deposits with immediate availability (1)	2,389	2,024
Undrawn credit lines	2,674	2,664
Liquidity	**11,575**	**10,283**

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

In an international environment heavily affected by the war in Ukraine, and within the framework of the Group's financial policy, Repsol has ensured the ready availability of funds so as to be able to honor its obligations and see its business plans through to completion, guaranteeing at all times the optimum level of liquid resources and seeking absolute efficiency in the management of funds.

The following table contain an analysis on the maturities of the financial liabilities existing at December 31, 2022 and 2021:

Maturity of financial liabilities	Maturities (€ Million)							Maturities (€ Million)						
	2022							**2021**						
	2023	2024	2025	2026	2027	Seq	Total	2022	2023	2024	2025	2026	Seq	Total
Bonds and obligations (1)	1,891	848	1,748	499	747	2,082	7,815	2,050	429	979	1,878	568	3,577	9,481
Loans and other financial debts (1)	819	980	194	65	45	518	2,621	2,574	125	83	289	86	652	3,809
Lease payments (1)	571	459	401	360	339	1,751	3,881	530	476	402	363	326	1,899	3,996
Derivatives (2)	184	—	—	—	—	—	184	(19)	(70)	16	15	13	129	84
Suppliers	5,036	—	—	—	—	—	5,036	5,548	—	—	—	—	—	5,548
Other payables	5,657	—	—	—	—	—	5,657	5,289	—	—	—	—	—	5,289

NOTE: The amounts shown are the contractual undiscounted cash flows and, therefore, they differ from the amounts included on the balance sheet.
(1) Corresponds to future maturities of amounts recognized under "*Non-current financial liabilities*" and "*Current financial liabilities*", including interest related to these financial liabilities. It does not include financial derivatives.
(2) The contractual maturities of the derivatives included under this heading are outlined in Note 9. It does not include trade derivatives recognized under "*Other non-current liabilities*" and "*Other payables*" on the balance sheet.

10.3) Credit risk[32]

Expected Loss[33]

The Group calculates the expected credit loss on its **trade receivables** using its own risk assessment models for its customers, taking into account the probability of default, the balance at risk and the estimated loss given default. The general criteria for considering objective evidence of impairment (in the absence of other evidence of default such as bankruptcy, etc.) is that it has exceeded 180 days in default.

The remaining **financial instruments**, mainly certain loans and financial guarantees granted to joint ventures, are individually monitored.

The expected loss on financial instruments is calculated based on the stage of the debtor's credit risk in accordance with the following formula:

Expected credit loss	=	Probability of default[(1)]	x	Exposure[(2)]	x	LDG[(3)]

Phase 1: At the time of initial recognition, expected loss is calculated taking into account the probability of default in the first 12 months (for trade receivables, the calculation is spread over the life of the instrument).

Phase 2: When there is a significant increase in risk, expected loss is calculated for the entire life of the instrument.

Phase 3: For instruments that are already impaired, expected loss is calculated for the entire life of the instrument with effective interest on amortized cost net of the amount of the impairment.

(1) Calculated individually for each debtor except for individuals, for whom an average default rate is used. The models take into account quantitative information (economic-financial variables of the customer, payment behavior, etc.), qualitative information (sector of activity, macroeconomic data on the country, etc., and market sensitivity variables (e.g. price performance). An internal rating and an associated probability of default are obtained for each debtor, according to the models.

(2) Calculated taking into account the amount of the outstanding receivable and a potential future exposure according to the available risk limit.

(3) Percentage of unrecovered exposure in the event of default, based on the historical behavior and taking into account whether or not such exposure is guaranteed.

Credit risk is defined as the possibility of a third party not complying with their payment obligations, thus creating credit losses. The Group specifically evaluates all available information consistent with internal credit risk management for each financial instrument, including those of a commercial nature.

The Company updated its customer management model using economic forecasts for the main countries where it operates, which takes into account various factors including the ongoing war in Ukraine, without this having a significant impact on the Group's financial statements from a change in the payment behavior of debtors.

For credit risk arising from financial instruments relating to operations in Venezuela, see Note 20.3.

The Group's exposure to credit risk, according to the type of financial instrument together with the impairment recognized at December 31, 2022 for each of them, is broken down as follows:

Credit Risk	Gross balance	Average impairment	Impairment	Net balance 12/31/2022	Net balance 12/31/2021
Current financial assets and Cash [(1)]	9,572	—	(2)	9,570	8,046
Non-current financial assets [(2)]	3,871	63 %	(2,434) [(3)]	1,437	1,343
Other current and non-current assets	2,357	53 %	(1,254) [(3)]	1,103	1,203
Trade and other receivables [(4)]	9,211	2 %	(184)	9,027	8,238

(1) Impairments of less than one million euros due to the high credit quality of the counterparties (banks and financial institutions with ratings equal to or greater than BB). The Group's cash surplus is used to acquire safe and liquid short-term instruments, including short-term bank deposits and other instruments with similar low-risk characteristics. The portfolio of these investments is diversified to avoid a concentration of risk in any one instrument or counterparty.

(2) This heading is presented in the balance sheet net of the provision for the equity deficit of Cardón IV (see Note 15).

(3) Includes assets impaired in Phase III (see "*Expected loss*" in the table above). The impairment losses at December 31,2022 relate mainly to ongoing litigation and bankruptcy proceedings (€1,839 million) and to loans and credit facilities granted to joint ventures in Venezuela (€526 million). Impairments recognized at December 31, 2022 under other current and non-current assets correspond mainly to accounts receivable for the activity in Venezuela (see Notes19.4 and 20.3).

(4) See the following section "*Trade and other receivables*".

[32] The credit risk information included in this section does not include the credit risk of investees or joint ventures, the impact of which is recognized under"*Net income from investments accounted for using the equity method*".

[33] Expected credit losses are a probability-weighted estimate of losses (ie the present value of all cash deficits) over the expected life of the financial instrument. A cash deficit is defined as the difference between the cash flows owed to the entity in accordance with the contract and the cash flows that the entity expects to receive. Since expected credit losses take into account both the amount and timing of payments, there will be a credit loss if the entity expects to collect in full, but later than contractually agreed.

Trade and other receivables

The trade receivables are shown on the balance sheet at December 31, 2022 and 2021, net of provisions for impairment, for an amount of €9,027 million and €8,238 million, respectively. This heading increased mainly due to greater activity in all businesses (higher sales), as a result of higher demand due to fewer restrictions on mobility, and higher prices. The following table shows the age of the trade receivables net of provisions for impairment (including expected loss):

Maturities of Trade and other receivables	**2022**			**2021**
€ Million	Debt	Impairment	Balance	Balance
Unmatured debt	8,865	(84)	8,781	8,011
Matured debt 0-30 days	162	(4)	158	144
Matured debt 31-180 days	59	(5)	54	34
Matured debt over 180 days	125	(91)	34	49
TOTAL	**9,211**	**(184)**	**9,027**	**8,238**

The Group's credit risk on trade receivables is not significantly concentrated as it is spread out among a large number of customers and other counterparties. The maximum net exposure to a third party after its trade receivables have become impaired, including official bodies and public sector entities, does not exceed 2.07%.

As a general rule, the Group establishes a bank guarantee issued by financial institutions as the most suitable instrument of protection from credit risk. In some cases, the Group has contracted credit insurance policies whereby this partially transfers to third parties the credit risk related to the business activity of some of their customers in part of their business.

As part of its business activities, the Group has guarantees extended by third parties in an amount of €3,788 million at December 31, 2022 and €3,833 million at December 31, 2021. Of this balance, the trade receivables secured by guarantees stood at €1,169 million at December 31, 2022 and €1,313 million at December 31, 2021.

NON-CURRENT ASSETS AND LIABILITIES

(11) Intangible assets

The breakdown of the intangible assets and of the related accumulated amortization and impairment losses at December 31, 2022 and 2021 is as follows:

Intangible assets	€ Million								
		Upstream			Industrial, and Commercial and Renewables			Corporate	
GROSS COST	Goodwill	Exploration permits	Computer software	Other assets	Gas station association rights and other rights (4)	Computer software	Concessions and others	Computer software and others	**Total**
Balance at January 1, 2021	**3,012**	**2,023**	**215**	**89**	**315**	**545**	**499**	**352**	**7,050**
Investments (1)	—	54	5	200	28	56	26	50	419
Disposals or reductions	(2)	(70)	(3)	—	(14)	(24)	(2)	—	(115)
Translation differences	203	160	18	7	4	6	1	—	399
Change in scope of consolidation	(38)	(5)	—	—	(11)	(4)	23	—	(35)
Reclassifications and other	(14)	12	2	(4)	(10)	31	(148)	—	(131)
Balance at December 31, 2021	**3,161**	**2,174**	**237**	**292**	**312**	**610**	**399**	**402**	**7,587**
Investments (1)	—	34	9	4	22	64	53	69	255
Disposals or reductions	(136)	(40)	(5)	—	(13)	(13)	—	(3)	(210)
Translation differences	146	142	12	21	7	6	3	—	337
Change in scope of consolidation (2)	—	—	—	—	—	(1)	56	—	55
Reclassifications and other (3)	(260)	(616)	15	(199)	4	28	(25)	(8)	(1,061)
Balance at December 31, 2022	**2,911**	**1,694**	**268**	**118**	**332**	**694**	**486**	**460**	**6,963**
ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSSES									
Balance at January 1, 2021	(1,590)	(956)	(147)	(74)	(182)	(262)	(203)	(283)	(3,697)
Amortization	—	(24)	(19)	—	(27)	(66)	(14)	(31)	(181)
Disposals or reductions	—	69	2	—	14	22	2	—	109
(Provision for)/Reversal of provisions for impairment (4)	—	(211)	—	—	—	—	—	—	(211)
Translation differences	(120)	(83)	(13)	(6)	(1)	(3)	(1)	—	(227)
Changes in scope of consolidation	38	5	—	—	9	2	11	—	65
Reclassifications and other	—	10	2	—	12	(39)	67	—	52
Balance at December 31, 2021	**(1,672)**	**(1,190)**	**(175)**	**(80)**	**(175)**	**(346)**	**(138)**	**(314)**	**(4,090)**
Amortization	—	(38)	(19)	—	(29)	(78)	(52)	(8)	(224)
Disposals or reductions	119	40	5	—	12	12	—	—	188
(Provision for)/Reversal of provisions for impairment (4)	(516)	(192)	—	—	—	—	(3)	—	(711)
Translation differences	(71)	(66)	(10)	(5)	(3)	(3)	(1)	—	(159)
Changes in scope of consolidation	—	—	—	—	1	—	—	—	1
Reclassifications and other	—	6	—	—	1	2	(1)	—	8
Balance at December 31, 2022	**(2,140)**	**(1,440)**	**(199)**	**(85)**	**(193)**	**(413)**	**(195)**	**(322)**	**(4,987)**
Net balance at December 31, 2021	**1,489**	**984**	**62**	**212**	**137**	**264**	**261**	**88**	**3,497**
Net balance at December 31, 2022	**771**	**254**	**69**	**33**	**139**	**281**	**291**	**138**	**1,976**

(1) Investments in 2022 and 2021 come from the direct acquisition of assets. Investments in "*Exploration permits*" mainly refer to the acquisition of acreage and geological and geophysical costs in the amount of €34 million and €54 million in 2022 and 2021, respectively. In 2021, "*Other non-current assets*" in the upstream segment included the investment in gas assets in production from the US gas company Rockdale Marcellus.

(2) In relation to the acquisitions of Renewable projects (see note 2 at the bottom of the table in Note 12).

(3) In 2022 "*Exploration permits*" reflects the reclassification to "*Investments in areas with reserves*" of the property, plant and equipment of the investment in the exploration assets of Pikka (Alaska) and Leon and Castile (Gulf of Mexico), after the final investment decision, and of the assets acquired in 2021 from Rockdale Marcellus.

(4) For more information, see Note 20. At December 31, 2022 and 2021, cumulative provisions for impairment losses amounted to 2,785 million and €2,136 million, respectively (mainly impairment losses on "*Goodwill*", see the section below).

Repsol has taken out insurance to cover potential security incidents that could occur in its IT system, including computer software, due to malicious acts (cyber-attacks) or accidents that cause the system to be unavailable.

Goodwill

The breakdown of goodwill, by segment and company, at December 31, 2022 and 2021 is as follows:

Goodwill	€ Million **2022**
Upstream :	**401**
Repsol Oil&Gas USA, Llc	133
Repsol Exploración Peru, SA (Suc. Perú)	94
Other companies[(1)]	174
Industrial and Commercial and Renewables [(2)]:	**370**
Repsol Gas Portugal, S.A.	106
Repsol Comercial de Productos Petrolíferos, S.A.	106
Repsol Portuguesa, S.A.	86
Repsol Comercializadora de Electricidad y Gas, S.L.U	49
Other companies	23
TOTAL 2022 [(3) (4)]	**771**
TOTAL 2021 [(4)]	**1,489**

(1) Corresponds to a total of 10 CGUs.
(2) Corresponds to a total of 9 CGUs.
(3) Of the total, €402 million and €436 million in 2022 and 2021 correspond to companies carrying out their main activity in Europe.
(4) Includes €2,140 million and €1,672 million in accumulated impairment losses in 2022 and 2021, respectively.

The *Upstream* segment's goodwill comprises primarily goodwill arising from the 2015 acquisition of Talisman Energy Inc (now Repsol O&G Canada Inc, ROGCI). This corresponded mainly to the synergies that were expected to materialize after the acquisition[34] and due to the existence of other intangible assets not recognized in accordance with accounting standards[35]. The existence of these synergies and the relative importance of the benefits (savings) from the ROGCI acquisition for the entire Upstream segment, means that management has been evaluating the recoverability of goodwill at that level.

In 2022, in the context of the agreement to sell 25% of Repsol E&P to EIG (see Note 4.4), the degree to which ROGCI's goodwill is managed and monitored has been reviewed, taking account of the following: (i) the synergies associated with the acquisition have already materialized, (ii) the change in the priorities of the segment[36] have led to divestments in several countries (Malaysia, Vietnam, etc.) and very significant assets in Canada acquired from ROGCI, a reduction in exploratory activity, which affects the value of the seismic library acquired from ROGCI, and significant restructuring of the workforce in various countries associated with ROGCI, and (iii) under the previously mentioned agreement with EIG, the governance and management structure of the business is modified (the Board of Repsol Lux E&P Sàrl, the new company heading the Upstream business) and the way in which the internal monitoring of the recoverability of this goodwill will be carried out at the level of each asset in the segment.

Consequently, the level at which the recoverability of this goodwill is measured has been changed from the Upstream segment level to the level of the cash-generating units that comprise it. A "relative value approach" is used, based on allocating the segment's net book value to the cash-generating units according to the relative weight of the volumes of reserves and resources. As a consequence of the above, the goodwill assigned to the segment at December 31, 2021 for an amount €1,024 million, has been impaired or written off in 2022 for an amount of -724 (includes -260 assigned to CGUs in companies accounted for by the equity method), the balance at closing being €376 million.

Additionally, in the Commercial and Renewables segment, part of the goodwill corresponding to Repsol Portuguesa, S.A. has been impaired. for an amount of €-69 million.

Note 20.2 has additional information on the effect that changes in key assumptions have on the value of assets and goodwill in the segment (including the goodwill allocated to each CGU).

[34] They result from savings in corporate functions and support functions, standardization of salary conditions, global finance management, information systems, etc.
[35] Fundamentally a large seismic database that could not be reliably valuated and the organized human capital (approximately 3,000 people).
[36] The strategic priorities for the Upstream segment in the 2021-2050 Strategic Plan: (i) priority of free cash flow, (ii) resilient value contribution, (iii) focused portfolio (value over volume in <14 countries and reduced and more focused exploration) and (iv) first level in CO_2 emissions.

(12) Property, plant and equipment

The breakdown of "*Property, plant and equipment*" and of the related accumulated depreciation and impairment losses at December 31, 2022 and 2021 is as follows:

Property, plant and equipment	€ Million								
	Upstream			**Industrial, and Commercial and Renewables**				**Corporate**	
GROSS COST	Investments in areas with reserves	Investments in exploration	Other property, plant and equipment	Land, buildings and other constructions	Machinery and plant	Other property, plant and equipment	Property, plant and equipment in progress [5]	Land, construction and others	**Total**
Balance at January 1, 2021	**23,645**	**2,067**	**936**	**2,522**	**22,405**	**1,677**	**1,020**	**1,057**	**55,329**
Investments	458	117	65	1	7	11	968	17	1,644
Disposals or reductions	(269)	(11)	(19)	(28)	(238)	(62)	(18)	(17)	(662)
Translation differences	1,877	165	72	31	231	51	4	—	2,431
Change in scope of consolidation	(251)	(1)	(10)	8	(92)	40	—	—	(306)
Reclassifications and other (1)	(1,032)	(24)	(147)	(383)	462	11	(762)	(32)	(1,907)
Balance at December 31, 2021	**24,428**	**2,313**	**897**	**2,151**	**22,775**	**1,728**	**1,212**	**1,025**	**56,529**
Investments	1,587	144	150	—	7	6	1,605	21	3,520
Disposals or reductions	(2,305)	(53)	(9)	(8)	(206)	(69)	(13)	(4)	(2,667)
Translation differences	1,354	140	47	14	180	38	4	—	1,777
Change in scope of consolidation [2]	—	—	—	4	—	(45)	68	—	27
Reclassifications and other [1]	1,250	(591)	14	72	651	353	(584)	1	1,166
Balance at December 31, 2022	**26,314**	**1,953**	**1,099**	**2,233**	**23,407**	**2,011**	**2,292**	**1,043**	**60,352**
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES									
Balance at January 1, 2021	**(15,774)**	**(1,400)**	**(366)**	**(1,322)**	**(13,924)**	**(1,089)**	**—**	**(527)**	**(34,402)**
Depreciation [3]	(677)	(24)	(41)	(58)	(880)	(107)	—	(36)	(1,823)
Disposals or reductions	228	11	13	25	232	76	—	14	599
(Provision for)/Reversal of provisions for impairment [3]	(109)	(34)	(14)	8	51	(34)	—	(23)	(155)
Translation differences	(1,264)	(108)	(27)	(20)	(134)	(24)	—	—	(1,577)
Changes in scope of consolidation	237	1	9	(3)	40	23	—	—	307
Reclassifications and other [1]	1,244	(2)	101	407	439	41	—	18	2,248
Balance at December 31, 2021	**(16,115)**	**(1,556)**	**(325)**	**(963)**	**(14,176)**	**(1,114)**	**—**	**(554)**	**(34,803)**
Depreciation [3]	(903)	(90)	(36)	(60)	(864)	(134)	—	(28)	(2,115)
Disposals or reductions	1,711	53	7	8	198	76	—	2	2,055
(Provision for)/Reversal of provisions for impairment [4]	353	(23)	(6)	—	(2,134)	(1)	—	(3)	(1,814)
Translation differences	(937)	(87)	(17)	(16)	(91)	(19)	—	—	(1,167)
Changes in scope of consolidation	—	—	—	—	—	—	—	—	—
Reclassifications and other [1]	(129)	102	1	(4)	—	(8)	—	—	(38)
Balance at December 31, 2022	**(16,020)**	**(1,601)**	**(376)**	**(1,035)**	**(17,067)**	**(1,200)**	**—**	**(583)**	**(37,882)**
Net balance at December 31, 2021	**8,313**	**757**	**572**	**1,188**	**8,599**	**614**	**1,212**	**471**	**21,726**
Net balance at December 31, 2022	**10,294**	**352**	**723**	**1,198**	**6,340**	**811**	**2,292**	**460**	**22,470**

[1] In 2022, upstream *"Investments in areas with reserves"* includes reclassifications from *"Exploration Permits"* (after the final decision to invest in the exploratory assets in Alaska and in Leon and Castile in the Gulf of Mexico, see section 3,4 of the 2022 consolidated Management Report) and from *"Other fixed assets"* of intangible assets (investment in the gas assets of the American gas company Rockdale Marcellus, see Note 11). In 2022 and 2021, it includes reclassifications of the heading *"Fixed assets in progress"* mainly to *"Machinery and facilities"*, for various improvement, repair and remodeling projects of the Group's refineries, as well as for entry into operation of the Renewable projects (2022 Delta II and Jicarilla-2 and in 2021 Kappa and Valdesolar). In addition, in 2021 this includes reclassifications from "*Investment in areas with reserves*" to "*Non-current assets held for sale*" corresponding to the assets in Malaysia and Ecuador (see Note 16 of the consolidated financial statements).

[2] The classification of acquisitions of Renewable projects as a business or asset largely depends on the phase in which the acquired asset is at the acquisition date. In general, those that have not reached, at least, the *"ready to build"* milestone, which ends the pre-development phase and is prior to the phase of development or construction, are not liable to be classified as a business. Notwithstanding the above, each transaction will require a specific analysis for its classification as a business combination, or as an asset acquisition. In 2022, the acquisition of all renewable projects, taking into account the current phase of each project, has been considered as an asset acquisition. In relation to the valuation and useful life of tangible fixed assets, see the table below in this section.

[3] See the table below in this section for the measurement and useful life of the items of property, plant and equipment.

[4] See Note 20. At December 31, 2022 and 2021, the impairment losses on the assets came to €7,014 million and € 6,103 million, respectively, corresponding mainly to the impairment on "Investments in areas with reserves" (€4,102 million and €5,288 million in 2022 and 2021, respectively) and "*Machinery and plant*" (€2601 million and €450 million in 2022 and 2021, respectively).

(5) Includes, in 2022 and 2021, the fixed assets in progress that correspond to investments in the industrial complexes of the Refining and Chemical businesses, mainly in Spain, and to a lesser extent, in Peru and Portugal, in addition to the investments in wind and solar projects that Repsol is developing in Spain and the USA.

The breakdown, by geographical area, of the Group's most significant investments is detailed in sections 4. and 5.1 of the 2022 consolidated Management Report which is presented using the Group's *reporting* model. "*Property, plant and equipment*" includes investments made by the Group in service concession arrangements in the amount of €231 million and €249 million at December 31, 2022 and 2021, respectively. These concessions revert to the State over a period of time ranging from 2023 to 2084.

As a general rule, non-current assets are depreciated on a straight-line basis over their estimated useful lives. The estimated useful lives of the main assets are detailed below:

Estimated useful life	Years
Buildings and other constructions	14-50
Machinery and plant:	
Machinery, plant and tools	8-25
Specialized complex installations (mainly Refining and Chemical industrial complexes):	
Units	6-25
Storage tanks	14-30
Cabling and networks	12-25
Specialized complex installations (power generation):	18-38
Other property, plant and equipment (transport, furniture and fittings)	4-15

See Note 3.4. for the estimated useful life of the items of property, plant and equipment related to hydrocarbon upstream activities. During the year, the useful lives of certain facilities in the Group's refineries have been reviewed, based on the expected periods for their dismantling. The impact of this review on the Group's financial statements has not been significant. In addition, the estimated useful life for the rest of the Group's industrial and commercial facilities and plants did not have to be changed as a result of the expected impact of the energy transition on the demand for products (see Note 3.5.2).

The figures corresponding to non-depreciable assets, i.e., land and property, plant and equipment in progress, amount to €584 million and €2,292 million at December 31, 2022, respectively, and €581 million and €1,522 million at December 31, 2021, respectively.

"*Property, plant and equipment*" includes fully depreciated items in the amount of €10,453 million and €10,020 million at December 31, 2022 and 2021, respectively.

In accordance with industry practices, Repsol insures its assets and operations worldwide. The risks insured include damage to property, plant and equipment, with the subsequent interruptions in its business that such damage may cause to the majority of operations. The Group believes that the current coverage level is, in general, appropriate for the risks inherent to its business.

The breakdown of and changes in the right-of-use assets, as well as their accumulated depreciation, are as follows:

Right-of-use assets € Million	Machinery and plant	Transport elements	Buildings	Land	Other	**Total**
Balance at January 1, 2021	**1,481**	**208**	**116**	**181**	**157**	**2,143**
Acquisitions	163	26	(58)	52	44	227
Disposals and reductions	—	—	(3)	—	—	(3)
Depreciation and impairment	(153)	(63)	(29)	(16)	(29)	(290)
Translation differences and other	(14)	8	16	(16)	18	12
Balance at December 31, 2021	**1,477**	**179**	**42**	**201**	**190**	**2,089**
Acquisitions	97	38	1	50	109	295
Disposals and reductions	(3)		(1)			(4)
Depreciation and impairment	(544)	(76)	(15)	(20)	(74)	(729)
Translation differences and other	53	8	2	5	14	82
Balance at December 31, 2022	**1,080**	**149**	**29**	**236**	**239**	**1,733**

The most significant lease agreements are as follows:

- For the gas stations that the Group has in Spain, Portugal and Peru, lease agreements are signed for various concepts and with varying terms. At December 31, 2022 the corresponding rights of use amounted to €866 million and the future payments recognized as financial liabilities were €909 million.

- Agreement with Maritimes & North East Pipeline for the transportation of Canadian natural gas from the Canadian border to Dracut (USA) for an initial term of 25 years (renewable for up to an additional 30 years). The agreement initially came into effect in March 2009. At December 31, 2022 the corresponding rights of use amounted to €206 million[37] and the future payments recognized as financial liabilities were $823 million (€771 million).

- Agreement with Emera Brunswick Pipeline Company, Ltd. for the transportation of natural gas through a pipeline that connects the Saint John LNG plant with the US border for a period of 25 years (renewable for up to an additional 30 years). The lease came into effect in July 2009. At December 31, 2022, the rights of use under this agreement were provisioned (same as 2021) in full and the future payments recognized as financial liabilities amounted to $391 million (€366 million).

(13) Investments accounted for using the equity method

Movement in this heading during 2022 and 2021 was as follows:

Investments accounted for using the equity method	€ Million	
	2022	**2021**
Opening balance for the year	**3,554**	**5,897**
Net investments	74	19
Changes in scope of consolidation	55	145
Net income from investments accounted for using the equity method (1)	989	301
Dividends paid out (2)	(751)	(266)
Translation differences	192	220
Reclassifications and other movements (3)	189	(2,762)
Balance at year end	**4,302**	**3,554**

(1) The increase is mainly due to those businesses whose activity has been favored by the increase in prices during the period. This heading does not include "*Other comprehensive income*" amounting to €197 million in 2022 (€173 million corresponding to joint ventures) and €219 million in 2021 (€205 million corresponding to joint ventures), mainly as a result of translation differences.
(2) In 2022, mainly Repsol Sinopec Brasil(€388 million), Equion Energía Ltd (€205 million), Sierracol (€65 million) and YPFB Andina, S.A. (€46 million) and in 2021 mainly Repsol Sinopec Brasil (€155 million), YPFB Andina (€29 million) and Sierracol Energy Arauca (€29 million).
(3) In 2021corresponds mainly to the allocation of financial assets of Repsol Sinopec Brasil, B.V. to shareholders.

In 2022, the *"Changes in scope of consolidation"* heading mainly includes the acquisition of 11.07% of Enerkem (a leading Canadian company in gasification technology that produces renewable methanol and ethanol from solid urban waste and other materials). In 2021, the acquisition of 40% of Hecate Energy Group LLC, a company that operates in the renewable energy market of the United States, and the sale of the stake in AR Oil & Gaz, B.V., in Russia, stood out.
The breakdown of the investments accounted for using the equity method is as follows:

Details of investments accounted for using the equity method	€ Million	
	Carrying amount of the investment (2)	
	2022	**2021**
Joint ventures	3,916	3,349
Associates (1)	386	205
TOTAL	**4,302**	**3,554**

(1) This mainly includes the interest in Hecate Energy LLC, Enerkem Inc., Salamanca Infrastructure, LLC., OGCI Climate Investments Llp, and Oleoductos de Crudos Pesados (OCP) Ltd.
(2) In 2022, €3,383 million correspond to upstream (€2,737 million in 2021).

On the basis of the shareholders agreements signed at each company, where strategic, operational and financial decisions require the unanimous consent of the parties sharing control, these companies are considered joint ventures provided they are not a joint operation The most significant joint ventures are:

[37] Impaired rights of use for an amount of €341 million at December 31, 2022 (€64 million at December 31, 2021).

Repsol Sinopec Brasil, S.A. (RSB)

Repsol has a 60% stake in Repsol Sinopec Brasil, S.A. (through Repsol Lux E&P S.A.R.L., which is 100% owned by Repsol Upstream B.V., which, in turn, is 100% owned by Repsol, S.A), which has been included in the tables below as RSB. The remaining 40% of this company belongs to Tiptop Luxembourg, S.A.R.L.

This company's main businesses are hydrocarbon exploration, production and sale. It operates in Brazil.

For the guarantees granted by the Group to RSB, see Note 25.

YPFB Andina, S.A.

Repsol holds a 48.33% interest in YPFB Andina, S.A., through Repsol Bolivia, S.A., with the other shareholders being YPF Bolivia (51%) and non-controlling shareholders (0.67%). It engages mainly in hydrocarbon exploration, operation and sale. It operates mainly in Bolivia.

BPRY Caribbean Ventures, LLC. (BPRY)

Repsol holds a 30% interest in the share capital of BPRY Caribbean Ventures LLC through Repsol Exploración, S.A. The remaining 70% is owned by British Petroleum Ltd. This company and its subsidiaries mainly engage in hydrocarbon exploration, operation and sale, and other related activities in Trinidad and Tobago.

Petroquiriquire, S.A. (PQQ)

Repsol has a 40% interest in Petroquiriquire, S.A. through Repsol Exploración, S.A. Petroquiriquire is a public-private venture, partly held by Corporación Venezolana de Petróleo, S.A. (CVP) with 56% and PDVSA Social, S.A. with 4%. Its core activity is the production and sale of oil and gas in Venezuela. For information on the Group's risks and exposure in Venezuela, see Note 20.3.

Cardón IV, S.A. (Cardón IV)

Repsol has a 50% interest in Cardón IV, S.A. through Repsol Exploración, S.A. The other 50% is owned by the ENI group. Cardón IV is a gas licensee whose core activity is the production and sale of gas in Venezuela. For information on the Group's risks and exposure in Venezuela, see Note 20.3.

Repsol Sinopec Resources UK Ltd. (RSRUK)

A company held by Talisman Colombia Holdco, Ltd, a subsidiary of the Repsol Group, and by Addax Petroleum UK Limited ("Addax"), a subsidiary of the Sinopec group, with a 51% and 49% interest, respectively. The company mainly engages in hydrocarbon exploration and operation in the North Sea.

For information on the arbitration procedure concerning the purchase by Addax of its 49% interest in RSRUK, see Note 15.

The tables below provide a summary of the financial information for main investments, prepared in accordance with EU-IFRS accounting policies,(see Note 3) and its reconciliation with the carrying amount of the investment in the consolidated financial statements[38]:

Income from joint ventures	RSB		YPFB Andina		BPRY		Petroquiriquire		Cardón IV		RSRUK	
€ Million	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Revenue	2,044	1,358	189	148	3,595	1,599	331	206	856	636	1,295	887
Amortization and impairment [(1)]	(351)	(306)	(248)	(118)	(618)	(841)	(212)	(298)	(183)	(54)	(159)	(496)
Other operating income/ (expenses)	(707)	(468)	(95)	(86)	(1,411)	(791)	81	(53)	(229)	(158)	(339)	(535)
Operating income	**986**	**584**	**(154)**	**(56)**	**1,566**	**(33)**	**200**	**(145)**	**444**	**424**	**797**	**(144)**
Net interest	8	—	—	2	(113)	(77)	(65)	(38)	(38)	(64)	42	8
Financial result	(94)	(65)	(9)	(11)	(32)	(23)	(6)	11	(10)	(22)	(101)	(46)
Net income from investments accounted for using the equity method-net of taxes	—	—	(18)	2	—	—	—	—	—	—	—	—
Net income before tax	**900**	**519**	**(181)**	**(63)**	**1,421**	**(133)**	**129**	**(172)**	**396**	**338**	**738**	**(182)**
Tax expense	(239)	(203)	34	13	(811)	52	(81)	73	(116)	5	(180)	96
Net income attributable to the parent	**661**	**316**	**(147)**	**(50)**	**610**	**(81)**	**48**	**(99)**	**280**	**343**	**558**	**(86)**
Repsol interest	60 %	60 %	48 %	48 %	30 %	30 %	40 %	40 %	50 %	50 %	51 %	51 %
Consolidation income	**397**	**190**	**(71)**	**(24)**	**183**	**(24)**	**19**	**(40)**	**140**	**172**	**285**	**(44)**
Dividends	**388**	**155**	**46**	**29**	—	—	—	—	—	—	—	—
Other comprehensive income [(2)]	**84**	**105**	**21**	**27**	—	**5**	**(31)**	**(37)**	**(8)**	**(13)**	**36**	**45**

(1) Includes impairment losses on assets at BPRY, YPFB Andina and RSRUK, and due to credit risk, mainly at Cardón IV and PQQ (see Note 20).
(2) Headings "*Valuation gains/(losses)*" and "*Amounts transferred to the income statement*" in the statement of recognized income and expense.

Carrying amount of the stake	RSB		YPFB Andina		BPRY		Petroquiriquire		Cardón IV		RSRUK	
€ Million	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Assets												
Non-current assets	3,701	3,772	575	686	3,106	2,934	207	4	863	636	2,848	3,068
Current assets	909	594	241	268	1,815	650	433	589	174	537	1,765	1,555
Cash and cash equivalents	359	246	39	23	308	110	—	—	9	7	26	65
Other current assets [(1)]	550	348	202	245	1,507	540	433	589	165	530	1,739	1,490
Total Assets	**4,610**	**4,366**	**816**	**954**	**4,921**	**3,584**	**640**	**593**	**1,037**	**1,173**	**4,613**	**4,623**
Liabilities												
Non-current liabilities	1,808	1,827	264	237	2,787	2,251	986	712	342	652	2,475	2,929
Financial liabilities	900	902	—	—	1,392	1,139	868	706	46	446	145	64
Other non-current liabilities	908	925	264	237	1,395	1,112	118	6	296	206	2,330	2,865
Current liabilities	507	384	72	56	1,017	1,094	906	1,131	379	709	297	539
Financial liabilities	176	166	—	—	414	693	—	52	—	1	13	20
Other current liabilities [(1)]	331	218	72	56	603	401	906	1,079	379	708	284	519
Total Liabilities	**2,315**	**2,211**	**336**	**293**	**3,804**	**3,345**	**1,892**	**1,843**	**721**	**1,361**	**2,772**	**3,468**
NET ASSETS	**2,295**	**2,155**	**480**	**661**	**1,117**	**239**	**(1,252)**	**(1,250)**	**316**	**(188)**	**1,841**	**1,155**
Repsol interest	60 %	60 %	48 %	48 %	30 %	30 %	40 %	40 %	50 %	50 %	51 %	51 %
Share in net assets [(2)]	1,377	1,293	230	317	335	72	(501)	(500)	158	(94)	939	589
Goodwill	—	—	—	—	—	—	—	—	—	—	—	—
Carrying amount of the investment	**1,377**	**1,293**	**230**	**317**	**335**	**72**	**(501)**	**(500)**	**158**	**(94)**	**939**	**589**

Note: The amounts itemized in the tables feature the Group's percentage of ownership interest in each of the companies:
(1) With regard to Petroquiriquire, other current assets and liabilities include the offsetting of reciprocal claims and debts with PDVSA under the agreed terms.
(2) Petroquiriquire: in 2022 and 2021 a provision was recognized for contingencies and charges amounting to €501 million and €500 million at December 31, respectively, corresponding to the equity deficit of Petroquiriquire (see Note 15).
Cardón IV: The value of the investment is made equal to zero by deducting the carrying amount from the loan granted to Cardón IV (the balance of which, net impairment, at December 31, 2021 amounted to €166 million, and which is considered a net investment (see Note 8.1)).

[38] For significant joint arrangements and associated companies: (i) there are no applicable legal restrictions on the ability to transfer funds to the Group, (ii) the financial statements used refer to the same date as those of Repsol, S.A. and (iii) there are no unrecognized losses.

(14) Other non-current assets and liabilities

In 2022 and 2021, the *"Other non-current assets"* heading mainly included accounts receivable from PDVSA in Venezuela (see Notes 20.3) amounting to €318 million, net of impairment losses (€344 million in 2021) and the deposits associated with the decommissioning of upstream assets (*"sinking funds"*) amounting to €69 million (€59 million in 2021), mainly in Indonesia, and derivative financial instruments associated with non-current trade receivables (see Note 8). In 2022 and 2021, the heading *"Other non-current liabilities"* mainly includes derivative financial instruments related to trade receivables (see Note 7), and guarantees and deposits received for €122 million (€121 million in 2021).

(15) Current and non-current provisions

Repsol makes judgments and estimates that affect the recognition and measurement of provisions for litigation, decommissioning and other contingencies. The final cost of settling complaints, claims and litigation may vary from the estimates previously made due to differences in the identification of dates, interpretation of rules, technical opinions and assessments of the amount of damages and liabilities.

The calculations to recognize provisions for the cost of decommissioning its hydrocarbon production operations are complex, on account of the need to initially recognize the present value of the estimated future costs and to adjust this figure in subsequent years in order to reflect the passage of time and changes in the estimates due to changes in the underlying assumptions used as a result of technological advances and regulatory changes, economic, political and environmental security factors, as well as changes in the initially-established schedules or other terms. The decommissioning provisions are updated regularly to reflect trends in estimated costs and the discount rates. These discount rates take into account the risk-free rate, by term and currency, country risk and a spread according to debt structure and the cash flow projection period. Specifically, the weighted average rate used by the Group was 6.3%.

Additionally, Repsol makes judgments and estimates in recognizing costs and establishing provisions for environmental clean-up and remediation costs, which are based on current information regarding costs and expected plans for remediation based on applicable laws and regulations, the identification and assessment of the effects on the environment, as well as applicable technologies.

Therefore, any change in the factors or circumstances related to provisions of this nature, as well as changes in laws and regulations, could therefore have a significant effect on the provisions recognized.

15.1) Provisions

At December 31, 2022 and 2021, the balance of these headings and the changes therein are as follows:

Provisions for current and non-current contingencies and charges

	Million				
	Asset decommissioning [3]	Consumption of CO_2 emission allowances	Legal contingencies	Other provisions [4]	Total
Balance at January 1, 2021	**1,773**	**281**	**891**	**1,367**	**4,312**
Provisions charged to income [1]	85	479	73	247	884
Provisions reversed with a credit to income	(10)	(3)	(10)	(18)	(41)
Cancellation due to payment	(101)	(1)	(43)	(117)	(262)
Changes in scope of consolidation	(17)	—	—	(325)	(342)
Translation differences, reclassifications and other [2]	(21)	(287)	(132)	177	(263)
Balance at December 31, 2021	**1,709**	**469**	**779**	**1,331**	**4,288**
Provisions charged to income [1]	113	1,099	29	468	1,709
Provisions reversed with a credit to income	(28)	—	(25)	(60)	(113)
Cancellation due to payment	(81)	—	(51)	(231)	(363)
Changes in scope of consolidation	—	—	—	—	—
Translation differences, reclassifications and other [2]	26	(477)	47	15	(389)
Balance at December 31, 2022	**1,739**	**1,091**	**779**	**1,523**	**5,132**

[1] In 2022 and 2021, this line item included €66 million and €59 million, respectively, reflecting the discounting to present value of provisions and "*Other provisions*" included the provision corresponding to the use of CO2 allowances for €1,099 million and €479 million, respectively. In 2022 *"Other provisions"* includes the provision for the oil spill that occurred in the Pampilla refinery (see Note 29.1 and 15.2).

[2] In 2022 and 2021, "*Consumption of CO2 allowances*" includes the derecognition of the allowances consumed for emissions in the years 2021 and 2020, respectively, and "*Other provisions*" includes the negative value update of the investments in Petroquiriquire and Cardón IV (see Note 13).

[3] In 2022, includes recognition of decommissioning provisions for refineries in Spain and Peru (see Note 20.1). In 2022, a change in the discount rate of +/- 50 basis points would decrease/increase provisions by €-71 million and €70 million.

[4] "*Other provisions*" includes mainly those recognized to cover obligations arising from environmental clean-up and remediation costs (see Note 29.1), pension commitments (see Note 27), employee incentive schemes (see Note 27), provisions for tax risks not related to income tax (see Note 22), provisions for workforce restructuring and other provisions to cover obligations arising from the Group's interests in companies. The tax provisions related to income tax are presented under "*Deferred tax liabilities and other*" in the balance sheet (see Note 22). in 2021, "Changes in the consolidation perimeter" mainly included removal of the provision for onerous contracts after the acquisition of 25% of Saint John LNG, S.L., once the obligation is extinguished at Group level.

The following table provides an estimate of maturities of provisions at year-end 2022:

Due dates of provisions	Due dates[1] € Million			
	Less than one year	From 1 to 5 years	undetermined	Total
Provisions for field decommissioning	41	317	1,381	1,739
Provisions for consumption of CO_2 emission allowances	1,091	—	—	1,091
Provision for legal and tax contingencies	1	774	4	779
Other provisions	446	377	700	1,523
TOTAL	**1,579**	**1,468**	**2,085**	**5,132**

[1] Due to the nature of the risks provisioned, these timing assessments are subject to uncertainty and changes that are beyond the Group's control. As a result, this schedule could change in the future depending on the circumstances on which these estimates are based.

15.2) Disputes

The amounts provisioned are calculated on the basis of the best estimate of the amount needed to settle the lawsuit in question, underpinned, among others, by a case-by-case analysis of the facts, the legal opinions of its in-house and external advisors and prior experience from past events.

At December 31, 2022, Repsol's balance sheet includes provisions for litigation in the ordinary course of its activities totaling €779 million (€779 million at December 31, 2021). The most significant legal or arbitration proceedings and their status as of the date of authorization for issue of these consolidated Financial Statements are summarized below.

United Kingdom

Addax arbitration in relation to the purchase of Talisman Energy UK Limited (TSEUK)

On July 13, 2015, Addax Petroleum UK Limited ("Addax") and Sinopec International Petroleum upstream Corporation ("Sinopec") filed a "Notice of Arbitration" against Talisman Energy Inc. (currently "ROGCI") and Talisman Colombia Holdco Limited ("TCHL") in connection with the purchase of 49% of the shares of TSEUK (currently Repsol Sinopec Resources UK Limited "RSRUK"). On October 1, 2015, ROGCI and TCHL submitted the answer to the "Notice of Arbitration". On May 25, 2016, Addax and Sinopec formalized the arbitration claim, in which they requested that, in the event that their claims are upheld in full, they be paid the amount of their initial investment in RSRUK, materialized in 2012 through the purchase of 49% of this from TCHL, a wholly-owned subsidiary of ROGCI, together with any additional investment, past or future, in such company, as well as any loss of opportunity that could have occurred, which is estimated to be a total figure of approximately $5,500 million.

The dispute relates to events that took place in 2012, prior to Repsol's acquisition of Talisman in 2015 -and that does not involve any actions by Repsol.

ROGCI and TCHL asked the Arbitral Tribunal to dismiss the claims of Addax and Sinopec based on contractual guarantees. On August 15, 2017, the Arbitral Tribunal issued a First Partial Award dismissing Addax and Sinopec warranty claims.

The Arbitral Tribunal decided, among other procedural matters, to split the procedure into two phases: the first addressing liability and the second dealing with the amount of any liability found that, where appropriate, would have been determined.

The five main matters in dispute are Reserves, Production, Abandonment, Projects and Maintenance.

In 2018, the oral hearing on matters of liability was held and the conclusions of the parties were presented.

On January 29, 2020, the Arbitral Tribunal issued its second Partial Award on Reserves, determining that ROGCI and TCHL are liable to Sinopec and Addax with regard to this matter. On April 28, 2020, Repsol challenged this second partial award in the Singapore courts, as the case had been transferred to the Singapore International Commercial Court (SICC). A ruling is expected to be handed down on this appeal in the third quarter of 2022.

On April 20, 2021 the Arbitral Tribunal issued a Third Partial Award with regard to the remaining issues pending to be decided in the liability phase, whereby it declared that TCHL and ROGCI were liable for the matter related to Production — which overlaps with what was already decided in the previous award on Reserves — and dismissed the claims of Addax and Sinopec regarding the remaining matters (Abandonment, Projects and Maintenance). On July 19, 2021, ROGCI and TCHL challenged this Third Partial Award before the Singapore courts.

On January 31, 2023, the SICC issued a judgment dismissing the annulment appeals filed against the Second Partial Award and the Third Partial Award.

Following this Award, the arbitration process will continue in its quantification phase, and a decision is not expected to be handed down before the fourth quarter of 2023.

The Third Partial Award has dismissed most of the claims of Addax and Sinopec and allows for a better estimate of the liabilities that could arise from this litigation. Therefore, a new assessment has been carried out of the provision necessary to cover the corresponding risks and, as a result of the analysis performed by the company and its lawyers and external advisors, the provision initially recognized has been reduced. The Company considers that the information above is sufficient in accordance with paragraph 92 of IAS 37 "*Provisions, Contingent Liabilities and Contingent Assets*", as further details on its estimates could harm the development and outcome of the litigation.

In addition, on November 30, 2017 Repsol, S.A. commenced arbitration proceedings against China Petroleum Corporation and TipTop Luxembourg S.A.R.L (Sinopec Group companies) seeking relief from any adverse ruling on the arbitration mentioned above together with other damages yet unquantified. The Tribunal issued an award dismissing Repsol claim. This decision does not have any impact in the risk assessment and the provision of the Addax arbitration.

United States of America

<u>Passaic River/Newark Bay lawsuit</u>

The events underlying this litigation related to the sale by Maxus Energy Corporation ("Maxus"). on September l 4, 1986, of its former chemicals subsidiary, Diamond Shamrock Chemical Company ("Chemicals") to Occidental Chemical Corporation ("OCC"). Maxus agreed to indemnify Occidental for certain environmental contingencies relating to the business and activities of Chemicals prior to the date of the sale. After that (1995), Maxus was acquired by YPF, S.A. ("YPF") and subsequently (in 1999) Repsol, S.A. acquired YPF.

In December 2005, the New Jersey Department of Environmental Protection ("DEP") and the New Jersey Spill Compensation Fund (together, the "State of New Jersey") sued Repsol YPF, S.A. (today called Repsol, S.A., hereinafter, "Repsol"), YPF, YPF Holdings Inc. ("YPFH"), CLH Holdings ("CLHH"), Tierra Solutions, Inc. ("Tierra"), Maxus and OCC for the alleged contamination caused by the former Chemicals plant which allegedly contaminated the Passaic River, Newark Bay and other bodies of water and properties in the vicinity.

On September 26, 2012 OCC lodged a Second Amended Cross Claim (the "Cross Claim") against Repsol, YPF, Maxus, Tierra and CLHH (all of which together "the Defendants") demanding, among other things, that Repsol and YPF be held liable for Maxus' debts. Between June 2013 and August 2014, the Defendants signed different agreements with the State of New Jersey, in which they do not acknowledge liability and through certain payments in exchange for the withdrawal by the State of New Jersey of its proceedings against them. In February 2015, Repsol file a claim against OCC for the $65 million that it had to pay to the State of New Jersey.

On April 5, 2016 the Presiding Judge decided to dismiss OCC's suit against Repsol in full. On June 17, 2016 Maxus filed for bankruptcy with the Federal Bankruptcy Court of the State of Delaware, and also requested the stay of the Cross Claim. On October 19, 2017, the Presiding Judge upheld Repsol's claim against OCC in full, ordering OCC to pay $65 million plus interest and costs.

On September 14, 2018, Maxus (declared by the Federal Bankruptcy Court of Delaware, the successor to OCC -its main creditor- as the claimant in the Cross Claim) filed an appeal against the ruling handed down in these proceeding, and that rejected the claim between Maxus and Repsol. At the same time, OCC filed an appeal against the claim ordering them to pay the $65 million that Repsol had to pay to the State of New Jersey. On December 27, 2021 the New Jersey Appellate Division reversed the decisions of the Trial Court, accepting the appeals of Maxus and OCC. This opinion does not find Repsol liable, but only remands the case to the Trial Court as it considers that a Summary Judgment could not be granted in this stage of the proceeding.

On June 14, 2018, the Maxus Bankruptcy Administration filed a lawsuit ("New Claim") in the Federal Bankruptcy Court of the State of Delaware against YPF, Repsol and certain subsidiaries of both companies for the same claims as those contained in the Cross Claim. In February 2019, the Federal Bankruptcy Court rejected the petitions submitted by Repsol requesting that the Court reject the New Claim from the outset, which implies that the proceedings will be ongoing.

Repsol maintains the view, as has been shown in the Cross Claim, that the claims made in the New Claim and in the Insurance Claim are unfounded.

On December 10, 2019, the bankruptcy managers of Maxus filed an Insurance Claim in Texas against Greenstone Assurance Limited (a historical captive reinsurance company of the Maxus Group and currently 100% owned by Repsol - "Greenstone"), claiming that this company would be required to pay Maxus compensation for the liabilities arising from the indemnity granted to OCC, by virtue of alleged insurance policies issued by Greenstone between 1974 and 1998.

Repsol continues to maintain the view that the claims asserted in the Insurance Claim are unfounded. However, the parties reached an agreement for an amount of $25 million.. The settlement agreement was executed on March 25, 2021 and the parties jointly filed with the Court a joint motion to dismiss with prejudice on March 26, 2021, which was granted by the Court on April 9,2021.

Peru

Following the oil spill on January 15, 2022 at the facilities of the La Pampilla Refinery in Peru, which took place as a result of an uncontrolled movement of the ship Mare Doricum during the unloading of crude oil (see Note 29.1): at the end of August, leave to be heard was granted for the civil lawsuit 15.2 for damages filed by the National Institute for the Defense of Competition and the Protection of Intellectual Property of Peru (INDECOPI) against Repsol, S.A., Refinería La Pampilla, S.A.A. (RELAPASAA), Repsol Comercial, S.A.C (RECOSAC), with the Mapfre insurance company and the shipping companies Fratelli d'amico Armatori and Transtotal Marítima , as operators of the ship, requesting compensation of $4,500 million for liabilities in the oil spill at the Refinería de la Pampilla facilities (see Note 30), of which $3,000 million would correspond to direct damages and $1,500 million to moral damages suffered by consumers, users and third parties allegedly affected by the spill.

The civil lawsuit has not yet been notified to Repsol, S.A., Mapfre Spain or the shipowners in Italy as it follows a consular notification that normally takes few months.

Meanwhile, RELAPASAA, RECOSAC and Mapfre Perú have presented their defenses in form and substance in a timely manner, filing appeals for annulment against the order for admission of the lawsuit based on its lack of due cause, failure to rectify the defects in the suit initially indicated by the judge, lack of prior settlement proceedings by INDECOPI and lack of identification of the claimants, as well as improper accumulation of petitions. These three entities have presented their formal defenses, pleading as follows; that INDECOPI does not have the right to demand payment; that transactions exist with a growing number of people affected by the spill, as recorded in the Register prepared by the Peruvian Government; that INDECOPI's representation is defective; that the sued Repsol Group companies and their insurers do not have legal capacity to be made defendants; and that any eventual civil liability resulting from the spillage depends on the result of ongoing investigations. Finally, they have also formalized their substantive defenses regarding non-contractual civil liability based on the lack of foundation for the amounts claimed, among other arguments.

Although the lawsuit filed by INDECOPI may entail a long process, Repsol ratifies its assessment that, according to the criteria of the external lawyers and in view of all the opposing arguments put forward, the Peruvian Courts will finally reject it, and therefore considers it a remote risk.

Also in relation to the spill on January 15, 2022, the Association of Persons Affected by Repsol has filed a lawsuit against RELAPASAA and the insurer Mapfre Perú, claiming 5,134 million soles (around €1,273 million) in favor of 10,268 allegedly affected persons. On November 30, 2022, RELAPASAA was notified of this lawsuit. RELAPASAA has presented the formal and substantive defenses regarding this lawsuit in a timely manner within the corresponding deadlines. To date, the company has filed an appeal for annulment against the order for admission of the lawsuit based on an improper accumulation of claims, as well as formal defenses pleading the lack of acting capacity of the Association on behalf of the supposed affected individuals and lack of proper identification of those individuals. Finally, the company has also formalized its substantive defense regarding non-contractual civil liability based on the lack of foundation for the amounts claimed, among other arguments. In the opinion of RELAPASAA's legal advisors, this contingency is classified as remote.

As a consequence of the spill, different Peruvian regulatory bodies (Environmental Assessment and Control Agency (OEFA), Supervisory Agency for Investment in Energy and Mining (OSINERGMIN), General Directorate of Captaincies and Coast Guard (DICAPI), National Service of Natural Protected Areas by the State (SERNANP), National Forestry and Wildlife Service (SERFOR) have initiated sanctioning administrative procedures against RELAPASAA against which the corresponding defenses have been presented, in addition to meeting the requirements of the authorities mentioned. Most of these administrative sanctioning procedures are in their initial phases and their results, without prejudice to formal issues with an impact on their processing, will depend on the conclusions obtained from the ongoing investigations. However, in some of these pending administrative procedures, a negative result can be expected, and therefore the corresponding provision has been recognized at year-end.

CURRENT ASSETS AND LIABILITIES

(16) Inventories

Inventories are measured at the lower of their cost (calculated based on the weighted average cost) and their net realizable value. "*Commodities*" related to *"trading"* activity are measured at fair value less costs to sell and changes in value are recognized in the income statement.

Emission allowances are recognized as inventory and are initially recognized at acquisition cost. Those allowances free of charge received under the emissions trading system for the 2013-2020 period, are initially recognized as inventory at the market price prevailing at the beginning of the year in which they are issued, against deferred income as a grant. As the corresponding tons of CO_2 are issued, the deferred income is reclassified to profit or loss.

The Group records an expense under *"Other operating expenses"* in the income statement for the CO_2 emissions released during the year, recognizing a provision calculated based on the tons of CO_2 emitted above those emission allowances at zero cost, measured at: (i) their carrying amount in the case of the allowances that the Group has at year end; and (ii) the closing list price in the case of allowances that it does not yet have at year end.

When the emissions allowances for the tons of CO_2 emitted are delivered to the authorities, the inventories and their corresponding provision are derecognized from the balance sheet without any effect on the income statement. When CO_2 emission allowances are actively managed to take advantage of market trading opportunities, the trading allowances portfolio is classified as *"trading"* inventories.

The breakdown of "Inventories" at December 31, 2022 and 2021 is as follows:

Inventories	€ Million	
	2022	**2021**
Crude oil and natural gas	2,120	1,713
Finished and semi-finished products	3,712	2,918
Materials and other inventories [(1)]	1,461	596
TOTAL [(2)]	**7,293**	**5,227**

[(1)] Includes zero-cost CO_2 allowances for a total of €611 million equal to 7,274 thousand tons. (€260 million equivalent to 7,574 thousand tons in 2021).
[(2)] Includes inventory write-downs of €101 million and €48 million at December 31, 2022 and 2021, respectively. The write-downs recognized and reversed amounted to €-91 million and €39 million, respectively (€-15 million and €7 million in 2021).

At December 31, 2022 the balance of commodities, related to trading activity, amounted to €246 million, and the effect of their measurement at market value represented income of €12 million. The fair value is calculated using forward price curves provided by the market depending on the time horizon for the transactions. The main variables used are: prices taken from official publications (Platt's, Argus, OPIS, brokers, etc.) and historic or mark-to-market premiums, if available.

The higher balances under the *"Inventories"* heading are mainly explained by the increase in the average prices of Brent crude (+17% / +11.1 €/bbl) in December 2022 compared to December 2021, and the increase in the volume of operations and in CO_2 inventories.

At December 31, 2022 and 2021 the Repsol Group complied with the legal requirements regarding minimum safety stocks established under prevailing legislation (see Appendix IV) through its Spanish Group companies.

(17) Trade and other receivables

The breakdown of this heading at December 31, 2022 and 2021 is as follows:

Trade and other receivables	€ Million	
	2022	**2021**
Trade receivables for sales and services (gross amount)	6,352	5,972
Impairment	(184)	(186)
Trade receivables for sales and services	**6,168**	**5,786**
Receivables from operating activities and other receivables	617	693
Receivables from operations with staff	50	47
Public administrations	526	215
Trade derivatives (Note 9)	498	1,027
Other receivables	**1,691**	**1,982**
Current tax assets	**1,168**	**470**
Trade and other receivables	**9,027**	**8,238**

This heading has increased mainly because of greater activity in all businesses, most notably in the Refining, Mobility, Lubricants, Aviation, Asphalts and Specialties businesses, with higher sales as restrictions on mobility fell and higher prices for the products, as well as the higher taxes in line with the higher earnings.

(18) Trade and other payables

Repsol had the following accounts payable classified under "*Trade and other payables*":

Trade and other payables	€ Million	
	2022	2021
Suppliers	**5,036**	**5,548**
Payables and others	4,145	3,783
Payables to public administrations	794	635
Derivative financial instruments (Note 9)	718	871
Other payables	**5,657**	**5,289**
Current tax liabilities	**1,100**	**386**
TOTAL	**11,793**	**11,223**

"*Trade and other payables*" increased due to greater activity (higher volume of purchases).

Information on the average period of payment to suppliers in Spain

The disclosures made in respect of the average period of payment for trade payables in Spain are presented in accordance with that established in applicable law.

Average payment period	Days	
	2022	2021
Average period of payment to suppliers (PMP) [(1)]	38	30
Ratio of transactions paid [(2)]	38	30
Ratio of transactions payable [(3)]	29	30
	Amount (€ Million)	
Total payments made	21,534	11,733
Total payments made within the legal term [(4)]	18,218	10,706
Total payments outstanding	1,173	460
	Invoices	
Number of invoices within the legal term [(5)]	742,570	642,640

[(1)] PMP = ((Ratio of transactions paid * total payments made) + (Ratio of transactions payable * total payments outstanding)) / (Total payments made + total payments outstanding). In accordance with the transitional provisions of Law 15/2010, the maximum legal payment deadline is 60 days.
[(2)] Σ (Number of days of payment * amount of the transaction paid) / Total payments made.
[(3)] Σ (Number of days outstanding * amount of the transaction payable) / Total payments outstanding.
[(4)] Represents %85 (%91 in 2021) of the total payments to suppliers.
[(5)] Represents %88 (%87 in 2021) of the total of supplier invoices.

INCOME

(19) Operating income

On the same date as these consolidated Financial Statements, Repsol published its 2022 consolidated Management Report, which includes an explanation of performance results and other aggregates.

19.1) Sales and income from services rendered

Income is recognized based on compliance with performance obligations to customers. Income from ordinary activities represents the transfer of committed goods or services to customers for an amount that reflects the consideration to which the entity expects to be entitled in exchange for these goods and services. There are five distinct steps in income recognition: (i) identify the customer's contract(s), (ii) identify performance obligations, (iii) determine the transaction price, (iv) assign the transaction price to the different performance obligations, and (v) income recognition according to the fulfillment of each obligation.

Most of the Group's business contracts have a single performance obligation that is fulfilled with the delivery of the product, which takes place at a specific point in time. At December 31, there were no relevant performance obligations outstanding with customers.

In sales in which the Group acts as an agent, the Group only recognizes the net interest margin as revenue.

With regard to excise duties (tax on hydrocarbons), this is a single-phase tax and the company assumes the same repercussions as the holder of the tax warehouse (normally "Exolum", formerly named CLH), and Repsol subsequently transfers this cost to its customers as part of the price of the product. In other words, Repsol does not act as a mere collection agent for the Spanish Tax Agency as it is not a tax that can be recovered from the tax authorities (for example, in the event of non-payment by the end customer), but rather a tax for which the Group assumes all the risks (for example, also in the event of the destruction or loss of the product) and rewards, and therefore in essence constitutes a production cost to be recovered, where appropriate, through the sale of the product, with the company being free to set the sales price. This is why Repsol considers the tax on hydrocarbons to be a cost incurred and, symmetrically, as an increase in revenue from sales.

In Upstream, income was mainly generated either from the sale of crude oil, condensates and liquefied natural gas and natural gas, or from the provision of hydrocarbon operation services, depending on the contracts in force in each of the countries in which the Group operates. In the Industrial segment, income is generated mainly from the sale of oil products (petrol, fuel oil, LPG, asphalt, lubricants, etc.), petrochemical products (ethylene, propylene, polyolefins and interim products). With regard to Commercial and Renewables, income is generated mainly from the sale of oil products and other services at service stations and the sale of gas (natural gas and LNG) and electricity.

The distribution of revenue from ordinary activities (headings *"Sales"* and *"Services rendered and other income"*) by segment in 2022 and 2021 is shown below:

Income by segment	**2022**	**2021**
Upstream	6,949	5,009
Industrial	61,416	39,582
Commercial and Renewables	33,895	21,680
Corporate and others	(27,107)	(16,526)
TOTAL	**75,153**	**49,745**

Note: Includes excise duties levied on hydrocarbon consumption amounting to €5,862 million and €5,216 million in 2022 and 2021, respectively.

The breakdown in 2022 of ordinary income by type of product and segment is as follows:

Income by product type	**Upstream**	**Industrial**	**Commercial and Renewables**	**Corporate and others**	**TOTAL**
Crude	2,867	1,945	5	(511)	4,306
Gas [(1)]	—	—	—	—	—
Wholesale market	4,082	4,543	—	(1,559)	7,066
Retail market (Residential and businesses)	—	—	258	—	258
Oil products [(2)]	—	51,200	31,091	(24,413)	57,878
Petrochemical products [(3)]	—	3,303	—	(30)	3,273
Electricity	—	290	2,322	(570)	2,042
Service provision and others [(4)]	—	135	219	(24)	330
TOTAL	**6,949**	**61,416**	**33,895**	**(27,107)**	**75,153**

[(1)] Corresponds mainly to condensates and liquefied natural gas and natural gas.
[(2)] Corresponds mainly to petrol, fuel oil, LPG, asphalt, lubricants, etc.
[(3)] Corresponds mainly to ethylene, propylene, polyolefins and interim products.
[(4)] Other services.

The increase in income in 2022 is explained by: (i) the increase in crude oil and gas realization prices in the Upstream productive assets, (ii) the increase in demand for and prices of oil products in Refining, and (iii) in Commercial and Renewables, the increase in sales (higher prices and volumes) and the increase from customer in the retail sale of gas and electricity, in an environment of high prices.

Pursuant to Royal Decree-Law 6/2022 of March 29, adopting urgent measures within the framework of the National Plan to respond to the economic and social consequences of the war in Ukraine, an extraordinary and temporary rebate was approved, which has been in force from April 1 to June 30 (having been subsequently extended until December 31, under the terms of Royal Decree-Law 11/2022 of June 26), on the retail price of certain energy products and additives. The Group has offered discounts of €0.30/liter (which includes the Government rebate of €0.20/liter and an additional discount of €0.10/liter provided by Repsol on all refueling paid through the Waylet app or using the SOLRED card) and of €0.25/liter (Government discount of €0.20/liter and an additional discount of €0.05/liter for other customers). As a result, sales revenue was recorded for both the amount collected from customers and the credit receivable from the tax authorities of €0.20/liter (in accordance with Consultation 4 of BOICAC 129), but reduced to reflect the €0.10/liter or €0.05/liter as an additional discount. These discounts (valid from March 16 to December 31), excluding the rebate – which is neutral in the Group's income statement –, had a negative impact on the results of the Commercial and Renewables segment and, in particular, on those of the Mobility business. During fiscal year 2022 more than €500 million of additional discounts were applied (including prior mentioned) to the sale price of fuels in Spanish Gas Stations (see section 4.1 Results of the 2022 consolidated Management Report).

The distribution, by country, of income from ordinary activities in 2022 and 2021 is shown below:

Geographic distribution of income	2022	2021
Spain	43,493	24,335
Peru	5,417	2,976
United States	4,304	3,347
Portugal	3,431	2,464
Other	18,508	16,623
TOTAL [1][2]	**75,153**	**49,745**

[1] The distribution by geographical area has been drawn up based on the markets to which the sales or income relate and includes special taxes on hydrocarbon consumption.
[2] The distribution of the target markets is as follows: (i) EU euro zone: €53,984 million (€32,832 million in 2021), (ii) EU non-euro zone: €241 million (€90 million in 2021) and (iii) Other countries: €20,928 million (€16,823 million in 2021).

19.2) Changes in inventories of finished goods and work in progress

The income recognized under this heading is explained by the rise in prices in the period for finished goods and work in progress at the industrial complexes, and the unsold inventories in the hydrocarbon upstream businesses.

19.3) Procurements

This heading includes the following items:

Procurements	€ Million	
	2022	2021
Purchases	57,061	38,502
Changes in inventories (raw materials and goods held for sale)	(883)	(1,054)
TOTAL	**56,178**	**37,448**

The higher costs recognized under "*Procurements*" were mainly due to the higher volume of purchases as a result of increased activity and the increase in the price of raw materials for the industrial complexes.

This heading includes excise duties levied on hydrocarbon consumption mentioned in "*Sales and income from services rendered*" of this Note.

19.4) (Charges for)/Reversal of impairment

These headings include the following items:

Charges for/Reversal of impairment	€ Million	
	2022	**2021**
Impairment charges of assets (Notes 10.3, 17 and 20)	(3,371)	(1,185)
Reversal of impairment (Note 20)	698	522
TOTAL	**(2,673)**	**(663)**

19.5) Personnel expenses

"*Personnel expenses*" includes the following items:

Personnel expenses	€ Million	
	2022	**2021**
Remuneration and other	1,516	1,364
Social security costs	451	438
TOTAL	**1,967**	**1,802**

The increase in this heading is mainly explained by the improvement in the salary conditions of employees.

19.6) Exploration expenses

Hydrocarbon exploration expenses in 2022 and 2021 amounted to €452 million and €367 million, of which €133 million and €53 million are recognized under "*Amortization and depreciation of non-current assets*" and €217 million and €245 million under "*(Charges for)/Reversal of impairment*" in 2022 and 2021, respectively.

The geographical distribution of the costs taken to the income statement in respect of exploration activities is as follows:

Exploration expenses	€ Million	
	2022	**2021**
Europe	34	59
America	227	303
Africa	—	1
Asia	191	4
TOTAL	**452**	**367**

For more information, see Information on oil and gas upstream activities (non-audited information) at www.repsol.com.

19.7) Gains/(losses) on disposal of assets

In 2022 the gains (€122 million) and losses (€-44 million) on the disposal of assets correspond mainly to the sale of assets in Ecuador (blocks 16 and 67), in Malaysia (includes the stake in the PM3 CAA, Kinabalu and PM305/314 blocks) and in Canada (mainly Chauvin in the Upstream segment) (see Note 4.4 and 5.1 of the 2022 consolidated Management Report).

19.8) Transport and freights, supplies and other operating income / expenses

The expenses recognized under "*Transport and freight*" increased as a result of higher prices in the freight market.

The expenses recognized under "*Supplies*" rose as a result of higher gas and electricity prices.

Moreover, "*Other income/operating expenses*" includes the following items:

Other income/operating expenses	€ Million	
	2022	**2021**
Other operating income [1]	**1,525**	**1,007**
Measurement of trade derivatives [2]	**(1,090)**	**(311)**
Other operating expenses:	**(4,604)**	**(3,664)**
Operator expenses [3]	(722)	(589)
Services of independent professionals	(463)	(434)
Leases [4]	(160)	(113)
Taxes [5]	(513)	(486)
Taxes on production	(263)	(181)
Other	(250)	(305)
Repair and upkeep [6]	(287)	(270)
Use of CO2 allowances [7]	(1,101)	(479)
Others [8]	(1,358)	(1,293)
TOTAL	**(4,169)**	**(2,968)**

Note: In order to minimize transport costs and optimize the Group's logistics chain, oil product exchanges of a similar nature are carried out with other companies in different geographical locations. These transactions are not recognized in the income statement for the year as individual purchases and sales, but rather any economic differences are recognized at their net amount.

(1) includes, among others, income from the consumption of free CO2 allowances (see Note 16) and the application of provisions with credit to results (see Note15). This heading includes operating subsidies amounting to 20 million and 15 million in 2022 and 2021 respectively.

(2) Relates mainly to derivatives arranged in trading activities involving crude oil, gas, oil products and electricity (see Note 9)The variation in the *"Measurement of trade derivatives"* is mainly explained by the lower valuation of derivatives and commitments on commodities, mainly in the Wholesale and Trading Gas businesses in North America.

(3) Includes, among other items, the cost of agency services at the facilities of Exolum Corporation, S.A. (formerly Compañía Logística de Hidrocarburos CLH, S.A.), product bottling, storage, loading, transportation and dispatch services.

(4) In 2022, it included expenses for short-term and low-value leases (€119 million) and for variable payments (€41 million).

(5) They correspond to taxes other than income tax (see Note 22). Taxes on hydrocarbon production in upstream activities have been paid mainly in Libya, Algeria and Peru. The other taxes reflect mainly local taxes. For further information on taxes paid, see section 6.6 of the 2022 consolidated Management Report and the Report on Payments to Governments published by the Company.

(6) Relates to repair, upkeep and maintenance activities carried out mainly at the Group's industrial complexes.

(7) *"Use of CO2 allowances"* rose as a result of greater activity at industrial complexes and the increase in the price of CO2 allowances (see Note 15).

(8) Includes, among others, the period provisions.

19.9) Research and development

Research expenses incurred are recognized under "*Other operating income/expenses*" as expenses for the year and development expenditure is capitalized only if all the conditions established in the accounting standard of reference are met.

The expense recognized in the income statement in connection with research and development activities was €59 million in 2022 and €57 million in 2021. The capitalized expenses corresponding to development activities amounted to €16 million in 2022.

(20) Asset impairment

Impairment test

In order to ascertain whether its assets have become impaired, the Group compares their carrying amount with their recoverable amount at least annually and whenever there are indications that an asset might have become impaired ("impairment test"). If the recoverable amount of an asset is estimated to be less than its net book value, the carrying amount of the asset is reduced to its recoverable amount, and an impairment loss is recognized in the income statement.

After an impairment loss has been recognized, amortization charges are calculated prospectively on the basis of the reduced carrying amount of the impaired asset.

When there are new events, or changes in existing circumstances, which prove that an impairment loss recognized on a prior date could have disappeared or decreased, a new estimate is given for the recoverable amount of the corresponding asset, and, if applicable, the impairment losses recognized in previous years are reversed. An impairment loss of goodwill cannot be reversed in subsequent years.

If a previously recognized impairment loss is reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, up to the limit of the carrying amount that would have been recorded had no impairment loss on the value of the asset been recognized in previous periods.

Cash-generating units

For the "impairment test", assets are grouped into cash-generating units (CGUs) if, when individually considered, they do not generate cash inflows that are independent of the cash inflows from other assets of the CGU. The grouping of assets into the various CGUs implies the use of professional judgments and the determination, among other criteria, of the business units and geographical areas in which the Group operates. Against this backdrop, in the *Upstream* segment, each CGU corresponds to one of the various contractual exploration areas widely known as 'blocks'; exceptionally, if the cash flows generated by more than one block are mutually interdependent, these blocks will be grouped into a single CGU. In the case of the Industrial, and Commercial and Renewables segments, the CGUs correspond to activities (mainly Refining, Chemicals, Wholesale and Trading Gas, Gas Stations, Direct Sales, LPG, Lubricants, Asphalts and Specialized Products, Low-carbon Electricity Generation and Marketing of Electricity and Gas) and geographical areas. In 2022 there were no significant changes in the composition of the CGUs.

Goodwill acquired on a business combination is allocated among the CGUs or groups of CGUs that benefit from the synergies of the business combination, up to the limit of the business segment.

Calculating the recoverable amount

The recoverable amount is the higher of fair value less costs to sell and value in use.

The methodology used by the Group to estimate the recoverable amount of assets is, in general, the value in use, calculated by discounting to present value the future cash flows after tax expected to derive from the operation of these assets. For specific information on the methodology for calculating the recoverable amount, see Note 3.5.1.

20.1) Asset impairment test

The Group has assessed the recoverable amount of its cash-generating units as per the methodology described in Note 3 and the scenarios consistent with its new vision of the market, the expected environment and its strategy. The main assumptions used are described below:

a) Future price paths:

In 2022, the war resulting from the Russian invasion of Ukraine (see Note 4.4 and 20.3), led to important changes both in public energy policies and in the dynamics of the crude oil and oil product markets, not only in the short term but also for medium and long-term forecasts. In this new context, the Group has revised its forecasts for crude oil, gas, as well as electricity prices. The new estimates have been made in a highly uncertain environment, marked by the evolution of the war, recovery from the COVID-19 crisis, the dynamics of energy transition and decarbonization of the economy and, ultimately, by their possible impacts on the *Oil & Gas* markets.

- The price path of the Brent barrel is revised upward until 2027 due to the increase in prices observed throughout 2022, linked both to the economic recovery, increased future demand and lower levels of investment, as well as due to the invasion of Ukraine. After this, the price path assumes reductions in demand due to energy transition and decarbonization policies, taking into account that oil, unlike gas, is not considered a "transitory" fuel for decarbonization.

- The HH path for gas is revised upward along the entire curve. In the short term, the sanctions imposed on Russia have particularly affected the natural gas market in Europe. The price has risen to attract the gas no longer supplied by Russia and that will probably continue not be imported from Russia in the coming years if the sanctions are maintained or increased. This European demand will also lead to higher prices than in the past for gas from the United States and Asia, given the greater European demand for LNG. In the long run, the energy transition will play a fundamental role in gas dynamics. Natural gas being seen as a transition fuel in decarbonization processes should lead to more investment and production compared to oil, particularly in the United States. The contribution to the electricity mix will continue to be high, which ensures the maintenance of a higher average price than that considered in previous years.

- In the case of electricity in Spain (electricity pool), the path has been modified upward throughout the period to take into account the higher gas and CO2 prices, and the effects of the upward cycle of raw materials.

The assumptions for the main price references are:

Real terms[1] 2022	**2023-2050 [2]**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028-2050 [3]**
Brent ($/ barrel) [4]	67	81	80	77	74	71	65
WTI ($/ barrel)	65	77	76	73	70	67	63
HH ($/ Mbtu) [4]	3.2	3.9	3.6	3.5	3.6	3.6	3.1
Electricity pool (€/MWh)	66	156	155	130	92	77	54

(1) To carry out the real terms conversion, an inflation rate of 2% is used, which corresponds to the medium-term inflation target of the monetary policy established by the European Central Bank
(2) Average prices for the 2023-2050 period.
(3) Average prices for the 2028-2050 period.
(4) For the purpose of preparing the 2021-2025 Strategic Plan published in November 2020, constant Brent and Henry Hub prices of $50/barrel and $2.5/ Mbtu, respectively, were used to demonstrate the Company's ability to meet its intended investment and shareholder remuneration even in acidic scenarios, which do not necessarily coincide with the Company's view of future crude oil and gas prices, which are those considered when testing for impairment, as explained in Note 3.5.1.

With regard to CO2 prices, the most significant for the Group are those of the current EU ETS mechanism (see Note 29.1). For these purposes, the price of emission allowances, in nominal terms, is estimated for the 2023-2027 period to be $73.5/Tn, $ 74/Tn, 76.7/Tn, $ 79.4/Tn and 83.2/Tn, respectively ($102.1/Tn for the 2023-2050 period and $107.4/Tn for the 2028-2050 period).In 2022, the Group made very slight changes to CO2 prices, mainly related to the exchange rate.

These assumptions consider the implementation of the public policies and commitments aimed at boosting the pace of the decarbonization of the economy to achieve the climate change objectives of the Paris Summit Agreement and sustainability goals of the UN. They represent a commitment to the decarbonization of the economy and, therefore, assume the restriction on the use of fossil fuels and the development of new alternative technologies that drive the energy transition; this will mean a reduction in the demand for hydrocarbon products in the medium and long term should be noted. This will require companies to have a strategy in place to adapt to the energy transition that Repsol has already begun see Note 3.5.2.

b) Discount rates:

The discount rate used by Repsol is the weighted average cost of capital employed after tax for each country and business. This rate seeks to reflect current market assessments with regard to the time value of money and the specific risks of the business. Therefore, the discount rate used takes into account the risk-free rate, the country risk, the currency in which the cash flows are generated and the market, credit and business risk. For more information, see Note 3.5.1.

Discount rates	**2022**	**2021**
UPSTREAM [1]		
Latin America[2]	8.4% - 37.6%	7.1% - 37.6%
Europe and North Africa [2]	8.1% - 16.9%	6.9% - 13.7%
North America	8.5% - 9.1%	7.4% - 7.6%
Asia and Russia[3]	9.6 %	7.4% - 8.6%
INDUSTRIAL [4]	6.8% - 10.7%	5.0% - 9.2%
COMMERCIAL AND RENEWABLES [4]	6.7% - 10.4%	5.0% - 8.6%

(1) Discount rates in US dollars.
(2) In Latin America the high range corresponds to Venezuela and in North Africa corresponds to Libya.
(3) In 2022, includes Indonesia. In 2021, included Russia.
(4) Discount rates in euros and dollars.

The recoverable value of assets, calculated using the weighted average cost of capital employed after tax in the table above, does not differ from that calculated with pre-tax rates, which (excluding outliers in some countries and businesses) would be 17% for Upstream, 13% for Industrial and 12% for Commercial and Renewables.

c) Impairment recognized

In 2022 impairment losses were recognized for the Group's assets in these balance sheet headings:

Write-down on assets

€ Million	Notes	Total
Intangible assets [1]	11	(638)
Property, plant and equipment [1]	12	(1,784)
Investments accounted for using the equity method [2]	13	(176)
Deferred tax assets	22	185

(1) Does not include impairment losses on unsuccessful exploratory investments recognized in the normal course of operations (see Note 19.6) amounting to €-71 million (recognized under "*Other intangible assets*")and €-18 million (recognized under "*Property, plant and equipment - Investments in exploration*").
(2) Before tax. Additionally, tax credits in the United Kingdom have been recognized for an amount of €286 million.

Provisions, net of reversals, amounted to €-2,598 million before tax (€-1,755 million after tax)[39]. The main CGUs subject to provisions or impairment reversals are:

– Refineries in Spain: an impairment of €-1,479 million before tax was recognized.

  In the short term, the war and the sanctions imposed on Russia have caused disruptions in supply chains, making raw materials more expensive and reducing the supply of products, which has driven the general rise in prices and the strengthening of Industrial margins. However, in its longer-term projection, the new dynamics resulting from the conflict seem to point to an acceleration of the energy transition in Europe and to other public policies that may reduce the competitiveness of the traditional refining industry in Spain. Note should be taken of the new Repower EU roadmap for decarbonization, the bringing forward of the ban on the combustion engine and the broadening of tax measures that increase the tax on the consumption of fossil fuels or on European refining company profits (particularly the new temporary energy levy approved in Spain). Additionally, the restructuring of the supply chains in the markets for crude oil and derivative products, especially in the supply of heavy crude oil, could affect the supply alternatives for refineries. All of this is reflected in a fall in the forecasts for future use and profitability of some traditional units and facilities in our refining industrial complexes, which, in line with what has already been established in Repsol's strategic plan, must undergo a profound transformation to guarantee their sustainability.

  With this perspective, at the end of 2022, the forecasts for activity, use and profitability of some refining units have been revised downward. The decommissioning obligations associated with production units that are not expected to be reconverted have been consistently reassessed, in accordance with the best estimate of the cost at the corresponding settlement dates. The higher cash outflows as a result of the new taxes in Spain and Europe have also been taken into account.

  Finally, as a result of the global increase in risk and interest rates, there has been an increase in the WACC rate (8.4%, from 7.0% in 2021) that we use to discount future cash flows and that we expect to obtain from operating asset. This has also negatively affected the valuation of our Refining business.

– La Pampilla refinery (Peru): an impairment of €-221 million before tax was recognized.

  In Peru, wholesale margins have been revised downward, bringing them in line with those expected in an international context of high prices, a complex political-social environment and greater competition from all operators, including importers from the Gulf of Mexico. For the reasons already indicated, there is an increase in the WACC discount rate (to 10%, from 8.1% in 2021).

– North American Wholesale and Gas Trading assets: an impairment of -€278 million has been recognized as a result of the expected evolution of gas margins due to worse price differentials and lower volumes. Additionally, the WACC discount rate has increased (to 6.8%, from 5.3% in 2021).

– Chemicals business assets (impairments amounting to €-90 million before tax) in Spain, affected not only by the deterioration of the situation in international markets. affecting margins and demand for products, and by the increase in taxation in Spain and discount rates.

[39] In 2021 provisions, net of reversals, amounted to €-864 million before tax (€-672 million after tax).

– Mobility business assets (impairments amounting to €-141 million before tax) in Mexico, affected by the situation in the international commodity markets and the evolution of the local political and regulatory environment, and in Portugal, affected by the drop in future volumes in the new demand scenarios.

– In the Upstream segment, net impairments amounting to €-389 million before tax are recognized. Despite the improvement in crude oil and gas prices, impairments for the year are mainly explained by the allocation of ROGCI's goodwill (see Note 11) to productive assets, so increasing their book value, and the impairment of exploratory and development assets (€-138 million before tax, mostly in Southeast Asia due to new productivity forecasts and delays in development plans), mainly explain the net impairment of the year.

The recoverable value of the impaired assets comes to roughly €7,510 million.

20.2) Sensitivities

The changes in estimated future prices or discount rates used would affect the amount of the impairment of the Repsol Group assets. The main sensitivities to these variations without taking into account the rebalancing of other related variables or the possible adjustments of the operational plans, which would allow the negative impact of the above-mentioned variations to be mitigated, are indicated in the table below:

Sensitivity of main assumptions	Increase (+) / decrease (-)	Operating income	Net income [(1)]
			€ Million
Change in hydrocarbons prices	20%	2,000	2,346
	10%	999	1,180
	(10)%	(1,398)	(1,319)
	(20)%	(3,313)	(3,130)
Change in hydrocarbons production	10%	860	1,108
	(10)%	(1,262)	(1,317)
Change in hydrocarbons prices (+/-20%) and production (+/-10%)	+	2,488	3,107
	-	(5,169)	(5,033)
Changes in the margins of Industrial, and Commercial and Renewables	10%	1,295	981
	(10)%	(2,000)	(1,528)
Change in discount rate	+100 b.p.	(952)	(749)
	-100 b.p.	883	690

(1) Includes impact on investments accounted for using the equity method.

In response to requests from information users, reported below is the additional impact that would result from using in the impairment test the hydrocarbon price paths of the International Energy Agency's Net Zero Emissions (NZE) 1.5°C scenario, published in the *World Energy Outlook 2022*[40] report, which would imply additional impairments of around €6,600 million after tax.

20.3) Geopolitical risks

Repsol is exposed to risks arising in countries that may present specific economic, social and political circumstances that may have a negative impact on its businesses (unexpected regulatory changes; highly volatile exchange rate; high inflation; possibility of economic and financial crises or political instability or social tensions and public unrest, etc.) and that may have a negative impact on its business.

According to the ratings in the Country Risk Rating of IHS Global Insight, among others, the Repsol Group is exposed to a particular geopolitical risk mainly in Venezuela, Bolivia, Libya and Algeria.

40 These paths consider prices in real terms of $35/bbl in 2030 and $24/bbl in 2050 for crude oil and $1.9/MBtu and 1.8 MBtu, respectively, for gas in North America. The NZE is one of many possible scenario that can be projected to limit the temperature increase to 1.5°C. In fact, the Sixth Assessment Report (AR6) of the Intergovernmental Panel on Climate Change (IPCC), published in 2022, includes more than 200 scenarios consistent with a temperature increase limited to 1.5°C in 2100, of which 28 reach emissions neutrality in 2050 and the rest do so later.

Russia's invasion of Ukraine

Following Russia's invasion of Ukraine on February 24, 2022, economies around the world, including the United States, the European Union and the United Kingdom, announced the imposition of trade sanctions targeting Russian individuals, companies and institutions. These sanctions, and the counter-sanctions imposed by Russia, have triggered a significant reduction in commercial operations between Russia and these economies. This has led to an increase in the raw material prices in world markets for oil, natural gas and wheat, among other products, and has exacerbated inflationary pressures, bottlenecks in the supply chain, and volatility in financial and raw material markets.

The European Central Bank (ECB) has raised its inflation forecasts and cut its growth outlook as the conflict is likely to keep raw material prices high, weakening household purchasing power and the investment capacity of companies. In response to rising inflation, the ECB also decided to modify its monetary policy, reducing its bond-buying program and raising interest rates. Lower business and consumer confidence and activity, and energy-led inflationary pressure, have all led to a slowdown in the global economy, which is still recovering from the effects of the COVID-19 pandemic.

Despite the fact that, having divested of all its assets in Russia in 2021, the Group has neither equity exposure nor a significant commercial position in these countries, Repsol is exposed to indirect risks from the new macroeconomic scenario marked by the war.

- Regulatory changes that affect Repsol's activities, such as the energy market regulations and intervention measures approved by the Government of Spain in response to the economic and social consequences of the war in Ukraine (see Appendix III);
- The new dynamics resulting from the conflict seem to point to an acceleration of the energy transition in Europe and to other public policies that may reduce the competitiveness of the traditional refining industry in Spain and so reduce the value of our assets (see Note 20).
- The increase in fiscal pressure on the energy sector. Of particular note are the *"windfall taxes"* established in the United Kingdom and the new taxes in Spain (the Temporary Energy Tax - see Note 22 - and the public equity benefit established in Spain, which obliged a 5 cents discount per liter to be borne up to December 31, 2022 - see Note 19.1).
- A change in the monetary policies of central banks, entailing a significant increase in interest rates (see Note 10) and, therefore, in discount rates (see Note 20).

It is difficult to predict to what extent and for how long into the future the war will have an impact. The lower global demand for crude oil, gas and petroleum products as a result of the reduction in economic activity may negatively affect prices and the levels of production and sales of the businesses; the deterioration of global financial conditions may affect the cost of financing, the available liquidity or the solvency of our customers and partners in joint operations, etc. The evolution of the war and the financial and fiscal policies adopted by governments to mitigate the social and economic impacts of the crisis will influence the scope and duration of both the crisis and the subsequent recovery.

Venezuela

Repsol has a presence in Venezuela through its holdings in and gas licensees (Cardón IV, etc.) and in mixed oil companies (Petroquiriquire and others). The situation of crisis in the country means there is uncertainty regarding business development. However, prospects have improved as a result of the improvement in the political and social situation and a relative decrease in the coercive[41] measures of the United States Government.

Repsol's equity exposure[42] in Venezuela at December 31, 2022 amounted to €411 million, (€298 million at December 31, 2021), which includes mainly the financing granted to its Venezuelan subsidiaries (see Note 8 and 14) and the investment in Cardón IV (see Note 14).

Although there was an improvement in forecasts, the political and economic crisis described in Note 20.3 of the financial statements for 2021 continued in 2022. GDP[43] increased by 6% in 2022 and inflation continued to be very high, reaching 234%[44] in 2022 and 123% is forecast for 2023. Oil production, which has been significantly reduced in recent years, only slightly recovered in 2022 and there was a significant devaluation of the Venezuelan currency (€18.694/Bs compared to

[41] OFAC's issuance of General Licenses 41 and 8K described in the text appears to be linked to progress at the negotiating table between the Venezuelan government and the opposition. Progressive reductions of the coercive measures are expected if these negotiations are successful.
[42] Equity exposure relates to the value on the Group's balance sheet of net consolidated assets exposed to own risks of the countries reported.
[43] Source: International Monetary Fund estimate.
[44] National Price Index of the National Assembly (INPCAN). Since 2016, the Central Bank of Venezuela has not officially published the accumulated inflation data.

€5.211/Bs on December 31, 2021 , SIMECA[45] exchange rate), although this devaluation has not had a significant impact on the Group's financial statements, given that the functional currency of most of its subsidiaries in the country is the US dollar[46] (see Note 13).

In relation to the international sanctions that affect the Venezuelan government and PDVSA and its subsidiaries, the granting of General License 41, issued on November 26, 2022 by the Office of Foreign Assets Control ("OFAC"), by which the Government of the United States of America authorizes Chevron Corporation or its subsidiaries ("Chevron") and the joint ventures in which Chevron participates as a minority partner ("Chevron JVs") to carry out the following activities: (i) production and extraction of oil and derivatives produced by the Chevron JVs, (ii) sale and export, only to the United States, of crude oil and derivatives produced by the Chevron JVs, on the understanding that such crude oil and oil products must first be sold to Chevron and (iii) purchase and import into Venezuela of the goods and/or products necessary to carry out the above activities, including the dilution. The License indicates that it does not authorize Chevron, among others, to pay royalties and taxes to the Government of Venezuela, or to pay dividends to Petróleos de Venezuela, S.A. ("PDVSA"), including payment in kind. The License will be renewed automatically on the first day of each month and will be valid for a period of 6 months.

The General License 8K of the Office of Foreign Assets Control was issued to four US companies in the hydrocarbons sector, allowing them to participate in transactions involving PDVSA that are necessary for the essential maintenance of operations in Venezuela or the winding down of operations in Venezuela of certain entities. License 8K will be valid until May 26, 2023 and entirely replaces License 8J.

Repsol continues to adopt the necessary measures to continue its activity in Venezuela, fully observing the applicable international sanctions regulations, including US policies in relation to Venezuela, and constantly monitors developments in them and, therefore, any effects they may have on its activities. However, if the current situation continues in the long term or if new changes in US policies occur, our activities in Venezuela could be affected.

The Group evaluates the recoverability of its investments, as well as the credit risk on accounts receivable from PDVSA. To evaluate investments in this country, it is necessary to use certain hypotheses and assumptions (such as asset development plans, compliance with signed agreements and the evolution of the environment) that require significant judgments and estimates and that are subject to high uncertainty (see Notes 10 and 13).

Regarding financial instruments, expected loss is calculated considering the cash flow scenarios forecast for the business, weighted by their estimated probability. Three severity scenarios are applied (moderate, significant and serious) with different assumptions and economic impacts on the estimated cash flows. The probability of occurrence of these scenarios is in turn weighted based on historical information on sovereign defaults (Moody´s "Sovereign Default and recovery rates 1983-2021" report) and management expectations. The estimated cash flow scenarios are consistent with those used for the purpose of calculating the recoverable value of the assets. The evaluation of impairment due to credit risk in Venezuela required estimates to be made of the implications and evolution of a highly uncertain environment, which made it advisable to compare with an independent expert to validate the management's judgments.

As a consequence of this, the Group has recognized in 2022 provisions for PDVSA's credit profile and for the difficult business environment in Venezuela, affecting the value of financing instruments and accounts receivable from PDVSA (€-74 million)[47] and the value of investments accounted for using the equity method (€-192 million).

Bolivia

Repsol's equity exposure in Bolivia at December 31, 2022 amounted to €504 million (comprising mainly the value of productive assets – property, plant and equipment and value of the investment by the equity method – at that date).

The Group has carried out hydrocarbon Upstream activities in Bolivia since 1994, participating at December 31, 2022 in 5 contractual areas, in addition to owning a 48.33% stake in the capital of the company YPFB Andina, S.A. The estimated net proven reserves at December 31, 2022 were 57 million barrels of oil equivalent. Around 63% of these correspond to the field in production Margarita-Huacaya, located in the south of Bolivia, in the regions of Tarija and Chuquisaca. Repsol has a 37.5% stake in the project, operating together with Shell (37.5%), and Pan American Energy (25%).

The economic stability of the country has been affected by the financial impact of the fall in the international reserves of the Central Bank of Bolivia, generated mainly by the high international prices of fuels that the State has to import, which are

[45] SIMECA (Exchange Market System)reference exchange rate.
[46] Quiriquire Gas's functional currency is the bolivar (the net book value of the investment is nil, so any effect from the euro conversion is not significant).
[47] Recognized under the headings "*(Charges for)/reversal of impairment provisions*" (credit risk, see Notes 10.3 and 19.4) and "I*mpairment of financial instruments*" (see Note 21), of the income statement.

marketed in the local market at subsidized prices. The drop in these reserves could impact the State's ability to pay obligations, including the Remuneration to the Holder of the Operating Contracts. Additionally, the State has taken measures to oblige companies with a majority state stake to transfer the funds they have abroad to national territory, in order to strengthen national accounts, and has also established changes in the export receipts operation.

Average net production in Bolivia in 2022 was 33.1 thousand barrels of oil equivalent per day (43 thousand barrels of oil equivalent per day during the same period in 2021).

Algeria

Repsol's equity exposure in Algeria at December 31, 2022 amounted to €437 million (comprising mainly property, plant and equipment at that date).

Repsol has two blocks in the production phase in Algeria (*Reggane Nord* and Block 405a – with licenses MLN, EMK and *Ourhoud*), having sold the *Tin Fouyé Tabankort* (TFT II) asset in June 2021.

The net proven reserves at December 31, 2022 were 19.4 million barrels of oil equivalent. Of the net proven reserves, around 83% correspond to the Reggane gas project in production, located in the Algerian Sahara, in the Reggane basin. Repsol has a 29.25% stake in the project, operating jointly with the Algerian state company Sonatrach (40%), the German RWE Dea AG (19.5%) and the Italian Edison (11.25%).

In June 2022, the Algerian Government, through the Association of Banks and Financial Institutions, ordered the country's financial institutions to freeze direct debits in all foreign trade operations of products to and from Spain and broke from the "Friendship, Good Neighbor and Cooperation Treaty" signed between both countries. Up to now, Repsol has carried out its banking and other operations normally.

The average net production in Algeria in 2022 was 12.3 thousand barrels of oil equivalent per day from the Reggane Nord and 405a blocks (19.7 thousand barrels of oil equivalent per day in 2021, which included 6.5 thousands of barrels of oil equivalent per day from the TFT II asset, sold in June 2021)

Libya

Repsol's equity exposure in Libya at December 31, 2022 amounted to €337 million (comprising mainly property, plant and equipment at that date).

Repsol has been present in Libya since the 1970s, when it began exploratory activities in the Sirte Basin. At December 31, 2022, Repsol had mining rights in this country over two contractual areas with upstream activities, located in the Murzuq basin, known as the El Sharara oil field, with net estimated proven reserves at December 31, 2022 of 95.5 million barrels of oil equivalent.

The deep institutional division in Libya between East and West has been revived, sparking a new episode of tension that is transferred to the oil sector. After the failure to hold the presidential elections in December 2021, sponsored by the UN, the parliament of Tobruk (a city in the eastern part of the country) appointed a new government on February 9, 2022. Fathi Bashagha was appointed interim prime minister, replacing Abdul Hamid Mohamed Dbeibé, prime minister since March 2021. Dbeibé rejected the appointment, stating that he will not hand over power without holding elections. So far Fathi Bashagha and his cabinet have not been able to enter Tripoli and remain in the East, due to the support provided by local militias to Dbeibé.

The Libyan Political Dialog Forum (*United Nations Support Mission in Libya – UNSMIL*) ended on June 22, 2022, without having achieved its main objective of the holding of elections. This situation could aggravate the legitimacy crisis and the danger of a new military escalation.

On July 13, 2022, Dbeibé removed members of the leadership of the national oil company NOC, appointing Farhat Omar Bengdara as the new President, as well as a new board of directors. This appointment was not positively received by the Parliament, which does not recognize the Government of National Unity or Dbeibé as Prime Minister.

In 2022, production at the El Sharara field was interrupted 3 times, for a total of 61 days, due to security conditions and circumstances of force majeure. Additionally, the development drilling campaign began and the preparatory work was carried out for the 2023 exploration campaign. Repsol's average net production of crude oil in Libya i 2022 was 28.6 thousand barrels of oil per day (34.2 thousand barrels of oil per day in 2021).

(21) Financial result

The breakdown of financial income and expenses in 2022 and 2021 is as follows:

Financial Result	€ Million	
	2022	**2021**
Financial income	157	82
Financial expenses	(238)	(234)
Net interest (1)	**(81)**	**(152)**
By interest rate	129	32
By exchange rate	470	459
Other positions	342	153
Change in fair value of financial instruments (2)	**941**	**644**
Exchange gains/(losses) (3)	**(434)**	**(131)**
Impairment of financial instruments	**49**	**27**
Adjustment for provision discounting	(75)	5
Interim interest	70	77
Interest on leases (4)	(177)	(172)
Gains/(losses) on disposal of financial instruments	—	—
Others	38	(27)
Other financial income and expenses	**(144)**	**(117)**
FINANCIAL RESULT	**331**	**271**

(1) Includes interest income from financial instruments valued at amortized cost in the amount of €157 million (€82 million in 2021). Financial expenses decreased as a result of lower volume and borrowing costs (see Note 7.1).
(2) Includes the results from the valuation and settlement of derivative financial instruments (see Note 9). "*Other provisions*" includes the results from the valuation and settlement of derivatives on treasury shares (see Notes 6.2 and 9).
(3) Includes the exchange gains and losses generated by the valuation and settlement of monetary items in foreign currency. The change compared to 2021 is explained by the varying performance of the dollar exchange rate on financing instruments in both periods.
(4) Corresponds to the financial discounting of lease liabilities.

The financial result is higher than that of 2021. The improved earnings from derivatives on treasury shares (see Note 9) and one-off interest rate and dollar/euro exchange rate positions recognized under the "*Change in fair value of financial instruments*" heading and, to a lesser extent, lower interest on debt, have been offset by the higher negative "*Exchange rate gains/losses.*"

(22) Income tax

The appropriate assessment of the income tax expense is dependent on several factors, including estimates on the timing and realization of tax credits and deferred tax assets and the timing of income tax payments. Collections and payments may be materially different from these estimates as a result of changes in the expected performance of the Company's businesses or in tax regulations or their interpretation, as well as unforeseen future transactions that impact the Company's tax balances

Deferred tax assets are only recognized when it is considered probable that the entities (individually or on a consolidated basis) that have generated them will have sufficient taxable income in the future against which they can be utilized.

Deferred tax assets are reviewed when there are indications that they are not recovered, and in any event once a year, to verify that they still qualify for recognition and they are considered to be recoverable in the future, and the appropriate adjustments are made on the basis of the outcome of the analyses performed. These analyses are based on: (i) assumptions made to verify the existence or otherwise of sufficient future earnings for tax purposes that might offset the tax losses or apply existing tax credits; (ii) the assessment of earnings estimates for each entity or tax group in accordance with their individual business plans and the Group's overall strategic plan; and (iii) the statute of limitations period and other utilization limits imposed under prevailing legislation in each country for the recovery of the tax credits.

22.1) Applicable taxes

With regard to taxation and, particularly, income tax, the Repsol Group is subject to the legislation of several tax jurisdictions due to the broad geographic mix and the relevant international nature of the business activities carried out by the companies comprising the Group.

For this reason, the Repsol Group's effective tax rate is shaped by the breakdown of earnings obtained in each of the countries where it operates and, on occasion, by the taxation of said profits in more than one country (double taxation).

a) In Spain

Most of the entities resident in Spain for tax purposes are subject to taxation under Spain's consolidated tax regime. Under this regime, the companies comprising the tax group jointly determine the Group's taxable profit and tax liability.

Repsol, S.A. is the parent of Consolidated Tax Group 6/80, which comprises all of the companies resident in Spain that are at least 75%-owned, directly or indirectly, by the parent and that meet certain prerequisites. This Consolidated Tax Group was composed of 95 companies in 2022, the most significant of which are: Repsol, S.A., Repsol Petróleo, S.A., Repsol Trading, S.A., Repsol Química, S.A., Repsol Butano, S.A., Repsol Comercial de Productos Petrolíferos, S.A., Repsol Exploración, S.A., Repsol Exploración Murzuq, S.A., Repsol Generación Eléctrica, S.A. and Repsol Renovables, S.L.U.

Accordingly, Petróleos del Norte, S.A. (Petronor) is the company representing Consolidated Tax Group 02/01/B, to which the special regional corporation tax regulations of Vizcaya are applicable. The number of companies comprising the aforementioned Group in 2022 is 8, the most significant of which are as follows: Petronor, Repsol Customer Centric, S.L. and Repsol Industrial Transformation, S.L.

The rest of the companies resident in Spain for tax purposes that are not included in either of the above tax groups determine their income tax individually.

The Spanish companies have been taxed at the general rate of 25% in 2022, regardless of whether they pay tax as part of a tax group or individually. Exceptionally, Repsol Investigaciones Petrolíferas, S.A., which files its taxes on an individual basis under the special hydrocarbon regime, is taxed at 30%, and the Petronor group, which applies the regime of Vizcaya, is taxed at 24%.

In December 2021, Law 22/2021, on the General State Budget for 2022, amended the Corporate Income Tax Law, effective as of January 1, 2022, introducing a minimum income tax rate of 15% to the taxable base, which implies an additional limitation on the application of tax credits for Tax Group 6/80 in future years.

In December 2022, Law 38/2022, of December 27, 2022, modified, among others, the Corporation Tax Law, with effect in tax periods beginning January 1, 2023, introducing a temporary limitation of 50% on offsetting losses in consolidated tax groups. The amount of the individual negative tax bases not included in the tax base of the consolidated tax group will be included, in equal parts, in the ten tax periods beginning January 1, 2024.

b) Other countries

The rest of the Group companies are subject to taxation in each of the countries in which they do business, applying the income tax rate in force under applicable local tax regulations. Group companies in some countries are also subject to a tax on their presumed minimum income in addition to income tax.

In turn, the Group companies resident in Spain that conduct some of their business in other countries are also subject to prevailing income tax in those countries in respect of the profits generated outside Spain. This is the case, for example, with the permanent establishments of the Spanish companies that carry out hydrocarbon upstream activities in other countries (including Algeria, Indonesia, Libya or Peru).

Below is a list of the statutory income tax rates applicable in the Group's main tax jurisdictions:

Country	Tax rate	Country	Tax rate
Algeria [(1)]	38 %	Luxembourg	24.94 %
Bolivia	25 %	Mexico	30 %
Brazil	34 %	Norway	78 %
Chile	27 %	Netherlands	25,8%
Canada [(2)]	24,6%	Peru[(6)]	29,5%
Colombia[(3)]	35 %	Portugal	22.5% - 31.5%
United States [(4)]	21 %	United Kingdom[(7)]	40 %
Indonesia	32.5% - 44%	Singapore	17 %
Italy[(5)]	24 %	Trinidad and Tobago	55% - 57.2%
Libya	65 %	Venezuela	34% (Gas) y 50% (oil)

(1) Plus tax on exceptional profits (TPE).
(2) Federal and provincial rate.
(3) After the reform, the rate applicable from 2023 could reach 50%.
(4) Does not include state taxes.
(5) Does not include regional rates.
(6) General rate.
(7) Does not include the *Energy Profit Levy* (25% rate in 2022, and 35% from 2023 to 2028).

In 2022, the main tax reforms approved were the following:

- In the United States, a new tax called the *Corporate Alternative Minimum Tax* (CAMT) was approved, applicable as of 2023, which imposes a 15% tax on the financial statement income adjusted for certain items. It operates as a minimum tax, that is, it is paid whenever the sum of the federal Corporate Tax and the *Base Erosion and Anti-Abuse Tax* (BEAT) is below 15% of the adjusted financial statement income. The amounts paid as CAMT are credited indefinitely against Corporation Tax. Pending publication of the implementing provisions for this new tax.

- In the United Kingdom, an extraordinary tax on profits obtained from oil and gas production (Energy Profit Levy) was approved. It will be in force from May 26, 2022 to March 31, 2028 and the applicable rate will be 25% for the year 2022 and 35% for the years 2023 to 2028. In the Repsol Group, this new tax has an impact on the Joint Venture with Sinopec (an impact of €-169 due to regularization of deferred taxes in Repsol Sinopec Resources UK, Ltd., see Note 13).

- Lastly, in Colombia a tax reform, applicable from 2023, was approved. It implies an increase of 5%, 10% or 15% – depending on the increase in the price of Brent crude – in the nominal rate of Corporate Tax over the average for the previous 10 years. This means that the current nominal rate of 35% could be increased to 50% (an impact of €-29 million due to regularization of deferred taxes).

c) Minimum tax (OECD Pillar II)

In October 2021, 137 countries in the OECD Inclusive Framework reached a political agreement to establish common standards to guarantee minimum tax for multinational groups. This agreement resulted in the publication in December 2021 of the model rules that would regulate a global effective tax rate of 15%.

In December 2022, the 27 Member States of the EU approved a Directive, substantially based on the OECD model rules, which must be transposed into the national legislation of each State before the end of 2023, for its entry into force in the fiscal year 2024. Apart from the EU, its adoption has been announced in other territories where the Group has a significant presence, such as Canada, the United Kingdom and Singapore.

Beyond a significant increase in formal compliance charges, the Repsol group does not expect significant economic impacts from the application of this new regulation, as it is already subject to effective tax rates well above 15% in the main countries where it operates. However, the complexity of the regulation could cause specific cases of double taxation.

d) Levies on extraordinary profits

The European Union has defined in Regulation (EU) 2022/1854, of the Council of October 6, 2022, on an emergency intervention to deal with high energy prices, the general framework of an extraordinary temporary tax on excessive profits obtained by oil and gas companies in 2022 and/or 2023 (called "Temporary Solidarity Contribution"), which must be implemented by the Member States in their respective territories. In Spain, Law 38/2022 of December 27, 2022, introduced into the national legal system a temporary energy levy (the GTE tax) that certain operators in the energy sector must pay on a temporary basis for two years. The tax will be 1.2% of the net turnover from the activity carried out in Spain for the years 2022 and 2023, with certain adjustments.

The (GTE) for transactions carried out in 2022, payable in February and September 2023, is estimated at around €450 million. In accordance with the criterion of the National Securities Market Commission (CNMV), the GTE for transactions carried out in 2022 accrue and must be recognized on January 1, 2023. The CNMV criterion has been applied in these statements, although, in the opinion of the company, this criterion is not consistent with the substantial characteristics of the levy and the financial statements principles. In any event, the impact on the year's results would not be significant, as the GTE payable for the Refining Spain business has already been taken into account as part of this year's impairment test.

Repsol, in accordance with the views of its internal and external advisors, considers that the GTE runs contrary to the Spanish Constitution and European Union law. It will therefore pursue legal action to have the levy annulled and seek reimbursement of any amounts already paid.

22.2) Accrued income tax expense

The table below shows how the accrued income tax expense for accounting purposes in 2022 and 2021 was calculated:

Income tax expense	€ Million	
	2022	**2021**
Current tax on results for the year [(1)]	(2,349)	(934)
Deferred tax for the year [(2)]	(364)	(579)
Adjustments from previous years and other regularization[(3)]	(122)	(288)
Income tax (expense)/income	**(2,835)**	**(1,801)**

(1) Accounting expense for the tax to be paid on earnings obtained in the current tax year.
(2) Accounting expense for temporary differences arising in the year and for application of tax credits from previous years.
(3) Adjustments corresponding to previous years' income tax (including movements of tax provisions and deferred tax assets, regularization of the estimated amount of the previous year's tax, etc.).

The reconciliation of "*Income tax expense*" recognized and the expense that would result from the application of the nominal income tax rate existing in the country of the parent company (Spain) to the net income before tax and investees is as follows:

Reconciliation of income tax expense	€ Million	
	2022	**2021**
Profit before income tax	7,180	4,329
Profit of investments accounted for using the equity method	989	301
Profit before income tax and profit of investments accounted for using the equity method	**6,191**	**4,028**
General nominal income tax rate in Spain	25 %	25 %
Income tax (expense)/income at the general nominal rate in Spain	**(1,547)**	**(1,007)**
Additional income tax (expense)/income due to adjustments to nominal rates other than the general rate in Spain [(1)]	(855)	(572)
Increased income tax expense from non-deductible expenses [(2)]	(328)	(37)
Lower income tax expense due to application of mechanisms to avoid double taxation [(3)]	5	55
Lower income tax expense due to application of tax credits and incentives [(4)]	30	88
Income tax (expense)/income due to adjustments for deferred taxes [(5)]	136	(318)
Income tax (expense)/income due to provision/reversion of provisions for income tax risks	(115)	86
Other items [(6)]	(161)	(96)
Income tax (expense)/income	**(2,835)**	**(1,801)**

(1) Profit taxed abroad or in Spain at rates other than 25% (special hydrocarbons regime, regional regimes, etc.).
(2) Corresponds to accounting provisions and expenses that are not tax deductible.
(3) Includes mechanisms to prevent international and internal double taxation, whether in the form of exemptions, tax relief and tax credits.
(4) Relates mainly to investment incentives in Norway ("Uplift") and in Spain incentives for investment in assets and application of the tonnage regime.
(5) Includes mainly the adjustment to deferred tax assets in Luxembourg (€185 million) after review of its recoverability (see Note 20.1). and regularization of deferred payments after tax reform in Colombia (€-29 million)
(6) Includes mainly tax costs (withholding tax) for distribution of dividends and adjustments/payments for income tax from prior years.

22.3) Deferred taxes

The Group presents deferred tax assets and liabilities on a net basis in the same taxable entity. The breakdown of the deferred tax assets and deferred tax liabilities by underlying concept recognized in the accompanying balance sheet is shown below:

Deferred tax	**€ Million**	
	2022	**2021**
Tax losses, tax credits and similar benefits not yet used	2,303	2,756
Amortization differences for tax and accounting purposes	(1,445)	(1,623)
Provisions for field decommissioning	304	404
Staff and other provisions	643	585
Other deferred taxes	221	66
Total deferred tax	**2,026**	**2,188**
Provisions for contingencies related to income tax[(1)]	(1,463)	(1,332)
Net deferred tax and other taxes	**563**	**856**

(1) The changes in provisions for contingencies related to income tax is as follows: (i) provisions/reversals charged to profit or loss, €-115 million; (ii) reclassifications/payments, €-5 million; and (iii) translation and other differences, €-19 million.

The tax assets recognized corresponding to tax losses and tax credits carryforwards amount to €2,303 million and correspond mainly to:

Country	€ Million	Legal expiry	Estimated recoverability
Spain	1,085	No time limit	In less than 10 years
United States	802	20 years	Mostly in 10 years
Luxembourg	243	No time limit	In less than 10 years
Algeria	126	No time limit	In less than 10 years
Mexico	37	10 years	In less than 10 years
Colombia	8	No time limit	In less than 10 years
Other	2	-	-
Total	**2,303**		

Below is a breakdown of changes in deferred tax:

€ Million	**2022**	**2021**
Opening balance for the year	**2,188**	**3,179**
Income/(expense) in income statement	(340)	(891)
Income/(expense) in equity	102	(14)
Translation differences for balances in foreign currency	79	52
Other items [1]	(3)	(138)
Balance at year end	**2,026**	**2,188**

[1] Relates mainly to deferred taxes of companies reclassified as held for sale.

In 2022, following the review carried out by the Group for the assets impairment test (see Note 20.1), deferred tax assets have been recognized in Luxembourg (€185 million) as a result of the improvement in the cash flows of production assets and the corporate reorganization resulting from the agreement to sell 25% of the Upstream segment (see Note 4.4).

In 2021, the Group reduced deferred tax assets in Canada because their recoverability could not be demonstrated (€175 million) and due to the impact of the implementation of the minimum tax as of 2022, which limits the use of tax credits in deductions for investments (€141 million).

Below is a breakdown of the net deferred tax assets not recognized at 2022 year-end:

Country	€ Million	Legal expiration
Luxembourg	3,021	No time limit
Spain [1]	744	No time limit
Canada	668	20 years
United States	636	20 years/no time limit
Other [2]	52	
Total [3]	**5,121**	

NOTE: €5,697 million corresponds to 2021.

[1] In Spain this does not include deferred tax liabilities associated with taxable temporary differences on investments in subsidiaries, associates and permanent establishments that meet the requirements established in IAS 12 to apply the accounting exception (€94 million and €94 million at the end of 2022 and 2021, respectively).

[2] Corresponds to Algeria (€11 million), the Netherlands (€11 million), Norway (€9 million), Singapore (€8 million), the United Kingdom (€8 million), Colombia (€2 million) and Bolivia (€2 million).

[3] Does not include the amount corresponding to net unrecognized deferred tax assets of companies accounted for using the equity method, which amounted to €1,112 million (United Kingdom €802 million, Venezuela €192 million, Trinidad and Tobago €113 million, Bolivia €3 million and Spain €3 million).

22.4) Government and legal proceedings with tax implications

As established by current legislation, taxes cannot be considered definitively settled until the returns submitted have been inspected by the tax authorities or the statute of limitations applicable in each jurisdiction has elapsed.

When different interpretations of the tax regulations applicable to certain operations arise between Repsol and the tax authorities, the Group acts with the authorities in a transparent and cooperative manner to resolve disputes through the legal formulas available, with the aim of reaching a non-litigious solution. However, both in previous years and this year, there have been administrative and legal proceedings with tax implications contrary to the Group's aims, which have given rise to litigious situations and possibly additional tax liabilities. Repsol considers that its action in these matters has been in accordance with the law and is based on reasonable interpretations of the applicable regulations, and has therefore filed the appropriate appeals in defense of the interests of the Group and its shareholders.

It is difficult to predict the period for resolution of such disputes due to the length of the claims procedure. The Company, based on the advice of internal and external tax experts, considers that the tax debts that could ultimately arise from these actions would not significantly affect the attached financial statements.

The Group's general criterion is to recognize provisions for litigation of a tax nature where it is determined that the risk of losing is probable. The amounts provisioned are calculated in accordance with the best estimate of the amount necessary to settle the corresponding litigation, based, among other things, on an individualized analysis of the facts and legal opinions of its internal and external advisors and taking into account the experience of past events.

The years for which the Group companies have their tax returns open for audit with regard to the main applicable taxes are as follows:

Country	Years	Country	Years
Algeria	2018 - 2022	Luxembourg	2019 - 2022
Bolivia	2015 - 2022	Mexico	2017 - 2022
Brazil	2017 - 2022	Norway	2017 - 2022
Chile	2019 - 2022	Netherlands	2020 - 2022
Canada	2016 - 2022	Peru	2017 - 2022
Colombia	2017 - 2022	Portugal	2019 - 2022
Spain	2017 - 2022	United Kingdom	2017 - 2022
United States	2019 - 2022	Singapore	2017 - 2022
Indonesia	2018 - 2022	Trinidad and Tobago	2016 - 2022
Libya	2014 - 2022	Venezuela	2016 - 2022

Given the uncertainty about the existing tax risks associated with litigation and other tax contingencies materializing, the Group has recognized provisions considered adequate to cover such risks. At December 31, 2022, the Group has recognized €1,463 million corresponding to uncertain tax positions for income tax (€1,332 million at December 31, 2021). Additionally, it has recognized other tax provisions for an amount of €240 million (€215 million at December 31, 2021), presented under "Other provisions" in Note 15.

At December 31, the main tax-related proceedings concerning the Repsol Group were as follows:

Bolivia

YPFB Andina, S.A. (see Note 13) is involved in a lawsuit regarding the deductibility of royalty payments and hydrocarbon shares from the Company’s income tax. A judgment has been handed down at first instance, rejecting the company’s claim; the lawsuit is currently awaiting a ruling at second instance. The Company believes that its position is expressly supported by law.

Brazil

Petrobras, as operator of the Albacora Leste, BMS 7, BMES 21 and BMS 9 consortia (in which Repsol has a 10%, 37%, 11% and 25% interest, respectively) received various tax assessments (IRRF, CIDE and PIS/COFINS)[48] for tax years 2008 to 2013, in connection with payments to foreign companies for charter contracts for exploration platforms and related services used for activities in the blocks.

Repsol Sinopec Brasil, S.A. (RSB, see Note 13) received assessments for the same items and taxes (tax years 2009 and 2011) in connection with payments to foreign companies for contracts for exploration charters and related services used in blocks BMS 48, BMS 55, BMES 29 and BMC 33, in which RSB is the operator.

[48] IRRF: Imposto de Renda Retido na Fonte (Withholding tax), CIDE: Contribuição sobre Intervenção no Domínio Econômico (Contribution on Economic Activities), PIS: Programa de Integração Social (Social Integration Program) and COFINS: Contribuição para o financiamento da seguridade social (Contribution for Social Security Financing).

These lawsuits are currently limited to CIDE and PIS/COFINS and all administrative claims are appealed in administrative or judicial channels (first or second instance), a favorable resolution having been handed down at second administrative instance. The Company considers that its action is in accordance with the Law and conforms to the general practice of the sector.

In 2021 RSB received a proposal to adjust its transfer pricing policy with regard to the methodology for calculating the remuneration for the charter services rendered in 2016 for the drilling and extraction rigs owned by Agri BV and Guara BV. The Company has filed pleadings as it considers that the remuneration calculation methodology applied is correct, obtaining a favorable resolution at first administrative instance. In December 2022, RSB received a document with the same proposal for the year 2017 , which has also been appealed against.

Canada

The Canadian Revenue Agency (CRA) periodically reviews the tax situation of the companies of Repsol Oil & Gas Canada Inc. (ROGCI, formerly Talisman Group, acquired by Repsol in 2015) resident in Canada. In recent years, Repsol has strengthened cooperative relationships with the CRA, which has allowed it to reach agreements on tax matters. In 2022, the tax authorities closed corporate income tax inspection proceedings for fiscal year 2016 without any significant adjustments made, and initiated inspection proceedings for international transactions carried out over the period 2016 to 2018.

Spain

Proceedings relating to the following corporate income tax years are still open.

- Financial years 2006 to 2009. In relation to the audit of these years, the matters under dispute relate mainly to (i) transfer pricing, (ii) tax credits for losses incurred on investments abroad, and (iii) tax credits for investment incentives, the majority of them as a result of changes in the criteria maintained by the Administration in previous audits. In relation to the transfer pricing adjustments, the settlements were annulled as a consequence of the resolution of a dispute by the Arbitration Board of the Economic Agreement with the Basque Country, the resolution of a mutual agreement with the US and two decisions handed down by the Central Economic Administrative Tribunal; the tax authorities issued new assessments applying the criteria already accepted in subsequent years by the Administration and the taxpayer. In relation to the other matters (tax credits for losses incurred on investments abroad and tax credits for R&D), the Central Economic Administrative Court partially upheld the Company's appeals, and with regard to that not upheld, two appeals for judicial review were filed with the National Court (for 2006 and for 2007-2009). In 2021 the National Court handed down a judgment with regard to the appeal corresponding to 2007-2009, upholding in full that relating to the tax credits for investments (R&D tax incentives), and mostly upholding that relating to the tax credit for losses incurred on investments abroad. With respect to the part of the appeal not upheld, the Company has not filed an appeal with the Supreme Court and the decision therefore acquired force of law. Consequently, more than 90% of that originally demanded by the tax authorities has already been definitively annulled.

- Financial years 2010 to 2013. The audits in relation to these years were concluded in 2017 without any penalties being imposed and, for the large part, by means of assessments signed on an uncontested basis or agreements from which no significant liabilities have arisen for the Group. However, with regards to two issues (deductibility of interest for the late payment of taxes and the deduction of losses incurred on business abroad), the administrative decision has been subject to appeal, as the Company considers that it has acted within the law. The Central Economic Administrative Tribunal rejected this claim and an appeal for judicial review was filed with the National Court, which has yet to hand down a decision. Regarding the deductibility of late payment interest, the Supreme Court has already followed case law in the position defended by Repsol.

- Financial years 2014 to 2016. The audit ended in December 2019 without the imposition of any penalty and, for the most part, with assessments signed on an uncontested basis or agreements that did not generate significant liabilities for the Group. However, there are still disputes regarding the deduction of losses derived from foreign investments and interest on late payment. The corresponding claim was filed against the administrative ruling and was partially upheld by the Central Economic-Administrative Court (as regards the deduction of late-payment interest in audit records). Regarding the part of the claim that was rejected, related to the deduction of losses abroad, a contentious-administrative appeal has been filed before the National Court, since the Company considers that its action was in accordance with the Law.

- Financial years 2017 to 2020. In November 2021, the Company was notified that a tax audit would be carried out for these years.

Indonesia

The Indonesian tax authorities have been questioning various aspects regarding the taxation of the profits of the permanent establishments that the Group has in the country, in particular with regard to the application of the reduced rate of the double taxation treaties signed by Indonesia. The company considers that its actions are in line with general practice in the sector and are in accordance with the law and, therefore, the disputes on which the aforementioned actions are based are being appealed through administrative proceedings or a ruling has yet to be handed down by the courts.

Peru

The Peruvian Tax Authorities (SUNAT) modified the 2014 income tax assessment of RELAPASAA as the transfer prices applied on certain sales and purchases came into question. In 2022, a favorable ruling was received canceling almost the entire amount originally required by SUNAT. The company has appealed the resolution for the part not annulled.

The Supervisory Agency for Investment in Energy and Mining (OSINERGMIN) ordered RELAPASAA to pay the "contribution for regulation of the companies of the hydrocarbon sub-sector" for the sales of aircraft fuel, however, it is the company's understanding that such sales are not subject to this tax since the use of that product is exempt. An administrative appeal has been filed against this matter.

The Company does not expect any additional liabilities to arise that could have a significant impact on the Group's profit as a result of the above proceedings.

(23) Earnings per share

The earnings per share at December 31, 2022 and 2021 are detailed below:

Earnings per share (EPS)	**2022**	**2021**
Net income attributed to the parent (€ million)	4,251	2,499
Adjustment to the interest expense on subordinated perpetual bonds (€ million)	(60)	(60)
Weighted average number of shares outstanding (millions of shares)	1,414	1,491
Basic and diluted earnings per share (euros/share)	**2.96**	**1.64**

CASH FLOWS

(24) Cash flows
24.1) Cash flow from operating activities

During 2022 the cash flow from operating activities amounted to €7,832 million compared to €4,677 million in 2021. The increase is mainly due to the increase in income due to higher prices of hydrocarbons and by-products (due to the more favorable economic environment and the impact of the geopolitical crises) and to the greater demand for products (driven by greater activity due to the recovery of mobility); partially offset by higher tax payments and the impact of the higher cost of inventories (due to higher prices and volumes of inventories in industrial and commercial businesses and the purchase of CO_2 allowances).

The breakdown of "*Cash flows from operating activities"* in the statement of cash flows is as follows:

Cash flow from operating activities		€ Million	
	Notes	**2022**	**2021**
Net income before tax		**7,180**	**4,329**
Adjusted result:		**4,026**	**2,390**
Amortization of non-current assets	3, 11 and 12	2,339	2,004
Operating provisions and impairment losses	10.3, 12, 13, 15 and 20	3,099	935
Net income from the disposal of assets	19.7	(77)	(10)
Financial result	21	(331)	(271)
Share of results of companies accounted for using the equity method, net of taxes	13	(989)	(301)
Other adjustments (net)		(15)	33
Changes in working capital:		**(1,375)**	**(1,107)**
Increase/Decrease in accounts receivable	17	248	(3,785)
Increase/Decrease in inventories	16	(764)	(1,340)
Increase/Decrease in accounts payable	18	(859)	4,018
Other cash flows from operating activities:		**(1,999)**	**(935)**
Dividends received		753	281
Income tax refunded/(paid) (1)		(2,398)	(920)
Other proceeds from/(payments for) operating activities (2)		(354)	(296)
Cash flows from operating activities		**7,832**	**4,677**

(1) For further information on the Group's tax contribution, see section 6.6 "*Responsible tax policy*" of the 2022 consolidated Management Report and in Appendix V "*Responsible tax policy*".
(2) Includes mainly payments for the application of provisions (see Note 15).

24.2) Cash flows from investing activities

During 2022 the net cash flow from investing activities resulted in a net outflow of €-4,103 million.

"*(Payments for)/proceeds from investments in Group companies and associates*" amounted to €-69 million. This corresponds mainly to the payment for the entry as a shareholder of Enerkem (a leader in the technology of renewable fuels and chemical products), the acquisition of renewable projects in Spain and the United States and receipts from divestments in Malaysia and Russia. For more information, see section 4 and 5 of the 2022 consolidated Management Report.

"*(Payments for)/proceeds from investments in property, plant and equipment, intangible assets and investment property*" amounted to €-3,062million. Their increase with respect to the comparative period, reflects the increase in investments in Upstream – particularly the disbursement for the gas assets in production acquired from Rockdale Marcellus in 2021 and the development of new wells and facilities in the United States (Marcellus, Eagle Ford and the Gulf of Mexico) and progress in the YME strategic project in Norway), and improvements to the refineries and petrochemical plants in the Industrial segment. Additionally, receipts from asset divestments in 2022 (€473 million; mainly assets in Canada) are included..

"*(Payments for)/proceeds from investments in other financial assets*" reflected net disposals of €-1,003 million, which is explained by the placement/settlement of deposits during the period.

24.3] Cash flows from financing activities

In 2022, cash flow from financing activities led to a net payment of €-2,832 million compared to €-529 million in 2021. This is explained by the net amortizations of bond issues and other marketable securities (includes the cancellation of ROGCI bonds) and the early cancellation of Saint-John project finance (see Note 3.5.1), as well as investment in treasury stock (share repurchase programs; see Note 6), higher dividend payments (increase in shareholder remuneration and "*Scrip Dividend*" in January 2021) and cash obtained from the sale of 25% of Repsol Renovables, S.L.U. and 49% of the renewable assets Valdesolar and Kappa (see Note 6.5).

The breakdown of the changes to liabilities linked to financing activities in 2022 is as follows:

Cash flows from financing activities 2022	€ Million					
	2021	**2022**				
			Non-cash changes			
	Opening balance [(1)]	Cash flows	Exchange rate effect	Changes in FV	Others	Closing balance [(1)]
Bank borrowings	1,887	(838)	58	—	30	1,137
Bonds and other marketable securities	8,570	(973)	12	—	207	7,816
Derivatives (liabilities)	199	(2,017)	300	1,827	7	316
Loans	1,087	259	116	—	21	1,483
Other financial liabilities	106	(2)	9	—	(113)	—
Lease liabilities	2,948	(613)	122	—	466	2,923
Shareholder remuneration and perpetual bonds	2,739	(1,027)	—	—	1,068	2,780
Treasury shares and own equity instruments	(641)	(1,714)	—	—	2,352	(3)
Changes in investments in companies without loss of control	—	1,155	—	—	(1,155)	—
Total liabilities from financing activities	**16,895**	**(5,770)**	**617**	**1,827**	**2,883**	**16,452**
Derivatives (assets)	(244)	2,557	(41)	(2,867)	95	(500)
Other proceeds from/payments for financing activities	—	381	—	—	(381)	—
Total other assets and liabilities	**(244)**	**2,938**	**(41)**	**(2,867)**	**(286)**	**(500)**
Total	**16,651**	**(2,832)**	**576**	**(1,040)**	**2,597**	**15,952**

(1) Corresponds to the current and non-current balance on the balance sheet.

The breakdown of the changes in liabilities arising from financing activities in 2021 is as follows:

Cash flow from 2021 financing activities	€ Million					
	2020	**2021**				
			Non-cash changes			
	Opening balance [(1)]	Cash flows	Exchange rate effect	Changes in FV	Other [(3)]	Closing balance [(1)]
Bank borrowings	937	588	74	—	288	1,887
Bonds and other marketable securities	7,951	431	29	—	159	8,570
Derivatives (liabilities)	344	(556)	241	161	9	199
Loans [(2)]	3,680	91	91	—	(2,775)	1,087
Other financial liabilities	99	(7)	4	—	10	106
Lease liabilities	2,991	(537)	156	—	338	2,948
Shareholder remuneration and perpetual bonds	2,039	(285)	—	—	985	2,739
Treasury shares and own equity instruments	(162)	(722)	—	—	243	(641)
Changes in investments in companies without loss of control	**—**	**200**	**—**	**—**	**(200)**	**—**
Total liabilities from financing activities	**17,879**	**(797)**	**595**	**161**	**(943)**	**16,895**
Derivatives (assets)	(240)	653	(17)	(808)	168	(244)
Other proceeds from/payments for financing activities	—	(385)	—	—	385	—
Total other assets and liabilities	**(240)**	**268**	**(17)**	**(808)**	**553**	**(244)**
Total	**17,639**	**(529)**	**578**	**(647)**	**(390)**	**16,651**

(1) Corresponds to the current and non-current balance on the balance sheet.
(2) Includes loans with companies accounted for using the equity method. The variation is mainly explained by the allocation of financial assets of Repsol Sinopec Brasil, B.V. to its shareholders.

Cash and cash equivalents increased by €917 million compared to December 31, 2021, amounting to a total of €6,512 million. Cash and cash equivalents are part of the Group's liquidity (see Note 10).

OTHER DISCLOSURES

(25) Commitments and guarantees

25.1) Contractual commitments

Commitments consist of future unconditional obligations (non-cancellable, or cancellable only under certain circumstances), as a result of commercial agreements. These commitments were quantified using Repsol's best estimates, and, if fixed total amounts were not stipulated, using price estimates and other variables that are consistent with those considered for calculating the recoverable amount of the assets (see Notes 3 and 20).

At December 31, 2022, the Group has contractually committed to the following purchases, investment and other expenditures:

€ Million	2023	2024	2025	2026	2027	Subsequent years	Total
Purchase commitments	6,646	2,214	1,969	1,677	1,641	17,818	31,965
Natural gas [1] [2]	2,255	1,802	1,558	1,272	1,238	15,113	23,237
Crude oil and others [2] [3]	4,391	412	411	405	403	2,705	8,726
Investment commitments [4]	1,650	449	136	71	52	16	2,373
Provision of services [5]	343	253	205	166	136	135	1,239
Transport commitments [6]	240	132	112	85	62	305	937
TOTAL	**8,879**	**3,048**	**2,422**	**1,999**	**1,891**	**18,274**	**36,514**

(1) Primarily includes commitments to purchase liquefied natural gas (LNG) in North America (with *"take or pay"* clauses). These contracts are classified for accounting purposes as "own use". Long-term firm commitments for the purchase and sale of gas and crude oil are analyzed to determine whether they correspond to the supply or marketing needs of the Group's normal business activities (own use), or whether, on the contrary, they should be considered a derivative and recognized in accordance with the criteria established in IFRS 9 (see Note 9).
(2) Comprises mainly commitments to purchase products for the operation of the refineries in Spain, and commitments corresponding to crude oil purchase contracts with the Pemex group (maturity 2023), with the Saudi Arabian Oil Company (annual renewal) and with the Repsol Sinopec Brazil Group (maturity 2023).
(3) Committed crude oil and gas volumes are as follows:

Purchase commitments	Unit of measurement	2023	2024	2025	2026	2027	Subsequent years	Total
Crude oil	kbbl	43,242	206	225	214	217	214	44,318
Natural gas								
Natural gas	Tbtu	102	76	39	12	5	5	239
Liquefied natural gas	Tbtu	114	129	166	166	166	2,011	2,752

(3) Comprises mainly investment commitments in the United States, Spain, Portugal, Colombia, Algeria, Chile and Norway amounting to (€661) million, €516 million, €330 million, €288 million, €194 million, €112 million and €111 respectively.
(5) Comprises mainly commitments for future technological developments totaling €566 million and commitments associated with hydrocarbon upstream activities for an amount of €311 million.
(6) Includes, primarily, hydrocarbon transportation commitments in North America and Peru amounting to approximately €834 million.

25.2) Guarantees

In the course of its business activities, Repsol assumes guarantees of various types and content for third parties or companies whose assets, liabilities and earnings are not presented in the consolidated financial statements (joint ventures and associates). The guarantees cannot be considered a definite outflow of resources to third parties, as the majority of these guarantees will mature without any payment obligation arising. At the date of issue of these consolidated Financial Statements, the likelihood that any non-compliance would give rise to a liability for these commitments to any material extent is remote.

At December 31, 2022, the most significant guarantees for the fulfillment of obligations are:

– For the rental of three floating production platforms for the development of the BMS 9 field in Brazil: (i) a guarantee for $396 million corresponding to 100% of RSB's obligations (see Note 13), for which Repsol holds a counter guarantee from China Petrochemical Corporation in respect of its 40% interest in RSB; and (ii) two additional guarantees of $380 million and $342 million, corresponding to the 60% interest held by the Group in RSB. The guaranteed amounts are reduced annually until 2036, the date on which the contracts are completed.

– For 51% of the guarantees for the decommissioning of RSRUK in the North Sea, for £574 million.

In addition, in line with general industry practice, the Group grants guarantees and commitments to offset obligations arising in the ordinary course of business and activities, and for any liabilities arising from its activities, including environmental liabilities and for the sale of assets.

Guarantees granted in the ordinary course of business correspond to a limited number of guarantees totaling €133 million. In Venezuela an undetermined guarantee has been granted to Cardón IV to cover the commitment to supply gas to PDVSA until 2036. However, PDVSA has provided a guarantee to Cardón IV to cover collection rights for the supply commitment; the Group has also provided a guarantee to the Republic of Venezuela to cover the obligations assumed in the development of gas assets in the country.

Environmental guarantees are arranged in the normal course of hydrocarbon upstream operations, however, the probability of occurrence of the contingencies covered is remote and their amounts indeterminable.

Outstanding guarantees for asset sales, granted in accordance with general industry practice, are immaterial. Of recent note are those granted in the sale of LNG assets to Shell in 2015.

(26) Related party transactions

Repsol carries out transactions with related parties on an arm's length basis. The transactions performed by Repsol, S.A. with its Group companies and those performed by the Group companies among themselves form part of the Company's ordinary course of business in terms of their purpose and conditions.

For the purposes of presenting this information, the following are considered to be related parties:

a. Directors and executives: includes members of the Board of Directors as well as members of the Executive Committee, who are considered "key management personnel" and any persons related thereto for the purpose of this section (see Note 28.4).

b. People, companies or entities within the Group: includes transactions with Group companies or entities that were not eliminated in the consolidation process, corresponding mainly to transactions undertaken with companies accounted for using the equity method (see Note 13).

Income, expenses and other transactions and balances recognized at December 31 with related party transactions are as follows:

Expenses and revenue	2022				2021			
€ Million	Directors and executives [1]	People, companies or entities within the Group	Significant shareholders	Total	Directors and executives [1]	companies or entities within the Group	Significant shareholders	Total
Financial expenses	—	31	—	31	—	16	—	16
Leases	—	1	1	2	—	—	2	2
Services received	—	80	4	84	—	55	19	74
Purchase of goods [2]	—	2,022	2	2,024	—	1,092	3	1,095
Other expenses [3]	—	22	—	22	—	97	—	97
TOTAL EXPENSES	**—**	**2,156**	**7**	**2,163**	**—**	**1,260**	**24**	**1,284**
Financial income	—	98		98	—	67	—	67
Services provided	—	6	—	6	—	4	—	4
Sale of goods [4]	—	865	9	874	—	453	16	469
Other revenue	—	122	—	122	—	254	—	254
TOTAL REVENUE	**—**	**1,091**	**9**	**1,100**	**—**	**778**	**16**	**794**

Other transaction	2022				2021			
€ Million	Directors and executives [1]	People, companies or entities within the Group	Significant shareholders	Total	Directors and executives [1]	companies or entities within the Group	Significant shareholders	Total
Financing agreements: credit and contributions of capital (creditor) [5]	—	301	—	301	—	463	—	463
Financing agreements: loans and contributions of capital (borrower)	—	827	—	827	—	338	—	338
Guarantees and sureties given [6]	—	546	—	546	—	615	—	615
Guarantees and sureties received	—	3	—	3	—	10	9	19
Commitments assumed [7]	—	165	—	165	—	57	2	59
Dividends and other profits distributed [8]	1	—	14	15	1	—	65	66
Other operations [9]	—	1,482	3	1,485	—	3,738	34	3,772

Closing Balances	2022				2021			
€ Million	Directors and executives [1]	People, companies or entities within the Group	Significant shareholders	Total	Directors and executives [1]	companies or entities within the Group	Significant shareholders	Total
Customer and trade receivables	—	161	3	164	—	169	2	171
Loans and credits granted	—	1,033	—	1,033	—	845	—	845
Other receivables	—	105	—	105	—	92	—	92
TOTAL RECEIVABLE BALANCES	**—**	**1,299**	**3**	**1,302**	**—**	**1,106**	**2**	**1,108**
Suppliers and trade payables	—	144	2	146	—	238	16	254
Loans and credits received [10]	—	1,482	—	1,482	—	1,085	—	1,085
Other payment obligations	—	1	—	1	—	—	—	—
TOTAL PAYABLE BALANCES	**—**	**1,627**	**2**	**1,629**	**—**	**1,323**	**16**	**1,339**

Note: In 2022, the tables for Expenses and Income and Other transactions include transactions with the Sacyr Group up to June.

(1) Includes transactions performed with executives and directors not included in Note 28 on the remuneration received by Executives and Directors, and would correspond to the outstanding balance at the reporting date of the loans granted to members of senior management and the corresponding accrued interest, as well as dividends and other remuneration received as a result of holding shares of the Company.

(2) In 2022 "*People, companies or entities within the Group*" primarily includes products purchased from Repsol Sinopec Brasil (RSB) and from Repsol Sinopec Resources UK Ltd (RSRUK), for the amount of €1,182 million and €369 million, respectively (€753 million and €127 million in 2021).

(3) Includes mainly supplies and provisions for credit risks of accounts receivable and financial instruments (see Note 10.3 and 20.3).

(4) In 2022 and 2021 "*People, companies or entities of the Group*" includes mainly sales of products to Iberian Lube Base Oil, S.A. (ILBOC) and Dynasol Group for €599 million and €201 million in 2022 and €279 million and €152 million in 2021, respectively.

(5) Includes loans granted and new provisions for credit facilities in the period, as well as capital contributions to Group companies with companies accounted for using the equity method.

(6) Includes primarily guarantees granted to joint ventures in the United Kingdom, issued in the ordinary course of business to cover obligations to decommission offshore platforms in the North Sea.

(7) Corresponds to purchase, investment or expense commitments acquired in the period (see Note 25).

(8) In 2022, the amounts recognized as dividends and other income include amounts corresponding to the sale to Repsol, at the guaranteed fixed price, of bonus issue rights as part of the bonus share issue closed in January 2022, as part of the "*Repsol Flexible Dividend*" remuneration program, as well as the cash dividend paid in July (see Note 6.3).

(9) In 2022 and 2021 "*People, companies or entities within the Group*" includes mainly the repayments and/or cancellations of guarantees provided or loans granted to joint ventures in the UK and financing agreements (see the following footnote to the table).

(10) In 2022 includes mainly financial liabilities with Repsol Sinopec Resources UK Ltd (RSRUK) and BPRY Caribbean Ventures, LLC. amounting to €986 million and €335 million (€673 million and €316 million in 2021 in RSRUK and Equion respectively).

(27) Personnel obligations

27.1) Defined contribution pension plans

For certain employees in Spain, Repsol has recognized mixed pension plans in line with the current law. Specifically, these are defined contribution pension plans for the contingency of retirement and defined benefit plans for the contingencies of total or absolute permanent disability, comprehensive disability and death. In the case of total or absolute permanent disability, comprehensive disability and death, the pension plans have taken out insurance policies with an external entity.

The annual cost charged to "*Personnel expenses*" in the income statement in relation to the defined contribution pension plans detailed above amounted to €46 million and €47 million in 2022 and 2021, respectively.

The Group's executives in Spain are beneficiaries of an executive pension plan that complements the standard pension plan known as "*Plan de previsión de Directivos*" (Executive welfare plan), which covers the participant's retirement, their full or total permanent disability, comprehensive disability and death. Repsol makes defined contributions based on a percentage of participants' salaries. The plan guarantees a fixed return equal to 125% the National Consumer Price Index for the previous year. The plan is instrumented through collective insurance policies underwritten by an insurance company that finances and outsources the commitments in respect of contributions and the fixed return mentioned above.

The cost of this plan recognized under "*Personnel expenses*" in the income statement in 2022 and 2021 amounted to €15 million and €16 million, respectively.

27.2) Defined benefit pension plans

Certain groups of employees have pension plans for the contingencies of full or total permanent disability, comprehensive disability and death, the insurance policies of which are taken out with an external entity. The total amount charged to the Group's income statement in 2022 and 2021 was income of €4 million and expense of €10 million, respectively, while the provisions recognized on the balance sheet at year-end 2022 and 2021 stood at €62 million and €80 million, respectively (see Note 15).

No significant impacts are expected on the Group's financial statements, given the valuation of the provisions recognized for the pension plans as a consequence of the assumptions used (inflation rate, interest and exchange rates, etc.) in the new macroeconomic scenario impacted by Russia's invasion of Ukraine.

27.3) Long-term variable remuneration

A loyalty building plan aimed at executives and other persons occupying positions of responsibility consisting of long-term incentives as part of their benefit package. The purpose of this program is to strengthen the link with shareholders' interests, based on the sustainability of medium and long-term results as well as compliance with the Strategic Plan, while at the same time facilitating the retention by the Group of key personnel.

At year end, the 2019-2022, 2020-2023, 2021-2024 and 2022-2025 plans were in force. The 2018-2021 plan was closed and its beneficiaries received their bonuses in 2022.

The four plans are independent of each other and fulfillment of the objectives tied to each plan allows its beneficiaries to receive an incentive in the first four months of the year following the last year of the plan. However, receipt is tied to the beneficiary remaining in the Group until December 31 of the last year of the plan, except in the special cases envisaged in the terms and conditions of the related plan.

The 2019-2022 plan do not involve the delivery of shares or options, with the exception of the Chief Executive Officer, who is partially paid in shares. In this regard, the amount of the 2019-2022 Long-Term Incentive will be paid to the Chief Executive Officer in a proportion of 70% in cash and 30% in shares, so that he will receive €809,712 in cash and 10,845 Company shares equal to €160,010.

In accordance with the provisions of the current Directors Remuneration Policy, the final number of shares to be delivered to the Chief Executive Officer is calculated based on: (i) the amount that is effectively payable following application of the corresponding taxes (or withholdings); and (ii) the weighted average for the daily volume of weighted average Repsol share prices in the fifteen trading sessions before the Friday of the week preceding the date on which the Board of Directors agrees to pay the incentive of each of the Plans for the Chief Executive Officer.

Accordingly, the 2020-2023, 2021-2024 and 2022-2025 plans differ from the previous plans in that beneficiaries are entitled to receive a "cash incentive" and a certain number of *"Performance Shares"*, which will entitle them to receive Repsol, S.A. shares at the end of the Plan's vesting period, subject to the performance of certain metrics.

To reflect these commitments assumed, expenses of €25 million and €21 million were recognized in 2022 and 2021, respectively, with the accumulated outstanding payment obligation amounting to €53 million and €49 million at December 31, 2022 and 2021, respectively.

27.4) Share Purchase Plans for Beneficiaries of Long-Term Incentive and Share Acquisition Plans

i.) "*Share Purchase Plan for Beneficiaries of the Long-Term Incentive Plans*"

This Plan allows investments in shares of up to 50% of the gross amount of the Long-term Incentive to encourage its beneficiaries (including the Chief Executive Officer and the other Executive Committee members) to align themselves with the long-term interests of the Company and its shareholders. If the beneficiary maintains the shares for three years from the initial investment and the remaining conditions of the Plan are met, the Company will give the employee one additional share for every three initially acquired.

In the case of Senior Management, (the Chief Executive Officer and other Executive Committee members), they are subject to an additional performance requirement in order to receive these additional shares, namely overall fulfillment of at least 75% of the targets set in the Long-Term Incentive Plan closed in the year preceding that of delivery of the shares.

The following cycles of this Plan are currently in force:

Plan purchase plan of long-term incentive	No. of shares	Total initial investment (no. of shares)	Average price (Eur/Share)	Maximum commitment for delivery of shares
Tenth cycle (2020-2023) [(1)]	238	340,537	8.4935	113,512
Eleventh cycle (2021-2024) [(2)]	180	200,997	11.0414	66,999
Twelfth cycle (2022-2025) [(3)]	214	134,064	15.1098	44,652

[(1)] Includes 14,743 shares delivered to the Chief Executive Officer as a partial payment of the 2016-2019 Long-Term Incentive Plan. In accordance with the provisions of the Directors Remuneration Policy, the shares delivered to the Executive Directors under each long-term variable remuneration plan may be calculated for the purposes of the investment in shares referred to in the Share Purchase Plan for the Beneficiaries of the Long-Term Incentive Plans.
[(2)] Includes 19,337 shares delivered to the Chief Executive Officer as a partial payment for the 2017-2020 Long-Term Incentive Plan.
[(3)] Includes 13,184 shares delivered to the Chief Executive Officer as a partial payment for the 2018-2021 Long-Term Incentive Plan.

During this twelfth cycle, the current members of the Executive Committee, including the Chief Executive Officer, have acquired a total of 48,756 shares.

As a result of this Plan, at December 31, 2022 and 2021, the Group had recognized an expense under "*Personnel expenses*" with a balancing entry under "*Other equity instruments*" in equity of €0.44 million.

In addition, the ninth cycle of the Plan (2019-2022) vested on June 3, 2021. As a result, the rights of 166 beneficiaries vested 60,793 shares (44,653 shares net of payment on account of the personal income tax). Specifically, the rights of the members of the Executive Committee and the Chief Executive Officer to 26,915 shares also vested (18,416 shares net of payment on account).

ii.) "*Share Acquisition Plans*"

The Company has been implementing, on an annual basis, a share acquisition plan aimed at all Group employees in Spain since 2011. These Plans enable those so wishing to receive a portion of their remuneration in shares up to an annual limit of €12,000. The shares to be delivered are valued at the closing share price on the continuous Spanish stock market on each date of delivery.

In 2022 the Group purchased 761,246 shares of Repsol, S.A. (1.032.481 shares in 2021) amounting to €9.8 million (€11 million in 2021) for delivery to employees (see Note 6).

The members of the Executive Committee acquired 7,052 shares in accordance with the plan terms and conditions in 2022.

iii.) "*Global Employee Share Purchase Plan: YOUR REPSOL*"

In 2020 the YOUR REPSOL Plan was launched, which enabled all employees to allocate a certain amount of their remuneration to purchase Company shares and receive one free share for every two initially acquired, provided that the shares are held for a period of 2 years and the other conditions of the Plan are met.

Under the YOUR REPSOL Plan for 2020, the members of the Executive Committee acquired a total of 1,232 shares which, in accordance with the terms and conditions of the Plan, will entitle them to receive a total of 616 shares in February 2023.

The shares to be delivered under plans i.), ii.) and iii.) may come from Repsol's direct or indirect treasury shares, be newly issued or come from third parties with which agreements have been signed.

(28) Remuneration of the members of the Board of Directors and key management personnel

28.1) Remuneration of the members of the Board of Directors

a) Due to membership of the Board of Directors

In accordance with Article 45 of the Bylaws, the Directors, in their capacity as members of the Board and in exchange for discharging the supervisory and decision-making duties intrinsic to Board membership, are entitled to receive a fixed annual payment that may not exceed the ceiling established to this end at the Annual General Meeting or in the Directors Remuneration Policy; it is up to the Board of Directors to determine the precise amount payable within that limit and its distribution among the various Directors, factoring in the positions and duties performed by each within the Board and its Committees, the membership of the Committees, the positions held by each one of them on the Board and any other objective circumstance considered as relevant.

The upper limit established in the Directors Remuneration Policy approved at the Annual General Meeting held on March 26, 2021 is €8,5 million.

The remuneration accrued in 2022 for membership of the Board of Directors and with a charge to bylaw-stipulated emoluments amounted to €6.931 million, the detail being as follows:

	Remuneration of Board members relating to their position (euros)							
Board of Directors	Board	Delegate C.	Independent Lead Director	Audit C.	Appoints C.	Remun. C.	Sustain. C.	Total
Antonio Brufau Niubó [1]	2,500,000	—	—	—	—	—	—	2,500,000
Josu Jon Imaz	176,594	176,594	—	—	—	—	—	353,188
Arantza Estefanía Larrañaga	176,594	—	—	—	—	22,074	44,149	242,817
María Teresa García-Milá Lloveras	176,594	—	—	88,297	22,074	—	—	286,965
Henri Philippe Reichstul	176,594	176,594	—	—	—	—	—	353,188
Mª del Carmen Ganyet i Cirera [2]	176,594	117,729	—	29,432	8,278	7,358	—	339,391
Ignacio Martín San Vicente [3]	176,594	176,594	—	—	—	—	—	353,188
Manuel Manrique Cecilia [4][5]	176,594	176,594	—	—	—	—	—	353,188
Mariano Marzo Carpio	176,594	—	22,074	58,865	8,278	7,358	44,149	317,318
Isabel Torremocha Ferrezuelo	176,594	—	—	88,297	—	—	44,149	309,040
Emiliano López Achurra [7] [8]	176,594	—	—	—	22,074	14,716	44,149	257,533
Aurora Catá [9]	176,594	—	—	88,297	22,074	22,074	—	309,039
J. Robinson West	176,594	176,594	—	—	—	—	—	353,188
Iván Martén Uliarte [10]	132,446	117,729	—	—	—	—	—	250,175
Luis Suárez de Lezo Mantilla	176,594	176,594	—	—	—	—	—	353,188

Note: In accordance with the scheme approved by the Board of Directors, and at the proposal of the Remuneration Committee, the amount due in 2022 came to: (i) €176,594 for membership of the Board of Directors; (ii) €176,594 for membership of the Delegate Committee; (iii) €88,297 for membership of the Audit and Control Committee; (iv) €44,149 for membership of the Sustainability Committee; (v) €22,074 for membership of the Appointments Committee; and (vi) €22,074for membership of the Remuneration Committee; and (vii) €22,074 for the position of Independent Lead Director.

[1] The remuneration conditions of Mr. Brufau, as Non-Executive Chair of the Board of Directors, consist of a fixed remuneration of €2,500 thousand gross per year. Additionally, remuneration in kind and payments on account/withholdings linked to remuneration in kind amounted to a total of €0.311 million.
[2] On May 6, 2022, the Annual General Meeting approved the re-election of Ms. Ganyet i Cirera as Director..
[3] On May 6, 2022, the Annual General Meeting approved the re-election of Mr. Martín San Vicente as Director.
[4] On June 29, 2022, the Board of Directors approved the re-election of Mr. Manrique Cecilia as Independent Director.
[5] On May 6, 2022, the Annual General Meeting approved the re-election of Mr. López Achurra as Director.
[6] On May 6, 2022, the Annual General Meeting approved the re-election of Mr. Martén Uliarte as Director.

Additionally, it should also be noted that:

– The members of the Board of Directors of the parent company have not been granted any loans or advances by any Group company, joint arrangement or associate.

– The non-executive directors only receive the fixed remuneration indicated in the table above and are excluded from the schemes financed by the Company to provide coverage in the event of termination, death or other developments and from the Company's short- and long-term performance-based bonus schemes. As regards the Chairman of the Board of Directors, see Note 1 of the table on remuneration for membership of the managing bodies in this section.

– No Group company, joint arrangement or associate has pension or life insurance obligations to any former or current member of the Board of Directors of the parent company, except in the case of the Chief Executive Officer, whose remuneration is subject to the commitments set forth in his contract for services, as described further on.

b) Due to the holding of executive positions and performing executive duties

In 2022, compensation to Directors for the performance of executive duties was as follows:

€ Million	Josu Jon Imaz
Fixed monetary remuneration	1.200
Variable remuneration and in kind [1]	2.574

[1] Includes, among other items, life and disability insurance and health insurance, as well as variable annual and multi-annual remuneration, as well as additional shares corresponding to the settlement of the ninth cycle of the Share Purchase Plan for the Beneficiaries of the Long-Term Incentive Plans, as detailed in Note 27.3.

The above amounts do not include the amounts detailed in section d) below.

c) Due to membership of the Boards of Directors of investees

The remuneration earned in 2022 by members of the Board of Directors of the parent company for membership on the managing bodies of other Group companies, joint arrangements or associates amounts to €0.649million, and is detailed as follows:

	€ Million
Arantza Estefanía Larrañaga	0.030
Emiliano López Achurra	0.619

d) Due to contributions to pension plans and welfare plans

The cost in 2022 of the contributions made to pension plans and welfare plans for the Chief Executive Officer discharging executive duties in the Group amounted to:

	€ Million
Josu Jon Imaz	0.254

e) Share Purchase Plan for Beneficiaries of the Long-Term Incentive Plans

On June 3, 2022, the vesting period concluded for the eighth cycle of the share purchase plan for beneficiaries of long-term incentive plans (see Note 27.4). Upon vesting, Josu Jon Imaz became entitled to receive a total of 14,969 shares, valued at a price of €15.95 per share.

28.2) Indemnity payments to Board members

In 2022, no Director received any indemnity payments from Repsol.

28.3) Other transactions with directors

In 2022, Repsol's Directors did not conclude any material transaction with the Parent or any of the Group companies outside the ordinary course of business or under any conditions other than the standard customer or normal market conditions.

The Chief Executive Officer signed up for the , 2020-2023, 2021-2024 and 2022-2025 cycles of the Share Purchase Plan for Beneficiaries of the Long-Term Incentive Plans, as detailed in Note 27.

In 2022, the Board of Directors has not been made aware of any situation of direct or indirect conflict of interest. Nevertheless, in accordance with Article 229 of the Spanish Companies Act, the resolutions of the Board and of the Appointments Committee during the year regarding related-party transactions, ratification, re-election and continuity of Directors and on appointment to positions on the Board and its committees were passed in the absence of the Director affected by the relevant proposed resolution.

In addition, the Chief Executive Officer did not participate in the approval of the Board of Directors resolutions regarding his compensation for the performance of executive duties at the Company.

28.4) Remuneration of key management personnel

a) Scope

Repsol considers “key management personnel” to be the members of the Executive Committee. In 2022, a total of 12 persons formed the Executive Committee. The term “key management personnel” neither substitutes nor comprises a benchmark for interpreting other senior management pay concepts applicable to the Company under prevailing legislation (e.g. Royal Decree 1382/1985), nor does it have the effect of creating, recognizing, amending or extinguishing any existing legal or contractual rights or obligations.

This section itemizes the remuneration accrued in 2022 by the people who, at some juncture during the period and during the time they occupied such positions, were members of the Executive Committee. Unless indicated otherwise, the compensation figures provided for “key management personnel” do not include the compensation accrued by people who are also directors of Repsol, S.A. (information included in Note 28.1).

b) Wages and salaries, executive welfare plan, pension fund and insurance premiums.

The total remuneration earned in 2022 is as follows:

	€ Million
Wages	5.122
Allowances	0.068
Variable remuneration (1)	6.457
Remuneration in kind (2)	0.580
Executive welfare plan	1.054

(1) This consists of an annual bonus, and a multi-annual bonus, calculated as a given percentage of the fixed remuneration earned on the basis of the degree to which certain targets are met.
(2) Includes vested rights to 11,949 additional gross shares for the ninth cycle of the Share Purchase Plan for Beneficiaries of the Long-Term Incentive Plans, valued at €15.95 per share, equivalent to a gross amount of €190,581. It also includes contributions to pension plans for executives (see Note 27), and the premiums paid for life and disability insurance, amounting to €0.137 million.

a. Advances and loans granted

At December 31, 2022, Repsol, S.A. had granted loans to key management personnel amounting to €0.111 million, having accrued an average interest rate of 2.0% during the current financial year.

28.5) Indemnity payments to key management personnel

Key management personnel are entitled to severance pay if their employment is terminated for any reason other than a breach of executive duties, retirement, disability or their own free will without reference to any of the grounds for compensation specified in their contracts.

The Group has arranged a group insurance policy to assure such benefits for Executive Committee members with the title General Manager, and for Directors that have performed executive duties.

In 2022, none of the Company's key management personnel had received severance pay for the termination of their contract.

28.6) Other transactions with key management personnel

In 2022, Executive Committee members did not conclude any material transaction with the parent company or any of the Group companies outside the ordinary course of business or on terms other than those afforded to customers or other than on an arm's length basis.

Additionally, the Executive Committee members signed up for the 2020-2023 2021-2024 and 2022-2025 cycles of the Share Purchase Plan for Beneficiaries of the Long-term Incentive Plans, as detailed in Note 27.3.

28.7) Civil liability insurance

In 2022, the Group took out a civil liability policy for Board members, the key management personnel referred to in Note 28.4 a), and the other executives and people executing such functions, for a total premium of €4.4 million. The policy also covers different Group companies under certain circumstances and conditions.

29) Further breakdowns

29.1) Environmental investment, expenses and provisions[49]

Environmental investments in 2022[50] amounted to €115 million (€51 million classified as "*work in progress*" at December 31). These investments most notably include those aimed at fulfilling the obligations assumed by the Company with regard to the energy transition (energy savings, energy efficiency or use of waste as raw material), management and optimization of water consumption, reduction of atmospheric emissions and soil remediation[51]. Environmental expenses, which are recognized under "*Procurements*" and "*Other operating expenses*", excluding the expenses for the allowances necessary to cover CO2 emissions (see Note 15), amounted to €82 million and €76 million in 2022 and 2021, respectively. In 2022, of note are the actions carried out for the protection of the atmosphere in the industrial facilities (€19 million in 2021); water management for an amount of €17 million(€17 million in 2021); and waste management for an amounting of €15 million (€16 million in 2021).

Provisions for environmental[52] actions at December 31, 2022 amount to €141 million, which includes the estimated payments associated with the oil spill that occurred at the Pampilla, S.A.A. refinery for containment, cleanup, and remediation activities (see next section). Additionally, the Group has registered provisions for the dismantling of its field assets and industrial complexes (see Note 15).

The corporate insurance policies cover, subject to terms and conditions, civil liability for pollution on land and at sea and certain liabilities vis-a-vis the authorities pursuant to the Environmental Liability Act, all of which derived from accidental, sudden and identifiable events, in keeping with habitual industry practice and applicable legislation.

[49] Items identified as being of an environmental nature, understood as those that have the purpose of minimizing environmental impact and protecting and improving the environment. The criteria for their valuation are in accordance with the Group's technical criteria based on the guidelines issued by the American Petroleum Institute (API).
[50] For additional information on the Group's investments in low-carbon generation businesses, see sections 5.3 and 6. of the 2022 consolidated Management Report. Regarding investments in Group activities that contribute to climate change mitigation and adaptation objectives, in accordance with the Taxonomy of Sustainable Finance of the European Union, see Appendix V.e) of the same report.
[51] In 2022 most notable are: those carried out in industrial complexes; in Chemicals, the adaptation of the discharge of OPSM to the BREF and the progress of engineering in the adaptation project for 80,000 tons of pyrolysis oil in Tarragona, which will allow the generation of plastics with a circular life cycle; and in Refining, motorization of compressors previously driven by steam in the Cartagena platform unit, the Puertollano coke unit and Bilbao HD3, and the reduction of flare emissions by installing a recovery system for the gases discharged to the flare and the reduction of water consumption.
[52] Repsol reserves the necessary amounts to prevent and repair effects on the environment, which are estimated based on technical and economic criteria. These amounts are shown under the "Current and non-current provisions" of the balance sheet and in the "Other provisions" column of the movement of provisions table in Note 15.

Environmental risk - spill in Peru

On January 15, 2022, an oil spill occurred at the Multiboyas Terminal No. 2 facilities in the Pampilla, S.A.A. refinery while crude oil was being unloaded from the vessel *Mare Doricum*, due to an abnormal movement of the vessel.

The spill has impacted populations and the natural environment, as well as marine species on the Peruvian coasts, To date, the first clean-up operation in the affected areas has been completed. According to the Agency for Environmental Evaluation and Control (OEFA), of the 97 impacted coastal areas, 26 are considered clean while 71 require a rehabilitation plan, which is being worked on and must be submitted within a maximum period of 1 year. However, Repsol has presented various internal and external studies that show that the cleaning has been effective, except in inaccessible sites such as Pasamayo where other cleaning techniques are applied according to the geography. The technical evidence prepared by the company and presented to the authority concludes that the presence of hydrocarbons is below the limit set by environmental quality standards, above which there would be a risk to health and the environment. This indicates that fishing could be resumed, as well as the recreational and commercial activities on accessible beaches. Currently, the authorities are carrying out further monitoring to confirm the situation and determine whether activities can resume.

Regarding local communities, it should be noted that to date more than 9,800 people, out of a total of 10,300 beneficiaries included in the list agreed upon with the Presidency of the Council of Ministers, have received compensation advances. Total compensation agreements have been reached with 7,000 people on this register.

The expenses recognized in the income statement to cover the damage caused by the incident, such as containment activities, cleanup, remediation, compensation to affected parties and other related costs, are estimated to exceed $300 million. At December 31, costs pending payment amounted to $178 million (see Note 15). These payments may vary due to various circumstances inherent in the progress of the planned activities, as well as developments in the administrative sanctioning procedures, the outcome of which will depend on the conclusions of investigations still in progress.

Repsol has insurance policies with coverage related to the consequences of this event, and is currently coordinating the actions to be followed with the experts' office (adjusters) appointed by the insurance companies. As of December, $34 million had been received from the insurance companies in advances of the compensation associated with the incident.

Notwithstanding the initiatives that could be taken against the party responsible for the spill, Refinería La Pampilla, S.A.A. ratifies its commitment to continue mitigating and remedying its effects, as well as to work with the authorities and affected communities and to respond to citizens in the most effective way and with total transparency. The company has also stated its intention to develop sustainable social projects to contribute to economic recovery in the affected areas. Social aid projects are being implemented in these areas.

Corporate insurance policies, subject to their terms and conditions, cover civil liabilities for pollution on land and sea and, for some countries and activities, certain administrative liabilities for pollution on land under the Environmental Responsibility Law, all resulting from accidental, sudden and identifiable events, in line with usual industry practices and enforceable legislation.

For more information on ongoing litigation arising from the spill, see Note 15.2. Regarding the environmental impacts of the spill and the actions to mitigate them, see sections 6.4.3 Respect for human rights and relations with communities and 6.5.3 Spill management of the 2022 consolidated Management Report.

29.2) Staff[53]

The Repsol Group employed a total of 23,770 people at December 31, 2022, geographically distributed as follows: Spain (17,283), South America (3,437), North America (1,143), Europe, Africa and Brazil (1,795), and Asia (112). Average headcount in 2022 was 23,866 employees (23,931 employees in 2021).

[53] For more information on the workforce and employee management policies, see section 6.4 of the 2022 consolidated Management Report.

Below is a breakdown of the Group's total staff[54] distributed by professional category and gender at year-end 2022 and 2021:

Job categories by gender	**2022**		**2021**	
	Men	Women	Men	Women
Executives	176	45	184	46
Technical Managers	1,507	750	1,540	733
Technicians	6,386	3,602	6,681	3,612
Manual workers and junior personnel	6,367	4,937	6,419	4,685
Total	**14,436**	**9,334**	**14,824**	**9,076**

The Repsol Group employed a total of 486 differently-abled people at December 31, 2022 (2.04% of its workforce).

In Spain, in 2022, using the computation criteria stipulated in the Spanish law on the rights of Disabled Persons and their Social Inclusion (LGD), the Group surpassed the legally required percentage threshold: its differently-abled workforce accounted for 2.16% of its workforce, namely 375 direct hires.

29.3) Fees paid to auditors

The fees for audit services and other services provided during the year to Repsol Group companies by PricewaterhouseCoopers Auditores, S.L. and the companies in its network (PwC), as well as the fees for those provided by other audit firms, are shown below:

Audit fees (main auditor)	€ Million	
€ Million	**2022**	**2021**
Audit services	7.1	6.0
Other services	1.6	1.4
Audit Related	1.6	1.4
Tax	—	—
Others	—	—
Total [(1)]	**8.7**	**7.4**

(1) The fees approved in 2022 for PricewaterhouseCoopers Auditores, S.L. (not including companies that are part of its network) for audit services and other services amounted to €5.4 million and €1.4 million, respectively.

"Audit services" includes the fees relating to the audit of the separate and consolidated financial statements of Repsol, S.A. and of the companies forming part of its Group.

"*Other services"* includes professional services related to the audit, mainly comprising the review of the Internal Control over Financial Reporting System, a limited review of the interim condensed consolidated financial statements, verifications and certifications for partners and official bodies, reports for the issuance of bonds and other marketable securities (comfort letters), as well as the verification of the non-financial information of the 2022 consolidated Management Report. No tax services have been provided - nor any different types of services other than those related to the audit.

29.4) Interest rate reform

In relation to the process of transition to new reference interest rates currently underway in different jurisdictions worldwide, the Group has carried out a review of the contracts arranged in accordance with the calendar foreseen for the reform, mainly affecting loans and credit facilities.

In relation to the transition process, the new contracts incorporate the reference to risk free rates, except where the rates so allow (renewals of contracts entered into prior to January 1, 2022 referenced to USD LIBOR), and in any case, specific clauses are included to regulate the event of permanent discontinuation. In relation to previously existing contracts referenced to USD LIBOR, which will remain in effect after the final discontinuation date (June 30, 2023), the transition to the new rates is proceeding in accordance with the company's rolling plan for their completion within the required timeframe. All contracts with a termination date of December 31, 2022 that were referenced to GBP Libor have now been transitioned to the new corresponding rate (SONIA).

This reform has not led a change in the Group's interest rate financial risk management policy.

[54] In accordance with the provisions of Organic Law 3/2007, of March 22, for the effective equality of men and women, published in the Official State Journal of March 23, 2007.

The main financial assets and liabilities pegged to LIBOR rates as at December 31, 2022, in which the rate is a main element of the contract, are itemized below:

Financial assets and liabilities at LIBOR rates	12/31/2022
€ Million	Amount/Notional
Financial assets [(1)]**:**	
USD LIBOR	898
Financial liabilities [(2)]**:**	
USD LIBOR	489

NOTE: Does not include assets and liabilities of a commercial nature.
[(1)] Includes mainly current accounts, deposits and loans, net of impairment, tied to financing in Venezuela (see Note 8).
[(2)] Includes mainly loans

29.5) Other annual information

Along with these consolidated Financial Statements, Repsol publishes annual information that is available on the Repsol website (www.repsol.com):

- Consolidated Management Report, which includes the Statement of Non-Financial Information, the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration.
- Alternative Performance Measures (APMs).
- Information on oil and gas upstream activities.
- Report on payments to governments on oil and gas upstream activities.

(30) Subsequent events

In 2023, prior to publication of this report, the following events stand out:

- On January 20, 2023, Repsol International Finance B.V. (RIF) announced a partial cash repurchase offer for a bond issued in March 2015 for €1,000 million, maturing in March 2075 and with an annual coupon of 4.5% (see Note 7.2, ISIN of the bond XS1207058733). The price of the repurchase offer has been 98.7% of the face value plus the current coupon. Holders of bonds for a nominal amount of €229 million participated in the offer, resulting in the acquisition by RIF and subsequent amortization of 22.9% of the issue. On January 30, 2023, RIF paid the acceptors of the repurchase offer a total of €235 million in cash, the repurchased and canceled bonds being derecognized on the balance sheet.

- In the proceedings pending before the Central Court of Instruction No. 6 of the Audiencia Nacional in relation to the retention of the company Centro Exclusivo de Negocios y Transacciones, S.L. (Cenyt), by two judicial decrees on January 30, 2023 the Criminal Chamber of the Audiencia Nacional has confirmed dismissal and filing of the proceeding with respect to Repsol, S.A., its Chairman, the Director Secretary and two other former executives of the company. These judgments, as indicated, are final and are not subject to appeal.

  The Criminal Chamber concludes that there has been no illicitness or irregularity in the behavior of the aforementioned individuals and recognizes, with respect to Repsol, the profound culture of regulatory compliance that prevailed in the company and that, even before the introduction of specific mandatory legal provisions, Repsol had implemented a code of ethics and conduct as well as specific internal rules of due control for all its employees, managers and collaborators, in line with the most advanced and demanding international standards.

- On February 15, 2023, the Board of Directors of Repsol, S.A. agreed to implement a program to repurchase treasury stock for a maximum of 35 million shares and to propose to the next Annual General Meeting a capital reduction through the redemption of 50 million treasury shares. For more information on shareholder remuneration in 2023, see Note 6.3.

(31) Explanation added for translation to English

These consolidated financial statements are prepared on the basis of IFRSs, as endorsed by the European Union, and Article 12 of Royal Decree 1362/2007. Consequently, certain accounting practices applied by the Group may not conform to other generally accepted accounting principles in other countries.

Appendix I: Segment reporting and reconciliation with EU-IFRS financial statements[55]

Income statement figures

The reconciliation between adjusted net income and EU-IFRS net income at December 31, 2022 and 2021, is as follows:

Results	€ Million											
			ADJUSTMENTS									
	Adjusted net income		**Reclassifications of joint ventures**		**Special items**		**Inventory effect(2)**		**Total adjustments**		**Net income under EU-IFRS**	
Results	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Operating income	10,648 (1)	4,372 (1)	(1,819)	(541)	(3,072)	(1,173)	103	1,099	(4,788)	(615)	5,860	3,757
Financial result	86	(315)	178	137	67	449	—	—	245	586	331	271
for using the equity method - net of taxes	(22)	(3)	1,030	314	(19)	(10)	—	—	1,011	304	989	301
Income before tax	**10,712**	**4,054**	**(611)**	**(90)**	**(3,024)**	**(734)**	**103**	**1,099**	**(3,532)**	**275**	**7,180**	**4,329**
Income tax	(3,938)	(1,590)	611	90	517	(22)	(25)	(279)	1,103	(211)	(2,835)	(1,801)
Net income	**6,774**	**2,464**	**—**	**—**	**(2,507)**	**(756)**	**78**	**820**	**(2,429)**	**64**	**4,345**	**2,528**
Profit attributable to non-controlling interests	(113)	(10)	—	—	22	4	(3)	(23)	19	(19)	(94)	(29)
Net income attributable to the parent	**6,661**	**2,454**	**—**	**—**	**(2,485)**	**(752)**	**75**	**797**	**(2,410)**	**45**	**4,251**	**2,499**

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

Revenue from ordinary activities by segments between customer and inter-segment revenue is displayed below:

Income by segment	€ Million											
	Income from ordinary activities (3)		**Net income from operations**		**Provisions for amortization of fixed assets (2)**		**Impairment income / (expenses)**		**Net income from entities valued using the equity method**		**Income tax**	
Segments	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Upstream	10,712	6,809	5,705	3,027	(1,655)	(1,319)	(773)	(1,028)	28	9	(2,703)	(1,348)
Industrial	61,848	39,956	4,315	792	(827)	(824)	(2,070)	11	(3)	3	(1,071)	(197)
Commercial and Renewables	34,185	21,891	809	761	(417)	(353)	(159)	5	(42)	(12)	(203)	(188)
Corporate	(28,021)	(16,526)	(181)	(208)	(36)	(66)	(3)	(24)	(5)	(3)	39	143
Adjusted figures (1)	**78,724**	**52,130**	**10,648**	**4,372**	**(2,935)**	**(2,562)**	**(3,005)**	**(1,036)**	**(22)**	**(3)**	**(3,938)**	**(1,590)**
Adjustments:												
Upstream	(3,763)	(1,800)	(2,236)	(1,330)	573	536	320	373	987	268	510	330
Industrial	(432)	(374)	(2,327)	877	13	12	—	—	24	31	455	(441)
Commercial and Renewables	(290)	(211)	(168)	72	10	10	12	—	—	5	20	(38)
Corporate	914	—	(57)	(234)	—	—	—	—	—	—	118	(62)
EU-IFRS FIGURES	**75,153**	**49,745**	**5,860**	**3,757**	**(2,339)**	**(2,004)**	**(2,673)**	**(663)**	**989**	**301**	**(2,835)**	**(1,801)**

(1) Figures drawn up according to the Group's reporting model described in Note 4.
(2) Including depreciation of failed exploratory drilling. For more information, see Note 20.
(3) Corresponds to the sum of "*Sales*" and "*Services rendered and other income*" (see Note 19.1). The itemization by provenance (customers or inter-segment transactions) is as follows:

Revenue from ordinary activities by segment	€ Million					
	Customers		**Inter-segment**		**Total**	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
Upstream	7,484	4,924	3,228	1,885	10,712	6,809
Industrial	37,315	25,502	24,533	14,454	61,848	39,956
Commercial and Renewables	33,925	21,703	260	188	34,185	21,891
Corporate	—	1	8	2	8	3
(-) Adjustments and eliminations of operating income between segments	—	—	(28,029)	(16,529)	(28,029)	(16,529)
TOTAL	**78,724**	**52,130**	**—**	**—**	**78,724**	**52,130**

[55] Some of these metrics presented in this Appendix are Alternative Performance Measures (APMs) in accordance with European Securities Markets Authority (ESMA) guidelines. For further information, see Appendix II of the 2022 consolidated Management Report.

Balance Sheet Figures	€ Million							
	Non-current assets		Net operating investments (2)		Capital employed (3)		Investments accounted for using the equity method	
Segments	2022	2021	2022	2021	2022	2021	2022	2021
Upstream	16,891	16,746	2,127	1,223	12,282	12,348	188	146
Industrial	7,274	8,674	1,025	859	11,108	11,163	73	9
Commercial and Renewables	5,205	4,727	925	829	4,667	4,451	370	376
Corporate	660	608	105	83	172	594	51	39
ADJUSTED FIGURES (1)	**30,030**	**30,755**	**4.182**	**2,994**	**28,229**	**28,556**	**682**	**570**
Adjustments:								
Upstream	(4,581)	(4,653)	(236)	(493)	518	(127)	3,197	2,591
Industrial	(185)	(168)	(26)	(33)	(25)	(22)	259	234
Commercial and Renewables	(115)	(117)	(108)	19	3	4	164	159
Corporate	—	—	1	—	(1)	—	—	—
EU-IFRS FIGURES	**25,149**	**25,817**	**3,813**	**2,487**	**28,724**	**28,411**	**4,302**	**3,554**

(1) Figures drawn up according to the Group's reporting model described in Note 4.
(2) Excludes "*Non-current financial investments*", "*Deferred tax assets*" and "*Other non-current assets*".
(3) Includes capital employed corresponding to joint ventures, non-current non-financial assets, operating working capital and other non-financial liability headings.

Cash flow figures

The reconciliation of the cash flow from operations to free cash flow with the EU-IFRS Statement of Cash Flows at December 31, 2022 and 2021 is as follows:

Cash Flow Figures	At December 31					
	Free cash flow		Reclassification of joint ventures and others		EU-IFRS statement of cash flow	
	2022	2021	2022	2021	2022	2021
I. Cash flows from / (used in) operating activities (cash flow from operations)	8,923	5,453	(1,091)	(776)	7,832	4,677
II. Cash flows from / (used in) investing activities	(3,712)	(2,614)	(391)	(319)	(4,103)	(2,933)
Free cash flow (I+II)	**5,211**	**2,839**	**(1,482)**	**(1,095)**	**3,729**	**1,744**

Net debt

The reconciliation of net debt to the IFRS-EU balance sheet as at December 31, 2022 and 2021 is as follows:

Net Debt	Net debt	Reclassification of joint ventures	IFRS-EU balance sheet
€ Million	2022	2022	2022
Non-current assets			
Non-current financial instruments(1) (2)	688	667	1,355
Current assets			
Other current financial assets (2)	3,148	(91)	3,058
Cash and cash equivalents	6,945	(433)	6,512
Non-current liabilities			
Non-current financial liabilities (2)	(9,540)	(590)	(10,130)
Current liabilities			
Current financial liabilities (2)	(3,497)	(48)	(3,546)
NET DEBT(3)	**(2,256)**	**(495)**	**(2,751)**

(1) Amounts included under "Non-current financial assets" in the balance sheet.
(2) Includes net non-current and current leases amounting to €-3043 and €-643 million, respectively, according to the Reporting model and €-2395 and €-511 million, respectively, according to the IFRS-EU balance sheet.
(3) The reconciliations in previous period are available at www.repsol.com.

Appendix II: Group's corporate structure

Appendix IIA: Companies comprising the Repsol Group

Name	Parent company	Country	Corporate purpose	Method of conso. (1)	December 2022 % Total Group Interest	Control Int. (2)	€ Million Equity (3)	Share Capital (3)
UPSTREAM								
504744 Alberta, Ltd.	Repsol Canada Energy Partnership	Canada	Oil and gas exploration and production (11)	F.C.	100.00	100.00	(7)	—
7308051 Canada, Ltd.	Repsol Oil & Gas Canada, Inc.	Canada	Oil and gas exploration and production	F.C.	100.00	100.00	113	307
8441251 Canada, Ltd.	Repsol Oil & Gas Canada, Inc.	Canada	Oil and gas exploration and production	F.C.	100.00	100.00	18	16
8787352 Canada, Ltd.	Repsol Industrial Transformation, S.L (23)	Canada	Oil and gas exploration and production	F.C.	100.00	100.00	(1)	2
Agri Development, B.V. (15)	Repsol Sinopec Brasil, B.V.	Netherlands	Platform for production of crude oil and natural gas	E.M.(J.V.)	6.00	10.00	—	—
Akakus Oil Operations, B.V.	Repsol Exploración Murzuq, S.A.	Netherlands	Oil and gas exploration and production	E.M.	49.00	49.00	—	—
BP Trinidad & Tobago, Llc. (15)	BPRY Caribbean Ventures, Llc.	United States	Oil and gas exploration and production	E.M.(J.V.)	30.00	100.00	—	—
BPRY Caribbean Ventures, Llc. (14)	Repsol Exploración, S.A.	United States	Oil and gas exploration and production	E.M.(J.V.)	30.00	30.00	1,117	2,924
Cardón IV, S.A. (14)	Repsol Exploración, S.A.	Venezuela	Oil and gas exploration and production	E.M.(J.V.)	50.00	50.00	316	4
Edwards Gas Services, Llc.	Repsol Oil & Gas USA, LLC	United States	Portfolio company	F.C.	100.00	100.00	79	124
Equion Energía, Ltd. (14)	Repsol, S.A. (31)	United Kingdom	Oil and gas exploration and production	E.M.(J.V.)	49.00	49.00	316	—
Fortuna International (Barbados), Inc. (12)	Talisman International (Luxembourg), S.a.r.l.	Barbados	Portfolio company	F.C.	100.00	100.00	45	72
Fortuna Resources (Sunda), Ltd. (9)	Talisman UK (South East Sumatra), Ltd.	Indonesia	Oil and gas exploration and production (11)	F.C.	100.00	100.00	29	—
Guará, B.V. (15)	Repsol Sinopec Brasil, B.V.	Netherlands	Platform for oil and natural gas production	E.M.	15.00	25.00	(8)	—
Lapa Oil & Gas, B.V. (15)	Repsol Sinopec Brasil, B.V.	Netherlands	Platform for oil and natural gas production	E.M.	15.00	25.00	2	—
Oleoducto de Crudos Pesados, Ltd.	Repsol OCP de Ecuador, S.A.	Cayman Islands	Portfolio company	E.M.	29.66	29.66	50	94
Paladin Resources, Ltd.	FEHI Holding, S.a.r.l.	United Kingdom	Portfolio company	F.C.	100.00	100.00	29	314
Petrocarabobo, S.A.	Repsol Exploración, S.A.	Venezuela	Oil and gas exploration and production	E.M.(J.V.)	11.00	11.00	—	581
Petroquiriqué, S.A. - Empresa Mixta (14)	Repsol Exploración, S.A.	Venezuela	Oil and gas exploration and production	E.M.(J.V.)	40.00	40.00	(1,252)	244
Quiriquiré Gas, S.A.	Repsol Venezuela, S.A.	Venezuela	Oil and gas exploration and production	E.M.(J.V.)	60.00	60.00	—	—
Repsol Alberta Shale Partnership	Repsol Oil & Gas Canada, Inc.	Canada	Oil and gas exploration and production	F.C.	100.00	100.00	147	1,590
Repsol Andaman B.V.	Talisman International Holdings, B.V.	Netherlands	Oil and gas exploration and production	F.C.	100.00	100.00	48	—
Repsol Angostura, Ltd. (6)	Repsol Exploración, S.A.	Trinidad and Tobago	Oil and gas exploration and production (11)	F.C.	100.00	100.00	—	40
Repsol Bolivia, S.A.	Repsol Upstream Inversiones, S.A.	Bolivia	Provision of services	F.C.	100.00	100.00	314	15
Repsol Bulgaria Khan Kubrat, S.A.	Repsol Greece Ionian, S.L. (22)	Spain	Oil and gas exploration and production (11)	F.C.	100.00	100.00	15	—
Repsol Canada Energy Partnership	Repsol Oil & Gas Canada, Inc.	Canada	Oil and gas exploration and production	F.C.	100.00	100.00	922	1,433
Repsol Colombia Oil & Gas Limited	Repsol Exploración, S.A.	Canada	Oil and gas exploration and production	F.C.	100.00	100.00	726	832
Repsol Corridor, S.A.	Fortuna International (Barbados), Inc.	Spain	Oil and gas exploration and production	F.C.	100.00	100.00	396	44
Repsol Ductos Colombia, S.A.S.	Talisman Colombia Holdco, Ltd.	Colombia	Oil and gas exploration and production	F.C.	100.00	100.00	50	3
Repsol E&P Bolivia, S.A.	Repsol Bolivia, S.A.	Bolivia	Oil and gas exploration and production	F.C.	100.00	100.00	307	2
Repsol E&P USA Holdings, Inc.	Repsol Oil & Gas Holdings USA, Inc.	United States	Oil and gas exploration and production	F.C.	100.00	100.00	2,053	1,773

					December 2022			
					%		€ Million	
Name	**Parent company**	**Country**	**Corporate purpose**	**Method of conso.** [(1)]	**Total Group Interest**	**Control Int.** [(2)]	**Equity** [(3)]	**Share Capital** [(3)]
Repsol E&P USA, Llc.	Repsol USA Holdings LLC	United States	Oil and gas exploration and production	F.C.	100.00	100.00	2,838	2,623
Repsol Exploração Brasil, Ltda.	Repsol, S.A.	Brazil	Oil and gas exploration and production	F.C.	100.00	100.00	1,009	1,038
Repsol Exploración 405A, S.A.	Repsol Exploración, S.A.	Spain	Oil and gas exploration and production	F.C.	100.00	100.00	108	—
Repsol Exploración Aitoloakarnania, S.A.	Repsol Greece Ionian, S.L. (22)	Spain	Oil and gas exploration and production	F.C.	100.00	100.00	6	—
Repsol Exploración Argelia, S.A.	Repsol Exploración, S.A.	Spain	Oil and gas exploration and production	F.C.	100.00	100.00	474	5
Repsol Exploración Aru, S.L	Repsol Exploración, S.A.	Spain	Oil and gas exploration and production	F.C.	100.00	100.00	2	—
Repsol Exploración Atlas, S.A.	Repsol E&P Bolivia, S.A.	Bolivia	Oil and gas exploration and production	F.C.	100.00	100.00	(3)	2
Repsol Exploración Colombia, S.A.	Repsol Greece Ionian, S.L. (22)	Spain	Oil and gas exploration and production (11)	F.C.	100.00	100.00	(34)	3
Repsol Exploración Gharb, S.A.	Repsol Greece Ionian, S.L. (22)	Spain	Oil and gas exploration and production (11)	F.C.	100.00	100.00	5	—
Repsol Exploración Guinea, S.A.	Repsol Greece Ionian, S.L. (22)	Spain	Oil and gas exploration and production (11)	F.C.	100.00	100.00	—	—
Repsol Exploración Guyana, S.A.	Repsol Exploración, S.A.	Spain	Oil and gas exploration and production (11)	F.C.	100.00	100.00	76	—
Repsol Exploración Ioannina, S.A.	Repsol Greece Ionian, S.L. (22)	Spain	Oil and gas exploration and production (11)	F.C.	100.00	100.00	23	—
Repsol Exploración Irlanda, S.A.	Repsol Greece Ionian, S.L. (22)	Spain	Oil and gas exploration and production (11)	F.C.	100.00	100.00	15	—
Repsol Exploración Karabashsky, B.V.	Repsol Greece Ionian, S.L. (22)	Netherlands	Oil and gas exploration and production (11)	F.C.	100.00	100.00	28	138
Repsol Exploración México, S.A. de C.V.	Repsol Exploración, S.A.	Mexico	Oil and gas exploration and production	F.C.	100.00	100.00	128	284
Repsol Exploración Murzuq, S.A.	Repsol Upstream Inversiones, S.A.	Spain	Oil and gas exploration and production	F.C.	100.00	100.00	170	10
Repsol Exploración Perú, S.A.	Repsol Upstream Inversiones, S.A.	Spain	Oil and gas exploration and production	F.C.	100.00	100.00	326	12
Repsol Exploracion South East Jambi B.V.	Repsol Exploración, S.A.	Netherlands	Oil and gas exploration and production	F.C.	100.00	100.00	7	—
Repsol Exploración South Sakakemang, S.L.	Repsol Exploración, S.A.	Spain	Oil and gas exploration and production	F.C.	100.00	100.00	3	—
Repsol Exploración Tanfit, S.L.	Repsol Greece Ionian, S.L. (22)	Spain	Oil and gas exploration and production (11)	F.C.	100.00	100.00	11	3
Repsol Exploración Tobago, S.A.	Repsol Exploración, S.A.	Spain	Oil and gas exploration and production	F.C.	100.00	100.00	13	—
Repsol Exploración West Papúa IV, S.L.	Repsol Exploración, S.A.	Spain	Oil and gas exploration and production	F.C.	100.00	100.00	3	—
Repsol Exploración, S.A.	Repsol Lux E&P S.a.r.l. (29)	Spain	Oil and gas exploration and production	F.C.	100.00	100.00	5,093	28
Repsol Finance Brasil B.V.	Repsol Exploração Brasil Ltda.	Netherlands	Oil and gas exploration and production	F.C.	100.00	100.00	2	4
Repsol Greece Ionian, S.L.	Repsol, S.A. (22)	Spain	Oil and gas exploration and production	F.C.	100.00	100.00	187	—
Repsol Investigaciones Petrolíferas, S.A.	Repsol Exploración, S.A.	Spain	Oil and gas exploration and production	F.C.	100.00	100.00	328	223
Repsol Lux E&P S.a.r.l. (5)	Repsol Upstream B.V. (29)	Luxembourg	Financing and holding of shares	F.C.	100.00	100.00	13,495	2
Repsol Norge, AS	Repsol Exploración, S.A.	Norway	Oil and gas exploration and production	F.C.	100.00	100.00	(566)	—
Repsol OCP de Ecuador, S.A.	Repsol Exploración, S.A. (20)	Spain	Oil and gas exploration and production	F.C.	100.00	100.00	52	—
Repsol Offshore E&P USA, Inc.	Repsol USA Holdings LLC	United States	Oil and gas exploration and production (11)	F.C.	100.00	100.00	13	31
Repsol Oil & Gas Australasia Pty, Ltd.	Talisman International Holdings, B.V.	Australia	Shared services company	F.C.	100.00	100.00	—	71
Repsol Oil & Gas Australia (JPDA 06-105) Pty Ltd.	Paladin Resources, Ltd.	Australia	Operation of a pipeline for oil and gas transport	F.C.	100.00	100.00	18	153
Repsol Oil & Gas Canada, Inc.	Repsol Exploración, S.A.	Canada	Oil and gas exploration and production	F.C.	100.00	100.00	350	7,144

Name	Parent company	Country	Corporate purpose	Method of conso. [(1)]	% Total Group Interest	% Control Int. [(2)]	€ Million Equity [(3)]	€ Million Share Capital [(3)]
					December 2022			
Repsol Oil & Gas Gulf of Mexico, LLC	Repsol E&P USA Holdings Inc.	United States	Oil and gas exploration and production	F.C.	100.00	100.00	634	456
Repsol Oil & Gas Holdings USA, Inc.	FEHI Holding, S.a.r.l.	United States	Oil and gas exploration and production	F.C.	100.00	100.00	7,651	1,791
Repsol Oil & Gas RTS Sdn, Bhd.	Repsol Greece Ionian, S.L. (22)	Malaysia	Shared services company (11)	F.C.	100.00	100.00	2	20
Repsol Oil & Gas USA, LLC.	Repsol USA Holdings LLC	United States	Oil and gas exploration and production	F.C.	100.00	100.00	3,504	1,896
Repsol Oil &Gas Vietnam 07/03 Pty Ltd.	Repsol Greece Ionian, S.L. (22)	Australia	Oil and gas exploration and production (11)	F.C.	100.00	100.00	1	—
Repsol Oriente Medio, S.A.	Repsol Greece Ionian, S.L. (22)	Spain	Oil and gas exploration and production (11)	F.C.	100.00	100.00	42	—
Repsol Perpetual Norge, A.S.	Talisman Perpetual (Norway), Ltd.	Norway	Oil and gas exploration and production (11)	F.C.	100.00	100.00	—	1
Repsol Sakakemang, B.V.	Talisman International Holdings, B.V.	Netherlands	Oil and gas exploration and production	F.C.	100.00	100.00	139	—
Repsol Salamanca Midstream, LLC (5)	Repsol Oil & Gas Gulf of Mexico, LLC	United States	Oil and gas exploration and production	F.C.	100.00	100.00	38	38
Repsol Services Company	Repsol USA Holdings LLC	United States	Provision of services	F.C.	100.00	100.00	54	41
Repsol Servicios Colombia, S.A.	Repsol Greece Ionian, S.L. (22)	Spain	Oil and gas exploration and production (11)	F.C.	100.00	100.00	3	—
Repsol Shale Oil & Gas LLC. (5)	Repsol E&P USA Holdings Inc	United States	Oil and gas exploration and production (11)	F.C.	100.00	100.00	11	—
Repsol Sinopec Brasil, S.A. (14)	Repsol Lux E&P S.a.r.l. (32)	Brazil	Oil and gas exploration and production	E.M.(J.V.)	60.01	60.01	2,360	2,107
Repsol Sinopec Brasil, B.V. (15)	Repsol Lux E&P S.a.r.l. (21)	Brazil	Portfolio company	E.M.(J.V.)	60.00	60.00	17	14
Repsol Sinopec Resources UK, Ltd. (14)	Talisman Colombia Holdco, Ltd.	United Kingdom	Oil and gas exploration and production	E.M.(J.V.)	51.00	51.00	1,841	4,624
Repsol Transgasindo S.à r.l.	Fortuna International (Barbados), Inc.	Luxembourg	Portfolio company	F.C.	100.00	100.00	2	27
Repsol U.K., Ltd.	Repsol Exploración, S.A.	United Kingdom	Oil and gas exploration and production	F.C.	100.00	100.00	3	15
Repsol Upstream B.V.	Repsol, S.A.	Netherlands	Portfolio company	F.C.	100.00	100.00	8,363	3
Repsol Upstream Inversiones, S.A.	Repsol Lux E&P S.a.r.l. (32)	Spain	Portfolio company	F.C.	100.00	100.00	1,406	—
Repsol USA Holdings LLC.	Repsol Oil & Gas Holdings USA, Inc.	United States	Oil and gas exploration and production	F.C.	100.00	100.00	3,391	4,809
Repsol Venezuela, S.A.	Repsol Exploración, S.A.	Venezuela	Oil and gas exploration and production	F.C.	100.00	100.00	133	751
Salamanca Infrastructure, LLC (5)	Repsol Salamanca Midstream, LLC	United States	Oil and gas exploration and production	E.M.	22.50	22.50	204	204
Sierracol Energy Arauca, LLC	Repsol Lux E&P S.a.r.l. (24)	Colombia	Portfolio company	E.M.(J.V.)	25.00	25.00	113	99
Talisman (Asia), Ltd.	Repsol Oil & Gas Canada, Inc.	Canada	Oil and gas exploration and production (11)	F.C.	100.00	100.00	—	—
Talisman (Block K 39), B.V.	Repsol Exploración, S.A.	Netherlands	Oil and gas exploration and production (11)	F.C.	100.00	100.00	(4)	—
Talisman (Jambi Merang), Ltd.	Talisman International Holdings, B.V.	Indonesia	Oil and gas exploration and production (11)	F.C.	100.00	100.00	(1)	76
Talisman (Sageri), Ltd.	Repsol Oil & Gas Canada, Inc.	Indonesia	Oil and gas exploration and production (11)	F.C.	100.00	100.00	(90)	—
Talisman (Vietnam 133 & 134), Ltd.	Repsol Greece Ionian, S.L. (22)	Vietnam	Oil and gas exploration and production (11)	F.C.	100.00	100.00	1	34
Talisman Colombia Holdco, Ltd.	Repsol Exploración, S.A.	United Kingdom	Portfolio company	F.C.	100.00	100.00	702	1,524
Talisman East Jabung, B.V.	Talisman International Holdings, B.V.	Netherlands	Oil and gas exploration and production (11)	F.C.	100.00	100.00	3	—
Talisman Perpetual (Norway), Ltd.	FEHI Holding, S.a.r.l.	United Kingdom	Portfolio company (11)	F.C.	100.00	100.00	—	1
Talisman Resources (Bahamas), Ltd. (8)	Paladin Resources, Ltd.	Bahamas	Oil and gas exploration and production (11)	F.C.	100.00	100.00	1	—
Talisman Resources (North West Java), Ltd.	Talisman UK (South East Sumatra), Ltd.	Indonesia	Oil and gas exploration and production (11)	F.C.	100.00	100.00	37	—
Talisman South Sageri, B.V.	Talisman International Holdings, B.V.	Netherlands	Oil and gas exploration and production (11)	F.C.	100.00	100.00	—	—

					December 2022			
					%		€ Million	
Name	Parent company	Country	Corporate purpose	Method of conso. (1)	Total Group Interest	Control Int. (2)	Equity (3)	Share Capital (3)
Talisman UK (South East Sumatra), Ltd.	Paladin Resources, Ltd.	United Kingdom	Oil and gas exploration and production (11)	F.C.	100.00	100.00	38	—
Talisman Vietnam 07/03-CRD Corporation, Llc.	Talisman International Holdings, B.V.	Vietnam	Oil and gas exploration and production (11)	F.C.	100.00	100.00	11	—
Talisman Vietnam 146-147, B.V.	Repsol Greece Ionian, S.L. (22)	Vietnam	Oil and gas exploration and production (11)	F.C.	100.00	100.00	8	10
Transasia Pipeline Company Pvt. Ltd.	Repsol Transgasindo S.à r.l	Republic of Mauritius	Portfolio company	E.M.	15.00	15.00	78	(1)
Transportadora Sulbrasileira del Gas, S.A.	Repsol Exploração Brasil Ltda	Brazil	Gas pipeline construction and operation	E.M.(J.V.)	25.00	25.00	(1)	11
Transworld Petroleum (U.K.) Ltd.	Repsol Sinopec North Sea, Ltd.	United Kingdom	Oil and gas exploration and production	E.M.(J.V.)	51.00	100.00	—	—
Triad Oil Manitoba, Ltd.	Repsol Oil & Gas Canada, Inc.	Canada	Oil and gas exploration and production (11)	F.C.	100.00	100.00	6	—
Vung May 156 - 159 Vietnam, B.V.	Repsol Greece Ionian, S.L. (22)	Netherlands	Oil and gas exploration and production (11)	F.C.	100.00	100.00	—	4
YPFB Andina, S.A. (14)	Repsol Bolivia, S.A.	Bolivia	Oil and gas exploration and production	E.M.(J.V.)	48.33	48.33	480	166
YPFB Transierra, S.A. (15)	YPFB Andina, S.A.	Bolivia	Transport of oil and gas by pipeline	E.M.	21.51	44.50	174	75
INDUSTRIAL								
Acteco Productos y Servicios, S.L. (5)	Repsol Química, S.A.	Spain	Waste management and mechanical recycling of plastics	E.M.(J.V.)	27.00	27.00	9	3
Alba Emission Free Energy, S.A.	Petróleos del Norte, S.A.	Spain	Decarbonization activities	F.C.	85.98	100.00	1	—
Asfaltos Españoles, S.A.	Repsol Petróleo, S.A.	Spain	Asphalts	P.I.	49.99	50.00	34	9
Basque Hydrogen, S.L (5)	Alba Emission free Energy, SA	Spain	Decarbonization activities	E.M.(J.V.)	43.85	51.00	—	—
Bay of Biscay Hydrogen, S.L. (5)	Alba Emission free Energy, SA	Spain	Decarbonization activities	F.C.	85.98	100.00	—	—
Cartagena Hydrogen Network, S.L. (5)	Repsol Industrial Transformation, S.L	Spain	Development of production processes, storage, transport, use, consumption and transformation of hydrogen	F.C.	100.00	100.00	—	—
Tarragona Hydrogen Network, S.L. (5)	Repsol Industrial Transformation, S.L	Spain	Development of production processes, storage, transport, use, consumption and transformation of hydrogen	F.C.	100.00	100.00	—	—
Cogeneración Gequisa, S.A. (13)	General Química, S.A.U.	Spain	Production of electricity and steam	E.M.	19.50	39.00	8	2
Compañía Auxiliar de Remolcadores y Buques Especiales, S.A.	Repsol Petróleo, S.A.	Spain	Provision of maritime services	F.C.	99.24	100.00	9	—
Dynasol China, S.A. de C.V. (13)	Dynasol Gestión México, S.A.P.I. de C.V.	Mexico	Provision of services	E.M.(J.V.)	50.00	100.00	21	22
Dynasol Elastómeros, S.A. de C.V. (13)	Dynasol Gestión México, S.A.P.I. de C.V.	Mexico	Production and sale of chemical products	E.M.(J.V.)	50.00	99.99	117	32
Dynasol Elastómeros, S.A.U. (13)	Dynasol Gestión, S.L.	Spain	Production and sale of chemical products	E.M.(J.V.)	50.00	100.00	112	17
Dynasol Gestión México, S.A.P.I. de C.V. (13)	Repsol Química, S.A.	Mexico	Portfolio and shared services company	E.M.	50.00	50.00	305	231
Dynasol Gestión, S.L.	Repsol Química, S.A.	Spain	Portfolio and shared services company	E.M.	50.00	50.00	238	42
Dynasol, Llc. (13)	Dynasol Gestión, S.L.	United States	Sale of petrochemical products	E.M.(J.V.)	50.00	100.00	17	11
Ecoplanta Molecular Recycling Solutions, SL	Repsol Industrial Transformation, S.L	Spain	Promotion, design, construction and operation of molecular recycling facilities	F.C.	81.12	100.00	29	4
Energía Distribuida del Norte, S.A.	Alba Emission Free Energy, S.A. (30)	Spain	Construction and operation of an oil refinery	F.C.	85.98	100.00	2	1
Enerkem Inc. (5)	Repsol Química, S.A.	Canada	Production of renewable syngas (methanol) from urban waste	E.M.	14.20	14.20	434	550
General Química, S.A.U. (13)	Dynasol Gestión, S.L.	Spain	Manufacture and sale of petrochemical products	E.M.(J.V.)	50.00	100.00	51	6
Grupo Repsol del Perú, S.A.C.	Repsol Perú, B.V.	Peru	Shared services company	F.C.	100.00	100.00	(1)	—

					December 2022			
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Name	Parent company	Country	Corporate purpose	Method of conso. (1)	Total Group Interest	Control Int. (2)	Equity (3)	Share Capital (3)
Iberian Lube Base Oils Company, S.A.	Repsol Petróleo, S.A.	Spain	Develop and production of lubricants	P.I.	29.99	30.00	259	180
Industrias Negromex, S.A. de C.V. (13)	Dynasol Gestión México, S.A.P.I. de C.V.	Mexico	Manufacture of synthetic oil cloths	E.M.	50.00	99.99	118	57
Insa Gpro (Nanjing), Synthetic Rubber Co. Ltd. (13)	Dynasol China, S.A. de C.V.	China	Manufacture, development, sale of synthetic rubber	E.M.(J.V.)	25.00	50.00	33	38
Liaoning North Dynasol Synthetic Rubber Co. Ltd. (13)	Dynasol Gestión, S.L.	China	Manufacture, development, sale of synthetic rubber	E.M.(J.V.)	25.00	50.00	3	104
Petróleos del Norte, S.A.	Repsol Industrial Transformation, S.L	Spain	Construction and operation of an oil refinery	F.C.	85.98	85.98	1,757	121
Petronor Innovación, S.L.	Petróleos del Norte, S.A.	Spain	Research activities	F.C.	85.98	100.00	1	—
Polidux, S.A.	Repsol Química, S.A.	Spain	Manufacture and sale of petrochemical products	F.C.	100.00	100.00	18	17
Refinería La Pampilla, S.A.A.	Repsol Perú, B.V.	Peru	Refining and sale of oil and gas	F.C.	99.20	99.20	507	696
Relkia Distribuidora de Electricidad, S.L	Repsol Petróleo, S.A.	Spain	Distribution of electricity	F.C.	99.97	100.00	11	—
Remolcadores Portuarios de Tarragona, S.L. (5)	Compañía Auxiliar de Remolcadores y Buques Especiales, S.A.	Spain	Activities related to maritime transport and inland waterways	P.I.	37.71	38.00	1	—
Repsol Canadá, Ltd.	Repsol Industrial Transformation, S.L (22)	Canada	Regasification of LNG	F.C.	100.00	100.00	(1)	2
Repsol Chemie Deutschland, GmbH	Repsol Química, S.A.	Germany	Sale of chemical products	F.C.	100.00	100.00	3	—
Repsol Comercial, S.A.C.	Refinería La Pampilla, S.A.A.	Peru	Sale of fuel	F.C.	99.20	100.00	71	79
Repsol Energy North América Canada Partnership (26)	St. John LNG Development Company (23)	Canada	Production and exploration of hydrogen	F.C.	100.00	100.00	—	—
Repsol Energy North América Corporation	Repsol Industrial Transformation, S.L (25)	United States	Sale of LNG	F.C.	100.00	100.00	(183)	1,140
Repsol Energy Perú, S.A.C.	Repsol Comercial, S.A.C.	Peru	Sale of solid, liquid and gaseous fuels and related products (11)	F.C.	99.20	100.00	3	—
Repsol Industrial Transformation, S.L	Repsol, S.A.	Spain	Portfolio company	F.C.	100.00	100.00	6,082	—
Repsol LNG Holding, S.A.	Repsol Industrial Transformation, S.L	Spain	Sale of fuel	F.C.	100.00	100.00	182	2
Repsol Marketing, S.A.C.	Repsol Customer Centric, S.L.	Peru	Sale of fuel and special products	F.C.	97.79	100.00	(1)	3
Repsol Perú, B.V.	Repsol, S.A.	Netherlands	Portfolio company	F.C.	100.00	100.00	351	363
Repsol Petróleo, S.A.	Repsol Industrial Transformation, S.L	Spain	Import of products and operation of refineries	F.C.	99.97	99.97	1,415	218
Repsol Polímeros, Unipessoal, Lda.	Repsol Química, S.A.	Portugal	Manufacture and sale of petrochemical products	F.C.	100.00	100.00	260	62
Repsol Química, S.A.	Repsol Industrial Transformation, S.L	Spain	Manufacture and sale of petrochemical products	F.C.	100.00	100.00	1,171	60
Repsol Renewable and Circular Solutions, S.A (28)	Repsol Industrial Transformation, S.L (25)	Spain	Production, storage, consumption and transformation of hydrogen	F.C.	100.00	100.00	(2)	—
Repsol St. John LNG, S.L	Repsol LNG Holding, S.A.	Spain	Sector studies (11)	F.C.	100.00	100.00	(1)	—
Repsol Trading Perú, S.A.C.	Repsol Trading, S.A.	Peru	Storage, sale, trading and transport	F.C.	100.00	100.00	4	9
Repsol Trading Singapore Pte, Ltd.	Repsol Trading, S.A.	Singapore	Storage, sale, trading and transport	F.C.	100.00	100.00	(70)	—
Repsol Trading USA LLC. (19)	Repsol Energy North América Corporation (25)	United States	Storage, sale, trading and transport	F.C.	100.00	100.00	118	296
Repsol Trading, S.A.	Repsol Industrial Transformation, S.L	Spain	Storage, sale, trading and transport	F.C.	100.00	100.00	345	—
Saint John LNG Development Company Ltd. (10)	Repsol Industrial Transformation, S.L. (27)	Canada	Liquefaction plant investment project in Canada	F.C.	100.00	100.00	—	4
Saint John LNG Limited Partnership	St. John LNG Development Company (23)	Canada	Provision of services in Liquefaction plant in Canada	F.C.	100.00	100.00	59	—
Servicios de Seguridad Mancomunados, S.A.	Repsol Petróleo, S.A.	Spain	Safety	F.C.	99.95	100.00	1	—

Name	Parent company	Country	Corporate purpose	Method of conso. (1)	December 2022 % Total Group Interest	Control Int. (2)	€ Million Equity (3)	Share Capital (3)
Tucan LNG S.à r.l. (5)	Repsol Industrial Transformation, S.L	Luxembourg		F.C.	100.00	100.00	—	—
COMMERCIAL AND RENEWABLES								
Abastecimentos e Serviços de Aviaçao, Lda.	Repsol Portuguesa, Lda	Portugal	Sale of oil products	F.C.	48.89	50.00	—	—
Air Miles España, S.A.	Repsol Comercial de Productos Petrolíferos, S.A.	Spain	Travel Club Program. Loyalty services	F.C.	26.03	26.67	14	—
Alectoris Energía Sostenible 1, S.L.	Repsol Renovables, S.A.U.	Spain	Wind power project	E.M.	38.25	51.00	52	—
Alectoris Energía Sostenible 3, S.L.	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	38.25	51.00	47	—
Ampere Power Energy, S.L.	Repsol Energy Ventures, S.A.	Spain	Manufacture and sale of energy accumulators	F.C.	7.33	7.33	22	1
Aragonesa de Infraestructuras Energéticas Renovables, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	(5)	—
Arco Energía 1, S.L.U.	Repsol Renovables, S.A.U.	Spain	Sun power project	F.C.	75.00	100.00	(9)	—
Arco Energía 2, S.L.U.	Repsol Renovables, S.A.U.	Spain	Sun power project	F.C.	75.00	100.00	(9)	—
Arco Energía 3, S.L.U.	Repsol Renovables, S.A.U.	Spain	Sun power project	F.C.	75.00	100.00	(9)	—
Arco Energía 4, S.L.U.	Repsol Renovables, S.A.U.	Spain	Sun power project	F.C.	75.00	100.00	(6)	—
Arco Energía 5, S.L.U.	Repsol Renovables, S.A.U.	Spain	Sun power project	F.C.	75.00	100.00	(6)	—
Arcos 400 Renovables, A.I.E. (5)	Arco Energía 1, S.L.U.	Spain	Sun power project	E.M.	36.79	49.05	15	11
Arteche y García, S.L.	Repsol Comercial de Productos Petrolíferos, S.A.	Spain	Installation and operation of service stations	F.C.	97.60	100.00	—	—
Autoservicio Sargento, S.A. de C.V.	Repsol Downstream Internacional, S.A.	Mexico	Installation and operation of service stations	E.M.(J.V.)	48.89	50.00	1	—
Bardahl de México, S.A. de C.V.	Repsol Downstream Internacional, S.A.	Mexico	Production and distribution of lubricants	E.M.(J.V.)	39.12	40.00	174	—
Begas Motor, S.L.	Repsol Energy Ventures, S.A.	Spain	Manufacture, transformation and sale of motor vehicles; manufacture of electrical equipment, parts and accessories.	E.M.	17.12	17.12	9	1
Belmont Technology Inc.	Repsol Energy Ventures, S.A.	United States	Software platform and virtual assistance in geoscience and reservoir engineering based on artificial intelligence.	E.M.	12.90	12.90	12	14
Benzirep - Vall, S.L.	Repsol Comercial de Productos Petrolíferos, S.A.	Spain	Installation and operation of service stations	F.C.	97.60	100.00	4	—
Boalar Energías, S.L.U	Repsol Renovables, S.A.U.	Spain	Sun power project	F.C.	75.00	100.00	(5)	—
Campsa Estaciones de Servicio, S.A.	Repsol Comercial de Productos Petrolíferos, S.A.	Spain	Operation and management of service stations	F.C.	97.60	100.00	98	8
Carburants i Derivats, S.A.	Repsol Comercial de Productos Petrolíferos, S.A.	Andorra	Distribution of oil by-products	E.M.	32.45	33.25	3	—
CI Repsol Aviación Colombia, S.A.S.	Repsol Downstream Internacional, S.A.	Colombia	Distribution and sale of oil products	F.C.	97.79	100.00	—	—
Combustibles Sureños, S.A. de C.V.	Repsol Downstream Internacional, S.A.	México	Production and distribution of lubricants	E.M.(J.V.)	48.89	50.00	1	—
Compañía Anónima de Revisiones y Servicios, S.A.	Repsol Comercial de Productos Petrolíferos, S.A.	Spain	Operation and management of service stations	F.C.	92.72	95.00	3	1
Desarrollo Eólico Las Majas VII, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	38.25	51.00	46	—
Desarrollo Eólico Las Majas VIII, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	2	—
Desarrollo Eólico Las Majas XIV, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	2	—
Desarrollo Eólico Las Majas XV, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	3	—
Desarrollo Eólico Las Majas XXVII, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	3	—
Desarrollo Eólico Las Majas XXXI, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	1	—
Desarrollos Eólicos El Saladar, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	2	—
Distribuidora Andalucía Oriental, S.A.	Repsol Comercial de Productos Petrolíferos, S.A.	Spain	Sale of fuel	E.M.(J.V.)	48.80	50.00	2	1

Name	Parent company	Country	Corporate purpose	Method of conso. (1)	December 2022 % Total Group Interest	Control Int. (2)	€ Million Equity (3)	Share Capital (3)
Distribuidora de Petróleos, S.A.	Repsol Comercial de Productos Petrolíferos, S.A.	Spain	Sale of fuel	F.C.	82.96	85.00	—	—
Ekiola Construcción, M&O, S.L.	Repsol Customer Centric, S.L.	Spain	Sale of electricity from renewable or conventional sources	E.M.	47.92	49.00	—	—
Ekiola Energía Comercializadora, S.L.	Repsol Customer Centric, S.L.	Spain	Sale of electricity from renewable or conventional sources	E.M.	49.87	51.00	(1)	—
Ekiola Promoción, SL	Repsol Customer Centric, S.L.	Spain	Administrative development of plants producing electricity from renewable sources	E.M.	47.92	49.00	(2)	—
Endomexicana Renta y Servicios, S.A. de C.V.	Repsol Downstream Internacional, S.A.	Mexico	Production and distribution of lubricants	E.M.(J.V.)	39.12	40.00	1	—
Energías Renovables de Cilene, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	2	—
Energías Renovables de Dione, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	(15)	—
Energías Renovables de Gladiateur 18, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	—	—
Energías Renovables de Hidra, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	1	—
Energías Renovables de Kore, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	2	—
Energías Renovables de Lisitea, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	(12)	—
Energías Renovables de Polux, S.L.U,	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	1	—
Energy Express, S.L.	Societat Catalana de Petrolis, S.A.	Spain	Operation and management of service stations	F.C.	92.66	100.00	—	—
Eólica del Taltal, SpA	Repsol Chile, SpA	Chile	Wind power project	E.M.	11.25	15.00	16	15,000,000.0
ERNC LOA, SpA	Repsol Ibereólica Renovables Chile SpA	Chile	Wind power project	E.M.	37.50	100.00	21	—
Estación de Servicio Bahía Asunción, S.A. de C.V.	Repsol Downstream Internacional, S.A.	México	Production and distribution of lubricants	E.M.(J.V.)	48.89	50.00	2	—
Estación de Servicio Barajas, S.A.	Repsol Comercial de Productos Petrolíferos, S.A.	Spain	Installation and operation of service stations	F.C.	93.70	96.00	3	1,000,000.0C
Estación de Servicio Montsia, S.L.	Repsol Comercial de Productos Petrolíferos, S.A.	Spain	Installation and operation of service stations	E.M.(J.V.)	48.80	50.00	—	—
Ezzing Renewable Energies S.L.	Repsol Energy Ventures, S.A.	Spain	Development of solar power projects	E.M.	24.03	24.03	9	—
Finboot Ltd.	Repsol Energy Ventures, S.A.	Spain	Blockchain technology for energy, retail and automotive sectors	E.M.	8.54	8.54	7	—
Fuerzas Energéticas del Sur de Europa V, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	38.25	51.00	41	—
Fuerzas Energéticas del Sur de Europa VI, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	38.25	51.00	16	—
Fuerzas Energéticas del Sur de Europa XI, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	38.25	51.00	42	—
Fuerzas Energéticas del Sur de Europa XII, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	38.25	51.00	42	—
Fuerzas Energéticas del Sur de Europa XIII, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	(10)	—
Fuerzas Energéticas del Sur de Europa XIV, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	(7)	—
Fuerzas Energéticas del Sur de Europa XVIII, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	1	—
Fuerzas Energéticas del Sur de Europa XX, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	2	—
Gaolania Servicios, S.L.	Repsol Customer Centric, S.L.	Spain	Sale of electricity	E.M.	68.45	70.00	14	—
Generación Eólica El Vedado, S.L.	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	38.25	51.00	19	—
Generación y Suministro de Energía, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	(9)	—
Gestao e Administraçao de Postos de Abastecimiento Unipessoal, Lda.	Repsol Portuguesa, Lda	Portugal	Sale of oil products	F.C.	97.79	100.00	2	2
Gestión de Puntos de Venta, Gespevesa, S.A.	Repsol Comercial de Productos Petrolíferos, S.A.	Spain	Service stations management	E.M.(J.V.)	48.80	50.00	38	40
Gutsa Servicios, S.A. de C.V.	Repsol Downstream Internacional, S.A.	México	Operation and management of service stations	E.M.(J.V.)	48.89	50.00	—	—

Name	Parent company	Country	Corporate purpose	Method of conso. (1)	December 2022 % Total Group Interest	Control Int. (2)	€ Million Equity (3)	Share Capital (3)
Hecate Energy Frye Solar LLC (5)	Repsol Renewables Development Company LLC	United States	Development of photovoltaic and battery energy storage projects	F.C.	75.00	100.00	(40)	—
Hecate Energy Group, LLC	Repsol Renewables North America, Inc	United States	Development of photovoltaic and battery energy storage projects	E.M.	30.00	40.00	538	207
Hecate Energy Longhorn Solar LLC (5)	Repsol Renewables Development Company LLC	United States	Development of photovoltaic and battery energy storage projects	F.C.	75.00	100.00	5	5
Hecate Energy Outpost Solar LLC (5)	Repsol Renewables Development Company LLC	United States	Development of photovoltaic and battery energy storage projects	F.C.	75.00	100.00	6	6
Hispánica de Desarrollos Energéticos Sostenibles, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	6	—
Iberen Renovables, S.A.	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	12	4
Ibil, Gestor de Carga de Vehículo Eléctrico, S.A.	Repsol Customer Centric, S.L.	Spain	Electricity power transmission grid	F.C.	48.89	50.00	2	7
Jicarilla Solar 2 LLC	Repsol Renewables Development Holdings Corp	Spain	Electricity power transmission grid	E.M.(J.V.)	75.00	100.00	54	—
Jicarilla Solar 2 Bond Purchaser LLC	Jicarilla Solar 2 LLC	United States	Development of new energy projects	F.C.	75.00	100.00	—	—
Jicarilla Solar 2 Holdings LLC (5)	Jicarilla Solar 2 Class B LLC	United States	Development of new energy projects	F.C.	75.00	100.00	37	35
Jicarilla Solar 2 Class B LLC (5)	Repsol Renewables North America, Inc	United States	Development of new energy projects	F.C.	75.00	100.00	41	41
Jicarilla Solar 1 LLC (5)	Repsol Renewables Development Company LLC	United States	Development of new energy projects	F.C.	75.00	100.00	14	—
Jicarilla Storage 1 LLC (5)	Repsol Renewables Development Company LLC	United States	Development of new energy projects	F.C.	75.00	100.00	7	—
Jicarilla Solar 1 Bond Purchaser LLC (5)	Jicarilla Solar 1 LLC	United States	Development of new energy projects	F.C.	75.00	100.00	—	—
Jicarilla Storage Bond Purchaser LLC (5)	Jicarilla Storage 1 LLC	United States	Development of new energy projects	F.C.	75.00	100.00	—	—
Klikin Deals Spain, S.L.	Repsol Comercial de Productos Petrolíferos, S.A.	Spain	Customer and oil product marketing management	F.C.	97.60	100.00	17	1
LGA Logística Global de Aviação, Lda.	Repsol Portuguesa, Lda	Portugal	Transport of aviation oil products	E.M.	19.56	20.00	—	1
Medusa Alternativas Suministro Eléctrico, S.L. (5)	Repsol Customer Centric, S.L.	Spain	Offer a recharging solution that provides economic savings per power term compared to a conventional installation connected to the distribution network	E.M.	32.60	33.33	—	—
Nanogap Sub n-m Powder, S.A.	Repsol Energy Ventures, S.A.	Spain	Development of nanoparticles and nanofibers for application in materials, energy and biomedicine	E.M.	8.99	8.99	21	—
Natural Power Development, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	2	—
Nesa Vento Galego 1, S.L. (5)	Repsol Renovables, S.A.U.	Spain	Development of 6 wind farms in Pontevedra	F.C.	75.00	100.00	—	—
Nesa Vento Galego 2, S.L. (5)	Repsol Renovables, S.A.U.	Spain	Development of 6 wind farms in Pontevedra	F.C.	75.00	100.00	—	—
Nesa Vento Galego 3, S.L. (5)	Repsol Renovables, S.A.U.	Spain	Development of 6 wind farms in Pontevedra	F.C.	75.00	100.00	—	—
Net Zero Ventures, S.L. (5)	Repsol Energy Ventures, S.A.	Spain	Investment advice to the manager of the two Venture Capital Entities	E.M.	50.00	50.00	1	—
Nudo Manzanares 220 KV, A.I.E.	Tramperase, S.L.	Spain	Electricity evacuation network	E.M.	10.56	27.60	46,000,00	—
OGCI Climate Investments LLP	Repsol Energy Ventures, S.A.	United Kingdom	Technology development	E.M.	9.09	9.09	389,000,0	507,000,000
Palmira Market, S.A. de C.V.	Repsol Downstream Internacional, S.A.	Mexico	Grocery stores and shops	E.M.(J.V.)	48.89	50.00	1,000,000.	—
Parque Eólico Antofagasta, SpA	Eólica del Taltal, SpA	Chile	Wind power project	E.M.	11.25	100.00	85	—
Parque Eólico Atacama SPA	Repsol Ibereólica Renovables Chile SpA	Chile	Wind power project	E.M.	37.50	100.00	96	58
PE Cabo Leones III SpA	Repsol Ibereólica Renovables Chile SpA	Chile	Wind power project	E.M.	37.50	100.00	64	10

					December 2022			
					%		€ Million	
Name	**Parent company**	**Country**	**Corporate purpose**	**Method of conso.** [1]	**Total Group Interest**	**Control Int.** [2]	**Equity** [3]	**Share Capital** [3]
Perseo Biotechnology S.L.U.	Repsol Energy Ventures, S.A.	Spain	Manufacture, distribution and sale of biofuels	E.M.	24.99	24.99	5	7
PT Pacific Lubritama Indonesia	United Oil Company Pte Ltd	Indonesia	Production and sale of lubricants	E.M.	37.16	95.00	25	8
Recreus Industries, S.L.	Repsol Energy Ventures, S.A.	Spain	Distribution and sale of oil products	E.M.	16.67	16.67	4	—
Régsiti Comercializadora Regulada, S.L.U.	Repsol Comercializadora de Electricidad y Gas, S.L.U.	Spain	Sale of electricity	F.C.	97.79	100.00	9	1
Renovacyl, S.A.	Iberen Renovables, S.A.	Spain	Wind power project	F.C.	75.00	100.00	4	1
Repsol Butano, S.A.	Repsol Customer Centric, S.L.	Spain	Sale of LGP	F.C.	97.79	100.00	903	59
Repsol Chile SpA	Repsol Renovables, S.A.U.	Chile	Portfolio company	F.C.	75.00	100.00	92	94
Repsol Comercial de Productos Petrolíferos, S.A.	Repsol Customer Centric, S.L.	Spain	Sale of oil products	F.C.	97.60	99.79	2,890	335
Repsol Comercializadora de Electricidad y Gas, S.L.U.	Repsol Customer Centric, S.L.	Spain	Sale of electricity	F.C.	97.79	100.00	204	1
Repsol Customer Centric, S.L. [17]	Repsol, S.A.	Spain	Portfolio company	F.C.	97.79	100.00	3,639	—
Repsol Directo, Lda.	Repsol Portuguesa, Lda	Portugal	Distribution and sale of oil products	F.C.	97.79	100.00	2	2
Repsol Directo, S.A.	Repsol Comercial de Productos Petrolíferos, S.A.	Spain	Distribution and sale of oil products	F.C.	97.60	100.00	(1)	—
Repsol Downstream Internacional, S.A.	Repsol Customer Centric, S.L.	Spain	Portfolio company	F.C.	97.79	100.00	413	—
Repsol Downstream México, S.A. de C.V	Repsol Downstream Internacional, S.A.	Mexico	Production and distribution of lubricants	F.C.	97.79	100.00	15	121
Repsol Energy Ventures, S.A.	Repsol Technology and Ventures, S.L.U	Spain	Development of new energy projects	F.C.	100.00	100.00	26	3
Repsol Financiera Renovables, S.A. [5]	Repsol Renovables, S.A.U.	Spain	Finance company for the Renewables and GBC perimeter	F.C.	75.00	100.00	14	15
Repsol Gas Portugal, Unipessoal, Lda.	Repsol Butano, S.A.	Portugal	Sale of LGP	F.C.	97.79	100.00	139	3
Repsol Generación de Ciclos Combinados, S.L.U.	Repsol, S.A.	Spain	Generation and commercialization of electrical energy	F.C.	100.00	100.00	139	8
Repsol Generación Eléctrica, S.A.	Repsol Renovables, S.A.U.	Spain	Generation and commercialization of electrical energy	F.C.	75.00	100.00	749	468
Repsol Ibereólica Renovables Chile SpA	Repsol Chile, SpA	Chile	Wind power project	E.M.	37.50	50.00	234	230
Repsol Lubricantes y Especialidades, S.A.	Repsol Customer Centric, S.L.	Spain	Distribution and sale of oil products	F.C.	97.79	100.00	754	5
Repsol Lubrificantes e Especialidades Brasil Participaçoes, Ltda.	Repsol Downstream Internacional, S.A.	Brazil	Production and sale of lubricants	F.C.	97.79	100.00	4	8
Repsol Mar de Cortés Estaciones de Servicio, S.A. de C.V.	Repsol Downstream Internacional, S.A.	Mexico	Production and sale of lubricants	E.M.(J.V.)	48.89	50.00	(1)	—
Repsol Mar de Cortés, S.A. de C.V.	Repsol Downstream Internacional, S.A.	Mexico	Production and sale of lubricants	E.M.(J.V.)	48.89	50.00	19	1
Repsol Marketing France, S.A.S.U.	Repsol Downstream Internacional, S.A.	France	Sale of oil products	F.C.	97.79	100.00	—	—
Repsol Nughedu S.R.L. [5]	Repsol Renovables, S.A.U.	Italy	Wind power project	F.C.	75.00	100.00	1	1
Repsol Portuguesa, Lda.	Repsol Downstream Internacional, S.A.	Portugal	Distribution and sale of oil products	F.C.	97.79	100.00	288	68
Repsol Renewables Development Company LLC	Repsol Renewables North America, Inc	United States	Development of new energy projects	F.C.	75.00	100.00	5	5
Repsol Renewables Development Holdings Corp	Repsol Renewables North America, Inc	United States	Development of new energy projects	F.C.	75.00	100.00	—	—
Repsol Renewables Italia S.R.L. [5]	Repsol Renovables, S.A.U.	Italy	Analysis and search for opportunities in, as well as initial development of, greenfield projects	F.C.	75.00	100.00	4	4
Repsol Renewables North America, Inc	Repsol Renovables, S.A.U.	United States	Development of new energy projects	F.C.	75.00	100.00	482	—
Repsol Renovables, S.A.U. [16]	Repsol, S.A.	Spain	Development of new energy projects	F.C.	75.00	75.00	964	200
Repsol San Mauro S.R.L. [5]	Repsol Renovables, S.A.U.	Italy	Wind power project	F.C.	75.00	100.00	—	—

Name	Parent company	Country	Corporate purpose	Method of conso. (1)	Total Group Interest	Control Int. (2)	Equity (3)	Share Capital (3)
					December 2022			
					%		€ Million	
Repsol Services México, S.A. de C.V.	Repsol Downstream Internacional, S.A.	Mexico	Hydrocarbon exploration and production	F.C.	97.79	100.00	4	2
Repsol Servicios Renovables, S.A.	Repsol Renovables, S.A.U.	Spain	Development of new energy projects	F.C.	75.00	100.00	22	2
Repsol Uta S.R.L. (5)	Repsol Renovables, S.A.U.	Italy	Sun power project	F.C.	75.00	100.00	1	1
Repsol Venosa S.R.L. (5)	Repsol Renovables, S.A.U.	Italy	Wind power project	F.C.	75.00	100.00	1	1
Rocsole OY	Repsol Energy Ventures, S.A.	Finland	Technology development	E.M.	15.34	15.34	9	—
Servicios Logísticos de Combustibles de Aviación, S.L	Repsol Lubricantes y Especialidades, S.A.	Spain	Transport of aviation oil products	E.M.(J.V.)	48.85	50.00	12	4
Smarkia Energy, S.L. (5)	Repsol Energy Ventures, S.A.	Spain	Provision of energy efficiency services on a Cloud platform	E.M.	33.51	33.51	5	—
Sociedade Abastecedora de Aeronaves, Ltda.	Repsol Portuguesa, Lda	Portugal	Sale of oil products	E.M.	24.45	25.00	—	—
Societat Catalana de Petrolis, S.A.	Repsol Comercial de Productos Petrolíferos, S.A.	Spain	Sale and distribution of oil products	F.C.	92.66	94.94	5	6
Solar Antofagasta SpA	Repsol Ibereólica Renovables Chile SpA	Chile	Wind power project	E.M.	37.50	100.00	55	—
Solar Elena SpA	Repsol Ibereólica Renovables Chile SpA	Chile	Wind power project		37.50	100.00	58	—
Solar Fotovoltaica Villena, S.L.	Repsol Renovables, S.A.U.	Spain	Photovoltaic project development	F.C.	75.00	100.00	1	—
Solar 360 de Repsol y Movistar, S.L. (5)	Repsol Customer Centric, S.L.	Spain	Development and marketing of photovoltaic self-consumption products and/or services	E.M.(J.V.)	48.89	50.00	(2)	—
Solar 360 Soluciones de Instalación y Mantenimiento, S.L. (5)	Repsol Customer Centric, S.L.	Spain	Marketing, management and provision of services related to photovoltaic self-consumption equipment	E.M.	47.92	49.00	2	—
Solgas Distribuidora de Gas, S.L.	Repsol Butano, S.A.	Spain	Sale of LGP	F.C.	97.79	100.00	1	1
Solred, S.A.	Repsol Comercial de Productos Petrolíferos, S.A.	Spain	Management of means of payment at gas stations	F.C.	97.60	100.00	66	26
Soluciones Tecnológicas de Energías Verdes, S.L.U	Repsol Renovables, S.A.U.	Spain	Wind power project	F.C.	75.00	100.00	3	—
Terminales Canarios, S.L.	Repsol Comercial de Productos Petrolíferos, S.A.	Spain	Storage and distribution of oil products	E.M.(J.V.)	48.80	50.00	23	20
Tramperase, S.L.	Repsol Renovables, S.A.U.	Spain	Photovoltaic project development	F.C.	38.25	51.00	17	—
United Oil Company Pte Ltd	Repsol Downstream Internacional, S.A.	Singapore	Production and distribution of lubricants	E.M.	39.12	40.00	105	10
Valdesolar Hive, S.L.	Repsol Renovables, S.A.U.	Spain	Development of 6 wind farms in Pontevedra	F.C.	38.25	51.00	55	—
Vento Continuo Galego, S.L.U. (5)	Repsol Renovables, S.A.U.	Spain	Development of 6 wind farms in Pontevedra	F.C.	75.00	100.00	—	—
WIB Advance Mobility, S.L.	Repsol Comercial de Productos Petrolíferos, S.A.	Spain	Shared vehicle rental in the city	E.M.(J.V.)	48.80	50.00	3	—
CORPORATION								
Albatros, S.A.R.L.	Repsol, S.A.	Luxembourg	Portfolio company	E.M.	100.00	100.00	6,949	—
FEHI Holding, S.a.r.l.	Repsol Exploración, S.A.	Luxembourg	Portfolio company	E.M.	100.00	100.00	3,521	209
Gaviota RE, S.A. (7)	Albatros, S.À.R.L.	Luxembourg	Insurance and reinsurance.	E.M.	100.00	100.00	480	1
Greenstone Assurance, Ltd.	Gaviota RE, S.A.	Bermudas	Insurance and reinsurance (11)	E.M.	100.00	100.00	2	34
Repsol Exploration Advanced Services, A.G.	Repsol Exploración, S.A.	Switzerland	Company providing human resources services	E.M.	100.00	100.00	1	1
Repsol Europe Finance S.A.R.L.	Albatros, S.À.R.L.	Luxembourg	Financial services and holding company	E.M.	100.00	100.00	6,722	4,346
Repsol Finance Brasil S.A.R.L.	Repsol Exploração Brasil Ltda.	Luxembourg	Financial services and holding company	E.M.	100.00	100.00	1,062	—
Repsol Gestión de Divisa, S.L.	Repsol, S.A.	Spain	Financial services	E.M.	99.98	100.00	116	—

					December 2022			
					%		€ Million	
Name	Parent company	Country	Corporate purpose	Method of conso. (1)	Total Group Interest	Control Int. (2)	Equity (3)	Share Capital (3)
Repsol International Finance, B.V.	Repsol, S.A.	Netherlands	Financial and holding of shares	E.M.	100.00	100.00	2,867	301
Repsol Technology and Ventures, S.L.U	Repsol, S.A.	Spain	Shared services company	F.C.	100.00	100.00	31	—
Repsol Tesorería y Gestión Financiera, S.A.	Repsol, S.A.	Spain	Financial services	F.C.	100.00	100.00	273	—
Sunrgyze, S.L. (18)	Repsol Energy Ventures, S.A.	Spain	Development and scale-up of artificial photosynthesis technology for hydrogen production	E.M.	50.00	50.00	2	—
Talisman International (Luxembourg), S.a.r.l.	Repsol Oil & Gas Canada, Inc.	Luxembourg	Portfolio company	F.C.	100.00	100.00	501	72
Talisman International Holdings, B.V.	Repsol Exploración, S.A.	Netherlands	Portfolio company	F.C.	100.00	100.00	283	685
Trovant Technology S.L. (5)	Repsol Energy Ventures, S.A.	Spain	Consulting, advice and training in the field of biotechnology with environmental applications. Research and development activities related to the application and scaling of environmental biotechnology.	E.M.	9.81	9.81	—	—

(1) Method of consolidation:
F.C.: Full consolidation
E.M.: Equity method. Joint Ventures are identified as "JV".
(2) Percentage corresponding to direct and indirect interest of the parent company immediately above the subsidiary.
(3) Corresponds to Equity and Share Capital data used in the Group´s consolidation process, prior to the adjustments related thereto. Companies whose functional currency is not the euro have been translated at the closing exchange rate. Amounts have been rounded (less than half a million euros has been rounded down to zero).
(4) Interests in joint operations (see Appendix IIB) which are structured through a company and this vehicle does not limit its rights to the assets or obligations for the liabilities related to the arrangement.
(5) Companies incorporated into the Repsol Group in 2022 (see Appendix IIC).
(6) Company in the process of liquidation.
(7) This company holds a non-controlling interest in Oil Insurance, Ltd (5.17%), domiciled in Bermudas.
(8) This company, legally incorporated in the Bahamas, is registered for tax purposes in the United Kingdom.
(9) This company, legally incorporated in the British Virgin Islands, is registered for tax purposes in the United Kingdom.
(10) This company is the parent company for Repsol Groundbirch Partnership, registered in the United States.
(11) Inactive company.
(12) This company, legally incorporated in Barbados, is registered for tax purposes in the Netherlands.
(13) The figures on Share Capital and Equity relate to 2021.
(14) The equity corresponds to the value of the consolidated subgroup.
(15) Equity value included in its parent company.
(16) This company, formerly known as Repsol Renovables, S.L.U., changed its company name in February 2022.
(17) This company, formerly known as Repsol Customer Centric, S.L.U., changed its company name in February 2022.
(18) This company, formerly known as SUN2HY, S.L., changed its company name in August 2022.
(19) This company, formerly known as Repsol Trading USA Corporation, changed its company name in September 2022.
(20) The parent company of this company, formerly known as Repsol Ecuador, S.A., changed its company name in January 2022.
(21) The parent company of this company, formerly known as Repsol Exploraçao Brasil Ltda., changed its company name in July 2022.
(22) The parent company of this company was formerly Repsol Exploración, S.A.
(23) The parent company of this company, formerly known as Repsol Oil & Gas Canada, Inc., changed its company name in October 2022.
(24) The parent company of this company was formerly Repsol International Finance B.V.
(25) The parent company of this company, formerly known as Repsol USA Holdings LLC., changed its company name in October 2022.
(26) This company, formerly known as Repsol Groundbirch Partnership., changed its company name in October 2022.
(27) The parent company of this company, formerly known as Repsol Saint John LNG, S.L., changed its company name in October 2022.
(28) This company, formerly known as Repsol Hidrógeno, S.A.., changed its company name in December 2022.
(29) The parent company of this company, formerly known as Repsol, S.A., changed its company name in December 2022.
(30) The parent company of this company, formerly known as Petróleos del Norte, S.A., changed its company name in December 2022.
(31) The parent company of this company, formerly known as Talisman Colombia Holdco Ltd., changed its company name in December 2022.
(32) The parent company of this company was previously Repsol Upstream B.V., changed its company name in December 2022.

Appendix IIB: Joint operations of the Repsol Group at December 31, 2022

The Repsol Group's main Joint Operations (see Note 3.4) are shown below (including those in which the Group is involved through a joint arrangement)[56]:

Name	Interest (1)	Operator	Activity
UPSTREAM			
Algeria			
Bloque 405a	35.00%	Pertamina	Development/Production
Reggane Nord	29.25%	Groupement Reggane Nord	Development/Production
Australia			
JPDA 06-105 PSC	25.00%	ENI	Development/Production
Bolivia			
Arroyo Negro	48.33%	YPF B Andina, S.A	Development/Production
Boqueron	48.33%	YPF B Andina, S.A	Development/Production
Camiri	48.33%	YPF B Andina, S.A	Development/Production
Carohuaicho 8D	48.33%	YPF B Andina, S.A	Exploration
Cascabel	48.33%	YPF B Andina, S.A	Development/Production
Cobra	48.33%	YPF B Andina, S.A	Development/Production
Enconada	48.33%	YPF B Andina, S.A	Development/Production
Guairuy	48.33%	YPF B Andina, S.A	Development/Production
La Peña-Tundy	48.33%	YPF B Andina, S.A	Development/Production
Los Penocos	48.33%	YPF B Andina, S.A	Development/Production
Los Sauces	48.33%	YPF B Andina, S.A	Development/Production
Margarita-Huacaya	37.50%	Repsol	Development/Production
Monteagudo	39.67%	Repsol	Development/Production
Palacios	48.33%	YPF B Andina, S.A	Development/Production
Patuju	48.33%	YPF B Andina, S.A	Development/Production
Puerto Palos	48.33%	YPF B Andina, S.A	Development/Production
Rio Grande	48.33%	YPF B Andina, S.A	Development/Production
San Antonio - Sabalo	24.17%	Petrobras	Development/Production
San Alberto	24.17%	Petrobras	Development/Production
Sirari	48.33%	YPF B Andina, S.A	Development/Production
Vibora	48.33%	YPF B Andina, S.A	Development/Production
Yapacani	48.33%	YPF B Andina, S.A	Development/Production
Brazil			
Albacora Leste	6.00%	Petrobras (2)	Development/Production
BM-C-33 (C-M-539)	21.00%	Equinor	Development/Production
BM-S-50 (S-M-623) Sagitario	12.00%	Petrobras	Exploration
BM-S-9 Concesion Sapinhoá	15.00%	Petrobras	Development/Production
BM-S-9 PSC Sapinhoá	15.00%	Petrobras	Development/Production
BM-S-9A Lapa	15.00%	Total	Development/Production
C-M-821	50.00%	Repsol	Exploration
C-M-823	50.00%	Repsol	Exploration
C-M-825	60.00%	Repsol	Exploration
C-M-845	50.00%	Chevron	Exploration
S-M-764	50.00%	Chevron	Exploration
S-M-766	50.00%	Chevron	Exploration
Canada (3)			
Edson	77.94%	Repsol	Development/Production
Groundbirch No Montney Rights	35.19%	Others	Development/Production
Misc. Alberta	54.51%	Repsol	Exploration
Misc. British Columbia	75.00%	Repsol	Exploration
Misc. Saskatchewan	86.84%	Repsol	Exploration
Northwest Territories	4.24%	Others	Exploration

[56] Joint operations in the Upstream segment include the blocks of joint operations where the Group holds acreage for exploration,and production of oil and gas.

Name	Interest [1]	Operator	Activity
Nunavut	1.91%	Others	Exploration
Wild River Region	52.06%	Repsol	Development/Production
Yukon	1.05%	Others	Exploration
Colombia			
CPO-9 Akacias Production Area	45.00%	Ecopetrol	Development/Production
Caguan 5	50.00%	Frontera Energy	Exploration
Caguan 6	40.00%	Frontera Energy	Exploration
Catleya	50.00%	Ecopetrol	Exploration
Chipirón	8.75%	SierraCol	Development/Production
COL-4	50.01%	Repsol	Exploration
CPE-8	50.00%	Repsol	Exploration
CPO-9 - Exploration Area	45.00%	Ecopetrol	Exploration
Cravo Norte	5.63%	SierraCol	Development/Production
Mundo Nuevo	30.00%	Equion	Exploration
Cosecha	17.50%	SierraCol	Development/Production
Rondón	6.25%	SierraCol	Development/Production
Spain			
Albatros	82.00%	Repsol	Development/Production
Angula	53.85%	Repsol	Development/Production
Boquerón	61.95%	Repsol	Development/Production
Casablanca - Montanazo Unificado	68.67%	Repsol	Development/Production
Casablanca No Unificado	67.35%	Repsol	Development/Production
Montanazo D	72.44%	Repsol	Development/Production
Rodaballo	65.42%	Repsol	Development/Production
Barracuda	60.21%	Repsol	Development/Production
United States [2]			
Alaska			
Horseshoe Unit	49.00%	Santos	Exploration
Pikka Unit	49.00%	Santos	Development/Production
Quokka	49.00%	Santos	Exploration
Alignment Agreement Area	49.00%	Santos	Exploration
Golfo de México			
Blacktip North	25.00%	Shell	Exploration
Blacktip North - AC 335	25.00%	Shell	Exploration
Abilene	20.00%	Shell	Exploration
Stingray	20.00%	Shell	Exploration
Blacktip	25.00%	Shell	Exploration
Bobcat	25.00%	Shell	Exploration
Lucille	25.00%	Shell	Exploration
Shenzy Unit	28.00%	Woodside	Development/Production
Leon Unit	50.00%	Llog	Development/Production
Buckskin Unit	22.50%	Llog	Development/Production
Buckskin North	22.50%	Llog	Exploration
Moccasin North	50.00%	Llog	Exploration
Noel	50.00%	Llog	Exploration
Buckshot	50.00%	Llog	Exploration
Castile	35.63%	Llog	Development/Production
Monument	20.00%	Equinor	Exploration
Mollerusa	20.00%	Equinor	Exploration
Green Canyon 608	28.00%	BHP	Development/Production
Eagle Ford			
Eagle Ford Texas	91.77%	Repsol	Development/Production
Marcellus			
Marcellus New York (*) Exploración Unconventional	99.71%	Repsol	Exploration
Marcellus New York	86.19%	Repsol	Development/Production
Marcellus Pennsylvania	84.71%	Repsol	Development/Production

Name	Interest [(1)]	Operator	Activity
Guyana			
Kanuku	37.50%	Repsol	Exploration
Indonesia			
Andaman III	51.00%	Repsol	Exploration
Corridor PSC	36.00%	Conoco	Development/Production
Aru	60.00%	Repsol	Exploration
South Sakakemang	80.00%	Repsol	Exploration
Sakakemang	45.00%	Repsol	Exploration
South East Jambi	40.00%	Repsol	Exploration
Libya			
NC-115 (Development)	20.00%	Akakus	Development/Production
NC-115 (Exploration)	40.00%	Repsol	Exploration
NC-186 (Development)	16.00%	Akakus	Development/Production
NC-186 (Exploration)	32.00%	Repsol	Exploration
Mexico			
Bloque 10	40.00%	Repsol	Exploration
Bloque 14	50.00%	Repsol	Exploration
Bloque 29	30.00%	Repsol	Exploration
Norway			
PL 019 G	61.00%	Repsol	Development/Production
PL 025	15.00%	Equinor	Development/Production
PL 038C	70.00%	Repsol	Development/Production
PL 052	27.00%	Equinor	Development/Production
PL 092	7.65%	Equinor	Development/Production
PL 120	11.00%	Equinor	Development/Production
PL 120 CS	11.00%	Equinor	Development/Production
PL 121	7.65%	Equinor	Development/Production
PL 187	15.00%	Equinor	Development/Production
PL 316	55.00%	Repsol	Development/Production
PL 316B	55.00%	Repsol	Development/Production
PL 976	30.00%	Aker BP	Exploration
Peru			
Bloque 56	10.00%	Pluspetrol	Development/Production
Bloque 57	53.84%	Repsol	Development/Production
Bloque 88	10.00%	Pluspetrol	Development/Production
Iraq			
Topkhana	80.00%	Repsol	Development/Production
Reino Unido			
P019 (22/17n)	30.08%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P020 (22/18n)	30.08%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P073 (30/18_E)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P073 (30/18_W)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P079 (30/13a - Contract Area C East)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P101 (13/24a Blake)	34.53%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P111 (30/3a Blane Field)	30.75%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P111 (30/3a Upper)	15.55%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P116 (30/16n)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P185 (30/11b inc. Fulmar field)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P185 (30/11b)	30.60%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P185 (30/12b inc. Halley field)	30.60%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P201 (16/21a)	7.65%	Premier	Development/Production
P201 (16/21d)	7.65%	Premier	Development/Production
P219 (16/13a)	19.47%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P220 (15/17n-F2- Piper+ rest of Block)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production

Name	Interest [1]	Operator	Activity
P225 (16/27a- Contract Area 3 Andrew Field Area)	5.03%	BP	Development/Production
P225 (16/27a- Contract Area 3)	13.50%	JX Nippon	Exploration
P237 (15/16a)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P240 (16/22a- non Arundel Area)	18.86%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P241 (21/1c)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P241/P244 (21/1c/21/2a- Cretaceus Area West)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P244 (21/2a)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P249 (14/19n Residual)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P249 (14/19n_F1- Claymore)	47.16%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P249 (14/19n_F2- Scapa/Claymore)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P250 (14/19a)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P250 (14/19s- F1)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P250 (14/19s- Rest of Block)_Develop	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P255 (30/14 Flyndre Area)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P256 (30/16s)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P263 (14/18a) Scapa Field Area	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P263 (14/18a) Rest of Block	51.00%	Repsol Sinopec Resources UK, Ltd.	Exploration
P266 (30/17b)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P291 (22/17s)	30.08%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P291 (22/22a)	30.08%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P291 (22/23a)	30.08%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P292 (22/18a)	30.08%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P295 (30/16a)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P295 (30/16b)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P295 (30/16c)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P295 (30/16t Auk field area)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P297 (13/28a Ross)	35.28%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P297 (13/28a)	33.02%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P307 (13/29a Ross)	35.28%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P307 (13/29a)	36.55%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P324 (14/20b)	25.50%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P324 (14/20b-Claymore Extension)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P324 (14/20b-f1+f2)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P324 (15/16b)	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P324 (15/23a)	51.00%	Repsol Sinopec Resources UK, Ltd.	Exploration
P324 (15/23a)_Developm.	51.00%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P344 (16/21b Rest of Block)	30.60%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P344 (16/21b_F1*-Balmoral Field Area)	8.06%	Premier	Development/Production
P344 (16/21c*- Rest of block excluding Stirling)	30.60%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P344 (16/21c_f1*)	7.81%	Premier	Development/Production
P344 (16/21c_f1*-Balmoral)	8.06%	Premier	Development/Production
P534 (98/06a-Wareham)	2.55%	Perenco	Development/Production
P534 (98/06a-Wych Farm UOA)	2.53%	Perenco	Development/Production
P729 (13/29b - Blake Ext Non Skate_Devel.)	40.80%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P729 (13/29b - Ross Unitised Field UUOA interests)	35.28%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P729 (13/29b - Ross Field Area)	40.80%	Repsol Sinopec Resources UK, Ltd.	Exploration
P810 (13/24b Blake Area)	34.53%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P810 (13/24b North)	35.28%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P973 (13/28c)	35.28%	Repsol Sinopec Resources UK, Ltd.	Development/Production
P983 (13/23b)	25.50%	Repsol Sinopec Resources UK, Ltd.	Exploration
PL089 (SZ/8, SY/88b, SY/98a)	2.55%	Perenco	Development/Production
Trinidad y Tobago			
5B Manakin	30.00%	BP	Development/Production
East Block	30.00%	BP	Development/Production
S.E.C.C. Ibis	10.80%	EOG	Development/Production
West Block	30.00%	BP	Development/Production
Venezuela			
Barua Motatán	40.00%	Petroquiriquire	Development/Production
Carabobo	11.00%	Petrocarabobo	Development/Production

Name	Interest [1]	Operator	Activity
Cardón IV	50.00%	Cardon IV	Development/Production
Mene Grande	40.00%	Petroquiriquire	Development/Production
Quiriquire	40.00%	Petroquiriquire	Development/Production
Quiriquire Gas	60.00%	Quiriquire Gas	Development/Production
Yucal Placer Norte	15.00%	Ypergas	Development/Production
Yucal Placer Sur	15.00%	Ypergas	Development/Production
DOWNSTREAM			
Spain			
Asfaltos Españoles, S.A.	50.00%	Repsol	Asphalts
Iberian Lube Base Oils Company, S.A.	30.00%	SK Lubricants	Lubricants and specialized products
Remolcadores Portuarios de Tarragona, S.L.	38.00%	Remolques y Navegación, S.A.	Maritime services

(1) Corresponds to the Group company's interest in the joint arrangement.
(2) On January 26, 2023, the PetroRio company bought the Petrobras stake, replacing it as operator of Albacora Leste.
(3) Mining domain rights in Canada and the United States are articulated over a large number of Joint Operating Agreements (JOAs). They have been grouped by geographical areas and Repsol's interest.

Appendix IIC: Main changes in the perimeter of the Group in 2022

For the year ended December 31, 2022

a) Business combinations, other acquisitions and acquisitions of interest in subsidiaries, joint ventures and/or associates:

Name	Country	Parent company	Item	Date	Method of consolidation [1]	% voting rights acquired	% total voting rights in entity following acquisition [2]
Repsol Shale Oil & Gas LLC	United States	Repsol E&P USA Holdings Inc	Incorporation	January 2022	F.C.	100.00 %	100.00 %
Jicarilla Solar 2 Holdings LLC	United States	Jicarilla Solar 2 Class B LLC	Incorporation	February 2022	F.C.	100.00 %	100.00 %
Jicarilla Solar 2 Class B LLC	United States	Repsol Renewables North America, Inc	Incorporation	February 2022	F.C.	100.00 %	100.00 %
Medusa Alternativas Suministro Eléctrico, S.L.	Spain	Repsol Customer Centric, S.L. [3]	Acquisition	February 2022	E.M.	33.00 %	33.00 %
Jicarilla Solar 1 LLC	United States	Repsol Renewables Development Company LLC	Acquisition	March 2022	F.C.	100.00 %	100.00 %
Jicarilla Storage 1 LLC	United States	Repsol Renewables Development Company LLC	Acquisition	March 2022	F.C.	100.00 %	100.00 %
Jicarilla Solar 1 Bond Purchaser LLC	United States	Jicarilla Solar 1 LLC	Acquisition	March 2022	F.C.	100.00 %	100.00 %
Jicarilla Storage Bond Purchaser LLC	United States	Jicarilla Storage 1 LLC	Acquisition	March 2022	F.C.	100.00 %	100.00 %
Enerkem Inc.	Canada	Repsol Química, S.A.	Acquisition	March 2022	E.M.	14.21 %	14.21 %
Hecate Energy Frye Solar LLC	United States	Repsol Renewables Development Company LLC	Acquisition	April 2022	F.C.	100.00 %	100.00 %
Repsol Renewables Italia S.R.L.	Italy	Repsol Renovables, S.A.U. [4]	Incorporation	May 2022	F.C.	100.00 %	100.00 %
Repsol Nughedu S.R.L.	Italy	Repsol Renovables, S.A.U. [4]	Incorporation	May 2022	F.C.	100.00 %	100.00 %
Repsol Uta S.R.L.	Italy	Repsol Renovables, S.A.U. [4]	Incorporation	May 2022	F.C.	100.00 %	100.00 %
Repsol Venosa S.R.L.	Italy	Repsol Renovables, S.A.U. [4]	Incorporation	May 2022	F.C.	100.00 %	100.00 %
Repsol San Mauro S.R.L.	Italy	Repsol Renovables, S.A.U. [4]	Incorporation	May 2022	F.C.	100.00 %	100.00 %
Repsol Salamanca Midstream, LLC	United States	Repsol Oil & Gas Gulf of México, LLC	Incorporation	May 2022	F.C.	100.00 %	100.00 %
Salamanca Infrastructure, LLC	United States	Repsol Salamanca Midstream, LLC	Incorporation	May 2022	E.M.	22.50 %	22.50 %
Basque Hydrogen, S.L	Spain	Alba Emission free Energy, SA	Incorporation	May 2022	F.C.	100.00 %	100.00 %
Repsol Financiera Renovables, S.A	Spain	Repsol Renovables, S.A.U. [4]	Incorporation	May 2022	F.C.	100.00 %	100.00 %
Ampere Power Energy S.L.	Spain	Repsol Energy Ventures, S.A.	Shareholding increase	May 2022	E.M.	0.46 %	7.10 %
Arcos 400 Renovables, A.I.E.	Spain	Arco Energía 1, S.L.U.	Acquisition	June 2022	E.M.	49.05 %	49.05 %
Nesa Vento Galego 1, S.L.	Spain	Repsol Renovables, S.A.U. [4]	Acquisition	June 2022	F.C.	100.00 %	100.00 %
Nesa Vento Galego 2, S.L.	Spain	Repsol Renovables, S.A.U. [4]	Acquisition	June 2022	F.C.	100.00 %	100.00 %
Nesa Vento Galego 3, S.L.	Spain	Repsol Renovables, S.A.U. [4]	Acquisition	June 2022	F.C.	100.00 %	100.00 %
Solar 360 de Repsol y Movistar, S.L.	Spain	Repsol Customer Centric, S.L. [3]	Acquisition	June 2022	E.M. (J.V.)	50.00 %	50.00 %
Solar 360 Soluciones de Instalación y Mantenimiento, S.L.	Spain	Repsol Customer Centric, S.L. [3]	Acquisition	June 2022	E.M.	49.00 %	49.00 %
Vento Continuo Galego, S.L.U.	Spain	Repsol Renovables, S.A.U. [4]	Acquisition	June 2022	F.C.	100.00 %	100.00 %
Cartagena Hydrogen Network, S.L.	Spain	Repsol Industrial Transformation, S.L	Incorporation	June 2022	F.C.	100.00 %	100.00 %
Tarragona Hydrogen Network, S.L.	Spain	Repsol Industrial Transformation, S.L	Incorporation	June 2022	F.C.	100.00 %	100.00 %
Net Zero Ventures, S.L.	Spain	Repsol Energy Ventures, S.A.	Incorporation	August 2022	F.C.	100.00 %	100.00 %
Repsol Lux E&P S.a.r.l.	Luxembourg	Repsol, S.A.	Incorporation	August 2022	F.C.	100.00 %	100.00 %
Smarkia Energy, S.L.	Spain	Repsol Energy Ventures, S.A.	Incorporation	August 2022	E.M.	33.51 %	33.51 %
Bay of Biscay Hydrogen, S.L.	Spain	Alba Emission free Energy, SA	Incorporation	September 2022	F.C.	100.00 %	100.00 %

Name	Country	Parent company	Item	Date	Method of consolidation [1]	% voting rights acquired	% total voting rights in entity following acquisition [2]
Acteco Productos y Servicios, S.L.	Spain	Repsol Química, S.A.	Acquisition	October 2022	E.M. (J.V.)	27.00 %	27.00 %
Hecate Energy Longhorn Solar LLC	United States	Repsol Renewables Development Company LLC	Acquisition	October 2022	F.C.	100.00 %	100.00 %
Hecate Energy Outpost Solar LLC	United States	Repsol Renewables Development Company LLC	Acquisition	October 2022	F.C.	100.00 %	100.00 %
Remolcadores Portuarios de Tarragona, S.L.	Spain	Compañía Auxiliar de Remolcadores y Buques Especiales, S.A.	Acquisition	October 2022	P.I.	38.00 %	38.00 %
Hecate Energy Longhorn Solar LLC	United States	Repsol Renewables Development Company LLC	Acquisition	November 2022	F.C.	100.00 %	100.00 %
Nanogap Sub n-m Powder, S.A.	Spain	Repsol Energy Ventures, S.A.	Shareholding increase	November 2022	E.M.	4.00 %	899.00 %
Ampere Power Energy, S.L.	Spain	Repsol Energy Ventures, S.A.	Shareholding increase	November 2022	E.M.	75.00 %	733.00 %
Ecoplanta Molecular Recycling Solutions, SL	Spain	Repsol Industrial Transformation, S.L	Shareholding increase	November 2022	F.C.	39.00 %	78.00 %
Trovant Technology S.L.	Spain	Repsol Energy Ventures, S.A.	Acquisition	December 2022	E.M.	9.81 %	9.81 %
Tucan LNG S.à r.l.	Italy	Repsol Industrial Transformation, S.L	Incorporation	December 2022	F.C.	100.00 %	100.00 %

[1] Method of consolidation:
F.C.: Full consolidation
E.M.: Equity method. Joint Ventures are identified as "JV".
[2] Corresponds to the percentage of equity in the acquired company.

b) Reduction in interest in subsidiaries, joint ventures, and/or associates and other similar transactions:

					2022		
Name	**Country**	**Parent company**	**Item**	**Date**	**Method of consolidation [1]**	**% voting rights disposed or derecognized**	**% total voting rights in entity following disposal**
Nanogap Sub N-M Powder	Spain	Repsol Energy Ventures S.A.	Shareholding reduction	January 2022	E.M.	2.67 %	9.85 %
Repsol Oil & Gas Malaysia (PM3), Ltd.	Barbados	Fortuna International Petroleum Corporation	Disposal	January 2022	F.C.	100.00 %	— %
Repsol Oil & Gas Malaysia, Ltd.	Barbados	Fortuna International Petroleum Corporation	Disposal	January 2022	F.C.	100.00 %	— %
Fortuna International Petroleum Corporation	Barbados	Repsol Exploración, S.A.	Disposal	January 2022	F.C.	100.00 %	— %
Talisman Vietnam, Ltd.	Barbados	Fortuna International Petroleum Corporation	Disposal	January 2022	F.C.	100.00 %	— %
Repsol Ecuador, S.A.	Spain	Repsol Exploración, S.A.	Disposal	January 2022	F.C.	98.36 %	— %
JSC Eurotek - Yugra	Russia	Repsol Exploración Karabashsky, B.V.	Disposal	January 2022	E.M. (J.V.)	67.40 %	— %
ASB GEO	Russia	Repsol Exploración, S.A.	Disposal	February 2022	E.M. (J.V.)	50.01 %	— %
Valdesolar Hive, S.L.	Spain	Repsol Renovables, S.A.U.	Shareholding reduction	March 2022	F.C.	49.00 %	51.00 %
Nanogap Therapeutics, S.L.U.	Spain	Nanogap Sub n-m Powder, S.A.	Shareholding reduction	May 2022	E.M.	36.77 %	63.23 %
Sorbwater Technology A.S	Norway	Repsol Energy Ventures, S.A.	Disposal	May 2022	E.M.	30.78 %	— %
Talisman (Sumatra), Ltd.	Canada	Repsol Oil & Gas Canada, Inc.	Winding-up	May 2022	F.C.	100.00 %	— %
Begas Motor, S.L.	Spain	Repsol Energy Ventures S.A.	Shareholding reduction	June 2022	E.M.	1.79 %	17.12 %
Gestión Activa de Pedidos S.L.	Spain	Repsol Comercial de Productos Petrolíferos, S.A.	Disposal	July 2022	F.C.	100.00 %	— %
Ezzing Renewable Energies S.L.	Spain	Repsol Energy Ventures, S.A.	Shareholding reduction	August 2022	E.M.	0.29 %	24.03 %
Basque Hydrogen, S.L	Spain	Alba Emission free Energy, SA	Shareholding reduction	August 2022	E.M. (J.V.) [2]	49.00 %	51.00 %
Nanogap Sub n-m Powder, S.A.	Spain	Repsol Energy Ventures, S.A.	Shareholding reduction	August 2022	E.M.	0.90 %	8.95 %
Tramperase, S.L.	Spain	Repsol Renovables, S.A.U.	Shareholding reduction	August 2022	F.C.	49.00 %	51.00 %
Net Zero Ventures, S.L.	Spain	Repsol Energy Ventures, S.A.	Shareholding reduction	September 2022	E.M. [2]	50.00 %	50.00 %
Repsol Renovables, S.A.U	Spain	Repsol, S.A.	Shareholding reduction	September 2022	F.C.	25.00 %	75.00 %
Enerkem Inc.	Canada	Repsol Química, S.A.	Shareholding reduction	November 2022	E.M.	0.01 %	14.20 %
Caiageste - Gestão de Areas de Serviço, Ltda.	Portugal	GESPOST	Winding-up	December 2022	E.M.	50 %	— %
Talisman Vietnam 07/03, B.V.	Netherlands	Repsol Greece Ionian, S.L.	Winding-up	December 2022	F.C.	100 %	— %
Talisman Vietnam 135-136, B.V.	Vietnam	Repsol Greece Ionian, S.L.	Winding-up	December 2022	F.C.	100 %	— %

[1] Method of consolidation:
F.C.: Full consolidation
E.M.: Equity method. Joint Ventures are identified as "JV".
[2] This company consolidated by global integration prior to the decrease in ownership.

a) Business combinations, other acquisitions and acquisitions of interest in subsidiaries, joint ventures and/or associates:

					2021		
Name	**Country**	**Parent company**	**Item**	**Date**	**Method of consolidation (1)**	**% voting rights acquired**	**% total voting rights in entity following acquisition (2)**
Finboot Ltd.	United States	Repsol Energy Ventures, S.A.	Shareholding increase	February 2021	E.M.	0.28 %	8.69 %
Ekiola Promoción, SL	United States	Repsol Customer Centric, S.L.U	Acquisition	March 2021	E.M.	49.00 %	49.00 %
Ekiola Construcción, M&O, S.L.	United States	Repsol Customer Centric, S.L.U	Acquisition	March 2021	E.M.	49.00 %	49.00 %
Ekiola Energía Comercializadora, S.L.	España	Repsol Customer Centric, S.L.U	Acquisition	March 2021	E.M.	51.00 %	51.00 %
Gaolania Servicios, S.L.	United States	Repsol Customer Centric, S.L.U	Acquisition	March 2021	E.M.	70.00 %	70.00 %
SUN2HY , S.L.	United States	Repsol Energy Ventures S.A.	Acquisition	April 2021	E.M.	50.00 %	50.00 %
Rocsole OY	United States	Repsol Energy Ventures S.A.	Shareholding increase	May 2021	E.M.	2.70 %	16.70 %
Repsol Renewables North America, Inc	United States	Repsol Renovables, S.L.U	Incorporation	May 2021	F.C.	100.00 %	100.00 %
Repsol Finance Brasil B.V.	Canadá	Repsol Exploração Brasil Ltda.	Incorporation	June 2021	F.C.	100.00 %	100.00 %
Hecate Energy Group, LLC	United States	Repsol Renewables North America, Inc	Acquisition	June 2021	E.M.	40.00 %	40.00 %
Repsol Generación de Ciclos Combinados, S.L.U.	Italia	Repsol Renovables, S.L.U	Incorporation	July 2021	F.C.	100.00 %	100.00 %
Ecoplanta Molecular Recycling Solutions, SL	Italia	Repsol Industrial Transformation, S.L.	Acquisition	July 2021	E.M.	39.00 %	39,0%
Belmont Technology Inc., S.L.	Italia	Repsol Energy Ventures, S.A.	Shareholding increase	July 2021	E.M.	3.03 %	12,90%
Alba Emission Free Energy S.L	Italia	Petróleos del Norte, S.A.	Acquisition	September 2021	F.C.	100.00 %	100.00 %
Repsol Finance Brasil S.A.R.L.	Italia	Repsol Exploração Brasil Ltda.	Incorporation	September 2021	F.C.	100.00 %	100.00 %
Ezzing Renewable Energies S.L.	United States	Repsol Energy Ventures S.A.	Shareholding increase	September 2021	E.M.	2.10 %	24.30 %
Refinería La Pampilla, S.A.A.	United States	Repsol Perú, B.V.	Shareholding increase	October 2021	F.C.	6.80 %	99.20 %
Ampere Power Energy, S.L.	España	Repsol Energy Ventures, S.A.	Shareholding increase	October 2021	E.M.	0.01 %	6.64 %
Saint John LNG, Limited Partnership	España	Repsol Oil & Gas Canada, Inc.	Shareholding increase	November 2021	F.C.	25,00%	100,00%
Begas Motor, S.L.	España	Repsol Energy Ventures, S.A.	Shareholding increase	December 2021	E.M.	0,02%	18,91%
Repsol Renewables Development Company LLC	España	Repsol Renewables North America, Inc	Acquisition	December 2021	F.C.	100,00%	100,00%
Repsol Renewables Development Holdings Corp	España	Repsol Renewables North America, Inc	Acquisition	December 2021	F.C.	100,00%	100,00%
Jicarilla Solar 2 LLC	España	Repsol Renewables Development Holdings Corp	Acquisition	December 2021	F.C.	100,00%	100,00%
Jicarilla Solar 2 Bond Purchaser LLC	España	Jicarilla Solar 2 LLC	Acquisition	December 2021	F.C.	100,00%	100,00%
Gestión Activa de Pedidos S.L.	España	Repsol Comercial de Productos Petrolíferos, S.A.	Incorporation	December 2021	F.C.	100,00%	100,00%

(1) Method of consolidation:
F.C.: Full consolidation
E.M.: Equity method. Joint Ventures are identified as "JV".
(2) Corresponds to the percentage of equity in the acquired company.

b) Reduction in interest in subsidiaries, joint ventures, and/or associates and other similar transactions:

					2021		
Name	**Country**	**Parent company**	**Item**	**Date**	**Method of consolidation [1]**	**% voting rights disposed or derecognized**	**% total voting rights in entity following disposal**
Ampere Power Energy, S.L.	Spain	Repsol Energy Ventures, S.A.	Shareholding reduction	January 2021	E.M.	0.55 %	6.63 %
Dubai Marine Areas, Ltd.	United Kingdom	Repsol Exploración S.A.	Liquidation	April 2021	E.M.	50.00 %	— %
JSC Eurotek - Yugra	Russia	Repsol Exploración Karabashsky, B.V.	Shareholding reduction	April 2021	E.M.	0.90 %	67.40 %
AR Oil & Gaz, B.V.	Netherlands	Repsol Exploración S.A.	Disposal	May 2021	E.M. (J.V.)	49.00 %	— %
MC Alrep, Llc.	Russia	AR Oil & Gaz, B.V.	Disposal	May 2021	E.M. (J.V.)	49.00 %	— %
Saneco	Russia	AR Oil & Gaz, B.V.	Disposal	May 2021	E.M. (J.V.)	49.00 %	— %
TNO (Tafnefteotdacha)	Russia	AR Oil & Gaz, B.V.	Disposal	May 2021	E.M. (J.V.)	48.79 %	— %
Finboot Ltd.	United Kingdom	Repsol Energy Ventures S.A.	Shareholding reduction	May 2021	E.M.	0.15 %	8.54 %
Nudo Manzanares 220 KV, A.I.E.	Spain	Tramperase, S.L.	Shareholding reduction	May 2021	E.M.	9.66 %	27.60 %
Dynasol Altamira, S.A. de C.V.	Mexico	Dynasol Elastómeros, S.A. de C.V.	Absorption	June 2021	E.M.	49.99 %	— %
Oleum Insurance Company Ltd.	Barbados	Repsol Oil & Gas Canada, Inc.	Disposal	September 2021	F.C.	100.00 %	— %
Repsol Electricidad y Gas, S.A.	Spain	Repsol S.A.	Absorption	September 2021	F.C.	100.00 %	— %
Repsol Italia, SpA	Italy	Repsol S.A.	Disposal	September 2021	F.C.	100.00 %	— %
Repsol E&P Eurasia, LLC	Russia	Repsol Exploración, S.A.	Liquidation	October 2021	F.C.	100.00 %	— %
Repsol Baicoi, S.R.L.	Romania	Repsol Exploración, S.A.	Liquidation	November 2021	F.C.	100.00 %	— %
Repsol Targoviste, S.R.L.	Romania	Repsol Exploración, S.A.	Liquidation	November 2021	F.C.	100.00 %	— %
Repsol Libreville, S.A. avec A.G.	Gabon	Repsol Exploración, S.A.	Liquidation	November 2021	F.C.	100.00 %	— %
Alectoris Energía Sostenible 1, S.L.	Spain	Repsol Renovables, S.L.U	Shareholding reduction	November 2021	F.C.	49.00 %	51.00 %
Alectoris Energía Sostenible 3, S.L.	Spain	Repsol Renovables, S.L.U	Shareholding reduction	November 2021	F.C.	49.00 %	51.00 %
Desarrollo Eólico Las Majas VII, S.L.U	Spain	Repsol Renovables, S.L.U	Shareholding reduction	November 2021	F.C.	49.00 %	51.00 %
Fuerzas Energéticas del Sur de Europa V, S.L.U	Spain	Repsol Renovables, S.L.U	Shareholding reduction	November 2021	F.C.	49.00 %	51.00 %
Fuerzas Energéticas del Sur de Europa VI, S.L.U	Spain	Repsol Renovables, S.L.U	Shareholding reduction	November 2021	F.C.	49.00 %	51.00 %
Fuerzas Energéticas del Sur de Europa XI, S.L.U	Spain	Repsol Renovables, S.L.U	Shareholding reduction	November 2021	F.C.	49.00 %	51.00 %
Fuerzas Energéticas del Sur de Europa XII, S.L.U	Spain	Repsol Renovables, S.L.U	Shareholding reduction	November 2021	F.C.	49.00 %	51.00 %
Generación Eólica El Vedado, S.L.	Spain	Repsol Renovables, S.L.U	Shareholding reduction	November 2021	F.C.	49.00 %	51.00 %
Agrícola Comercial del Valle de Santo Domingo, S.A.	Mexico	Repsol Downstream Internacional, S.A.	Disposal	November 2021	E.M.	20,00%	20,00%
Repsol Pitesti, S.R.L.	Romania	Repsol Exploración, S.A.	Liquidation	December 2021	F.C.	100.00 %	— %
Talisman (Vietnam 15-2/01), Ltd.	Canada	Repsol Exploración, S.A.	Disposal	December 2021	F.C.	100.00 %	— %
Repsol Oil & Gas Sea Pte., Ltd.	Singapore	Repsol Exploración, S.A.	Disposal	December 2021	F.C.	100.00 %	— %
Repsol Targu Jiu, S.R.L.	Romania	Repsol Exploración, S.A.	Liquidation	December 2021	F.C.	100.00 %	— %
Rocsole OY	Finland	Repsol Energy Ventures S.A.	Shareholding reduction	December 2021	E.M.	1,33%	15,34%

[1] Method of consolidation:
F.C.: Full consolidation
E.M.: Equity method. Joint Ventures are identified as "JV".

Appendix III: Regulatory framework

The activities of Repsol, S.A. and its subsidiaries are subject to extensive regulation, the key aspects of which are in this note. Of special note is the regulation related to climate change and decarbonization of the economy, for which the general framework is described below and the impacts on business activity are described in the Appendix by geographical region.

Climate change

Following the Paris Agreement, the commitments assumed by the signatories under their respective National Determined Contributions had a significant impact on the development of new climate policies and on the approval of new regulations.

European Union
The European Union (EU), also a signatory of the Paris Agreement, has made a commitment to climate neutrality by 2050. To this end, in December 2019 the European Commission presented the "European Green Deal", which constitutes the new EU growth strategy, and which aims to completely transform the European economy, highlighting the following proposals for 2021: (i) European Climate Law (that entered into force on July 29, 2021), which includes a legally binding target of net zero greenhouse gas emissions by 2050; and (ii) the "Fit for 55" package of proposals presented in July 2021 to reduce greenhouse gas emissions by at least 55% by 2030 compared to 1990 levels.

On March 8, 2022, the RePowerEU communication (joint European action for more affordable, safe and sustainable energy) was published, and on May 18, 2022, the RePowerEU Plan. The plan seeks to reduce dependence on Russian fossil fuels and to raise the ambition for the green transition by 2030. The plan focuses on diversifying energy sources, accelerating the green transition and renewable energy, encouraging energy saving, and also establishes protection measures. and investments in addition to those foreseen in Fit for 55. These proposals are interconnected and stretch across a variety of policy areas and economic sectors.

Spain
In Spain, the "Strategic Framework for Energy and Climate" includes the following fundamental pillars: (i) the National Integrated Energy and Climate Plan; (ii) the Strategy for a Just Transition; and (iii) Law 7/2021, of May 20, on climate change and the energy transition (published in May 2021), which establishes, at the country level, minimum targets for reducing greenhouse gas emissions, the penetration of renewable energies and improving energy efficiency by 2030 with a commitment to achieve climate neutrality by 2050 or in the shortest possible time frame.

Spain

Basic legislation

Spain currently has legislation which implements a liberalization of the Oil Industry, an example of which is the Hydrocarbons Sector Law 34/1998 of October 7 ("LSH"), which has been amended by several legislative acts.

Law 2/2011, of March 4, on Sustainable Economy, modified the Hydrocarbons Sector Law, establishing binding guidelines for energy planning under criteria designed to contribute to create a safe, cost-effective, economically-sustainable, and environmentally-friendly energy system.

Law 3/2013 of June 4, on the creation of the Spanish National Markets and Competition Commission (CNMC - "Comisión Nacional de los Mercados y la Competencia" in Spanish), created as an overseeing body, charged with the duties and tasks relating to supervision and control of regulated markets, which were previously supervised by various National Commissions, including the Energy and Competition Commission.

Royal Decree Law 1/2019, of January 11, proceeds with returning to the CNMC the competencies that were taken away in 2014, thus bringing the competencies of the CNMC into line with to the requirements of EU law in relation to Directives 2009/72/CE and 2009/73/CE of the European Parliament and Council, of 13 July 2009, concerning common rules for the internal market in electricity and natural gas.

Controlling concentration regime in the energy sector

The aforementioned Law 3/2013 modified the regime controlling corporate transactions in the energy sector, allocating duties to the Ministry for the Ecological Transition (MITECO). It devises a new ex post regime with respect to certain transactions by either requiring the buyer to notify MITECO of the execution of certain transactions or by means of the imposition of conditions on the business operations of the companies acquired, in so far as energy supply in Spain is deemed threatened.

This control, in addition to the electricity and gas sectors, now extends to the liquid hydrocarbons sector including companies that pursue refining activities, pipeline transportation, and storage of oil products, or companies that hold title to said assets, which become strategic assets.

Principal operators and dominant operators

Under Royal Decree Law 5/2005, of March 11, the Spanish National Energy Commission (currently the CNMC) is required to publish not only the list of principal operators but also the dominant operators in each energy market or sector. Dominant operators are defined as those holding a share of more than 10% of the benchmark market. On the other hand, a principal operator is considered an operator ranked among the top five players by market share. Designation as a dominant operator or principal operator implies certain regulatory restrictions.

Hydrocarbon upstream

From the entry into force of Law 7/2021 on climate change and the energy transition, on May 22, 2021, no new exploration authorizations, hydrocarbon research permits or hydrocarbon exploitation concessions will be granted in Spain, including the territorial sea, the exclusive economic zone and the continental shelf, as regulated under Law 34/1998, of October 7, on the hydrocarbons sector, and Royal Decree Law 16/2017, of November 17, establishing safety provisions for hydrocarbon research and operation in the marine environment, or for any activity for hydrocarbon operations in which the use of high-volume hydraulic fracturing is envisaged.

Five years prior to the end of the term of an operating concession, and without prejudice to the requirements established in the Royal Decree granting the concession, the person or entity holding the concession must submit a report to the Ministry for Ecological Transition and the Demographic Challenge that reflects the potential for reconverting their facilities or their location for other uses of the subsoil, including geothermal energy, or for other economic activities, in particular, the establishment of renewable energies, and that must include the levels for maintaining research permits and concessions for operating the hydrocarbon fields already in force that are located in the territorial sea, the exclusive economic zone and the continental shelf, as they may not, under any circumstances, be extended beyond December 31, 2042.

Research permits and concessions for operating hydrocarbon fields already in force that are located in the territorial sea, the exclusive economic zone and the continental shelf may not, under any circumstances, be extended beyond December 31, 2042.

For those concessions currently in force, Royal Decree Law 16/2017 should be taken into account, which establishes safety provisions for hydrocarbon research and operation in the marine environment, implemented by Royal Decree 1339/2018, of October 29, transposing Directive 2013/30/EU, of 12 June 2013 on safety of offshore oil and gas operations "Offshore Directive") into Spanish law. The purpose of the Law is to establish minimum requirements that offshore hydrocarbon research and operations must meet to prevent major accidents, to mitigate their consequences and to define action principles to ensure that offshore operations, including the abandonment and decommissioning of facilities, in order to prevent serious accidents and limit their consequences.

Oil products

The price of oil products is deregulated, with the exception of LPG (see specific information below).

In the retail side of the business, exclusive supply contracts for the distribution of motor fuels have a maximum term of one year, and they can be automatically rolled over for additional one-year periods at the sole discretion of the distributor, for a maximum of three years. The new legislation also bans clauses that set, recommend or influence, directly or indirectly, the price at which fuel is sold to the public. Likewise, exclusive supply contracts are prohibited from containing exclusivity clauses with regard to the provision of charging services to electric vehicles.

There are limits on growth in the number of fuel supply facilities of wholesalers with provincial markets shares of over 30%. Law 8/2015 stipulates that this market share shall no longer be measured in terms of points of sale but rather based on sales figures for the previous year, allowing the government to revise this percentage threshold in three years' time or even remove the restriction altogether, market trends and the sector's business structure so permitting. This period has elapsed without the government having reviewed the above measure for the time being.

Finally, Law 8/2015 allows owners of oil product retailers to supply products to other retail distributors, simply by registering in advance with the excise tax registry.

In order to mitigate the impact on companies and families of the rise in fuel prices caused by the military aggression against Ukraine, Royal Decree-Law 6/2022, of March 29, created an extraordinary temporary bonus of €0.20 cents per liter/kilogram on the price of certain energy products applicable from April 1, 2022 to June 30, 2022 and subsequently extended to December 31, 2022 by Royal Decree-Law 11/2022, of 25 of June. In order to contribute to the previous measure, a non-tax public equity benefit provision was also created and imposed on wholesale operators of oil products with refining capacity in Spain and with an annual turnover of more than €750 million. Such operators, including Repsol, could be exempted from this provision if they unequivocally undertook to make a discount of a minimum amount equivalent to €0.05 cents per liter/kilogram on sales to final consumers of the energy products covered by the bonus. This commitment was assumed by Repsol and renewed prior to July 1, 2022. The National Commission for Markets and Competition is the body in charge of verifying effective compliance with the discount commitment. Royal Decree-Law 20/2022, of December 27, replaces the general bonus of 20 cents per liter on certain fuels with more specific measures aimed at promoting the use of public transport and aid for sectors that are most dependent on the use of fuel and so have greater exposure to price fluctuations, such as transportation, agriculture and fishing. Notwithstanding the foregoing, Repsol will maintain its discount of €0.10 cents per liter of fuel for Waylet users from January 1 to March 31, 2023.

Minimum stocks

Law 34/1998 of October 7 on the Hydrocarbons Sector (LSH), establishes obligations to maintain minimum security stocks that affect oil products and natural gas, given their special importance for the development of economic life.

Regarding petroleum products, Royal Decree-Law 15/2013, of December 13, introduced a modification to the LSH, which indicates that the administrative procedures and obligations necessary to guarantee permanently a level of minimum security stocks equivalent to, at least, the greater of the following two quantities: the equivalent of 90 days of average daily net imports or of 61 days of average daily domestic consumption in the reference year, in oil equivalent.

Royal Decree 1716/2004, in the wording given by Royal Decree 1766/2007, regulates the obligation to maintain a minimum stocks in the oil and natural gas sectors, the obligation to diversify the supply of oil and natural gas, and the activities of the Corporation of Strategic Reserves of Oil Products (CORES for its acronym in Spanish). The obligation to maintain minimum stocks of oil products in Spain for security reasons, excluding LPG, currently requires storing at all times an amount equivalent to 92 days of sales based on the sales during the previous 12 months. Repsol must maintain stocks corresponding to 50 days of sales, while the remaining stocks are held by CORES on behalf of the various operators (strategic reserves) until the obligation established has been met.

For oil products, the minimum stocks obligation has been reduced as a consequence of the invasion of Ukraine by Russia.

The last modification took place through Order TED/725/2022, of July 27, completing the release of minimum security stocks of oil products within the framework of the second coordinated action of the International Energy Agency in response to the war in Ukraine. It establishes a transitory reduction from 86.4 days to 84.2 days, until, in the terms provided in the third section of the Agreement of the Council of Ministers dated May 17, it is decided to restore the obligation to the level determined.

Regarding natural gas, Royal Decree-Law 6/2022 has modified the obligations of security reserves provided for in Royal Decree 1716/2004 by expanding the obligation to maintain minimum stocks of entities involved in the natural gas sector from 20 days to 27.5 days of their firm sales or consumption in the previous calendar year.

Of these, the minimum security stocks of a strategic nature equivalent to 10 days of firm sales or consumption in the previous calendar year will be kept in underground storage of the basic network. In addition to strategic stocks, all entities obliged to maintain minimum security stocks of natural gas must have operational stocks in underground storage: at all times for a volume of gas equivalent to 10 days of firm sales or consumption in the previous calendar year, to which is added, at least, on November 1, a volume of gas equivalent to 7.5 days of its firm sales or consumption in the previous calendar year.

Mobility and alternative fuels:

In relation to mobility, the Law on Climate Change and Energy Transition establishes:

- Annual targets for the integration of renewable energies and the supply of sustainable alternative fuels in transport, with a special emphasis on advanced biofuels and other renewable fuels of non-biological origin.
- The obligation of public authorities to adopt the necessary measures, in accordance with that established in EU regulations, in order to: (i) ensure that passenger cars and light commercial vehicles do not have direct CO_2 emissions by 2050, and (ii) gradually reduce the emissions of new passenger cars and light commercial vehicles, excluding those registered as historic vehicles, not intended for commercial uses, so that these vehicles have emissions of 0 g CO_2/km no later than 2040.
- The obligation for owners of vehicle fuel and fuel supply facilities to install an infrastructure for alternative fuels (for more information see the following section "Alternative Fuels").
- The following are also noteworthy: (i) the Hydrogen Roadmap (published in October 2020), which focuses on the development of renewable hydrogen, with the aim of positioning Spain as a technological benchmark in the production and use of renewable hydrogen, while at the same time contributing to achieving objectives such as reaching climate neutrality, the use of surplus renewable energy or the decarbonization of sectors where electrification is not viable or profitable; and (ii) the 2050 Long Term Decarbonization Strategy (published on November 3, 2020), to move towards climate neutrality by 2050, with milestones in 2030 and 2040

Royal Decree-Law 6/2022 transposes into our internal legal system article 7 bis of Directive 98/70/CE, of the European Parliament and of the Council, of October 13, 1998, relating to the quality of gasoline and diesel and by which Directive 93/12/EEC of the Council (FQD Directive) is modified, establishing a new obligatory target of reducing the intensity of greenhouse gas emissions by 6% in the transport life cycle per unit of fuel and energy supplied in transport. This measure applies to (i) wholesale operators and retail distributors of oil products, (ii) consumers of oil products in the part of consumption not covered by the above, (iii) wholesale operators and

LPG retail sellers, (iv) LPG consumers in the part of consumption not covered by the above (v) natural gas sellers, and (vi) direct consumers in the market in the part of consumption not covered by the above.

Directive 2018/2001, on the promotion of the use of energy from renewable sources, provides that, in order to integrate the use of renewable energy in the transport sector, each Member State will impose an obligation on fuel suppliers to ensure that the quota of renewable energy in final energy consumption in the transport sector is at least 14% by 2030, at the latest. This Directive is partially incorporated into our legal system through Royal Decree 376/2022, of May 17, which regulates the criteria for sustainability and reduction of greenhouse gas emissions from biofuels, bioliquids and biomass fuels, as well as the system of guarantees of the origin of renewable gases (modifying Royal Decree 1085/2015 of December 4 on the promotion of biofuels). It establishes minimum obligatory targets for the sale or consumption of biofuels for the years 2023, 2024 , 2025 and 2026 of 10.5%, 11%, 11.5% and 12%, in energy content, respectively. The target for biofuels and biogas for transport purposes for the year 2026 will be applied in successive years for as long as new targets are not regulated.

Royal Decree 639/2016 of December 9 established a framework of measures for the implementation of an infrastructure for alternative fuels, including charging points for electric vehicles and natural gas and hydrogen refueling points. The Law on Climate Change and Energy Transition, in order to guarantee the existence of sufficient electrical charging facilities, introduces obligations to install electrical charging infrastructures at gas stations with annual sales of gasoline and diesel of more than 5 million liters. This charging infrastructure must have a power equal to or greater than 150 kW or 50 kW in direct current depending on the volume of sales (greater than 10 or 5 million liters sold in 2019). For new facilities from 2021 or any undertakings to renovate installations that require a review of their official certification , the minimum power will be 50 kW in direct current. Finally, note should be taken of Decree 184/2022, of March 8, which regulates the activity of providing energy recharging services for electric vehicles.

Liquefied petroleum gas

Under certain circumstances, LPG prices are subject to retail price ceilings. The prices of bulk LPG and bottled LPG in cylinders with capacity of under 8 kg or over 20 kg are deregulated. Law 18/2014, of October 15, has had the effect of also deregulating the prices of containers with capacity of more than 8 kg or less than 20 kg with a tare weight of no more than 9 kg, with the exception of LPG mixes intended for use for fuel purposes; this measure favors certain players over others as a function of the tare weight of the containers sold and, in practice, does not constitute full sector deregulation.

Ministerial Order IET/389/2015, of March 5, 2015, updates the system for automatically determining the maximum price at which bottled LPG can be retailed and for determining the price of piped LPG, adjusting the formulae used to calculate raw material costs in order to, as per the wording of the Order, adapt them "to the supply reality in the Spanish market in recent years''. Adaptation of these formulae does not apply to sales costs, thereby resulting in a reduction in maximum bottled LPG retail prices and piped LPG retail prices.

Additionally, Law 18/2014 consolidate users' right to home delivery of containers weighing between 8 kg and 20 kg by obliging the LPG wholesalers with the biggest market shares in the corresponding mainland and island territories to perform this home-delivery service. Failure to fulfill this obligation constitutes a very serious offense. The list of LPG wholesalers so obliged is determined by a resolution issued by the General Directorate of Energy Policy and Mining every 3 years. Every 5 years, the Spanish government is entitled to revise the terms of this obligation and has the power to remove it. The current list of mandatory home suppliers is as follows: Repsol Butano on the mainland and in the Balearic Islands, DISA in the Canary Islands and Atlas in Ceuta and Melilla.

This framework particularly affects Repsol Butano, which is the majority operator on the mainland and the Balearic Islands, and whose fleet consists mainly of heavy containers with a tare weight of more than 9 kg.

Finally, Royal Decree-Law 20/2022 of December 27 establishes that the corresponding revisions of the maximum sale price, before tax, of liquefied petroleum gases that are approved following the entry into force of this Royal Decree-Law until June 30, 2023, and of bottled liquefied petroleum gases resulting from the application of the system established in Order IET/389/2015, may not exceed the maximum, price before tax, established by the Resolution of May 12 of 2022 of the General Directorate of Energy Policy and Mines, which publishes the new maximum sales prices, before tax, of bottled liquefied petroleum gases, in containers of load equal to or greater than 8 kg, and less than 20 kg, excluding mixing containers for the use of liquefied petroleum gases as fuel.

Natural gas

Law 12/2007, of July 2, which amended the Hydrocarbon Sector Law, incorporated measures for achieving a completely liberalized market. This legislation establishes the framework for eliminating the tariff system and creates the role of the supplier of last resort with ultimate liability for supplying customers lacking sufficient bargaining power. Moreover, these suppliers are subject to a price cap ("last resort tariff"), set by MITECO. Business operations in the natural gas sector can be classified into: i) regulated activities: transport (including storage, regasification and transport per se) and distribution of natural gas; and ii) deregulated activities: production, acquisition and sale of natural gas. The Natural Gas System Operator, Enagás S.A., is responsible for the coordinating and ensuring that the system works properly.

Law 8/2015 creates an official natural gas hub with a view to facilitating entry into the market of new suppliers and increasing competition, creating a new single hub operator, tasked with management of the gas hub, the MIBGAS (which stands for Iberian Gas Market in Spanish), which ensures that all participating entities comply with the established rules.

Under the scope of the redistribution of competences regulated by Royal Decree Law 1/2019, the CNMC approved Circular 6/2020, of July 22, establishing the methodology for calculating transmission, local network and natural gas regasification fees. In particular, the methodology for determining access fees to regasification facilities, with the exception of the fee for other regasification costs, entered into force on October 1, 2020. The methodologies for the remaining fees will take effect as of October 1, 2021, and until this date the current fee structure and billing rules will continue to apply. By Resolution of May 27, 2021 of the CNMC, the tolls for access to the transmission networks, local networks and regasification were established for the gas year 2022. For its part, MITECO approved Royal Decree 1184/2020, of December 29, which establishes the methodologies for calculating the gas system charges, the regulated remuneration of basic underground storage and the fees applied for their use. The first application of this occurred in 2022 through the publication of Order TED/929/2022, of September 27, which establishes the charges for the gas system and the remuneration and fees for basic underground storage for gas year 2023.

On December 16, 2021, the CNMC approved the resolution establishing the list of dominant operators in the energy sectors, including the Repsol Group among the dominant operators in the natural gas market. Subsequently, the Resolution of the Council of Ministers dated February 2, 2021 established Repsol's obligation to act as a market maker in the Spanish Organized Gas Market. The conditions for the participation of the Repsol Group were established in the Resolution dated July 9, 2021 of the Secretary of State for Energy, which establishes the terms and conditions governing the service making it mandatory for dominant operators to act as market makers in the natural gas market.

Through Resolutions of December 16, 2021 and November 24, 2022, the CNMC updated the information on the dominant operators in the energy sectors, with the Repsol Group appearing in both cases as the dominant operator of the aforementioned market.

Electricity sector regulation in Spain

Deregulation of the Spanish electricity sector began in 1997 with the approval of Electricity Sector Law 54/1997, of November 27, amended by Law 17/2007, of July 4, and later by Electricity Sector Law 24/2013, of December 26.

Production and sale activities continue to be deregulated, governed by competition, while transmission, distribution and the system's technical and financial management remain as regulated activities, characterized by access that requires administrative authorization, and their remuneration is established by regulations and subject to specific obligations. Power supply, for its part, is classified as a service of general economic interest.

a. Remuneration system for generation activity

Law 24/2013, of December 26, abandons the differentiated concepts of ordinary and special regime, without prejudice to the singular considerations that need to be established. The remuneration system for renewable energies, combined heat and power systems and waste is based on the market share of these facilities, complementing market income with a specific regulated remuneration that allows these technologies to compete on an equal footing with the rest of the technologies on the market. This additional specific remuneration must be sufficient to achieve the minimum level necessary to cover costs which, unlike conventional technologies, cannot be recouped on the market and will enable them to obtain adequate profitability with reference to the standard facility in each applicable case. The rate of return for the activity of production from renewable energy sources, combined heat and power systems and waste, for the first regulatory period, is established in Royal Decree Law 9/2013, of July 12, which adopts urgent measures to ensure the financial stability of the electricity system. For the purpose of calculating the specific remuneration, the following shall be taken into account for a standard facility: the income from the sale of the generated energy valued at the production market price, the average operating costs necessary to carry out the activity and the value of the initial investment of the standard facility.

Royal Decree Law 23/2020, of June 23, entrusts the government with the regulatory development of a remuneration framework for renewable generation, based on the long-term recognition of a fixed price for energy. For such purpose, it provides for the holding of competitive tender procedures, which may be differentiated by technology, technical characteristics, size, location, manageability and other criteria, in which the product to be auctioned is energy, installed capacity or a combination of both. In this regard, Royal Decree 960/2020, of November 3, has been approved, which regulates the aforementioned remuneration framework for renewable generation, to be granted through auctions, while at the same time creating the electronic register of the economic regime for renewable energies.

The head of the Ministry for Ecological Transition and the Demographic Challenge is responsible for regulating the auction mechanism, by means of a Ministerial Order, while the head of the Secretary of State for Energy is responsible for calling the auctions by means of a Resolution. In this regard, Ministerial Order TED/1161/2020, of December 4, regulates the first auction mechanism for granting the repeated economic regime for renewable energies and establishes the indicative timetable for the 2020-2025 period.

The first auction for the concession of said economic regime was called by the Resolution of December 10, 2020, of the Secretary of State for Energy, with a product quota of 3,000 MW of installed power. In 2021, a second auction was called by the Resolution of September 8, of the General Directorate of Energy Policy and Mines, for which a product is established aimed at electricity generation facilities from renewable energy sources comprising one or more of the photovoltaic and wind technologies located on land, and a product quota of 3,300 MW to be auctioned. Specifically, in this call, four minimum reserves were established to be awarded to various technologies or categories of different special characteristics. These included an accelerated availability reserve aimed at facilities in an advanced stage of processing and another reserve for local distributed generation photovoltaic facilities. The subsidiary REPSOL RENOVABLES S.L.U. was awarded a total of 3 installations and 138 MW. In 2022, two more auctions, the third and fourth, have been called by Resolutions of July 18 and August 2, respectively, for a total of 3,820 MW.

Returning to Royal Decree Law 23/2020, it also contains provisions relating to access and connection to the networks, stipulating deadlines and administrative milestones for processing existing projects and allowing the extension of permits to seven years. It also streamlines the processing of modifications to existing facilities, regulates figures such as the renewable energy community or the independent aggregator and incorporates provisions relating to hybridization and high-power charging infrastructures.

Royal Decree 413/2014 regulates the legal and economic regime for the activity of producing electricity from renewable energy sources, cogeneration and waste, applicable to the Repsol Group's cogeneration facilities, members of the extinct special regime and assimilated ordinary regime. Order IET/1045/2014, of June 16, approves the remuneration parameters for standard facilities applicable to certain facilities producing electrical energy from renewable energy sources, cogeneration and waste.

Royal Decree 900/2015, of October 9, regulates the administrative, technical and economic conditions of the modalities of electricity supply and production with self-consumption. This Royal Decree was substantially modified by Royal Decree-Law 15/2018, and later, by Royal Decree 244/2019, of April 5, which regulates the administrative, technical and economic conditions of self-consumption in Spain. This regulation supplements the regulatory framework promoted by Royal Decree-Law 15/2018, the main measure of which was the repeal of what is commonly called the "sun tax", and represents a new energy panorama that is committed to a model based on distributed generation and renewable energy. Among its numerous innovations, it is worth noting:

- Self-consumed energy of renewable origin, cogeneration or waste, will be exempt from all types of charges and tolls.
- Recognition of shared self-consumption, which makes it possible for several users to benefit from the same generating facility..
- Simplification of procedures and bureaucratic deadlines for the legalization of the facilities.
- Introduction of simplified compensation for surplus generation.

Ministerial Order ETU/130/2017, of February 17, updated the remuneration parameters of standard facilities applicable to certain facilities producing electricity from renewable energy sources, combined heat and power systems and waste, in order to be applied to the regulatory half period commencing on January 1, 2017.

Royal Decree-Law 17/2019, of November 22, which adopts urgent measures for the necessary adaptation of remuneration parameters that affect the electrical system and which responds to the process of cessation of activity of thermal power plants, updates the value of reasonable profitability to be applied during the second regulatory period to facilities producing electricity from renewable energy sources, cogeneration and waste, while granting certain facilities the possibility of opting for the value on which the reasonable return is based for the first regulatory period to stay fixed for the following two regulatory periods.

The first regulatory period having finished, Order TED/171/2020, of February 24, has established the remuneration parameters for the second regulatory period, between January 1, 2020 and December 31, 2025, as well as the value of remuneration for the operation, in the first half of 2020, of standard facilities with operating costs that essentially depend on the price of fuel. The review made by this Order refers to all approved standard facilities, and provides a global vision of the remuneration parameters applicable to them.

Royal Decree-Law 6/2022, of March 29, which adopts urgent measures in the framework of the National Response Plan to the economic and social consequences of the war in Ukraine, established an update of the remuneration parameters of the remuneration scheme specific to 2022.

Royal Decree-Law 10/2022, of May 13, temporarily establishing a production cost adjustment mechanism to reduce the price of electricity in the wholesale market, has incorporated annual, quarterly and monthly references to forward market products into the adjustment mechanism for deviations in the market price that will be applied to the RECORE energy generated in 2023 and subsequent years.

Finally, through Order TED/1232/2022, of December 2, which updates the remuneration parameters of standard facilities applicable to certain facilities producing electrical energy from renewable energy sources, cogeneration and waste, for the purposes of its application to the year 2022, the remuneration parameters are established for 2022, without prejudice to the reviews provided for in each regulatory half period and to the reviews of the remuneration for the operation of standard facilities with operating costs that depend essentially on the price of the fuel. This Order establishes the remuneration for the investment in, and where appropriate, the remuneration for the operation, for 2022. For standard facilities with operating costs that depend essentially on the price of fuel, the value of the remuneration for the operation is established for the first half of 2022.

b. Remuneration system for marketing activity

The marketing activity is based on the principles of freedom of contract and choice of supplier by the customer. Marketing, as a deregulated activity, has a freely agreed remuneration between the parties.

Of note is Law 24/2013, subsequently developed by Royal Decree 216/2014, of March 28, which establishes the methodology for calculating voluntary prices for small electricity consumers and their legal contracting regime. These prices are defined, in line with the previously denominated last resort tariffs, as the maximum prices that reference resellers may charge to consumers who use them (consumers of less than a certain contracted power, 10 kW, who wish to use this modality as opposed to a bilateral negotiation with a free reseller). These prices will be unique throughout the entire Spanish territory. The term last resort tariffs is reserved for two groups of consumers: the so-called vulnerable consumers (which also includes the new categories of severely vulnerable and at risk of social exclusion) and those consumers who, without being entitled to voluntary prices for the small consumer, temporarily do not have a supply contract with a marketer. These voluntary prices for small consumers shall include in an additive manner, by analogy with the tariff of last resort, the concepts of electricity production cost, the corresponding access tolls and charges and the corresponding marketing costs. In addition, this Royal Decree provides as an alternative that the consumer can contract a fixed price of energy for one year with the reference reseller. It also sets out the criteria for designating reference resellers and their obligations in relation to supply to certain consumer groups.

Royal Decree 469/2016, of November 18, amending Royal Decree 216/2014, establishes the methodology for calculating the marketing costs of the reference resellers to be included in the calculation of the voluntary price for small consumers. Ministerial Order ETU/1948/2016, of December 22, established the values of the marketing costs of the reference resellers to be included in the calculation of the voluntary price for small electricity consumers in the 2014-2018 period, which result from applying the new approved methodology. The new wording of Law 24/2013, in line with Royal Decree-Law 6/2022 and Royal Decree 897/2017, is the current reference framework for everything related to the rate subsidy and vulnerable consumers.

Royal Decree Law 17/2021, of September 14, on urgent measures to mitigate the impact of rising natural gas prices on the retail gas and electricity markets, passed extraordinary measures in view of the high electricity prices and their effects on consumers during the autumn and winter months, which included fiscal measures eliminating the tax on the value of electricity production in the fourth quarter of 2021 and reducing the special tax on electricity; established a mechanism to reduce the excess remuneration that certain facilities receive as a result of the marginal operation of the market until March 2022; and created a minimum vital supply to combat energy poverty, among other measures. Royal Decree Law 23/2021, of 26 October, on urgent energy measures to protect consumers and ensure transparency in the wholesale and retail electricity and natural gas markets, introduces a clarification with regard to Royal Decree Law 17/2021 regarding the mechanism for reducing the excess remuneration of the electricity market caused by the quoted price of natural gas, indicating that it will not apply to energy produced by electricity generation facilities that is covered by a forward contracting instrument, when the hedging price is fixed, and provided that the forward contracting instrument was entered into prior to the entry into force of the Royal Decree Law or when, having been entered into after the entry into force of the Royal Decree Law, its hedging period is longer than one year. Royal Decree-Law 18/2022 extends until December 31, 2023 the reduction mechanism established in Royal Decree-Law 17/2021.

Royal Decree-Law 23/2021 and its subsequent updates have extended the electricity subsidy rate discounts to December 31, 2023

Royal Decree-Law 6/2022, of March 29, adopting urgent measures in the framework of the national response plan to the economic and social consequences of the war in Ukraine, makes both families and people living in the same home beneficiaries of the subsidy rate, by extending its application to all recipients of minimum living income who have a supply contract - taking the co-living unit for reference instead of the family unit. In addition, it applies a support mechanism to electro-intensive industries consisting of an 80% reduction in the cost in the electricity bill that corresponds to access tolls for electricity transmission and distribution networks, in force from January 1 to December 31, 2022.

Ministerial Order TED/517/2022, of June 8, setting the date of entry into operation of the production cost adjustment mechanism to reduce the wholesale market electricity price regulated in Royal Decree-Law 10/2022, of May 13, disseminates the decision of the European Commission that authorizes this mechanism. According to this Order, the adjustment mechanism provided for in Royal Decree-Law 10/2022, affecting the wholesale electricity market's clearing price, becomes applicable on June 14. The purpose of the aforementioned Royal Decree-law is to reduce the margin price of electricity in the wholesale markets of the Iberian Peninsula (Spain and Portugal) and, ultimately, to promote a reduction in the retail prices paid by all final consumers of electricity. The measure will be applicable until May 31, 2023.

The measure uses a mathematical formula to limit the price of gas passed on by thermal power plants in the offers that set the price of the wholesale electricity market. The gas reference price established in the mechanism is variable, starting at a value of €40/MWh for the first six months and increasing in successive monthly steps of €5/MWh. Royal Decree-Law 17/2022, of September 20, adopting urgent measures in the energy field, in the application of the remuneration regime to cogeneration facilities and temporarily reduces the Value Added Tax rate applicable to intra-community deliveries, imports and acquisitions of certain fuels. It regulates a new type of voluntary waiver of the specific remuneration regime for cogeneration and treatment facilities for olive oil slurry and sludge, so that facilities that renounce use of the specific remuneration scheme may request inclusion in the adjustment mechanism regulated in Royal Decree-Law 10/2022, of May 13, provided that this adjustment mechanism is in force.

Contributions to the national energy efficiency fund

Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency makes it binding on member states to justify a quantity of energy savings by 2020, obliging each state to establish energy efficiency obligation schemes such that energy distributors and/or retailers are obliged to achieve a cumulative quantity of energy savings by year-end 2020 means of annual savings between 2014 and 2020 equivalent to 1.5% of their annual energy sales. Royal Decree Law 8/2014 and Law 18/2014 transpose this EU Directive into Spanish law by establishing a National Energy Efficiency Fund (NEEF) by virtue of which gas and electricity distributors, oil product wholesalers and liquid petroleum gas wholesalers are allocated an annual energy saving target at the national level called savings obligations, which is quantified in financial terms.

Royal Decree Law 23/2020, of June 23, extended the Spanish energy efficiency obligation scheme until December 31, 2030, thus complying with Directive (EU) 2018/2002 of the European Parliament and of the Council of December 11, which requires Member States to achieve new annual savings of 0.8% of annual final energy consumption from January 1, 2021 to December 31, 2030.

Intervention in the energy market

On October 7, 2022, Regulation (EU) 2022/1854 came into force regarding an emergency intervention to provide a coordinated response, at European Union level, to the high energy prices, through which several temporary measures were established: (i) a joint ceiling of €180 per MWh on income from electricity generation applied to certain electricity producers designated in the Regulation; (ii) a temporary solidarity contribution from companies and permanent establishments of the European Union operating in the crude oil, natural gas, coal, and refining sectors from profits earned in the 2022 and/or 2023 tax years that are above a 20% increase in average taxable profits generated in the four tax years beginning on or after January 1, 2018, and; (iii) measures to reduce demand through a binding target to reduce gross monthly energy consumption by 10% compared to the average gross electricity consumption in the corresponding months of the reference period (from November 1 to March 31 in each of the five consecutive years prior to the effective date of regulation 2022/1854, starting from the period between November 1, 2017 and March 31, 2018) and a reduction in gross electricity consumption during peak hours.

In Spain, on December 28, 2022, Law 38/2022 was published, which provides that the main operators in the energy sector must pay a levy (non-tax public levy) on a temporary basis. For more information, see Note 22.

Bolivia

The 2009 Bolivian Constitution establishes that the National Oil company Yacimientos Petrolíferos Fiscales Bolivianos (YPFB) is authorized to enter into service agreements with public or private companies to undertake activities for and on its behalf in exchange for remuneration or payment for their services.

The Bolivian oil and gas industry is regulated by Law 3,058 of May 19, 2005 (the "Hydrocarbons Law") and technical and economic regulations.

On May 1, 2006, Supreme Decree no. 28,701 was enacted, which nationalized the country's hydrocarbons. Furthermore, the shares required to enable YPFB to control at least 50% plus one vote in various companies, including Empresa Petrolera Andina, S.A., (currently known as YPFB Andina), were nationalized.

On December 11, 2015, Law No. 767 was passed to promote investment in hydrocarbon upstream in Bolivia.

Operating Contracts and Oil Service Contracts

According to the Hydrocarbons Law, any individual or group, national or foreign, public or private person may enter into one or more production sharing, operating or association contracts with YPFB to carry out exploration and operation activities, for a period not to exceed forty (40) years. Article 362 of the Bolivian Constitution (CPE) and Law 767 limit the type of contract to oil service contracts, which have similar characteristics as the operating contracts of Law 3058.

An operating contract and an oil service contract are those contracts by which the titleholder will execute, by its own means and at its own risk, for and on behalf of YPFB, the operations corresponding to the exploration and operation activities within the area covered by the contract, under the remuneration system, in the case of entering into operation activities. YPFB will not make any investment and will not assume any risk or liability for the investments or results obtained in relation to the contract, and it is the exclusive responsibility of the titleholder to provide all capital, installations, equipment, materials, personnel, technology and other necessary items.

YPFB remunerates the holder for the operating services in cash through the titleholder's remuneration. This payment will cover all operating and utility costs. YPFB must pay the royalties. Once production has started in an oil service contract, the titleholder is required to deliver all oil and gas produced to YPFB. The titleholder will be entitled to remuneration under the operating contract and/or the oil service contract, for the total amount produced and delivered to YPFB.

Oil contracts and amendments thereto require authorization and approval by the Plurinational Legislative Assembly, in accordance with the CPE (Legislative Power).

As a result of the Hydrocarbons Law and the Nationalization Decree, Repsol E&P Bolivia, S.A. and its subsidiary YPFB Andina, S.A. signed the operating contracts, effective as of May 2, 2007.

In addition, the natural gas and liquid hydrocarbon delivery agreements establishing the terms and conditions governing the delivery of hydrocarbons by the titleholder were entered into on May 8, 2009.

Canada

Regulation of upstream activities

In the Canadian provinces of British Columbia, Alberta and Saskatchewan where the majority of the Company's upstream interests in Canada lie, the provincial governments own the majority of the subsurface mineral rights to crude oil and natural gas. These governments grant rights to explore for and produce oil and natural gas from Crown lands under the conditions set forth in provincial legislation and regulations. In addition to Crown lands, the Company participates in leases entered into with freehold mineral owners through direct negotiation. The royalties applicable to production from Crown lands are established by government regulation and, in general, calculated as a percentage of gross production based on the productivity of the wells, geographical location, date on which the oil fields were discovered, recovery method and type and quality of substance produced. Occasionally, the provincial governments may offer incentive programs for exploration and development. Such programs seek to reduce the royalty rate or other fees or offer certain tax credits. Fees and royalties payable for production on privately owned land are established by means of negotiation between the owner and the Company.

Companies operating in the Canadian oil and natural gas industry are subject to extensive regulation and control of operations (including land ownership, water usage, exploration, development, production, refining, transport and sales, in addition to environmental matters) as a result of legislation and policy enacted at both the federal level (by the government of Canada) and by the various provincial governments. Generally speaking, oversight of such operations is undertaken by regulatory bodies that include the British Columbia Oil and Gas Commission, the Alberta Energy Regulator, the Saskatchewan Ministry of Economy and the Saskatchewan Ministry of the Environment, as well as federal regulatory bodies such as the Impact Assessment Agency of Canada and the Canada Energy Regulator.

Environmental and emissions regulations

Environment regulations from provincial and Canadian federal governments restrict and prohibit the release or emission of various substances that are considered harmful, such as sulfur dioxide, carbon dioxide and nitrous oxide.

Regulations also impose conditions or prohibitions on operating in certain environmentally sensitive areas and establish requirements that regulate the satisfactory abandonment and reclamation of well and facility sites. Non-compliance with the legislation, regulations, orders, directives or other applicable guidelines can result in fines, suspension of work, lawsuits or other sanctions.

In addition to the regulation and control of upstream activities, the provincial and Canadian federal governments have also enacted various forms of emissions regulations. Specifically for the province of Alberta, where most of the Company's activities are carried out, the Technology Innovation and Emissions Reduction Implementation Act (TIER) establishes a price of 50 Canadian dollars per ton of carbon emissions.

The TIER regulations are intended to meet federally mandated carbon standards.

The provincial government of Alberta has also committed to reducing methane emissions from oil and gas operations by 45% by 2025 through new emissions design standards for facilities, improved measurement and reporting and new regulated standards.

In addition to the provincial regulations, the Canadian federal government has announced, within the Canadian Clean Growth and Climate Change Framework, the possibility for provinces to apply carbon price increases of up to CAD 50 per ton by 2022.

United States of America

Offshore Upstream

The two government agencies responsible for offshore upstream on the Outer Continental Shelf are the Bureau of Ocean Energy Management (BOEM) and the Bureau of Safety and Environmental Enforcement (BSEE) under the U.S. Department of the Interior. The BOEM is in charge of responsibly ensuring the economic and environmental development of US offshore resources. Its functions include the leasing (agreements that grant oil and gas mining rights), the review and management of oil and gas exploration, the approval of development plans and carrying out analyses pursuant to the National Environmental Policy Act and other environmental studies. The BSEE is responsible for safety and environmental supervision of offshore oil and gas operations. Its functions include the development and application of safety and environmental regulations, the authorization of offshore exploration, development and production, the performance of inspections and the response to oil spills.

Onshore upstream

With regard to US onshore upstream activities, the oil and gas industry is primarily regulated by the laws of the individual states, with the exception of certain environmental matters and operations on federal land. At present, the Company has operations in Alaska, Pennsylvania and Texas. In Alaska and Texas, upstream activities are regulated by the Alaska Department of Natural Resources and the Railroad Commission of Texas, respectively. Each of these states has its own environmental protection agency. In Pennsylvania, the local Department of Environmental Protection is responsible for both environmental protection activities and the regulation of Upstream activities.

Federal authorities do have jurisdiction over certain environmental aspects that affect the gas and oil sector. The United States Environmental Protection Agency (EPA) applies laws and regulations such as the Clean Air Act, the Clean Water Act and the Resource Conservation and Recovery Act. The environmental impact of the projects is regulated by the National Environmental Policy Act (NEPA), which is managed by different Federal agencies depending on the type of project.

Transport

The Federal Energy Regulatory Commission (FERC) governs the transport of natural gas as part of interstate commerce and the transport of oil via oil pipelines within the same field. The states regulate other types of transport.

Liquefied natural gas

The Natural Gas Act grants the Federal Energy Regulatory Commission (FERC) the exclusive power to regulate plants that import and export liquefied natural gas arriving in the United States and leaving the country with the authorization of the Office of Fossil Energy at the US Department of Energy (DOE).

Trading of gas, crude oil and refined products

The FERC regulates the sale of natural gas as part of interstate commerce. A number of US regulatory bodies are empowered to regulate the oil and refined products trading market. The Federal Trade Commission (FTC) has the power to regulate crude oil trading activities. The Environmental Protection Agency (EPA) regulates refined products marketed to private consumers such as gasoline and diesel. Trading of financial derivatives is regulated by the Commodities Futures Trading Commission (CFTC).

On December 18, 2015, the 2016 Consolidated Appropriation Act was passed (Public law no. 114-113). This piece of legislation repeals Article 103 of the Energy Policy and Conservation Act (EPCA), thereby eliminating the ban on exporting crude oil produced in the US. The legislation preserves the President's power to restrict oil exports in response to a national emergency, enforce trade sanctions and remedy oil supply scarcity or the sustained distortion of oil prices significantly above world market levels.

Biden Administration Orders

On January 27, 2021, President Biden issued an Executive Order titled, “Tackling the Climate Crisis at Home and Abroad.” This Executive Order provides, among other things, “To the extent consistent with applicable law, the Secretary of the Interior shall pause new oil and natural gas leases on public lands or in offshore waters pending completion of a comprehensive review and reconsideration of Federal oil and gas permitting and leasing practices in light of the Secretary of the Interior’s broad stewardship responsibilities over the public lands and in offshore waters, including potential climate and other impacts associated with oil and gas activities on public lands or in offshore waters. The Secretary of the Interior shall complete that review in consultation with the Secretary of Agriculture, the Secretary of Commerce, through the National Oceanic and Atmospheric Administration, and the Secretary of Energy. In conducting this analysis, and to the extent consistent with applicable law, the Secretary of the Interior shall consider whether to adjust royalties associated with coal, oil, and gas resources extracted from public lands and offshore waters, or take other appropriate action, to account for corresponding climate costs.” The Executive Order does not specify a duration for the directed pause in new oil and gas leasing.

On June 15, 2021, a US District Judge in Louisiana issued a preliminary injunction, with nationwide reach, challenging the pause on new oil and natural gas leasing on public lands and in offshore waters found in Section 208 of this Executive Order. On August 17, 2022, the U.S. Court of Appeals for the Fifth Circuit vacated this preliminary nationwide injunction, but the US District Judge subsequently issued a permanent injunction on August 18th against said Order, limited in scope to the thirteen plaintiff states of Louisiana, Alabama, Alaska, Arkansas, Georgia, Mississippi, Missouri, Montana, Nebraska, Oklahoma, Texas, Utah, and West Virginia.

Peru

The Constitution includes the main bases of its legal framework governing the hydrocarbons market in Peru. The Constitution states that the government promotes private initiatives, recognizing the economic pluralism, and the state having a subsidiary role in terms of business concerns. The Constitution also establishes that private and public business activity must be treated equally under the law, and that national and foreign investments are subject to the same conditions.

In addition, the Constitution stipulates that the country's natural resources are the property of the State and that the terms and conditions of access to and use of these resources by private parties must be regulated by means of organic laws.

Natural and legal persons, whether Peruvian or foreign, that pursue hydrocarbon activities are expressly subject to the laws of the Republic of Peru, renouncing the right to any diplomatic recourse. The most important authorities with competence over Peruvian hydrocarbon matters are: the Ministry of Energy and Mining (MINEM for its acronym in Spanish), which is tasked with drafting, passing, proposing and applying sector policy; and the Energy and Mining Investment Oversight Body (OSINERGMIN), tasked with oversight of the natural and legal persons carrying out activities related to the electricity and hydrocarbon sub-sectors and the imposition of penalties for any breaches of the legal and technical obligations issued by the MINEM and PERUPETRO, S.A. The Environmental Assessment and Taxation Body (OEFA) is the technical institution specialized in ensuring compliance with the standards, obligations and incentives laid down in prevailing environmental regulations.

Upstream

The Organic Hydrocarbons Law (OHL), regulates this natural resource. To provide legal assurance to investors, it states that contracts under its framework shall be considered Contract-Law, and therefore can only be modified by written agreement between the two parties. To achieve these objectives, the OHL created PERUPETRO, a state-owned limited company organized as a public corporation, to which the state, as owner of the hydrocarbons located in its territory, grants the right of ownership over the hydrocarbons, so that PERUPETRO can negotiate, execute and monitor exploration and/or operation contracts, with a licensee (contractor) by means of license agreements, service agreements and other forms of contracts authorized by MINEM.

Hydrocarbon refining and marketing

The OHL stipulates that any natural or legal persons, whether national or foreign, may install, operate, and maintain oil refineries, plants for processing natural gas and condensates, natural asphalt, greases, lubricants, and petrochemicals, subject to the norms specifically established by MINEM.

In Peru, the marketing of hydrocarbon derivatives is regulated by supply and demand. However, Emergency Decree 010-2004 created the Fund for the Stabilization of Petroleum Derived Fuel Prices (FEPC) as an intangible fund to prevent the high volatility of oil prices and its derivatives from being passed on to consumers. The FEPC's operating mechanism established by Emergency Decree 010-2004 and its Regulations indicates that when the import or export parity price, as the case may be, is higher than the upper limit of the corresponding price band, the producers and importers could apply a discount in the prices of the products for the same value defined by the compensation factor approved by the General Directorate of Hydrocarbons of the Ministry of Energy and Mines, whereby the FEPC would have a debt with these producers and importers for the amount of the applied compensations. Conversely, when the import or export parity price, as the case may be, is lower than the lower limit of the corresponding price band, an obligation would be generated for the producers and importers with the FEPC defined by the contribution factor. Article 10 of Emergency Decree 010-2004 establishes that each company will freely determine, in accordance with their commercial policies, the premiums or discounts to be applied for each product and customer over OSINERGMIN's reference prices, while maintaining the freedom to set the sales prices with its customers.

Although the FEPC has been applied for many years, Diesel and LPG were excluded from the FEPC in March 2020. However, in March 2021, the Ministry of Energy and Mines approved Supreme Decree No. 006-2021-EM, extended by Supreme Decree No. 015-2021-EM, which temporarily included diesel for vehicle use in the FEPC (during the period from March 27 to August 27, 2021). The most significant changes to the mechanism include the fact that compensation from the Fund will only be given to companies that maintain their primary sales price stable and without any change with regard to the primary sales price in effect on the date of publication of the aforementioned decree. This provision makes compensation conditional on maintaining fixed prices, which contravenes the freedom of contract, as well as Article 77 of the OHL, which establishes that the prices of crude oil and its derivatives are governed by supply and demand and distorts the FEPC.

Subsequently, Supreme Decree No. 025-2021-EM, of November 9, 2021, included diesel for vehicle use in the FEPC for an indefinite period of time. It also indicated that the primary sale price of such fuel must remain stable, i.e., it must not be above the corresponding target price band (defined by OSINERGMIN), which represents a change in relation to the wording of the supreme decrees of 2021 mentioned above, but it still violates principles such as the freedom of contract and free pricing of crude oil and its derivatives based on supply and demand as established in current regulations, since it establishes a maximum price for its sale, thus violating the freedom of companies to establish their prices in the market. A similar situation is occurring with LPG, which has been included in the FEPC since September 2021.

Portugal

In Portugal, Decree Law No. 31/2006, of February 15, sets out the framework for the National Oil System (SPN) and has been implemented and regulated through extensive administrative regulations.

Sale prices of crude oil and oil products are freely set on the market, without prejudice to the rules on competition and public service obligations, however, prices in the autonomous regions of the Azores and Madeira are administratively set by the regional governments. Pursuant to Law No. 69-A/2021, of October 21, the government has the power to intervene, on an exceptional basis, in setting maximum margins for any of the commercial components of the retail price of simple fuels or bottled LPG. These maximum margins may be established, with a specific duration, for any of the activities in the value chain of simple fuels or bottled LPG, being set by Ministerial Order issued by the members of government responsible for the areas of economy and energy, following the proposal of the Portuguese Energy Services Regulatory Authority (ERSE) and consultation to the Portuguese Competition Authority (AdC), which has not yet been published.

Sales, which include wholesale and retail trade activity, are freely carried out, but depends on obtaining a certificate, in addition to compliance with other obligations, especially with regard to tax and customs matters, regularity of supply, publication of prices and the provision of information to various competent administrative bodies, as well as verification of seller's good standing.

Minimum stocks

Portugal is required to maintain minimum stocks in the crude oil and/or oil products sectors, in accordance with Decree Law No. 165/2013, of December 16, which transposed EU legislation, corresponding to 90 days of average daily net imports of crude oil and oil products into the country over the last year, it being legally possible to hold stocks in another EU Member State, provided that all requirements have been verified and the necessary formalities have been completed.

Liquefied petroleum gas

LPG - piped, bottled and bulk - is regulated by Decree Law No. 57-A/2018, of July 13, and is subject to control by the Portuguese Energy Services Regulatory Authority (ERSE), which assumed the functions of the Portuguese Competition Authority (AdC) in terms of supervision, without prejudice to the powers of the AdC to issue recommendations and codes of conduct, carry out studies and inspections, decide on concentrations, initiate administrative proceedings for infringements of competition law and impose fines, for which it is granted extensive powers of investigation, including the power to carry out domiciliary searches.

Decree Law No. 5/2018, of February 2, establishes the obligation to sell bottled LPG in all of the country's service stations, unless they receive a prior exemption upon a reasoned request of the interested party.

With regard to the sale of LPG, Decree Law No. 31/2006 provides for the sale of bottled, piped and bulk LPG. The supplier of bulk LPG is required to give the customer, or the supplier chosen by the customer, the option of transferring ownership of the facility (storage and piping) upon expiry of the contract. With regard to bottled LPG, a legal obligation has been established to accept containers from other companies, at no cost to the customer, as detailed in Decree Law No. 5/2018, of February 2, which also makes it mandatory to sell bottled LPG at all gas stations in Portugal and determines that the regulations on essential public services apply to bottled LPG and that the "leftover product" in the container delivered by the customer must be deducted from the sale price of the container, under the terms to be defined in regulatory legislation not yet published.

Storage

Storage activities include the operation of (i) storage facilities for direct supply to end customers, (ii) storage facilities for oil products in tare, and (iii) wholesale facilities, and will be licensed by the Minister of Custody, while the licensing of other storage facilities is the responsibility of the competent licensing authorities. The procedure for obtaining licenses to operate oil product storage facilities and the supervision conditions for tax audits are defined in Decree Law No. 267/2002.

The storage of liquid fuels, LPG and other gases derived from oil, solid fuels and other oil products is regulated by Decree Law No. 267/2002, of November 26, and Ministerial Order (Portaria) No. 1188/2003, of October 10.

The regulations establish the right of access for third parties to large storage facilities which are declared to be of public interest, operators of which will be required to grant access to third parties, under non-discriminatory, transparent and objective technical and economic conditions, as well as the right of access to large storage and distribution facilities of piped LPG for sale to end customers.

Gas stations

Gas stations are subject to licensing, in accordance with Decree Law No. 267/2002, of November 26. Law No. 6/2015, of January 16, requires all service station operators to sell fuels without additives, known as simple fuels.

Decree Law No. 170/2005, of October 10, as amended by Decree Law No. 120/2008, of July 10, makes it mandatory to publish fuel sale prices on gas station monoliths and, in the case of service areas located on highways, comparative panels (the prices of the next two service areas are compared) on the highway itself.

Environmental regulation

With regard to environmental prevention, Decree Law No. 151-B/2013, of October 31, indicates that certain facilities (in particular refineries and petrochemical plants, pipelines for the transportation of oil, storage facilities for oil, petrochemical products or chemical products, and surface industrial facilities for oil extraction, among others) are subject to an inspection procedure to assess the significant impacts on the environment and to the imposition of conditioning and/or compensatory measures, while Decree Law No. 152-B/2017 stipulates that climate changes, population, human health and soil should be assessed in future procedures.

Decree Law No. 127/2013, of August 30, establishes the industrial emissions regime, with the aim of preventing and reducing emissions, and is applicable to industrial facilities in this sector, in particular refineries and petrochemical plants, establishing the obligation to obtain an environmental license that sets out a broad set of requirements and conditions that must be met by the beneficiary, in particular emission limits for pollutants and measures for waste management, among others, prior to carrying out the activity.

Decree Law No. 12/2020, of April 6, imposes the obligation on operators producing greenhouse gases to obtain a Greenhouse Gas Emissions Certificate (Título de Emissão de Gases com Efeito de Estufa (TEGEE)) in accordance with EU Directives and the Kyoto Protocol, while Ministerial Order (Portaria) No. 420-B/2015, of December 31, imposes additional taxes on CO2 emissions on some oil products, based on the prices of the emission license auctions at the CELE.

The legal regime for environmental liability was approved by Decree Law No. 147/2008, of July 29, and defines the objective and subjective scope of the environmental liability of economic operators, imposing the obligation to provide one or more financial guarantees (their own and autonomous, alternative or complementary to each other) to enable operators to assume the environmental liability inherent in their activity, which may be provided through various instruments. This regime is supplemented by the Environmental Administrative Offenses Act (Ley Quadro das Contra-Ordenações Ambientais), published by Law No. 50/2006, of August 29, which sets fines that can reach up to €5 million.

Decree Law No. 75/2015, of May 11, established the Single Environmental Certificate, which contains all the terms and conditions for the construction, exploration and monitoring of an environmental project and all administrative certificates and permits necessary to carry out the activity, the model for which was approved by Ministerial Order (Portaria) No. 137/2017, of April 2.

Decree Law No. 68-A/2015, of April 30, establishes regulations on energy efficiency and cogeneration production, transposing Directive 2012/27/EU of the European Parliament and of the Council of October 25, 2012, applicable to companies other than SMEs (small and medium-sized enterprises), which are required to register with the Directorate General for Energy and Geology (DGEG) and record all information on their energy consumption, in order to monitor the evolution of this consumption, and they must also carry out an independent energy audit every four years.

Climate change and alternative fuels

Council of Ministers Resolution No. 53/2020, of July 10, approved the 2030 PNEC (2030 National Energy and Climate Plan), establishing objectives, among others, to decarbonize the national economy, strengthen the commitment to renewable energies and reduce the country's energy dependence, and Council of Ministers Resolution No. 63/2020, of August 14, approved the National Hydrogen Plan - EN-H2, of exclusively green origin.

The quality levels and characteristics of oil products are provided for in (i) Decree Law No. 89/2008, of May 30 (quality rules for gasoline and diesel fuels), and (ii) Decree Law No. 281/2000, of November 10, which establishes the limits on the sulfur level of certain types of petroleum-derived liquid fuels.

Decree Law No. 117/2010, of October 25, establishes (i) the sustainability criteria for the production and use of biofuels and bioliquids, regardless of their origin, (ii) the mechanisms for promoting biofuels in land transport, and (iii) the limits for the compulsory incorporation of biofuels for the 2011-2020 period, whereby the targets for the 2020-2030 period were updated by Decree Law No. 60/2020, of August 17.

Decree Law No. 60/2017, of June 9, establishes the legal framework for the creation of infrastructure for alternative fuels, defined as: electricity, hydrogen, biofuels, synthetic and paraffinic fuels, natural gas –compressed or liquefied–, and LPG. Council of Ministers Resolution No. 88/2017, of June 26, approved the National Action Framework for the development of the market for alternative fuels in the transportation sector.

The Framework Climate Law (Law No. 98/2021 of December 31) entered into force on February 1, 2022 and establishes the regulatory framework under which Portugal undertakes to achieve carbon neutrality by 2050 through the implementation of energy transition measures and policies. The Law will have to be implemented over the next few years by supplementary legislation that will make changes in the energy sector through the implementation of various energy transition measures and policies: green taxation, carbon taxes on the use of fuel, policies for the use of electric and hybrid vehicles with a view to banning the sale of vehicles powered exclusively by fossil fuels by 2035, restrictive use of fossil fuel natural gas in electricity production, incentives for the use of renewable sources in electricity production, circular economy in industrialization.

Decree-Law No. 30-A/2022, of April 18, approved a set of exceptional measures aimed at guaranteeing the simplification of energy production procedures from renewable sources. These measures will be in force for a period of 2 years.

On October 19, Decree-Law No. 72/2022 was approved, which reinforced the exceptional flexibility measures provided for in Decree-Law 30-A/2022, applicable mainly to installation projects for renewable energy plants (including photovoltaic plants), storage facilities, production units for self-consumption and green hydrogen production units. The innovations are mainly focused on: (i) streamlining the prior control processes for urban operations; (ii) the creation of a new prioritization criterion for access to capacity reservation agreements with network operators, and (iii) the possibility of extending the pre-commercial operational trial period for power plants that obtained public network reception capacity in the 2019, 2020 and 2021 tenders.

Electricity and natural gas sector regulation

In Portugal, Decree-Law No. 15/2022, of January 14, establishes the framework of the National Electricity System and has been implemented and regulated through several administrative regulations.
Decree-Law No. 62/2020, of August 28, establishes the framework of the National Gas System and has been implemented and regulated through extensive administrative regulations.

In the framework of Decree-Law No. 15/2022, Ministerial Order (Portaria) No. 112/2022, of January 14, approves the Electro-Intensive Customer Statute that establishes a set of obligations and incentives intended to guarantee the facilities that benefit from it conditions of greater equality in terms of competition compared to facilities of a similar nature that operate in other Member States of the European Union.

The regime for selling electricity for electric mobility is regulated by Decree Law No. 39/2010, of April 26, which stipulates that the activity may only be carried out by duly licensed operators of charging points.

The prices of electricity and natural gas supplies from market suppliers to their customers are freely agreed between the parties. However, the prices include a portion corresponding to the tariffs established for accessing the networks in accordance with the tariff regulations for the electricity and gas sectors (Regulation No. 785/2021 and Regulation No. 368/2021 of April 28), approved by ERSE.

The electricity tariffs up to December 31, 2022 were approved (under an exceptional approval regime) by Directive No. 17/2022, of July 6. The gas tariffs for the period from October 1, 2022 to September 30, 2023 were approved by Directive No. 15/2022, of June 28.

The sale, which includes wholesale and retail activities, is freely carried out but it is contingent on registration by the Directorate General of Geology and Energy, in addition to compliance with other obligations, supply quality, and the provision of information to various competent administrative bodies, and verification of suppliers' good standing. In order to access the wholesale market scheme, the supplier must have the status of market agent, in accordance with the Regulation on Commercial Relations, and the performance in the wholesale markets is subject to the regime established in Regulation (EU) No. 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency.

Suppliers enter into contracts with the operators of the electricity transmission and distribution networks and with the operators of the transmission networks, storage and natural gas distribution infrastructure to access the networks in accordance with the Regulation on Commercial Relations in the electricity sector and the gas sector (Regulation No. 1129/2020, of December 30), the Regulation on Access to Networks and Interconnections in the electricity sector (Regulation No. 560/2014, of December 22, as amended by Regulation No. 620/2017, of December 18) and the Regulation on Access to Networks and Interconnections in the gas sector (Regulation No. 407/2021, of May 12) approved by ERSE,

The obligation to establish natural gas security reserves is incumbent on market suppliers and suppliers of last resort. The overall minimum security reserves are set by Ministerial Order (Portaria) of the Minister responsible for the energy sector and cannot be less than the quantities necessary to guarantee the consumption of protected customers and to meet the non-interruptible consumption needs of power plants under ordinary regime in the 12 months prior to the assessment month. In accordance with Ministerial Order (Portaria) No. 297/2011, of November 16, the minimum security reserves are: (i) 24 days of average consumption as of December 31, 2015; (ii) 30 days of average consumption as of December 31, 2020; and (iii) 35 days of average consumption as of December 31, 2025.

Decree-Law No. 70/2022, of October 14, establishes the creation of additional strategic reserves of natural gas, belonging to the Portuguese State, and establishes extraordinary and temporary measures for security of the gas supply.

Electricity and natural gas supplies are classified as essential public services and, therefore, subject to the rules on essential public services established in Law No. 23/96, of July 26, which establishes various mechanisms to protect customers, such as the reporting and assistance obligations of suppliers, obligations to give minimum prior notice for supply interruptions, prohibition of minimum consumption and minimum payment periods, and the limitation periods on the right to receive the prices of the services.

The activity of selling electricity and natural gas is subject to compliance with the service quality requirements and standards established in the Regulation on Service Quality approved by ERSE, which establishes the obligation of compensating customers in the event of non-compliance.

The sale of electricity and natural gas is subject to ERSE's regulation and supervision and to the regime of penalties for the energy sector established in Law No. 9/2013, of January 28. As the regulator of the sector, ERSE is the administrative authority with competence regarding supervision and application of penalties as a result of unfair commercial practices, non-compliance in the provision of promotional, informational and support services to consumers and users through call centers, duties related to the complaints book and the rules applicable to guarantees for consumers in supply contracts of essential public services.

Venezuela

The Constitution of the Bolivarian Republic of Venezuela stipulates that the mines and hydrocarbon fields, irrespective of their nature, located on national territory, offshore under the sea bed, in the exclusive economic zone or on the continental platform, belong to the Republic, are public-domain goods and are, therefore, inalienable and imprescriptible.

By virtue of organic law and to protect national interests, the Venezuelan State has reserved the Venezuelan oil activities for itself. For reasons of economic and political sovereignty and for national strategic purposes, the State holds all of the shares of Petróleos de Venezuela, S.A. (PDVSA), or the entity that may be created for the management of the oil industry.

The Hydrocarbons Organic Law (HOL) regulates all matters regarding the exploration, operation, refining, industrialization, transport, storage, sale and conservation of hydrocarbons, including related refined products and the works required to perform these activities. Pursuant to the HOL, the performance of activities involving the exploration, extraction, collection, transport and storage of hydrocarbons is reserved to the State, which may undertake them directly or through wholly-owned State companies. The State may also conduct these activities through mixed-owned companies whose equity interest is over 50%.

The mixed companies agreements referred to in the HOL do not impose restrictions on this legal form of company in terms of transferring funds in the form of cash dividends, loan repayments or the redemption of shareholder advances in foreign currency (USD).

Activities relating to the exploration, operation, collection, storage, use, industrialization, sale and transport of non-associated natural gas and associated gas are subject to the provisions set out in the Organic Gaseous Hydrocarbons Law and its regulations. On January 14, 2016, Decree No. 2184 was published in the Extraordinary Official Journal of the Bolivarian Republic of Venezuela No. 6,214, declaring a State of Exception and Economic Emergency throughout the entire territory of the Republic for a period of 60 days, providing the State with the power to enact exceptional and extraordinary economic, social, environmental, political and legal measures, in addition to others. This State of Exception and Emergency was successively extended on several occasions, with the most recent, Presidential Decree No. 4,440 published on February 23, 2021 in Official (Extraordinary) Gazette No. 6,615, for sixty (60) days from its publication. The National Constituent Assembly was called by the President of the Bolivarian Republic, Nicolás Maduro, via Presidential Decree No. 2,830, published on May 1, 2017; all public authorities are subordinated under the Constituent Assembly and are obliged to comply and ensure compliance with the legal documents issued by said Assembly. The maximum term of this Assembly has been set at two years. On May 20, 2019, the National Constituent Assembly published a Constituent

Decree in Official Gazette No. 41,636 by which it extended the operation of the National Constituent Assembly at least until December 31, 2020.

Official Gazette No. 41,310, of December 29, 2017, contained the publication of the Constitutional Foreign Production Investment Law, establishing the principles, policies and procedures that regulate foreign production investments in goods and services. The special legislation regulating foreign investments in specific sectors of the economy shall prevail over said law, including those addressing hydrocarbon, mining and telecommunications matters. To date, the relevant sectoral regulation has not been published.

On January 5, 2018, the term ended, established in Resolution No. 164 of the Ministry of the People's Power of Petroleum, published in the Official Gazette of December 6, 2017, for the review and validation of all national and international contracts signed and those that are about to be signed, by PDVSA, its subsidiaries and the mixed companies where PDVSA owns shares. To date, the review process is still ongoing in the mixed companies, and the results of this process have yet to be disclosed.

In Official Gazette No. 41,825, dated February 19, 2020, Presidential Decree No. 4,131 was published, declaring an energy emergency in the hydrocarbon industry, in order to adopt the necessary measures to guarantee national energy security and protect the industry against the multi-faceted aggression, both external and internal, that is being executed to affect the country's oil production and sale. This Decree ordered the creation of the Alí Rodríguez Araque Presidential Commission for the Defense, Restructuring and Reorganization of the National Oil Industry, the purpose of which is the design, supervision, coordination and promotion of all the productive, legal, administrative, labor and marketing processes of the national public oil industry and its related activities, including PDVSA and CVP; this Commission may design and apply a set of special temporary measures aimed at increasing, improving and boosting the productive, administrative, financial and commercial management capacities of the national public oil industry and its related activities.

Subsequently, in Official Gazette No. 42,071, dated February 19, 2021, the President of the Republic, through Decree No. 4,436, extended by twelve (12) months the term established in Decree No. 4,268, dated August 19, 2020, which had declared the energy emergency of the hydrocarbon industry.

In the Official Gazette (Ext.) No. 6,583, dated October 12, 2020, the National Constituent Assembly published the so-called Anti-Blockade Constitutional Law for National Development and the Guarantee of Human Rights ("Anti-Blockade Law"), effective as of the date of its publication. The law aims to establish a regulatory framework that provides public authorities with legal tools to counteract, mitigate and reduce the harmful effects caused by the unilateral coercive measures and other restrictive or punitive measures imposed against Venezuela that were issued or handed down by other States or group of States, by international organizations or other foreign public or private entities, which affect human rights, infringe international law and affect the right to free and sovereign development of the Venezuelan people as enshrined in the Constitution.

The new legislation is public policy and of public interest, so its provisions will be applicable to all branches of government, and to natural and legal persons, public and private, throughout Venezuela.

Monetary regime

On February 20, 2018, the launch of the "Petro" cryptocurrency was announced, backed by reserves from field 1 of the Ayacucho Block in the Hugo Chávez Frías Orinoco Oil Belt, in order to create an alternative currency to the dollar and a digital and transparent economy for the benefit of emerging countries. Such purchase may be made in convertible currencies: yuan, Turkish lira, euro and rouble. On March 19, the President of the United States of America signed an executive order prohibiting US persons and US residents from performing transactions with any digital currency issued by the Venezuelan government as of January 9, 2018, which increases that country's sanctions regime on Venezuelan natural and legal persons.

On August 2, 2018, the National Constituent Assembly published a Decree revoking the Exchange Rate System Law in Official Gazette No. 41,452, with a view to granting both natural and legal persons, whether Venezuelan or foreign nationals, full guarantees in terms of their involvement in the country's socioeconomic development model. On September 7, 2018, the Central Bank of Venezuela ("BCV") published in Extraordinary Official Journal No. 6,405 the so-called Exchange Agreement No. 1 ("the Exchange Agreement", pending regulation by BCV), the purpose of which is to establish the free convertibility of the currency nationwide.
On May 2, 2019, the Central Bank of Venezuela published Resolution No. 19-05-01 in Official Gazette No. 41,624, which authorized the so-called foreign exchange tables.
On November 19, 2019, the Presidency of the Republic published a decree instructing natural and legal persons, public and private, to register information and economic events expressed in accounting terms in sovereign cryptoassets, without prejudice to their registration in Bolivars.

The Central Bank of Venezuela issued a circular on March 13, 2020, allowing authorized banks to sell foreign currency in cash, in accordance with Exchange Agreement No. 1. The circular entered into force on March 13, 2020 and established that universal banks and exchange offices regulated by the Law on Banking Sector Institutions (*Ley de Instituciones del Sector Bancario*) and authorized as specialized intermediaries to carry out retail exchange operations are subject to its application.

The same circular establishes that the above-mentioned subjects must request authorization from the BCV's Foreign Exchange Operations Management to sell foreign currency in cash derived from retail exchange operations. These are operations to sell foreign currency for amounts equal to or less than €8,500, or its equivalent in another currency.

On August 6, 2021, the National Executive Branch issued Decree No. 4,553, published in Official Gazette No. 42,185 of this same date, which established a new monetary expression of the bolivar, effective as of October 1, 2021, meaning that any amount expressed in local currency prior to this date had to be converted to the new unit by dividing the amount by one million (1,000,000).

Subsequently, the Venezuelan Central Bank issued the Rules Governing the New Monetary Expression (Resolution No. 21-08-01), in Official Gazette No. 42,191 of August 16, 2021, to regulate aspects related to the new monetary scale of the bolivar established in Decree No. 4,553 of the National Executive.

2022

REPSOL Group

Integrated Management Report

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

The Repsol Commitment
Net Zero Emissions
by 2050

REPSOL

The company

Repsol's ***mission*** (its reason for being) is to be an energy company committed to a sustainable world.

Our ***vision*** (where Repsol is heading) is to be a global energy company that relies on innovation, efficiency and respect to create sustainable value in the service of societal progress.

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

Further information available at www.repsol.com.

The Management Report

Repsol[1], as a further show of its commitment to transparency, has drawn up this ***Consolidated Management Report*** (the "*Management Report*"), which 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 Environmental, Social and Governance (ESG) criteria.

The report not only complies with applicable legal requirements[2] but is also aligned with best practice, particularly 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 Spain's securities market regulator, the CNMV and the European Commission Guidelines on non-financial reporting (methodology for reporting non-financial information) (2017/C 215/01).

This report should be read together with the 2022 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.

Report information

The ***financial information*** contained in this document, unless expressly indicated otherwise, has been prepared in accordance with the Group's reporting model, as described in Note 4 "Segment information" to the 2022 consolidated Financial Statements. Some of the financial indicators and ratios are considered Alternative Performance Measures (APMs) in accordance with the Guidelines of the European Securities Markets Authority (ESMA)[3]. The Repsol Group has a System of Internal Control over Financial Reporting (ICFR) so as to provide reasonable asssurance that the Group's financial reporting is reliable.

The ***information on sustainability*** is presented in accordance with the Global Reporting Initiative (GRI)[4]. Appendix V.c) "GRI Index" contains a list of the sustainability indicators included throughout this report, in other public reports released by the Company, and also in Appendix V "Additional information on Sustainability (includes Non-Financial Statement)". These indicators, together with the additional information required by Law 11/2018, and the breakdowns on environmentally sustainable activities in accordance with the requirements prescribed by the Sustainable Finance Taxonomy (Appendix V.e), comprise the Non-Financial Statement. the content of which is as indicated in Appendix V.d) "Non-Financial Statement" and is verified by an external auditor (PwC), according to ISAE 3000 (verification report available at www.repsol.com). 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 are described in detail in each of its sections. The report also includes voluntary disclosures in accordance with the Sustainability Accounting Standards Board (SASB) (Appendix V.f), the Corporate Human Rights Benchmark (CHRB), IPIECA and the World Economic Forum (WEF); WEF Stakeholder Capitalism Metrics – International Business Council" (Appendix V.h). Lastly, the 10 Principles of the United Nations Global Compact[5] have been taken into account in drawing up this information. The Repsol Group also has a System of Internal Control over Non-Financial Reporting (ICnFR).

Repsol also discloses information on ***corporate governance*** each year in the form of its Annual Corporate Governance Report (Appendix VI) and Annual Report on Director Remuneration (Appendix VII), both drawn up in accordance with Articles 540 and 541 of the Spanish Corporate Enterprises Law (*Ley de Sociedades de Capital*), as per the instructions provided in CNMV Circular 3/2021 of 28 September, amending the templates for the annual corporate governance and director remuneration reports of stock market listed companies. The Company also follows the recommendations of the Good Governance Code for Listed Companies, as last revised by the CNMV on 26 June 2020.

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.

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[1] Henceforth, the names "Repsol", "Repsol Group" or the "Company" are used interchangeably to refer to refer the corporate 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] Appendix II, "Alternative performance measures", includes the reconciliation between the adjusted figures and those corresponding to IFRS-EU financial information.

[4] All GRI standards are followed in their 2016 version, with the exception of the Water (2018), Occupational Health and Safety (2018), Taxation (2019), Waste (2020) and Universal (2021) standards. Additionally, the new GRI standard for the Oil & Gas sector (2021), replacing GRI-G4-OG from 2012, is followed.

[5] See section 6.

Message from the Chairman

Dear shareholders,

In 2022 we were reminded once again that energy dependence remains one of the main weaknesses of the European economy. Our continent does not have enough energy of its own, so we have to import it from countries that often do not share our values or our environmental standards. A unified and stable energy model is therefore key to prevent unexpected events, such as Russia's invasion of Ukraine, from jeopardizing the well-being of our society.

This unjustified and wholly unacceptable action led to one of the biggest humanitarian crises in Europe since the Second World War, resulting in the displacement of millions of people, the destruction of civilian infrastructure and, sadly, the loss of thousands of lives. I would like to express my unwavering support for the people of Ukraine, in the hope that a solution to this conflict will be found and the rebuilding can soon begin, in which those affected can certainly count on the support of the European Union.

Aside from the humanitarian toll, the invasion of Ukraine has caused a profound energy crisis. The sanctions placed on Russia and its response by cutting the supply of gas into Europe called into question our continent's ability to find a reliable supply of hydrocarbons, quickly pushing up the prices of energy, metals and agricultural commodities. The consequences were soon felt, and throughout 2022 we witnessed a sharp rise in inflation and a slowdown in economic activity.

However, the war in Ukraine has not been the only factor jeopardizing the energy "trilemma" of security of supply, affordable prices and decarbonization. In Europe we have spent years focusing our energy policy on reducing emissions, with the design of a secure and competitively priced system taking a back seat. What this means, as indeed we saw last year, is that we rely excessively on Russian gas supplies and that today many households and businesses are finding it hard to pay their energy bills.

A smarter energy transition

The crisis we are now enduring also reveals certain failures in the energy transition process designed by the European authorities. For this reason, we believe that it is now high time to seriously rethink the EU's route to minimizing its greenhouse gas emissions, which still focuses on replacing the use of fossil fuels as soon as possible. In our expert view, we consider this decision to be overly hasty and unrealistic and fear that it may threaten the economy.

As an alternative, our sector would call for the development of a smarter energy transition that minimizes emissions as soon as possible, but always at a cost that society can afford and without making our industry less competitive in the process. To succeed in this task, it is important for European and Spanish regulations to respect the principle of technological neutrality, which means fostering the development of all solutions that can contribute to decarbonization, without prohibiting any technology a priori. Notably, this is a path that certain major players, including the United States, are already following.

> "Our industry calls for the development of a smarter energy transition; one that minimizes emissions as soon as possible, but always at a cost that society can afford and without making our industry less competitive in the process."

The key is to diversify our options, without focusing on a single technology. And that is precisely what we are doing at Repsol, where we have long been committed to a multi-energy strategy to reduce our emissions and guarantee the security of energy supply for the benefit of society. More precisely, our strategy is to combine the deployment of new alternatives, such as hydrogen and renewable liquid fuels, with a gradual but planned reduction in the use of hydrocarbons, which, according to the International Energy Agency (IEA), will still be needed in the coming decades within key sectors of the economy, such as heavy industry, transportation, petrochemicals and healthcare, as well as for the production of a multitude of everyday items.

Given these forecasts, we believe that walking away from hydrocarbon production is not the way to go at this time. Oil and gas will still be part of our energy mix in 2050, to a greater or lesser extent, so it is best to concentrate our efforts on using them as efficiently as possible. With this in mind, our industry has been investing heavily for years to reduce both energy consumption and emissions across all of its processes and products, while also developing innovative technologies such as those used to capture, use and store CO2 from the atmosphere or from an industrial facility.

All these developments demonstrate that European industry can, and indeed must, play a strategic role in decarbonization, thanks to our high capacity to innovate and develop new technologies. To unlock our full potential, we need regulation to be more supportive and protective of industry, with flexible and inclusive policies that drive innovation and avoid prohibitions that only hinder the competitiveness of a sector that, in the coming years, faces the daunting challenge of undertaking the biggest transformation in its history as we adapt to the demands of the energy transition.

Moreover, this transformation process is a hugely important opportunity to regain the leading role lost by the European industrial sector, which in the last decade, to give just one example, has had to endure the closure of 20 or so refineries due to an increasingly restrictive regulatory landscape in the field of hydrocarbons. It is time, therefore, to reindustrialize the continent, to continue to create jobs, to transform existing facilities to make them more energy efficient and to be able to manufacture the circular materials and low carbon footprint products that our economy now needs.

Spanish industry, a key player in the energy transition

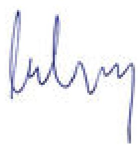
To seize the opportunities offered by the energy transition, our industry's strategy is to transform —not replace— existing industrial facilities, adapting them to use new forms of energy as we build and develop the circular economy. At Repsol, we have been firmly committed to this industrial transformation for years, through which we aim to convert our complexes into multi-energy hubs, capable also of treating different types of waste and producing, among other products, renewable liquid fuels, which are essential for reducing the carbon footprint across all transport sectors.

> "Our strategy is to combine the deployment of new alternatives, such as hydrogen and renewable liquid fuels, with a gradual but planned reduction in the use of hydrocarbons."

The industrial transformation we are now undergoing shows that it is possible to strike the right balance between economic development and energy transition. As confirmed by our commitment to achieving net zero emissions by 2050, at Repsol we are aware that we must move quickly to address climate change, but also that we must do so without bringing the economy to a halt or destroying our industrial fabric in the process. To achieve this, we strongly advocate close collaboration between companies and authorities, in the conviction that our response must be coordinated, with regulatory decisions based on technological progress and not on ideology, and with simpler and clearer rules for all players in the sector.

The decarbonization of the economy is one of the greatest challenges of our time and we must face it together. Rest assured that Repsol has pledged to continue leading this process.

Thank you for your support and trust.



Antonio Brufau Niubó

Chairman

Message from the CEO

Dear shareholders,

I am writing to you after a year in which, as a company, we have once again faced enormous challenges, calling for the utmost flexibility and agility. Just when it seemed that we were about to recover a degree of normality in the wake of the pandemic, the war in Ukraine erupted; an unjustified invasion that, in addition to the human tragedy, brought new uncertainty, pushed up commodity prices and threatened our energy supply capacity. Allow me to start this letter by expressing my unflinching support for the people of Ukraine and all the victims of this tragedy. I sincerely hope that a solution to this conflict can be found as soon as possible, as it is not something that should be taking place in this day and age.

The invasion of Ukraine caused crude oil and gas prices to rise sharply during the first half of the year, and this upward pressure increased further as new sanctions against Russia were announced. Oil prices reached figures close to US$140 per barrel, a level not seen since 2008, before plummeting to below US$80 during the second half of the year amid fears of a global economic recession.

Faced with this complex situation, in 2022 Repsol reinforced its contribution as an essential service to society, increasing its inventories by more than €2,000 million to guarantee the supply of energy to the national market and the operation of its refineries.

We also did our level best to cushion the effects that the market volatility could have on our customers, by becoming the first company to offer significant discounts on the fuels we supply at our service stations in Spain. Between March 16 and December 31, 2022, we generated savings of €500 million for our customers, beyond those already achieved in the previous year. Our sensitivity to the current situation, which is still fraught with uncertainty, prompted us to extend these discounts until March 31, 2023, once again ahead of other market players.

We need to invest in industry

Last year was proof that the necessary improvement in sustainability is not the only challenge facing the energy sector. Coming up with a decarbonization model to transform the industry while also guaranteeing its future viability is also a key strategic concern. We operate in a sector of the economy that generates employment (200,000 families rely, in one way or another, on the refining sector in our country), makes Spain more energy independent and is essential for making further progress in the fight against climate change.

Our commitment to the future of industry is clear, with our investment in refineries having averaged €1 billion per year since 2008. This has allowed us to optimize the use of our assets and increase their efficiency and flexibility, as evidenced by the more than 50% reduction in gas consumption at our industrial facilities, compared to previous periods. Thanks to these steps, we have provided a better response to the tensions within the international fuel market, while at the same time helping to secure energy supply in Spain.

However, despite the positive results obtained by this business and its valuable contribution to the wellbeing of everyone, the outlook for the sector remains precarious. Europe has curtailed its refining capacity by more than 10% in the last decade, compounded by regulatory and fiscal uncertainty. The long-term profitability and competitiveness of these facilities will suffer if the endemic situation into which the European sector has been plunged is not corrected soon.

> “In 2022, our company prioritized the security of supply in Spain by increasing its hydrocarbon inventories by more than €2,000 million.”

Notable progress toward our strategic objectives

The best tools for making it through this tumultuous period are our integrated business model and the 2021–2025 Strategic Plan, a roadmap focused on flexibility, efficiency and value creation that has allowed us to perform remarkably well so far. In 2022, we made further progress toward the objectives envisioned in the plan, by transforming the portfolio to decarbonize our activities, welcoming strategic partners, strengthening our balance sheet and increasing the dividend.

You will surely agree with me that we have taken hugely significant steps in relation to our dividend, such as the 11% increase in cash remuneration for 2023, allowing us to achieve our 2024 target under the Strategic Plan ahead of schedule. Notably, we have achieved our share buyback and redemption target three years ahead of schedule, with 200 million shares redeemed at the end of 2022, a target initially set for the entire 2021–2025 period. Both measures have helped to cement our status as one of the most attractive companies in the sector —and indeed on the IBEX-35 bluechip index— when it comes to shareholder remuneration, this being a target we set ourselves at the beginning of this strategic cycle. Our strong cash generation certainly helped in this regard and also paved the way for a significant reduction in net debt.

Our net profit for the year, at €4,251 million, allows us to partially offset the losses experienced in 2019 and 2020, when the global health pandemic hit us hard. Our businesses have performed remarkably well, while deepening their transformation and further boosting our multi-energy profile.

At this point I would like to highlight two milestones at our Upstream and Renewables divisions, which, with the incorporation of new strategic partners, have underscored the strength of their respective business models. Both operations demonstrate the value and worth of the roadmap for these divisions and, above all, reinforce our decarbonization strategy, based on the use of all technologies capable of reducing emissions, as well as the digitalization of our processes to improve decision-making and become more efficient.

Towards the decarbonization of our assets

A key objective under this strategy is the development of renewable energies. To become a global operator, in 2022 we increased our international presence by acquiring Asterion Energies, which has a significant portfolio of projects in Spain and Italy, and by starting up our first photovoltaic plant in the United States, among other operations. In Spain, we launched Solar360, a joint venture with Telefónica to enable the self-consumption of photovoltaic energy by individuals, neighborhood communities and businesses.

In the realm of mobility, our main commitment for bringing about an immediate reduction in emissions within the sector is advanced biofuels. These renewable fuels can be used in today's engines, making them essential in minimizing the carbon footprint across all transport sectors. The plant we are now building at our Cartagena refinery, the first in Spain, will start operating in late 2023 and will produce 250,000 metric tons of these fuels per year from organic waste.

This circular economy project is the best example of the industrial transformation going on at Repsol, which is turning its facilities into multi-energy hubs capable of treating all manner of raw materials to manufacture more sustainable products. One of the main drivers of this process will be renewable hydrogen, the production of which we want to lead in Spain by 2030. To succeed, we have created Shyne (Spanish Hydrogen Network), the largest consortium for this sustainable gas, and we will also be launching several key projects in and around our industrial centers.

All these initiatives show that Repsol will continue to invest in the transformation of its industry, which will ultimately boost the Spanish economy and protect jobs within the sector. We are therefore firmly committed to a strategy based on the sustainable development of society, in which the 17 goals of the UN Agenda 2030 are fully integrated. In addition, in our daily running of the business we have pledged to respect the 10 Principles of the Global Compact on human rights, labor standards, anti-corruption and the environment, as evidenced by our adherence to the CEO Water Mandate last year, which will lead to further improvements in water management at our facilities.

> "Repsol will continue to invest in the transformation of its industry, which will ultimately boost the Spanish economy and protect jobs within the sector."

Aside from these initiatives, I would be remiss not to mention the signing of the new Framework Agreement, governing key labor aspects such as wage increases and new teleworking arrangements. The commitment shown by our employees to this project and the support of our shareholders have been essential to achieving our objectives and pursuing our decarbonization strategy, which will ultimately allow us to become a net zero emissions company by 2050.

To all of you, my most sincere appreciation and gratitude.

Josu Jon Imaz
Chief Executive Officer

Contents

Very good results, albeit not the best we have ever achieved and also not enough to fully recoup, together with our results in 2021, the losses sustained in 2019 and 2020.

- The good results are a product of the investment in previous years and the sound management of the businesses geared toward efficiency and transformation.
- Regulatory pressure and future uncertainty due to developments in the energy crisis, and the economic situation.

Commitment to customers, employees and shareholders

- Optimization of industrial facilities to ensure supply in Spain.
- Leading the way in discounts to cushion the impact of rising prices (Service Stations in Spain).
- Improving the value proposition for employees (Framework Agreement).
- Improving shareholder remuneration.
- More than 17,000 million paid in taxes.

1. 2022 Overview

Complex international context

While still in the recovery phase from the COVID-19 crisis, 2022 was affected by the global tensions caused by the war in Ukraine. Disruptions in supply chains, increased energy prices and, in general, a worsening of inflationary processes, as well as the tightening of financial conditions and the announcement of government policies to deal with this situation, have progressively marked the period, which ends with concern about developments in the energy crisis will in Europe and the economic situation in general.

In this context of volatility and uncertainty about the future, the demand for our products increased during the year following a relaxation of the mobility restrictions imposed due to the pandemic, and the international reference prices of a large proportion of our products have risen. ● *For more information, see section 3. Environment*

Improved results and financial position

In 2022, we posted a profit of €4,251 million, a good result, for sure, but it is neither the best in our history nor is it yet sufficient, together with the profit reported a year earlier, to recoup the losses reported in 2019 and 2020. These strong earnings are not the result of chance but the product of a successful strategy and management focused on efficiency and business transformation.

In particular, the significant investments made in past years in the refining industrial complexes in Spain (when many of our international competitors reduced their capacity) have allowed us now to increase and optimize the use of our facilities in response to supply tensions in the international fuel market. In addition to this, the sound management of our portfolio of international oil and gas production assets, which we initiated in the previous context of very low prices, has allowed us to improve our profitability during the new cycle.

Results for the period

(Millions of euros)	2022	2021	Δ
Upstream	3,029	1,687	80%
Industrial	3,150	606	420%
Commercial and Renewables	540	542	—%
Corporate and others	(58)	(381)	85%
Adjusted net income	**6,661**	**2,454**	**171%**
Inventory effect	75	797	(91%)
Special items	(2,485)	(752)	(230%)
Net income	**4,251**	**2,499**	**70%**

Adjusted net income, which reflects the ordinary performance of the businesses, came to €6,661 million in 2022 (€2,454 in 2021), with Upstream and Industrial turning in notable performances.

The strong results at Upstream (€3,029 million) were driven by the rise in crude and gas prices. In the Industrial segment, the better results (€3,150 million) are explained by the increase in margins and production at the Refining businesses, offset by the drop in margins and demand at Chemicals.

At *Commercial and Renewables* (€540 million), in line with 2021, the decline in margins in the Service Stations business in Spain, owing to the discounts applied by Repsol on the retail selling price of fuels (more than €500 million additional discounts throughout 2022), was compensated by the increase in sale volumes following the lifting of restrictions during the pandemic and by better results at the low-carbon electricity generation businesses driven by increased production and high electricity prices.

The ***Inventory effect*** (€75 million), which shows the impact of crude prices on our inventories, was not significant during the period, as the increase in the first half of the year was neutralized by the decline seen in the second half.

Our businesses seize opportunities in a challenging environment	Industrial transformation and push toward decarbonization
• Increased utilization of refining facilities. • Increased sales at the commercial businesses. • Significant growth in digital customers. • Increase in the number of electricity and gas customers. • Increase in low-carbon electricity generation.	• New partners to bring out the value of the Upstream segment and achieve growth in Renewables. • New projects and commitment to Hydrogen to transform and guarantee the future sustainability of our industrial businesses. • Shareholders approve the climate change strategy.

Lastly, ***Special items*** (€-2,485 million) comprise mainly the impairment recognized at the refineries in Spain due to the tougher regulatory and fiscal framework in Europe and its impact on the profitability and competitiveness of our facilities, which, as envisioned in the strategic plan, must undergo a profound industrial transformation to guarantee their future sustainability in the context of energy transition.

As a result ***net income*** obtained in the period came to €4,251 million (€2,499 million in 2021).

This net income includes a corporate income tax expense of €3,447 million (effective rate of 44%). The Group's tax contribution was the highest in its history, with a total payment in 2022 of €17,002 million in tax, with €11,923 paid in Spain (70%).

The increase in ***EBITDA*** (€13,813 million) allowed Repsol to obtain a high ***cash flow from operations*** (€8,923 million), despite the increase in working capital (€-1,871 million), impacted by the higher prices and volumes of inventories and an increase in tax payments. ***Free cash flow***, which includes investments made during the period, amounted to €5,211 million. This improvement allowed us to significantly reduce ***net debt***, which came to €2,256 million (leverage ratio of 8.0%), and increase ***liquidity*** (€12,014 million).

This solid financial position has been endorsed by rating agencies, with both Standard & Poor's and Moody's upgrading Repsol's long-term rating by one notch, with a stable outlook.

In 2022, the ***share price*** recovered significantly (+42%) and the ***shareholder remuneration*** amounted to €0.63 per share, 7% higher than in 2021. In addition, capital reductions through the redemption of a total of 200 million treasury shares improved earnings per share. ● *For more information, see section 4. Financial performance and shareholder remuneration*

Business performance and transformation

Repsol continued its process of transformation in 2022. Key company actions in 2022 included the process of making business management more efficient and agile in order to adapt to the new situation in the markets, the incorporation of new technologies and the digitalization of operations, as well as the drive to build new businesses and transform traditional ones to achieve the decarbonization objectives and align with the energy transition environment.

At ***Upstream***, the agreement to sell 25% of the stake in the entire Upstream business to EIG Global Energy Partners (EIG) was a particular highlight. This not only unlocks the value of the segment but will allow us to advance in fulfilling key objectives of the Strategic Plan. Asset portfolios were dynamically managed during the period to prioritize value over volume and to focus on strategic assets and on countries that offer competitive advantages; thus, the withdrawal from certain countries (Russia, Vietnam, Malaysia, Ecuador and Greece) and the sale of significant assets in Canada (Chauvin, Duvernay and Montney) were completed, while progress was made in the development of key projects in the United States (Alaska, Marcellus, Eagle Ford and Gulf of Mexico), Brazil, Trinidad, Colombia and Norway.

At ***Industrial***, Refining adjusted its production, logistics and commercial schemes to respond to the new environment, characterized by a recovery in demand and in margins. The Chemicals businesses maintained an efficient operation without any significant operating incidents, although their activity was notably affected by lower demand, especially in the second half of the year. The Group also continued to focus heavily on innovation and digitalization, approving significant investments and industrial projects (renewable hydrogen, circular economy and differentiated materials, and production of advanced biofuels) to demonstrate how decarbonization, approached from a technology-neutral perspective, can guarantee the future and profitability of our industrial complexes.

At ***Commercial***, highlights included an increase in sales of fuels in the Mobility businesses in Spain and in Aviation following the lifting of mobility restrictions, as well as the necessary adaptation to the current context of high prices in the electricity and gas retail businesses. Repsol showed its commitment to its customers by being the first operator in Spain to establish voluntary discounts at gas stations, lowering its margins to alleviate the impact on consumers of the rise in fuel prices. The customer-focused business strategy was driven by growth in the Waylet payment app (reaching 5.5 million users) and an increase in electricity and gas customers (climbing to 1.5 million customers).

At ***Renewables***, Repsol's objectives for building this business were reinforced by the completion of the sale of a 25% stake to Crédit Agricole Assurances and funds managed by Energy Infrastructure Partners (EIP); with a commitment to invest 6 GW by 2025 and 20 GW by 2030, which includes entering new markets and incorporating complementary technologies, such as offshore wind power and battery storage. Meanwhile, the asset rotation strategy continued throughout the period, to bring in new investors on various projects, including The Renewable Infrastructures Group (TRIG) and Pontegadea Group. The company also continued to bring projects into operation in Spain and the United States and to add new projects to the portfolio under development. In December, an agreement was reached to acquire 100% of Asterion Energies, which manages a portfolio of renewable assets of 7,700 MW in Spain, Italy and France.

Repsol made ***further progress in decarbonization*** toward achieving the goal of net zero emissions by 2050. The final phase of construction at the Cartagena refinery of the first advanced biofuels plant in Spain began in March, and a stake was acquired in the Canadian company Enerkem, a world leader in the production of renewable fuels and chemical products through gasification of non-recyclable waste. Repsol has continued to develop its renewable hydrogen strategy by participating in the Regionals Valleys where it has significant activity (Coruña, Castilla-La Mancha, the Basque Country, Murcia and Catalonia) and by leading the consortium SHYNE (Spanish Hydrogen Network), which comprises 35 entities from different sectors. It should also be noted that, in addition to production projects for industrial and mobility use, Repsol promotes alliances such as the one recently agreed with Navantia for the installation of an hydrogen electrolyzer plant at its shipyards. ● *For more information, see section 5. Performance of our businesses and 6.3 Technology and innovation.*

In the calls for expressions of interest for ***Next Generation European funds*** launched by the Government of Spain, in 2022 Repsol presented a portfolio of 34 projects that combine technology, decarbonization, digitalization and circular economy, the creation of quality jobs and territorial balance, for an initial associated investment of €6,000 million. In 2022, Repsol submitted 325 dossiers under the European Union's recovery and resilience funds, securing €38 million in grants.

Sustainability

The 2022 General Shareholders' Meeting of Repsol, S.A. approved the company's ***climate change strategy***. The Carbon Intensity Indicator (CII), which measures progress towards our decarbonization target, reached 70.3 g/CO2e/MJ (down 10% on the base year of 2016; target of -15% by 2025). ● *For more information, see section 6.1. Energy transition and Climate change.*

The Company has agreed upon the "***Framework Agreement"*** with the workers' representatives, which will remain in force until the end of 2024. The agreement governs important aspects such as wage increases and new teleworking arrangements, thus, improving the value proposition for employees in a context of high uncertainty. ● *For more information, see section 6.5. People.*

Regrettably, the following ***safety-related*** events took place during the year. In January, during the unloading of crude oil in Ventanilla, Peru, an uncontrolled movement of the vessel Mare Doricum caused an oil spill at sea, giving rise to one of the worst events experienced by the company during its nearly 30 years operating in this country. The origin of the accident is still under investigation and Repsol does not believe it was at fault, though the company has brought all of its financial, technological and human resources to bear in remediating the effects of the spill in the shortest possible time; at of the date of this report, it has completed the first response cleanup actions in the affected areas and the Rehabilitation Plans are being drawn up. ● *For more information, see section 6.6.3 Spill management.*

Moreover, during 2022, several incidents took place in the Industrial Complexes, as a result of which three people died (all of them contractor personnel).● *For more information, see section 6.6.1 Safety management system.*

Key figures and indicators

Financial indicators[1][2]	2022	2021
Results		
EBITDA	13,813	8,170
Operating income	10,648	4,372
Adjusted net income	6,661	2,454
Net income	4,251	2,499
Earnings per share (€/share)	2.96	1.64
ROACE (%)	14.2	8.2
Cash and liquidity		
Cash flow from operations	8,923	5,453
Free cash flow	5,211	2,839
Cash generation	3,228	1,293
Liquidity	12,014	10,606
Investment	4,182	2,994
Available capital and debt		
Capital employed (CE)	28,229	28,556
Net debt (ND)	2,256	5,762
ND / CE (%)	8.0	20.2
Shareholder remuneration		
Shareholder remuneration (€/share)	0.630	0.588
Taxes paid (€ million)	17,002	11,454

Sustainability indicators[3]	2022	2021
People		
No. of employees	23,810	24,134
New employees	4,540	2,982
Total turnover rate (%)	21	17
Investment in training (€ million)	12.1	8.4
Safety		
Tier 1 process safety events	3	3
Tier 2 process safety events	11	6
Total Recordable Injury Rate (TRIR)	1.59	0.89
Environment		
Carbon Intensity Indicator (gCO2e/MJ)	70.3	73.9
Direct (Scope 1) CO2e emissions (Mt)	15.7	19.4
Annual CO2e emissions reduction (Mt)	0.34	0.56
No. of spills [4]	24	11

Stock market indicators	2022	2021
Share price at year-end (€/share)	14.85	10.44
Average share price (€/share)	12.97	10.20
Market capitalization at year-end (million €)	19,712	15,940

Our business performance[1]	2022	2021
Upstream		
Proven reserves [5] (Mboe)	1,909	1,916
Proven reserves replacement ratio (%)	97	130
Liquids production (kbbl/d)	185	206
Gas production (kboe/d)	365	366
Hydrocarbon production (kboe/d)	550	572
Crude oil realization price ($/bbl)	90.0	62.7
Gas realization price ($/bep)	7.4	4.6
EBITDA	7,485	4,429
Adjusted net income	3,029	1,687
Cash flow from operations	5,706	3,355
Investments	2,127	1,223
Industrial		
Refining capacity (kbbl/d)	1,013	1,013
Crude oil processed (Mt)	42.1	38.2
Conversion utilization Spanish refinery (%)	95.2	83.4
Distillation utilization Spanish refinery (%)	86.1	76.0
Refining margin indicator in Spain ($/Bbl)	15.6	2.4
Sales of petrochemical products (kt)	2,451	2,819
EBITDA	5,223	2,654
Adjusted net income	3,150	606
Cash flow from operations	2,639	1,031
Investments	1,025	859
Commercial and Renewables		
Service stations (No.) [6]	4,651	4,689
Marketing sales in Spain of diesel and gasoline (km^3) [7]	25,510	21,091
LPG sales (kt)	1,207	1,266
Electricity generation (GWh)	8,734	5,283
Electricity generation capacity in operation (MW)	3,870	3,738
Electricity commercialization (GWh)	4,278	3,964
EBITDA	1,248	1,219
Adjusted net income	540	542
Cash flow from operations	770	1,288
Investments	925	829

Macroeconomic environment	2022	2021
Brent ($/bbl) average	101.3	70.9
WTI ($/bbl) average	94.3	68.1
Henry Hub ($/MBtu) average	6.6	3.9
Electricity Pool – OMIE (€/MWh) [8]	167.7	111.4
Exchange rate (€/$) average	1.05	1.18
CO2 (€/Tn)	81.3	53.3

(1) In millions of euros, where applicable.
(2) For more information, see section 4. and Appendix II. Alternative performance measures.
(3) Figures and indicators calculated in accordance with the Group's management policies and guidelines. For more information, see section 5. of the 2022 Integrated Management Report.
(4) Number of hydrocarbon spills exceeding 1 bbl to have reached the environment. In 2022, it includes the oil spill at Multiboyas Terminal No. 2 of the Pampilla refinery; see sections 4.2 and 5.
(5) To estimate proved and unproved oil and gas reserves, Repsol relies on the criteria established by the "SPE/WPC/AAPG/SPEE/SEG/SPWLA/EAGE Petroleum Resources Management System", commonly referred to by its acronym of SPE-PRMS (SPE standing for Society of Petroleum Engineers).
(6) The number of service stations includes those controlled and licensed.
(7) Own marketing sales in Spain are those marketed through controlled and licensed Service Stations and the Direct Sales business unit.
(8) Iberian Energy Market Operator.

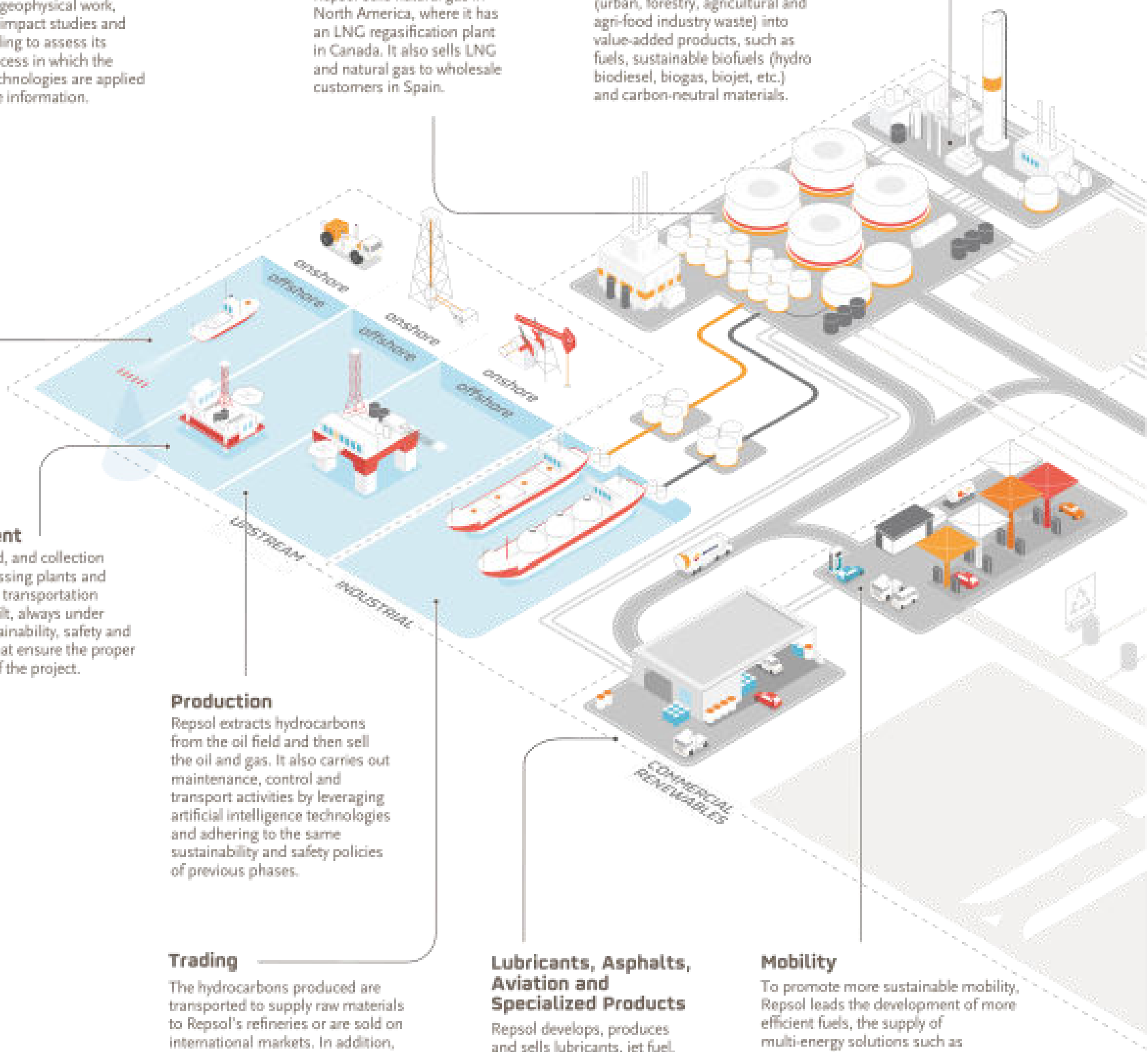
2. Our Company

2.1 Value chain and businesses

Exploration
Following the acquisition of new mining acreage, 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 analyzing the 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.

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 (hydro biodiesel, biogas, biojet, etc.) and carbon-neutral materials.



Development
Wells are drilled, and collection systems, processing plants and evacuation and transportation systems are built, always under policies of sustainability, safety and transparency that ensure the proper development of the project.

Production
Repsol extracts hydrocarbons from the oil field and then sell the oil and gas. It also carries out maintenance, control and transport activities by leveraging artificial intelligence technologies and adhering to the same sustainability and safety policies of previous phases.

Trading
The hydrocarbons produced are transported to supply raw materials to Repsol's refineries or are sold on international markets. In addition, surplus production from our industrial complexes that is not consumed in the domestic market is exported.

Lubricants, Asphalts, Aviation and Specialized Products
Repsol develops, produces and sells lubricants, jet fuel, asphalt bitumen and oil-based specialized products in more than 90 countries.

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

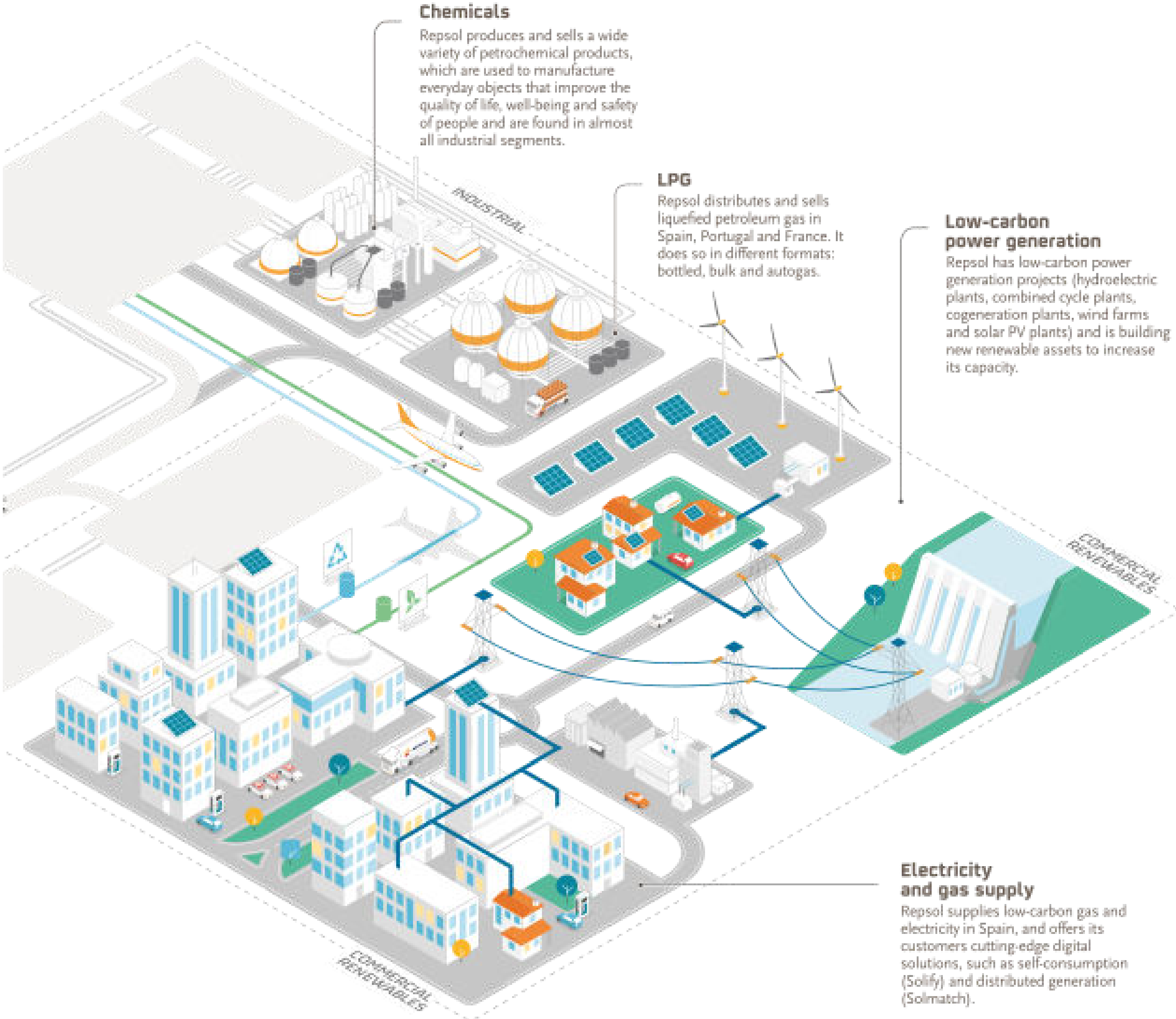
Capital employed
million
€28,229

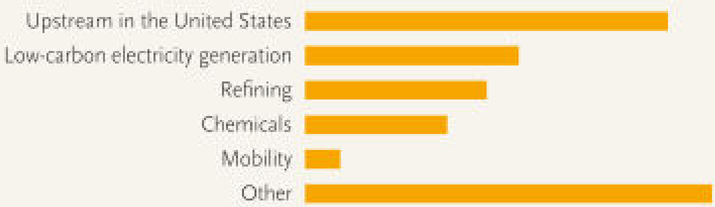
Value chain and businesses

Repsol's activities are structured into three business segments:

- *Exploration and Production (Upstream/E&P):* activities for the exploration, development and production of crude oil and natural gas reserves;
- *Industrial:* mainly activities related to (i) refining, (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 businesses involved in (i) low-carbon power generation and renewable sources, (ii) sale of electricity and gas, (iii) mobility and sale of oil products, and (iv) LPG.

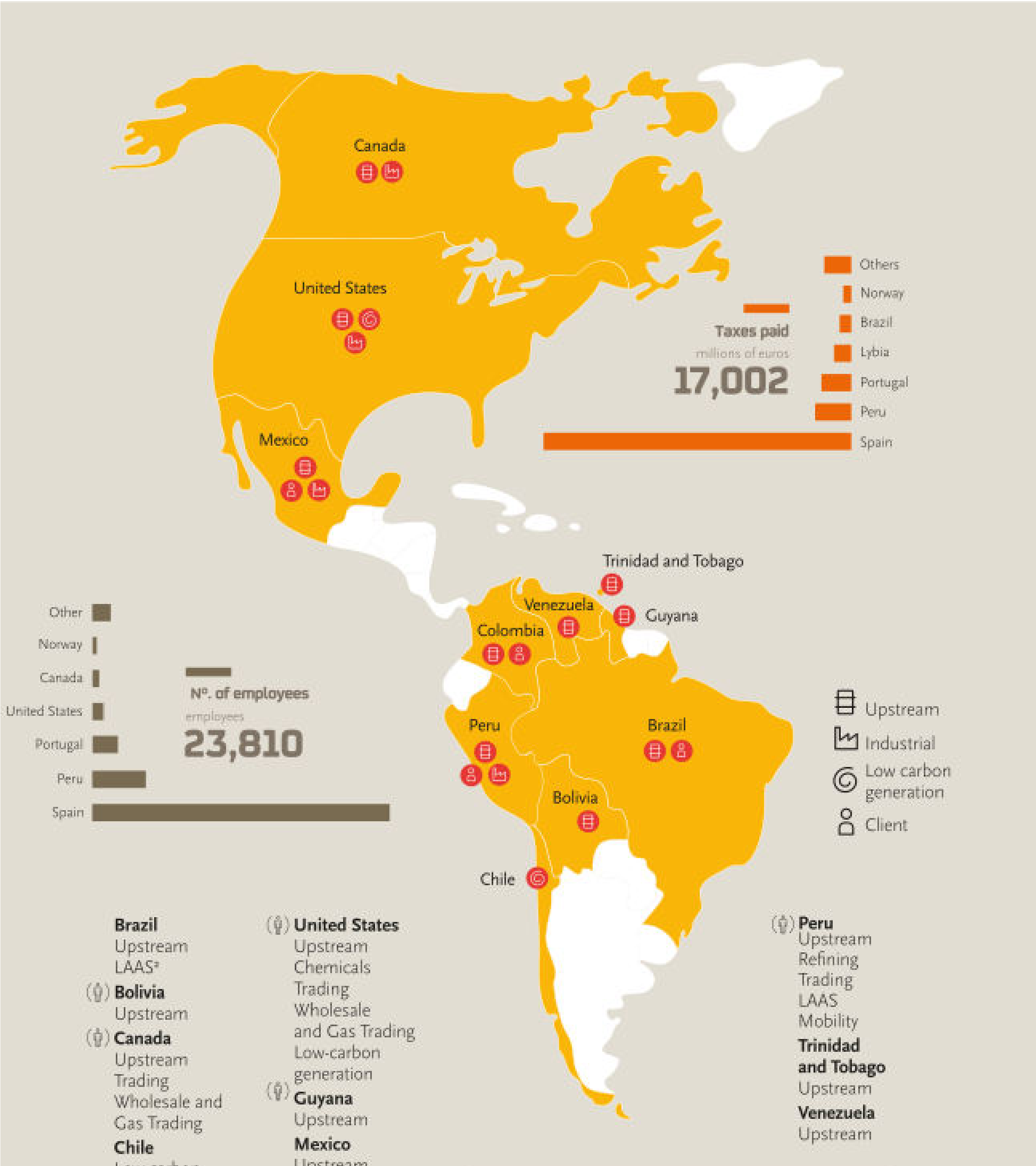
For more information on business segments, *see section 5. Our businesses*.



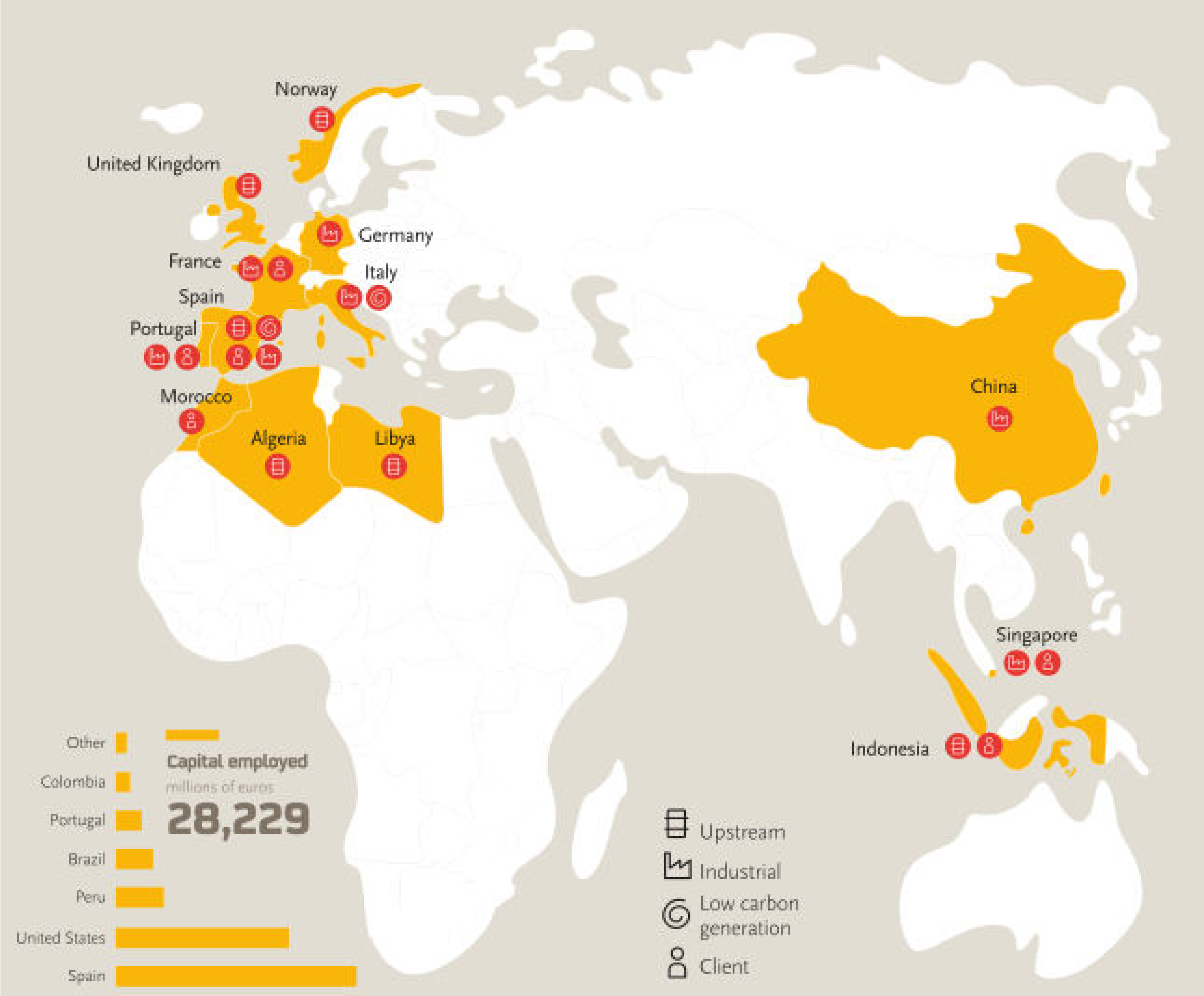


Investment
million
€4,182

2.2 Repsol around the world[1]



1. The data included in this map reflect Repsol's presence in the world as of december 31, 2022 at the activity level.
2. LAAS: lubricants, aviation, asphalts and specialized products.
Presence of indigenouscommunities in areas ofactivity.



Spain
Refining
Chemicals
Trading
Wholesale and Gas Trading
LAAS[2]
Mobility
LPG
Retail Electricity and Gas
Lowcarbon generation
Geothermal (upstream)

Germany
Chemicals

Arlgeria
Upstream

Australia[3]
Upstream

China
Chemicals

France
Chemicals
LAAS
LPG

Indonesia
Upstream
LAAS

Irak[3]
Upstream

Italy
Chemicals
Low carbon generation

Libya
Upstream

Morocco
LAAS

Norway
Upstream

Portugal
Chemicals
Wholesale and Gas Trading
LAAS
Mobility
LPG
Retail Electricity and Gas

United Kingdom
Upstream

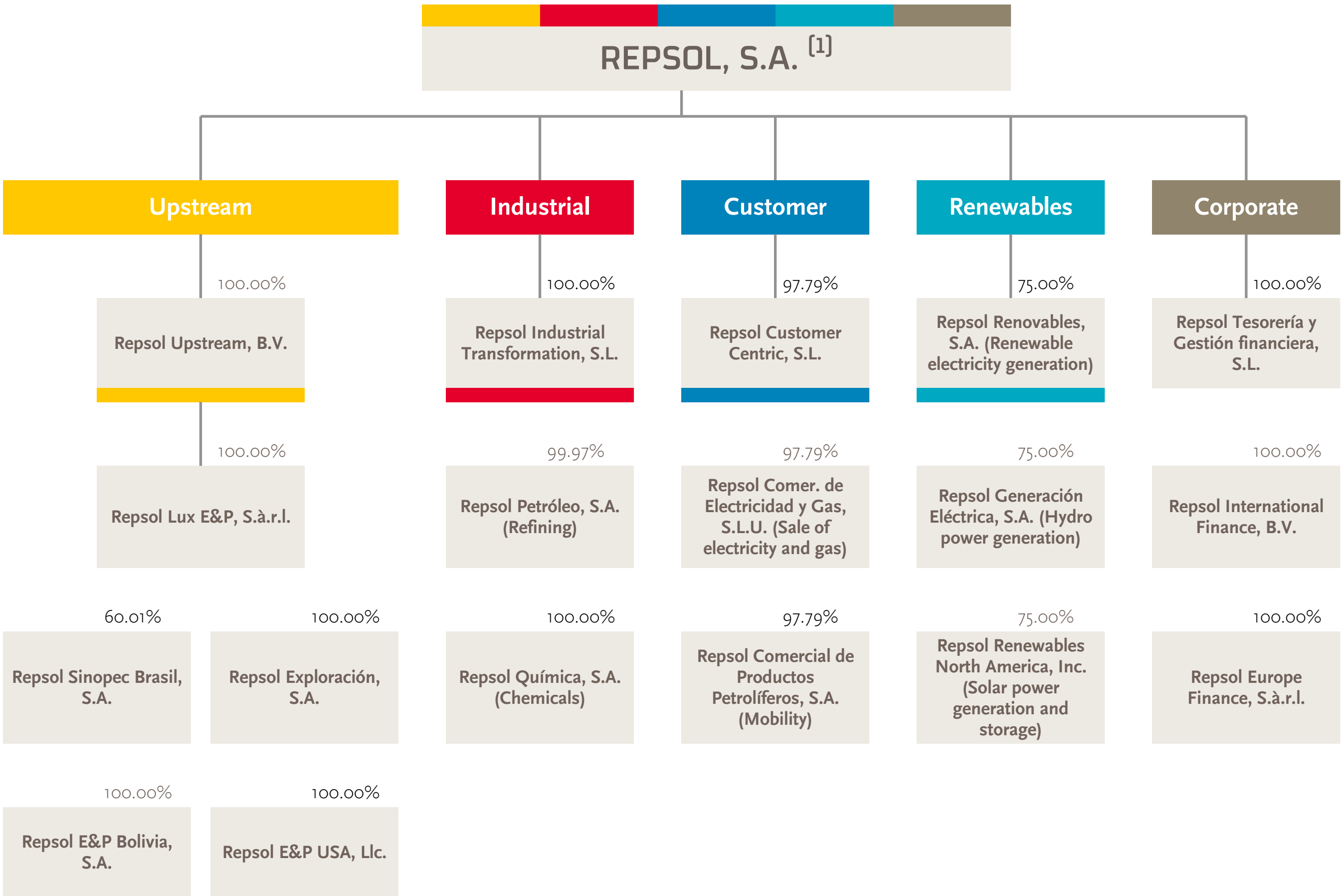
Singapore
Trading
LAAS

1.The data included in this map reflect Repsol's presence in the world as of december 31, 2022 at the activity level.
2. LAAS: lubricants, aviation, asphalts and specialized products.
3. Pending official ratification
Presence of indigenous communities in areas of activity.

2.3 Corporate structure

The Repsol Group, whose parent company is Repsol, S.A., is made up of more than 300 companies across more than 36 countries[1].

The **corporate structure** of the Repsol Group is shown below, in the form of the main companies making up the Group:



(1) Corporate organization chart as December 31, 2022. Percentages are total Group holdings.

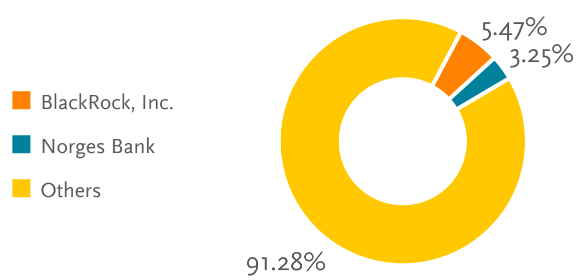
● *For more information, see Appendix II to the consolidated Financial Statements.*

2.4 Corporate Governance

Repsol's system of corporate governance, which was established in accordance with best national and international practice 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 structure (latest available information)



[1] For more information, see Appendix II to the consolidated financial statements.

Corporate Governance

Shareholder Annual Meeting

Board of Directors [1]

C
Antonio Brufau Niubó
Chair- Non-Executive Director

Josu Jon Imaz
Chief Executive Officer - Executive

J.Robinson West
Independent Director

C
Mariano Marzo Carpio
Lead Independent Director

Isabel Torremocha Ferrezuelo
Independent Director

C C
Aurora Catá Sala
Independent Director

Henri-Philippe Reichstull
Non-Executive Director

Arantza Estefanía Larrañaga
Independent Director

Ignacio Martín San Vicente
Independent Director

Carmina Ganyet i Cirera
Independent Director

Iván Martén Uliarte
Independent Director

C
Teresa García-Milá Lloveras
Independent Director

Manuel Manrique Cecilia
Independent Director

Emiliano López Achurra
Non-Executive Director

Independent
66.7%

Executive
6.7%

Other non-executive
26.7%

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

Audit and Control Committee | Remuneration Committee | Delegate Committee | Sustainability Committee | Nomination Committee

1. Composition at date of preparing this document. For more information, see section A.3 of the Annual Corporate Governance Report.
2. C stands for Chair of the Committee.

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 2022 consolidated Financial Statements.

2.5 Strategy

In December 2019, Repsol was the first company in the sector to announce its commitment to become a net zero emissions company by 2050, which represented the start of its strategic reorientation. ● *For more information, see section 6.1 Energy transition and climate change.*

The Strategic Plan 2021-2025 (SP 21-25 or the Plan) pursues the Company's transformation and sets the tone for accelerating the energy transition, following a cost-effective , realistic path and ensuring profitability, future success and maximum value for shareholders.

The Plan envisions two distinct periods: the first (2021-2022) is focused on ensuring financial robustness by prioritizing efficiency, investment reduction and capital optimization, while undertaking 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. ● *For more information, see www.repsol.com.*

In 2021, new objectives were announced aimed at accelerating the transformation and decarbonization of businesses with a new ***decarbonization roadmap*** for achieving carbon neutrality by 2050, increasing the previous ambition presented in the Strategic Plan, so that the carbon intensity indicator is reduced by 15% in 2025, 28% in 2030 and 55% in 2040, compared to what was planned previously: 12%, 25% and 50%, respectively.

In 2022, Repsol promoted its transformation into a multi-energy company, reinforcing its leadership in the energy transition and accelerating compliance with the key objectives of the 2021-2025 Strategic Plan through three strategic agreements:

- In September, an agreement was reached for the **sale of 25% of Repsol's hydrocarbon Upstream** business to EIG (through its subsidiary Breakwater Energy Holdings S.A.R.L.) in exchange for $3,350 million (subject to the customary pricing adjustments for this kind of transaction). The agreement values the Upstream business at $19,000 million.

  The transaction demonstrates Repsol's ongoing commitment to generating shareholder value, crystallizing the implicit value of its Upstream business. It strengthens the investment capacity of its energy transition strategy, with a less leveraged position that allows greater investment in decarbonization initiatives.

  The agreement envisions a potential stock market launch of this business, foreseeably in the United States, as of 2026, provided that the market conditions are favorable.

  The transaction is expected to be completed in the first quarter of the year, once the customary regulatory clearance has been secured and the corporate restructuring of Repsol's Upstream business is finalized.

- In September, the **sale of 25% of Repsol Renovables** to the consortium formed by the French insurer Crédit Agricole Assurances and funds managed by Energy Infrastructure Partners (EIP) was completed, generating cash of €986 million for the Group**.** Under the deal, the Repsol Renovables business is valued at €4,383 million[2]. The transaction demonstrates the strength of Repsol's business and growth model, which was created just over three years ago. ● *For more information on this transaction, see Note 6.5 of the 2022 consolidated financial statements.*

- In December, an agreement was reached to **purchase Asterion Energies**, a development platform that manages a portfolio of 7,700 MW of renewable assets in Spain, Italy and France, in exchange for €560 million.

  Asterion Energies' asset portfolio includes 4,900 MW of solar photovoltaic generation and 2,800 MW of wind generation, of which 2,500 MW are in an advanced stage of development or under construction. In addition, Asterion Energies has a team of experts dedicated to the development of renewable and storage projects, which will be incorporated into Repsol's ambitious growth project in this business.

  At the date of preparing this report, the transaction is subject to the customary regulatory approvals and is expected to be closed shortly.

The incorporation of partners at Repsol Renovables and the purchase of new renewable generation assets reinforces the commitment to investment for the growth of this business, in line with the ambitious objectives of the Plan to reach 6 GW of installed renewable generation capacity by 2025 and 20 GW by 2030, to enter into new markets and to incorporate complementary technologies, such as offshore wind power and storage.

Additionally, Repsol continues to make progress in fulfilling its strategic commitments, such as accelerating on the path of shareholder remuneration, having completed in just two years the repurchase of the two hundred million shares provided for in the Plan for the entire 21-25 period. ● *For more information, see section 7.2 Outlook for our businesses.*

[2] Considers the business value after divestment of 49% of Delta's stake.

3. Environment

+ 43 %
Increase in the average Brent price in 2022

+ 73 %
Increase in the average Henry Hub price in 2022

168 €/MWh
Electricity pool average in 2022

81 €/t
Average CO_2 price in 2022

High crude and gas prices

Economic growth slowed by the war

Stronger dollar

Rising interest rates

3.1 Macroeconomic environment

Russia's invasion of Ukraine

In 2021, the progress made in vaccination allowed the economic recovery to take hold (adjusting its speed as new strains appeared) and allayed fears of significant structural damage.

However, following Russia's invasion of Ukraine on February 24, 2022, economies around the world were significantly affected by the imposition of trade sanctions targeting Russian individuals, companies and institutions, triggering a significant reduction in trade between the West and Russia, pushing up prices in global markets for commodities such as oil, natural gas and wheat, and causing inflationary pressures, bottlenecks in the supply chain and volatility in the financial and commodity markets. ●*For more information on the risks and uncertainty arising from the war, see section 7.5 Russia's invasion of Ukraine.*

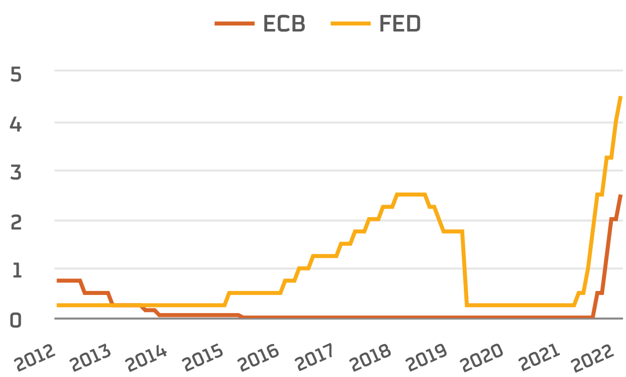
Recent economic trends

The global economy had finished 2021 showing high growth (world GDP grew by 6.0% in the year as a whole), in a context of recovery after the enormous shock caused by the COVID-19 pandemic.

But the economic environment has had to face serious and new challenges since the beginning of 2022, marked by the confluence of three adverse forces: i) greater geopolitical tensions and rising raw material prices, both as a result of the war in Ukraine; ii) the slowdown in China due to a real estate crisis and closures of companies and factories under the "zero COVID" policy; iii) higher inflation, aggravated by the two previous factors, causing a cost-of-living crisis (as income and spending in real terms contract) and a strong response from central banks, which have rapidly tightened financial conditions in a synchronized manner, accompanied by an appreciation of the dollar. This last factor is especially unfavorable to the growth of emerging countries, since a stronger dollar pushes up import prices and leads to a higher cost of servicing their hard-currency-denominated debt.

Monetary policy is being tightened much more firmly than expected at the beginning of the year. Indeed, the US Federal Reserve, which began the tightening cycle in March when it raised reference rates from 0% to 0.25%, finally brought rates up to 4.25% at the end of the year. Meanwhile, the European Central Bank (ECB) abandoned its negative policy rates in July and ended the year with reference rates at 2.5%.

Trend in ECB and Fed interest rates

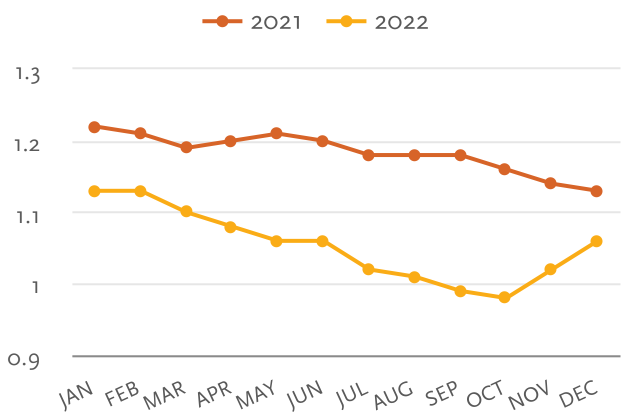


Source: Bloomberg and Repsol Research Department.

According to the latest forecasts of the International Monetary Fund (IMF, World Economic Outlook January 2023), growth of 3.4% is expected in 2022 and 2.9% in 2023, but these forecasts appear overly optimistic and the risks to growth are skewed to the downside.

Regarding the exchange rate, the environment of high uncertainty and high liquidity needs in the first months of the pandemic intensified appreciation of the dollar, which reached levels of 1.078 dollars/euro at the beginning of April 2020. However, subsequently the dollar tended to depreciate, especially against the euro, falling to levels of 1.22 dollars/euro at the beginning of 2021. This was because the reduction in risk aversion meant that the interest rate differential and the fundamentals became more significant when determining the exchange rate. But, starting in the last quarter of 2021, better progress in the United States' economic recovery, together with greater upward risks in inflation, led to a new appreciation of the dollar against the euro, which was intensified by greater speed and decision in the Fed's monetary tightening. The price reached 0.96 dollars/euro at the end of September, but more recently this trend has reversed somewhat, returning to a level of 1.06 dollars/euro in December. The average for 2022 was 1.05 dollars/euro.

EUR/USD exchange rate performance (monthly averages)



Source: Bloomberg and Repsol Research Department.

• *For more information, see section 7.1 Outlook for the energy sector*

3.2 Energy landscape

Crude oil – Brent

Benchmark Brent crude oil went from trading at around 75 $/bbl at the end of 2021 to reach levels of 139 $/bbl in March. On February 23, one day before Russia invaded Ukraine, the Brent price was 96.8 $/bbl. After the invasion, prices skyrocketed, the Brent barrel increasing by more than 20% in ten days and reaching levels not seen since 2008.

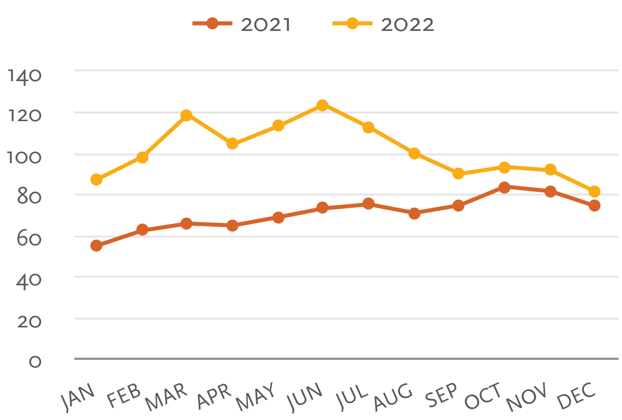
In 2022, the price of a barrel of Brent crude averaged 101.3 $/bbl, almost 40% more than in 2021, although prices fell significantly in the second half of the year. The war in Ukraine has been a determining factor in prices, because of the direct sanctions imposed by some governments on importing Russian oil, and because of self-imposed embargoes by companies that previously imported crude oil and oil products from Russia. But the war was not the only factor to explain the rise in prices: the advances made last year in the vaccination processes and the progressive end of confinements had already supported economic development and mobility, resulting in increased demand for crude oil and oil products.
Additionally, this solid demand for oil met with a short-term supply controlled by the OPEC+ group, and determined in the medium/long term by low investment in recent years. The result was a tight balance in the oil markets, increased by indirect factors such as the sharp increase in natural gas prices at the end of 2021 , which had a positive effect on the demand for oil for use, instead of natural gas, in electricity generation.

In principle, the most obvious impact of the war in Ukraine on the oil markets has to do with shorter supply. To give an idea of the importance of Russia in global energy markets, note that it is the third largest oil producer in the world, after the United States and Saudi Arabia (in January 2022, it produced 11.3 mb/d of petroleum, 10 mbbl/d of crude, 0.96 mbbl/d of condensates and 0.34 mbbl/d of natural gas liquids) and the world's largest exporter of oil to global markets (in December 2021 , it exported 7.8 mbbl/d, comprising 5 mbbl/d (64%) of crude oil and condensates and 2.8 mbbl/d of oil products, mainly made up of 1.1 mbbl/d of diesel, 650 kbbl/d of fuel oil, 500 kbbl/d of naphtha and 280 kbbl/d of vacuum gasoil).

To reduce its dependency, the European Union imposed an embargo on the import of Russian crude oil by ship from December 5 and on the import of petroleum products as of February 5, 2023. The effect of this decision on prices is uncertain, although some analysts point to an environment of high prices in 2023. Any future sanctions in addition to those already implemented would create upside price risks.

The announcement of a 2 mb/d cut in production by the OPEC+ group adds even more uncertainty and volatility to the oil markets. The agreement provides for a reduction of 2 mb/d in its production from November 2022 to December 2023. However, it is estimated that the real and effective cut in the group's production will be in the range of 1 mb/d to 0.8 mb/d, as some members were already producing below their own quota. Nigeria and Angola stand out among the countries facing serious problems in increasing their production. In the first case, Nigeria's production has been affected by temporary problems, such as technical issues and interruptions, while Angola's production has been hampered by structural problems due to lack of investment and the decline of its most productive blocks. Regarding Russia, the general consensus points to a drop in its production in the range of 0.9 mb/d -1.4 mb/d in 2023. This would lead Saudi Arabia, Iraq and the United Arab Emirates (UAE) to bear the brunt of the cuts. Saudi Arabia could cut production by up to 520 kb/d, Iraq by 220 kb/d and the UAE by 160 kb/d.

Brent price performance (USD/bbl)

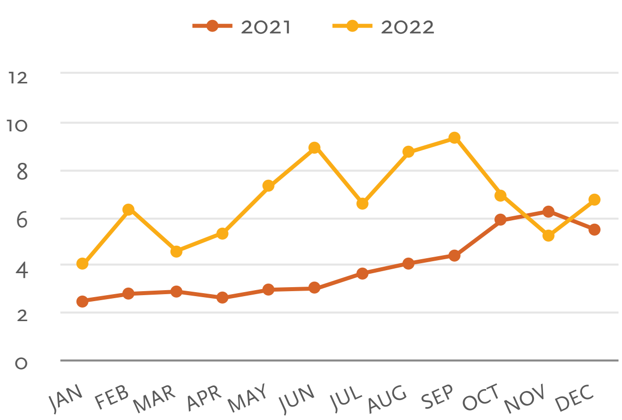


Source: Bloomberg and Repsol Research Department.

Natural Gas - Henry Hub (HH)

In 2022 the Henry Hub price of US natural gas averaged 6.6 $/MBtu, well above the price in 2021 (3.9 $/MBtu), and occasionally climbing above 9 $/MBtu, setting all-time highs for the year. This increase in the price of gas was largely down to the dynamics of the domestic market. Demand remained high due partly to the boost in consumption in the residential, commercial and power generation sectors, and partly to the high exports of LNG, which regularly exceeded 13 Bcf/d for much of the second quarter of 2022. On the supply side, the maintenance of high production levels, especially in the third quarter of 2022, with levels around 100 Bcf/d, together with the slowdown in exports from the Freeport LNG terminal, acted as brakes on further potential price increases in the last months of the year. The high production volumes allowed inventories to be filled rapidly, which also helped to contain prices.

Henry Hub price performance (USD/MBtu)



Source: Bloomberg and Repsol Research Department.

Additionally, the situation in the gas market after the outbreak of the war in Ukraine kept global market uncertainty and price volatility high. The need for gas in Europe and Asia secures the market niche for LNG coming from the United States, which should keep prices high in the short term.

Electricity prices

The average wholesale price of electricity in 2022 was 167.7 €/MWh, well above the 111.4 €/MWh for the same period in the previous year.This price would have to have added to it the adjustment applied to consumers in the market following implementation of the electricity price adjustment mechanism (known as the gas "cap"), which would give an effective average of close to 210 €/MWh.

This mechanism has caused combined-cycle plants to become more profitable. This means that some that were barely used before have been started up, boosting the consumption of gas for electricity generation despite its price. Meanwhile, the reduction in prices due to this mechanism has also caused a price differential with the French market. This has led to a shift in the direction of the interconnection, which has become a net exporter to France.

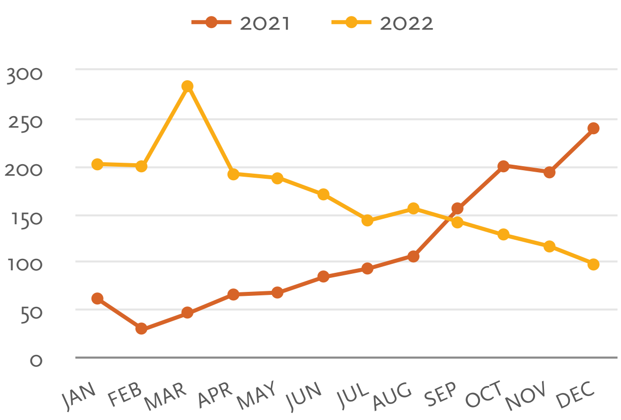
The increase in generation through combined cycle plants and exports was accompanied by notably lower hydro power generation in Spain during the period, due to the drought, and a sharp increase in photovoltaic generation (with changes of -45% and +33% respectively).

The lower operation of cogeneration plants is also very significant, affected at first by their being excluded for several months from the adjustment mechanism for consumers, meaning that their market share was absorbed by combined cycles, but also by lower industrial activity.

In the last few months of the year, a more favorable climate for renewables and somewhat more moderate gas prices allowed electricity prices to fall from the high figures reported in the summer, to a maximum hourly price of 700 €/MWh and a daily maximum of 545 €/MWh.

It should be noted that the increases in photovoltaic capacity implemented in recent months have not only led to new generation maximums being recorded, but have also to a change in the daily price profile, so that the lowest prices now occur in the early hours of the afternoon, instead of in the early morning, as was usual in the past.

Electricity Price Performance (€/MWh)



Source: Bloomberg and Repsol Research Department.

CO_2 emission allowances

The price of CO2 emission allowances fluctuated significantly during 2022, due to the ongoing war in Ukraine and the economic climate. This uncertainty has caused a spread of 30 €/t in prices, which averaged 81.3 €/t in 2022, well above the 53.3 €/t traded at in the same period of 2021.

Despite the fuel price situation and lower security of supply, the European Union has made it clear that decarbonization is a priority objective, and this has continued to support prices. In late 2022, the European Council, the Parliament and the Commission provisionally agreed to increase to 62% the emission reduction to be reached by 2030 in the sectors covered by this regime (adapting to the new target of reducing CO2 emissions by 55% in the European economy as a whole by 2030 compared to 1990 – Fit for 55). Another factor driving up emissions prices is the forecast of more coal-fired generation in countries that may have less gas supplied from Russia, especially Germany.

4. Financial performance and shareholder remuneration

4.1 Results

Million euros	2022	2021	Δ
Upstream	3,029	1,687	1,342
Industrial	3,150	606	2,544
Commercial and Renewables	540	542	(2)
Corporate and others	(58)	(381)	323
Adjusted net income	**6,661**	**2,454**	**4,207**
Inventory effect	75	797	(722)
Special items	(2,485)	(752)	(1,733)
Net income	**4,251**	**2,499**	**1,752**

The results for 2022 are affected by the ***complex*** geopolitical, macroeconomic and global energy context.

The improved results reflect the advantage taken of the opportunities offered by the current environment to some of our businesses (recovery in demand for fuels due to fewer restrictions on mobility, increase in crude oil and gas prices, improvement in the international refining margin), thanks to the company's strong industrial investment policy in previous years and its optimization of the international portfolio of oil and gas Upstream assets undertaken in the previous environment of very low prices.

Conversely, the discounts applied at service stations to mitigate the effects of the war and the tightening of future conditions for the activity of our businesses, notably increased regulatory and fiscal pressure, have had a negative impact on the results and prompted the recognition of impairment losses, mainly at the Refining Spain business.

Adjusted net income for the period amounted to €6,661 million, 171% higher than in the previous year, driven by the notable performance of the Refining and Trading businesses (high margins), Upstream (increased prices and efficiency measures deployed) and Renewables and Low Carbon Generation (high prices and higher production), and to a lesser extent, due to the positive impact of the treasury stock position and lower interest on the financial result.

With the inventory effect (€75 million) and special items (€-2,485 million, mainly impairment on Refining assets), **net income** amounted to €4,251 million.

Recovering prices at Upstream and margins at Industrial businesses, coupled with increased sales at the Commercial businesses, combined to push up **EBITDA** significantly in the period to €13,813 million (vs. €8,170 million in 2021).

EBITDA *(MIllion euros)*	2022	2021
Upstream	7,485	4,429
Industrial	5,223	2,654
Commercial and Renewables	1,248	1,219
Corporate and others	(143)	(132)
TOTAL	**13,813**	**8,170**

Upstream

Average production for the period was -4% down on 2021 (at 550 Kboe/d) and investment increased in both development and exploration. ● *For more information* on the activities in the segment, see section 5.1 Upstream

Adjusted net income at Upstream amounted to €3,029 million, up €1,342 million on 2021.

The improvement in results is explained by the positive impact of higher realization prices for crude oil (+44%) and gas(+61%), which significantly boosted the results obtained in the United States, Norway, Trinidad and Tobago, Libya, Brazil, the United Kingdom and Peru, and by the appreciation of the dollar.

These positive impacts were partially offset by:

- a lower volume of sales compared to the previous year. Aside from the natural decline of fields, in Libya there were interruptions (over safety concerns and maintenance requirements); divestment of assets (Canada and Algeria); and operational incidents (Brazil). All this, despite the increase in production in the United States (new wells and investments at Eagle Ford and Marcellus) and in Peru (less maintenance and fewer incidents than in 2021);
- higher taxes on production and hydrocarbon royalties, in line with the rise in prices; as well as higher income tax (effective rate of 47%; 45% in 2021), in line with the improvement in results;
- higher production costs due to, among others, the start-up of strategic projects (YME in Norway), new investments and wells in the United States (Marcellus and Eagle Ford), maintenance in the Gulf of Mexico (Shenzi), and the increased cost of transport (Brazil) and CO2 allowances (United Kingdom);
- increased expenses in exploration due to a more intense exploration campaign than in 2021, and optimization of the portfolio;

- increased depreciation due to the higher levels of investment (United States); and
- no further results reported for the countries in which Repsol sold its interests (Malaysia, Ecuador, Vietnam and Russia).

Investments (€2,127 million) was up on 2021 (+74%) due to an increase in drilling activity in the United States and the acquisition of new assets at Marcellus. Investment activity centered on assets in production and/or under development in the United States, Trinidad and Tobago, Norway, the United Kingdom and Brazil. Exploratory investment during the period centered on Gulf of Mexico (United States and Mexico), Indonesia, Guyana and Colombia.

Industrial

Adjusted net income amounted to €3,150 million in 2022, compared to €606 million in 2021. The main reasons for this change are as follows:

- The ***Refining*** businesses, which in the previous year obtained losses, improved their results by €2,806 million in an environment of very high international margins – impacted by the shortage of gasoil in Europe – and tensions along the supply chain that have increased sales in the domestic market. This improvement has been partially offset by higher costs for energy and CO2 allowances.
- At ***Chemicals***, the results were down by €490 million, mainly reflecting the drop in international margins (extraordinarily high in 2021, while in 2022 they were negatively impacted by higher naphtha prices and energy costs) and lower sales due to lower demand, mainly in the second half of the year.
- ***Trading and Wholesale and Gas Trading*** saw an improvement of €76 million in their results compared to the previous year, mainly at Trading (across almost all business lines, but notably in operations in the international crude oil, heavy crude and gasoil markets). Worse performance at Wholesale and Gas Trading amid high prices for natural gas and considerable market volatility.

Investment in 2022 amounted to €1,025 million, up 19% on 2021, mainly due to the purchase of 14% of the Canadian company Enerkem and an increase in investment in refineries. The investments were mainly in maintaining and improving levels of activity at industrial complexes and in starting up major decarbonization investments and projects.
● *For more information on the segment's activities, see section 5.2 Industrial*

Commercial and Renewables

Adjusted net income in 2022 came to €540 million, in line with that of 2021. The impact of the discounts applied at service stations in Spain was offset by the improvement at the other commercial businesses and at Renewables:

- Results at the ***Mobility*** businesses were down due to declining margins at service stations in Spain, a consequence of the more than €500 million in additional discounts applied to cushion the effects of the war. This negative impact was partially offset by the increase in volumes sold following the progressive easing of mobility restrictions and by the higher discounts.
- Earnings also improved at ***LPG***, driven by higher margins on price-regulated operations in Spain, despite lower volumes sold in bottled products (due to higher temperatures), offset by an increase in bulk sales to industry and the services sector.
- Earnings were up at ***Lubricants, Aviation, Asphalts and Specialized Products***, due to increased margins in Specialized Products, Lubricants and Asphalts and increased business volumes in Aviation.
- Slight improvement in results at ***Retail Electricity and Gas***, albeit negative in both periods due to higher commercial costs and the negative impact of high volatility in gas and electricity prices in the Spanish pool (see section 3.2), which was not passed on to customers. All of this was mitigated by the higher volumes sold, both of electricity and gas, and by the higher number of customers (+10.3%, exceeding 1.4 million).
- At ***Renewables and Low Carbon Generation***, earnings were higher than in 2021, due to the favorable price environment, increased production from combined cycles and the commissioning of new solar facilities in Spain and the United States.

Investments in 2022 totaled €925 million, mainly in the expansion of renewables in the United States (Frye Solar, Outpost and Jicarilla), and for the development and commissioning of new renewable facilities in Spain (Delta II and Sigma). They were up 12% on 2021, which included the acquisition of 40% of the US company Hecate Energy Group, LLC. and contributions for the development of projects in Chile (through the joint venture with Ibereólica).
●*For more information on the segment's activities, see section 5.3 Commercial and Renewables.*

Corporate and others

Earnings for 2022 amounted to €-58 million (vs. €-381 million in 2021). This change is largely down to an improved financial result, which was positively impacted by higher earnings from treasury stock positions and interest rates, lower interest on debt, and higher remuneration from investments due to the robust financial position (debt reduction of 61%) and high liquidity.

At Corporate, further efforts were made to reduce corporate costs, with results in line with those reported in 2021, while continuing to focus on digitalization and technology initiatives.

Net income

The following must be added to adjusted net income:

- The positive **inventory effect** of €75 million, compared with €797 million in 2021.The impact of the rise in the prices of crude oil and petroleum products in the first half of the year was almost completely countered by the negative price trend in the second half of the year.
- **Special items** in 2022 came to €-2,485 million, relating mainly to impairment at the Industrial businesses and, to a lesser extent, provisions for credit risk (Venezuela), taxes on extraordinary income in the United Kingdom and the spill in Peru, partially offset by the recognition of tax credits.

Special items (Million euros)	2022	2021
Divestments	84	13
Indemnities and workforce restructuring	(63)	(93)
Impairment of assets	(1,775)	(699)
Provisions and others[1]	(731)	27
TOTAL	**(2,485)**	**(752)**

(1) Includes mainly provisions for credit risk in Venezuela, legal, tax and environmental litigation, as well as extraordinary income tax in the United Kingdom.

Turning to asset impairment, the main instances of impairment related to certain Refining assets in Spain. Medium and long-term expectations have been downgraded as a result of the new European measures to accelerate the energy transition, the increase in taxes and the negative impact (beyond the short term) of market dynamics driven by the war. These new circumstances will affect the profitability and competitiveness of some facilities and have led to provisions being recognized for impairment and dismantling of those units that would be more difficult to adapt in response to an accelerated energy transition and decarbonization process. The impact on results was -€1,479 million (-€1,247 million after tax). *For more information on impairment, see Note 20 – Asset impairment to the 2022 consolidated financial statements.*

As a result of all the foregoing, the ***net income*** of the Group in 2022 was €4,251 million, compared to €2,499 million reported in 2021, with significant improvements in the profitability indicators:

Profitability indicators	2022	2021
ROACE- Return on average capital employed (%)	14.2	8.2
Earnings per share (€/share)	2.96	1.64

4.2 Cash generation

Cash flows *(Million euros)*	2022	2021
EBITDA	13,813	8,170
Changes in working capital	(1,871)	(1,371)
Income taxes received/(paid)	(2,607)	(1,014)
Other collections/(payments)	(442)	(369)
Dividends received	30	37
I. Cash flow from operations	**8,923**	**5,453**
Payments on investments	(4,392)	(2,868)
Proceeds from investments	680	254
II. Cash flow from investing activities	**(3,712)**	**(2,614)**
Free cash flow (I + II)	**5,211**	**2,839**
Dividends [1] and Operations with non-controlling interests [2]	128	(425)
Net interests and leases	(397)	(399)
Treasury shares	(1,714)	(722)
Cash generation	**3,228**	**1,293**

(1) Dividends include perpetual bond coupons (other equity instruments) and those corresponding to non-controlling interests.
(2) Highlights in 2022 included the sales of 25% of Repsol Renovables and 49% of the stakes held in the Valdesolar and Kappa solar facilities (highlights in 2021: the Sale of Delta I).

Cash flow from operations (€8,923 million) was much higher than the figure reported in 2021, due to a significant increase in EBITDA in almost all businesses except for Chemicals and Mobility. This positive impact was partially offset by the higher taxes paid (Upstream and Refining performance) and by the negative impact of the higher cost of inventories (prices and volumes) and the acquisition of CO2 allowances.

The increase in investments, compared to the previous year (+53%), resulted in lower **cash flow from investing activities** (€-3,712 million). Among the investments in 2022, those that stand out correspond to the Upstream segment (especially those made in the United States, including the disbursement for the acquisition of Rockdale in Marcellus) and to the Industrial segment (maintenance and improvement of the activities of the industrial complexes, start-up of decarbonization projects and purchase of 14% of Enerkem), as well as the commitments in Renewables to continue the international expansion in the United States and the development of projects in Spain. On the divestments side, highlights at Upstream included the cash released from the sale of assets in Canada and the divestments made in Malaysia and Russia.

Free cash flow amounted to €5,211 million, much higher than the €2,839 reported in 2021. In addition to this free cash flow, we have the cash obtained from the sale of 25% of Repsol Renovables and 49% of the Valdesolar and Kappa facilities without loss of control (transaction with non-controlling interests) (€1,130 million in total). **Cash generated** in 2022 amounts to €3,228 million, once Repsol has paid the remuneration to its shareholders (higher dividends), perpetual bond holders (-€79 million) and non-controlling interests (-€38 million), and met the cost of acquiring treasury stock (€-1,714 million) and financing and leasing costs (€-397 million). This cash generation is considerably higher than the €1,293 million reported in 2021.

4.3 Financial position

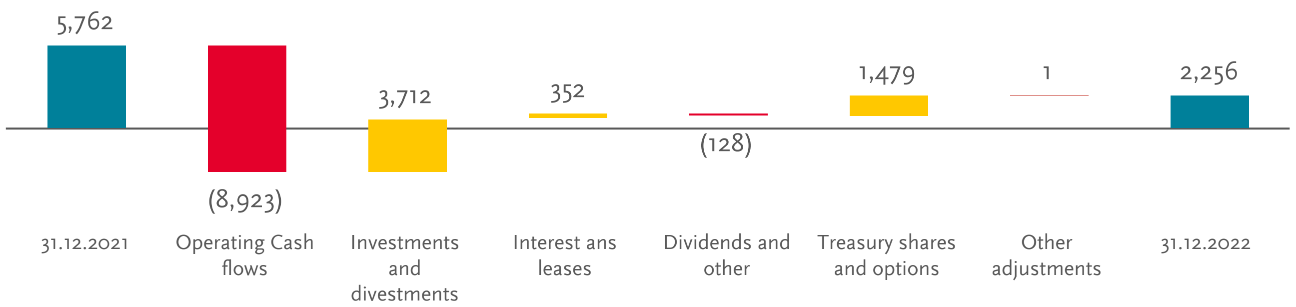
In 2022, in line with the commitment to strengthen the Group's financial structure, the various measures that have allowed solid levels of debt and low leverage to be achieved were continued.

In keeping with our policy of financial prudence and our pledge to maintain a high degree of liquidity, cash and cash equivalents held by the Group at the end of the year (in the form of cash and available credit facilities) were sufficient to cover debt maturities until the second quarter of 2033, without the need for refinancing, thus allowing us to comfortably operate through the prevailing volatility and uncertainty in the financial markets impacted by the war in Ukraine.

Indebtedness

Net debt (€2,256 million) was down compared to December 2021, mainly due to increased cash flow from operations (driven by a significant improvement in EBITDA) and, to a lesser extent, to the cash obtained from divestments and sales of non-controlling stakes.

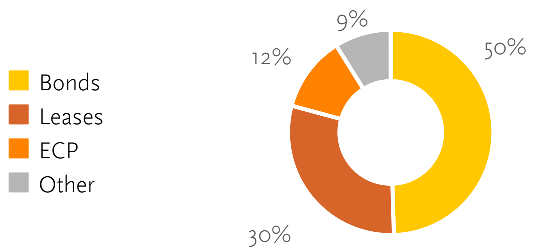
Net debt variation
Million euros

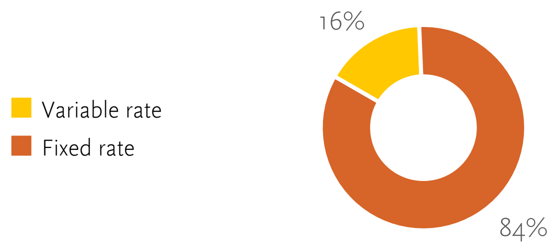


The **leverage** ratio (8.0%) remains below the industry average and well below the levels reported in December 2021 (20.2%).

Gross debt amounted to €(12,537) million. Its maturity at December 31, 2022 is broken down on the next page.

Gross debt





Million euros	2023	2024	2025	2026	2027	2028 and beyond	TOTAL
Bonds(1)	360	848	1,748	499	747	2,082	6,284
Leases	651	451	361	307	278	1,668	3,716
Commercial paper (ECP)	1,532	—	—	—	—	—	1,532
Loans and credits	638	60	190	59	37	169	1,154
Other(2)	(184)	—	4	6	8	18	(148)

Note: the amounts shown in the table are the acounting balances recognized in the balance sheet.
(1) The maturity of the subordinated bonds is presented as occurring on the first call date.
(2) Includes mainly institutional financing and derivatives.

Main financing transactions

In 2022 the main financial transactions were as follows:

- In May, a Repsol International Finance, B.V. bond issue for a nominal amount of €500 million and a fixed annual coupon of 0.5% was redeemed at maturity.
- Between March and June, Repsol redeemed all the bonds issued by Repsol Oil & Gas Canada Inc. (ROGCI) for a total face value of $412 million.
- In April, the loans arranged to finance the investment in the Saint-John LNG project in Canada were repaid, with a cash outflow of $586 million.● *For more information, see Note 7 Financial resources to the 2022 consolidated Financial Statements.*

Sustainable financing framework

In June 2021, a new comprehensive sustainable financing strategy was released to accompany the energy transition process, offering flexibility and transparency in the issuance of financial instruments. It is implemented through a *framework* (available at www.repsol.com), which was updated in March 2022 with the new transition path published on *Low Carbon Day* and incorporates both instruments for the financing of specific projects (green and transitional) and instruments linked to sustainable company commitments (Sustainability-Linked Bonds, or SLBs).

Liquidity

Group liquidity at December 31, 2022, including committed and undrawn credit facilities, stood at €12,014 million, which is enough to cover its short-term debt maturities by a factor of 4.01. Repsol had undrawn credit facilities amounting to €2,681 million and €2,675 million at December 31, 2022 and 2021, respectively.

Credit ratings

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

Term	Standard & Poor's	Moody's	Fitch
Long-term	BBB +	Baa1	BBB
Short-term	A-2	P-2	F-2
Outlook	stable	stable	positive
Date of latest modification	11/16/2022	12/20/2022	10/11/2022

In 2022, Repsol maintained its investment grade rating, with both Moody's and Standard & Poor's upgrading their rating by one notch to Baa1 and BBB+ respectively, both with stable outlook.

4.4 Shareholder remuneration

Repsol does not have a formal policy on dividends, and the Company's decisions on shareholder return depend on several factors, including the performance of its businesses and its operating results.

The cash remuneration received by shareholders in 2022[1] was 0.63 €/share, which included:

- a dividend of €0.30 gross per share paid in January, charged to voluntary reserves from retained earnings, for a total of €439[2] million;
- a dividend of €0.33 gross per share paid out in July against 2021 earnings, for a total amount of €471[3] million.

Additionally, in May[3], October[4] and December[5] three capital reductions have been carried out, through the redemption, in each of the first two, of 75 million treasury shares and of 50 million shares in the third (a total of 200 million shares redeemed), which contributed to shareholder remuneration by increasing earnings per share.

Shareholder remuneration in 2023

In January 2023, shareholders were remunerated with €0.35 gross per share through the distribution of: (i) €0.325 gross per share paid out against voluntary reserves[6]; and (ii) a dividend of €0.025 gross per share paid out against 2022 earnings. The total amount paid out came to €454 million.[7]

In October the Board of Directors agreed to submit for the approval of shareholders, at the next Annual General Meeting to be held in 2023, a final dividend of €0.35 gross per share. Consequently, if the above-mentioned proposal is approved by the 2023 General Shareholders' Meeting, shareholders will receive a cash remuneration of €0.70 gross per share in 2023 (11% higher than in 2022).

Lastly, in February 2023, the Board of Directors agreed to launch a share buyback program targeting a maximum of 35 million treasury shares and to propose to the next Annual General Meeting a capital reduction through the redemption of 50 million treasury shares.

[1] For further information on the total returns received by shareholders, see the "Share capital" section of Note 6 "Equity" to the 2022 consolidated financial statements. The remuneration received by shareholders in 2021 was 0.588 €/share.
[2] Remuneration paid to Repsol, S.A. outstanding shares with entitlement to receive the dividend.
[3] Approved at the 2022 Annual General Meeting, under item seven on the Agenda.
[4] Agreed by the Board of Directors of Repsol, S.A. at its meeting held on July 27, 2022, within the scope of the resolution passed at the 2022 Annual General Meeting under item eight on the agenda.
[5] Agreed by the Board of Directors of Repsol, S.A. at its meeting held on October 26, 2022, within the scope of the resolution passed at the 2022 Annual General Meeting under item eight on the agenda.
[6] Agreed at the 2022 Annual General Meeting, under item six on the Agenda.
[7] Remuneration paid to Repsol, S.A. outstanding shares with entitlement to receive the dividend.

At December 31, 2022, the outstanding balance of treasury shares was 225,565 million shares, representing 0.02% of share capital at that date.[8]

●*For more information, see Note 6.2 Treasury shares and own equity investments to the 2022 consolidated Financial Statements.*

Our share

During the year the Repsol share price showed a significant recovery with respect to the levels reported at the beginning of the year (+42.3%), outperforming the IBEX-35 average (-5.6%) and the average among peer companies (+29.6%) operating in the Oil & Gas sector.

This was due to the positive impact of the recovery in demand and crude oil prices, as well as by the recovery of refining margins.

The Group's main stock market indicators in 2022 and 2021 were as follows:

Main stock market indicators	2022	2021
Shareholder remuneration(1) (€/share)	0.63	0.59
Share price at end of period(2) (euros)	14.85	10.44
Period average share price (euros)	12.97	10.20
Period high (euros)	16.12	11.69
Period low (euros)	10.42	7.98
Number of shares outstanding at end of the period (million)	1,327	1,527
Market capitalization at end of period(3) (million euros)	19,712	15,940
Dividend yield(4) (%)	6.0	7.1

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

Share price performance (€/share)

[8] Treasury shares: For further information, see Note 6.2 Treasury shares and own equity investments of the 2022 consolidated financial statements.

5. Performance of our businesses

5.1 Upstream

January
Divestments in **Russia, Ecuador, Malaysia, Vietnam** and **Greece.**

February
Acquisitions of assets in the **priority area of Marcellus.**

March
Positive result of the appraisal survey of **Monument-2 in Gulf of Mexico.**

April
Successful dismantling of **two fields in the UK.**

May
Decision made to invest in **GoM (Leon and Castile).**

June
Increased production in **Bolivia (connection of MGR-10 well).**

July
End of dismantling of **Gyda in Norway.**

August
Asset sale agreements in **Canada and FID Alaska.**

September
Agreement to sell **25%** of the **E&P** business.

October
Investment decision made on **Lapa SW** in **Brazil and Cypre** in **T&T.**

November
Increased stake at **Walker Ridge** in the **Gulf of Mexico.**

December
Agreement to acquire assets in the priority area of **Eagle Ford.**

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 boreholes, definition of the volumes discovered and determination of their commercial viability.
- Development: drilling of production wells, construction of collection systems, processing plants and evacuation and transportation systems for production of reserves. Always under policies of sustainability, safety and transparency to ensure that the project runs smoothly.
- Production: commercial operation of hydrocarbons.
- Dismantling: abandonment and refurbishment of all facilities to leave the area in the same environmental condition as prior to the commencement of operations.
- Low-carbon geological solutions: search for opportunities, studies and development of projects to generate geothermal energy, projects for the capture and storage of CO2 and for the removal of surplus natural gas and green hydrogen, its storage in the subsoil and subsequent use.

Our performance in 2022

€ Million	2022	2021	Δ
Operating income	5,705	3,027	2,678
Income tax	(2,703)	(1,348)	(1,356)
Investees and non-controlling interests	27	8	19
Adjusted Net Income	**3,029**	**1,687**	**1,341**
Special items	(570)	(590)	21
Net Income	**2,459**	**1,097**	**1,362**
Effective tax rate (%)	(47)	(45)	(3)
EBITDA	**7,485**	**4,429**	**3,056**
Investments	**2,127**	**1,223**	**904**

Main operating figures

€ Million	2022	2021
Net undeveloped mining area (km²)	48,680	98,944
Net developed mining area (km²)	5,183	5,933
Proven reserves of crude oil, condensate and LPG	635	570
Proven natural gas reserves (Mboe)	1,274	1,346
Proven reserve replacement ratio (%) (1)	97	130
Net production of liquids (kbbl/d)	185	206
Net production of gas (kboe/d)	365	366
Net hydrocarbon production (kboe/d)	550	572
Average crude oil realization price ($/bbl)	90.0	62.7
Average gas realization price ($/boe)	7.4	4.6

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

Information on oil and gas exploration and production activities

To coincide with the publication of this Management Report, Repsol publishes "Information on oil and gas exploration and production activities" on www.repsol.com, to provide detailed information on acreage, exploration and development activity, net proven reserves, future cash flows, production, and other useful information.

21-25 Strategic Plan : 2021-2025 Priorities

1 Free Cash Flow Priority	2 Resilient value contribution	3 Focused portfolio	4 First level CO2 emissions
FCF breakeven <$40/barrel	Leading in profitability per project	Value over volume	75% reduction in emissions intensity
Low capital intensity and flexibility	Short return periods	Flexible production level	Rationalization toward a smaller Upstream portfolio
15% reduction in OPEX	Digital program	Less, more focused, exploration	
	30% reduction in general and administrative expenses		Decline of/exit from carbon intensive and non-strategic assets

Main events

Repsol considers its Upstream business, including its long-term maintenance and consolidation, to be strategic. In the context of dynamic permanent management of the business portfolio, various opportunities were analyzed, resulting in the announcement, in September, of an agreement with the United States institutional investor EIG for the sale of a 25% stake. ● *For more information, see section 2.5 Strategy*.

The efficiency measures and greater focus on the value of the portfolio of oil and gas assets, which were implemented in an environment of low prices, have been essential in taking full advantage of profitability in the current cycle of high prices. ● *For more information, see section 4.1 Results.*

Management of the asset portfolio

In 2022, in addition to the agreement for the sale of 25% of the Upstream business, divestments (exiting countries) were completed in Malaysia, Russia, Ecuador and Greece, and various assets in Canada (Duvernay, Chauvin and Montney) were sold.

In order to focus on priority geographic areas, additional investments were completed in Marcellus, with the assets acquired from Rockdale Marcellus LLC and Abarta, and an agreement was announced to acquire new assets at Eagle Ford.

Average production

Average production totaled 550 Kboe/d in 2022, 4% Kboe/d lower than the previous year, mainly due to the sale of production assets in Canada, Algeria (TFT-II) and Norway (Brage) in 2021 and the Repsol Group's exit from certain countries (Malaysia, Ecuador, Russia and Vietnam), intermittent stoppages in Libya over security concerns and natural decline of the fields and the effect of higher prices on operating contracts in Bolivia. All of this was partially offset by the commissioning of new wells at the non-conventional assets of Marcellus and Eagle Ford in the United States, the entry into production of the YME project in Norway, fewer operating incidents in Peru and Trinidad and Tobago, and higher demand for gas in Venezuela.

Exploration campaign

In 2022, drilling was completed on eight exploratory wells, two of them positive (both in Colombia) and six negative (two in Colombia and one each in the United States, Bolivia, Guyana and Indonesia); plus three appraisal wells in the United States, two with positive and one with negative results. At December 31, an exploratory survey was under way in Colombia.

Acreage

A final investment decision was made in relation to one project in the US Gulf of Mexico (Castile and Leon), on Phase 3 of development at Eagle Ford in the United States, on Phase I of the Pikka project in Alaska in the United States, on the Lapa project in southeast Brazil, and on the Cypre project in Trinidad and Tobago, to make further progress in strategic projects. In Alaska, unitization of the Quoka area and of the Alignment Agreement area was settled, which meant that Repsol entered with a 49% stake in 46 blocks that belonged 100% to Oil Search.

Reserves

A total of 194 Mboe in proven reserves was added in 2022, mainly a result of extensions and discoveries, reviews and buying and selling. The total reserve Replacement Ratio was 97% in 2022 (130% in 2021).

North America

Main assets

Countries	Main assets [1]	% Repsol	P/D/E [2]	L/G [2]	Description
USA	Shenzi	28.00%	P	L-G	Deep waters of the Gulf of Mexico south east of Louisiana
USA	Eagle Ford	91.77%	P	L-G	Unconventional onshore shale gas assets with associated liquids in south of the state of Texas
USA	Marcellus	85.03%	P	G	Non-conventional shale gas projects, mainly in the states of Pennsylvania, New York and West Virginia
USA	Buckskin	22.50%	P	L-G	Deep waters of the Gulf of Mexico southwest of Louisiana
USA	North Slope - Pikka	49%	D	L	Area under development in north Alaska
USA	North Slope - Horseshoe	49%	E	L	Exploratory area comprising the Horseshoe discovery in northern Alaska
USA	Castile y Leon	47.13%	D	L-G	Deep-sea exploratory asset in the Gulf of Mexico southwest of Louisiana State
Canada	Edson & Wild River	Average 64.66%	P	L-G	Non-conventional gas assets with related liquids in the state of Alberta

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

Main events

- United States: expansion at Marcellus and Eagle Ford and final investment decision made on Castile and Leon, and phase three of development at Eagle Ford and Pikka.

  In January and February, in the United States, new assets were acquired at Marcellus, adding approximately 45,000 net acres in Tioga, Bradford and Lycoming counties (Pennsylvania), including additional production of approximately 80 million cubic feet per day and future drilling locations.

  In February, the stake in Blacktip in the Gulf of Mexico was increased to 11.3%, by absorbing a portion of Chevron's stake following its exit from the project.

  In March, an agreement was signed with the non-profit foundation MiQ (the main market standard for methane emissions performance in the United States) to obtain certification for the Marcellus Shale production in Pennsylvania. The Monument-2 delineation drilling in the Walker Ridge 271 block in the Gulf of Mexico was also completed with a positive result.

  In May, the final investment decision (FID) was made to develop the Castille and Leon projects located in the Keathley Canyon extension area of the Gulf of Mexico (partners LLOG and Beacon).

  In June, the FID was reached for the third phase of Eagle Ford development, which involves drilling a further 49 operated wells (on 12 platforms) that are expected to generate additional incremental lifetime net sales of 42 Mboe in the retrograde gas, wet gas and black oil windows.

  In August, the final investment decision was made for development of Phase I of the Pikka project in Alaska. The project is designed with a carbon intensity index that is among the lowest in the global portfolio of assets. Production is expected to start in 2026. In December, the authorities approved the project.

In November, Shell obtained a 20% interest in eight blocks at the Walker Ridge area (blocks 4, 5, 48, 90, 91, 92, 134 and 135) in the Gulf of Mexico, spread between the Shenandoah and Sparta projects. Repsol is a partner of Shell at several prospecting wells in the Shenandoah area, including Abilene. The agreement is subject to regulator approval.

In December, Carbon-Zero, Cox, Crescent Midstream and Repsol joined forces to develop one of the most important marine hubs on the Gulf of Mexico Coast for CCUS (Carbon Capture Usage & Storage).

In December, the acquisition of new acreage was agreed with the company INPEX in the strategic area of Eagle Ford.

- Canada: sale of acreage in Alberta.

  In September, 95,000 net acres (38,000 hectares) of the Chauvin, Duvernay and Montney productive oil and gas fields in Alberta were sold to Teine Energy.

- Mexico: return of blocks and restoration of reefs.

  In 2022, the National Hydrocarbons Commission authorized the return of exploration blocks 5, 10, 11, 14 and 15, located in the Burgos Basin in the Gulf of Mexico. Following these withdrawals, Repsol's presence in Mexico is limited to just block 29 in the deep waters of the Salina basin in the Gulf of Mexico, where it is an operator with a 30% stake.

  In September, the reef restoration program began in Veracruz. Repsol, together with the National Commission of Protected Natural Areas of Mexico and Blue Tech/Oceanus, A.C., began a work program for the restoration of three hectares of reef in the Veracruz Reef System National Park. The objectives include increasing healthy and genetically diverse coral colonies and rehabilitating the area's structure and ecological functions, notably including the need to allow other species and organisms to grow and flourish there.

Performance indicators

Operations performance	2022	2021
Net production of liquids (Mbbl)	17	16
Net production of natural gas (bcf)	250	224
Net hydrocarbon production (Mboe)	62	56
Crude oil realization price ($/bbl)	90.5	63.5
Gas realization price ($/boe)	5.8	3.5
Oil production wells	974	1,852
Gas production wells	1,877	1,975
Development wells completed:	**80**	**19**
Positives	78	19
Negatives	1	—
Under evaluation	1	—
Completed and ongoing exploration wells(1):	**1**	**2**
Positives	—	1
Negatives	1	1
Under evaluation	—	—
Ongoing	—	—

(1) Does not include appraisal wells: one completed with a positive result in 2021 and one that was in progress at the end of 2021 and one completed in 2020, also with a positive result

Main figures	2022	2021
Net developed acreage (Km^2)	2,219	2,414
Net undeveloped acreage (Km^2)	7,912	8,815
Net acreage under development (Km^2)	3,749	4,550
Net exploration acreage (Km^2)	6,382	6,679
Net proven reserves (Mboe)	858	715

Sustainability performance	2022	2021
Number of employees	819	855
% of women	33	32
% of women in leadership positions	25	24
Oil spills reaching the environment (t)(1)	12.03	1.69
CO_2e emissions (Mt) (Scope 1 + 2)(2)	1.3	1.5
TRIR	4.11	1.30
No. of Tier 1 process incidents	1	—
No. of Tier 2 process incidents	8	2
Voluntary social investment (thousands of €)	396	441

(1) Oil spills of more than one barrel to have reached the environment.
(2) The Company's direct and indirect emissions (Scope 1 and Scope 2) will be subject to additional verification according to EU-ETS and international standard ISO 14064-1. Once verified, the data will be updated in the next edition of the Integrated Management Report.

Latin America

Main assets

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	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 (Bloques 56 y 88)	10.00%	P	L-G	Ucayali basin, in the Andean region
Peru	Bloque 57 (Kinteroni & Sagari)	53.84%	P / D	L-G	Madre de Dios basin (Andean region)

(1) Further information in Appendix IIB of the consolidated financial statements
(2) P: Production / D: Development / E: Exploration / L: Liquids / G: Gas

Main events

- Bolivia: increase in production.

  Within the framework of the development works in the Caipipendi area, in Bolivia, the milestone of early connection of the MGR-10 Well was reached in June, increasing production by more than 2 Mm3/d ahead of schedule. Drilling of the well in 2021 reached a depth of 4,550 meters. The production test results confirmed the production volumes, which led to the approval of the project, with initial flows of more than 2 Mm3/d and 2,600 boe/d.

- Brazil: seismic acquisition in Albacora Leste and FID in Lapa SW.

  In May, Repsol Sinopec Brazil and its partners Petrobras and Equinor began 4D seismic acquisition operations (892 km²) spanning the neighboring Roncador field in the deep waters of the Campos basin.

  In January 2023, the final investment decision (FID) was made on the Lapa SW block in the Santos basin. When it goes into operation in 2025, Lapa Sudoeste will increase production from the Lapa field by 25,000 barrels of oil per day.

- Colombia: 2 positive exploratory wells.

  In September, the Tejón-1 exploratory well, carried out at the CPO-9 block operated by Ecopetrol (Repsol holding a 45% stake), ended with positive results.

  In October, drilling of the Cosecha GN 01 exploratory well in the Cosecha block, operated by SierraCol (with Repsol holding a 17.5% stake), was completed with positive results.

- Ecuador: end of production activity.

  In January, the sale to New Stratus Energy of Repsol's 35% operating interest in heavy crude blocks 16 and 67 was completed.

- Trinidad and Tobago: Installation of the Cassia C platform and start of development of the Cypre project.

  In July, Repsol, together with BP, completed installation of the upper part of the Cassia Compression (Cassia C) platform off the east coast of Trinidad. The installation marks an important milestone in the project that will allow access to and production of low-pressure gas reserves from fields currently in production in the Greater Cassia area, thus maximizing the recovery of these existing resources. Production started in November.

  In September, Repsol, together with BP, confirmed the start of development of its Cypre offshore gas project (joint development of the SEQB and Macadamia discoveries). At its peak, the development is expected to generate average gas production of 250 to 300 million cubic feet per day (mmscfd).

- Venezuela: improvement of prospects for the operation

  While the political and economic situation remains the same, the prospects for the operation have improved as a result of the incipient relaxation of the United States Government's coercive measures against Venezuela.

- Guyana: exploratory well.

  In August the drilling of the Beebei-1 exploratory well (Kanuku block), which Repsol operates with a 37.5% stake, was completed with negative results.

Performance indicators

Main figures	2022	2021
Net developed mining area (Km²)	688	704
Net undeveloped mining area (Km²)	28,088	28,500
Net acreage under development (Km²)	4,046	4,531
Net exploration mining area (Km²)	24,731	24,673
Net proven reserves (Mboe)	846	941

Operations performance	2022	2021
Net production of liquids (Mbbl)	27	29
Net production of natural gas (bcf)	381	382
Net hydrocarbon production (Mboe)	95	97
Crude oil realization price ($/bbl)	82,9	58.1
Gas realization price ($/boe)	6,4	3.8
Oil production wells	711	717
Gas production wells	224	207
Development wells completed:	**29**	**15**
Positives	24	12
Negatives	4	—
Under evaluation	1	3
Completed and ongoing exploration wells (1):	**7**	**2**
Positives	2	1
Negatives	4	—
Under evaluation	—	—
In progress	1	1

(1) Does not include appraisal wells (no activity in 2022 and 2021).

Sustainability performance	2022	2021
Number of employees	591	976
% of women	34	26
% of women in leadership positions	26	25
Oil spills reaching the environment (t) (1)	—	3.66
CO2e emissions (Mt) (Scopes 1 + 2) (2)	0.2	0.7
TRIR	1.55	0.28
No. of Tier 1 process incidents	—	1
No. of Tier 2 process incidents	—	1
Voluntary social investment (thousands of €)	4,727	3,939

(1) Oil spills of more than one barrel to have reached the environment.
(2) The Company's direct and indirect emissions (Scope 1 and Scope 2) will be subject to additional verification according to EU-ETS and international standard ISO 14064-1. Once verified, the data will be updated in the next edition of the Integrated Management Report.

● *For more information on the geopolitical risks in Latin America, see Note 20.3 to the 2022 consolidated Financial Statements.*

Europe, Africa and rest of the world

Main assets

Countries	Main assets[1]	% Repsol	P/D/E[2]	L/G[2]	Description
Norway	Operated assets (Varg, Yme, etc.)	Average 55.99%	P	L-G	Offshore assets located in the North Sea to the south of the country
Norway	Non-operated assets (Visund, Gudren, Mikkel, etc.)	Average 13.00%	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,	Average 40.83%	P	L-G	Offshore assets located mainly in the Central North Sea basin
United Kingdom	RSRUK non-operated assets (Balmoral, Cawdor, etc.)	Average 5.03%	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
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

(1) Further information in Appendix IIB of the consolidated financial statements
(2) P: Production / D: Development / E: Exploration / L: Liquids / G: Gas

Main events in the period

- Norway: Blane and Mikkel extension, and dismantling.

  In February, the production license for the Blane field was extended until July 8, 2027, and production ceased at the Veslefrikk field (24 wells).

  In July, dismantling of the 30,000-ton Gyda platform in Norway was successfully completed.

  In November, the Norwegian Petroleum Operations Safety Agency (PSA) approved the use of the Mikkel subsea facilities until December 2039, which translates into a 16-year extension from July 2023. Subsea compression has achieved an increase in recoverable reserves, making this extension necessary.

- United Kingdom: dismantling and Pre-FEED Marigold study.

  In April, dismantling of the Buchan and Hannay fields was completed, achieving a recycling rate and a reuse of recovered materials of 99%. New agreements were also signed to export the oil produced at Golden Eagle, Piper and Claymore to the Flotta Repsol terminal in Scarpa Flow, Orkney, until the end of the field's useful life in the 2030s.

  In May, a team was set up to start the preliminary design and engineering study for development of the Marigold field, owned by Ithaca and Hibiscus, with the Piper Bravo platform operated by Repsol Sinopec UK (estimated maximum production of 40 Kboe/d and 12 Mscf/d).

- Libya: interruptions due to security conditions.

  In January, March and April, there were interruptions in production at the El Sharara Field over security concerns. ●*For more information, see Note 20.3 to the consolidated financial statements*).

- Algeria: increased stake in Reggane.

  In July, Repsol exercised its preferential subscription right to buy the Edison company's stake in the Reggane Nord natural gas project. The operation is part of the European strategy to seek opportunities to increase its stake in gas supplies to Europe. The shareholding percentages will be as follows: Repsol (operator, 36%), Sonatrach (40%), W-D (24%).

  Operations have carried on normally despite the *Friendship, Good Neighbor and Cooperation Treaty* that was signed between both countries falling apart. ● *For more information see Note 20.3 to the consolidated financial statements*).

- Russia: exit from the country.

  In January, the last exploratory assets were sold to Gazprom Neft.

- Malaysia and Vietnam: exit from both countries.

  In January, the sale was completed of the PM3 CAA, Kinabalu, PM305/314 assets in Malaysia and block 46 CN in Vietnam to a subsidiary of Hibiscus Petroleum.

  In May, approval was received for the transfer of exploratory blocks 133-134 and 156-159 to Petrovietnam, meaning the cessation of activities in Vietnam.

- Greece: exit from the country.

  In January, the sale of 50% of the Ionian block to Hellenic Petroleum was approved, putting an end to activities in the country.

Performance indicators

Main figures	Europe		Africa		Rest of the world	
	2022	2021	2022	2021	2022	2021
Net developed acreage (Km^2)	489	499	816	763	970	1,553
Net undeveloped acreage (Km^2)	1,440	4,773	4,642	4,696	6,598	52,160
Net development acreage (Km^2)	1,087	1,092	2,326	2,326	1,048	1,983
Net exploration acreage (Km^2)	842	4,180	3,132	3,132	6,520	51,730
Net proven reserves (Mboe)	54	69	115	124	36	67

Operations performance	Europe		Africa		Rest of the world	
	2022	2021	2022	2021	2022	2021
Net production of liquids (Mbbl)	11	10	12	15	1	5
Net production of natural gas (bcf)	30	30	16	26	71	87
Net hydrocarbon production (Mboe)	16	16	15	20	13	20
Crude oil realization price ($/bbl)	101.2	70.1	100.8	67.9	95.3	64.6
Gas realization price ($/boe)	32.2	16.5	7.7	4.3	8.3	7.2
Oil production wells	184	187	383	377	2	84
Gas production wells	13	15	25	22	33	62
Development wells completed:	**14**	**9**	**14**	**—**	**1**	**4**
Positives	11	8	14	—	1	3
Negatives	1	—	—	—	—	—
Under evaluation	2	1	—	—	—	1
Completed and ongoing exploration wells [(1)]:	**—**	**1**	**—**	**—**	**1**	**—**
Positives	—	—	—	—	—	—
Negatives	—	1	—	—	1	—
Under evaluation	—	—	—	—	—	—
In progress	—	—	—	—	—	—

[(1)] Europe: Does not include appraisal wells (no activity in 2022 or 2021. Africa: Does not include appraisal wells (no activity in 2022 or 2021). Rest of the World: Does not include appraisal wells (no activity in 2022 or 2021).

Sustainability performance	Europe		Africa		Rest of the world	
	2022	2021	2022	2021	2022	2021
Number of employees	616	694	109	107	90	454
% of women	31	32	13	13	41	33
% of women in leadership positions	26	28	—	—	36	26
Oil spills reaching the environment (t) [(1)]	1.47	—	—	—	—	—
CO2e emissions (Mt) (Scopes 1 + 2) [(2)]	0.14	0.1	—	—	0.4	5.3
TRIR	1.57	1.46	—	—	—	0.55
No. of Tier 1 process incidents	—	—	—	—	—	—
No. of Tier 2 process incidents	—	—	—	—	1	2
Voluntary social investment (thousands of €)	604	418	2,345	1,720	—	331

[(1)] Oil spills of more than one barrel to have reached the environment.
[(2)] The Company's direct and indirect emissions (Scope 1 and Scope 2) will undergo additional verification in accordance with EU-ETS and international standard ISO 14064-1. Once verified, the data will be updated in the following edition of the Integrated Management Report.

5.2 Industrial

January
Birth of SHYNE (renewable H2 consortium) and spill in **Peru**.

February
Start of Russia's invasion of Ukraine and onset of price volatility.

March
Start of construction on the advanced biofuels plant in **Cartagena**.

April
New stake in **Enerkem** (waste gasification).

May
Progress in the **descarbonization** projects of **Petronor**.

June
Announcement of new **polyethylene plants** in Puertollano and Tarragona.

July
Agreement with Navantia for renewable H2 industrial development.

August

September
The European Commission approves H2 projects in Cartagena and Bilbao.

October
New stake in **Acteco** (waste recovery).

November

December
Gradual decline in the margins of Refining and Chemicals.

Our activities

- **Refining:** production of fuel, sustainable biofuels and carbon-neutral materials.
- **Chemicals:** production and marketing of a wide range of products. Includes basic and derivative petrochemicals.
- **Trading:** transport and supply of crude oil, gas and products to the refining system, marketing of crude oil, products outside the proprietary system.
- **Wholesale and gas trading:** LNG/natural gas supply and trading, including LNG regasification and marketing to customers in North America and Spain.

Our performance in 2022

Million euros	2022	2021	Δ
Operating income	4,315	792	3,523
Income tax	(1,071)	(197)	(874)
Investees and noncontrolling interests	(94)	11	(105)
Adjusted Net Income	**3,150**	**606**	**2,544**
Inventory effect	56	746	(690)
Special Items	(1,884)	(300)	(1,584)
Net income	**1,322**	**1,052**	**270**
Effective tax rate (%)	(25)	(25)	—
EBITDA	**5,223**	**2,654**	**2,569**
Investments	**1,025**	**859**	**166**

Sustainability performance

Sustainability performance	2022	2021
Number of employees	9,914	9,784
% of women	31	30
% of women in leadership positions	29	27

Main operating figures

Main operating figures	2022	2021
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 Refining (%)	**95**	**83**
Distillation utilization Spanish Refining (%)	**86**	**76**
Crude oil processed (millions of t)	**42.1**	**38.2**
Europe	38.6	34.0
Rest of the world	3.6	4.2
Refining margin indicator ($/Bbl)		
Spain	15.6	2.4
Peru	18.5	6.3
Petrochemical production capacity (kt)		
Basic petrochemicals	2,656	2,656
Petrochemical derivatives	2,243	2,243
Sales of petrochemical products (kt)	**2,451**	**2,819**
Gas sales in North America (Tbtu)	**598**	**736**

2021-2025 Strategic Plan

	Refining	Chemicals	Trading
Returns Cash generation in a complex environment	• Net cash margin for the first four months – Solomon and Wood Mackenzie • **Preferred position** • Improved **competitiveness** and **operating performance**	• **Differentiation** with high value products • **Growth i**n 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 (-0,1Mt CO_2)		
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, CO_2, etc.)

Main events

2022 was marked by the continued recovery from the impacts of COVID-19 in the first months of the year, and later by the Russian invasion of Ukraine, which led to an increase in prices in the international crude oil, gasoline and diesel markets, significantly affecting global demand and the margin of Refining and Chemicals. In this environment, the Industrial businesses adapted their production, logistics and commercial schemes to the changing situation. The volatility in demand also required the Trading activity to adapt within the Industrials value chain (chartered vessels and time-charter voyages), while Wholesale and Gas Trading was affected by unprecedented levels of volatility as gas prices continue to rise, especially in Europe, but also in North America.

The volatility in prices made it possible to capture better margins occasionally, but the war has worsened the environment in which, foreseeably, the Industrial businesses must operate, and therefore significant impairments in the value of the assets were recognized in the period ● *For more information, see* Section 4.1 Results

All this did not put a brake on the push for further progress toward decarbonization. This can be seen in the progress made in circular economy and advanced biofuel projects at industrial complexes, with new plants for 100% recyclable polymeric materials, and in the development of renewable hydrogen being carried out by various consortiums in the Iberian Peninsula.

5.2.1. Refining

Main assets

The Repsol Group owns and operates six refineries: five in Spain (A Coruña, Bilbao, Cartagena, Puertollano and Tarragona), with a total distillation capacity of 896 thousand barrels of oil/day (including the stake in Asfaltos Españoles S.A. in Tarragona), and one in Peru, where it owns a 99.2% stake, with an installed capacity of 117 thousand barrels of oil/day.

	Primary distillation	Conversion rate (2)	Lubricants
Refining capacity	**Thousands of bbl/d)**	**(%)**	**(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) Ratio of equivalent Fluid Catalytic Cracking ("FCC") capacity to primary distillation capacity.

Performance: high margins and spill in Peru

Last year was heavily affected by the international tensions arising from the war, most notably affecting Europe. Despite this environment, Repsol continued to run its business as an essential service for society and to guarantee supply in Spain.

The volatile environment resulting from these international tensions impacted the refining margin indicator, which retreated throughout 2021 and in the early months of 2022, largely due to the decline in demand for fuel. This situation promptly turned on its head in the second quarter of 2022, when international tensions and the veto on imports of raw materials and products from Russia led to a mismatch between supply and demand and, consequently, to higher world reference prices. This supply-demand mismatch was compounded by the endemic state of refining in the European Union, which has reduced its capacity by more than 10% in the last decade, mainly due to the closure of 24 facilities caused by an environment of low profitability and regulatory uncertainty. All of this ultimately fed through to the refining margin indicator, which reacted by climbing sharply to an average of $28.8 per barrel in June.

However, between July and September there was then a further decline in the refining margin index to $12.7/bbl on average, mainly due to high energy costs. In the last period of the year, volatility remained very high, with the average annual indicator of the refining margin index in Spain rising to 15.6 (4.4 $/bbl in 2021 for the same period). Meanwhile, average distillation utilization was 86% in Spain compared to 76% in the previous year.

(Thousand metric tons)

Processed raw material	2022	2021[1]
Crude oil	42,196	38,229
Other raw materials	6,603	7,895
TOTAL	**48,799**	**46,124**

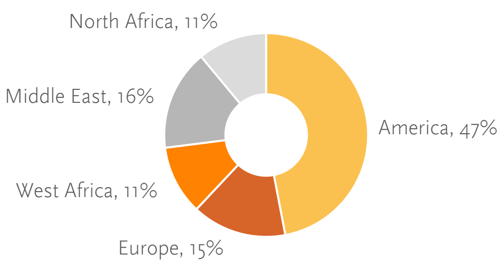
(1) In 2022, the presentation criteria between Crude oil and Other raw materials for the Group's refinery in Peru was updated to bring it in line with the criteria used in Spain, thus modifying the 2021 figures for comparative purposes.

In Peru, the refining margin indicator stood at 18.5 dollars per barrel, up from 6.3 dollars per barrel in 2021 as a result of efficiencies in crude purchases, low sulfur fuel oil production and pricing mechanisms in the country. The country's performance was heavily affected by an oil spill that occurred on January 15, caused by an uncontrolled movement of a vessel that was unloading crude oil at the Pampilla refinery. *For more information, see section 6. Sustainability and Note 29.1 Environmental investment, expenses and provisions of the 2022 consolidated financial statements.*

The average level of distillation in the year was 80%, compared to 96.2% in 2021, largely due to the incident, although levels gradually recovered throughout the year.

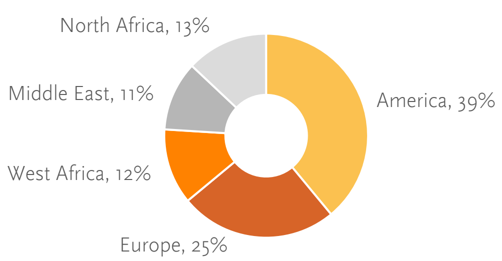
Source of crude oil process

2022



42,196 Ktn

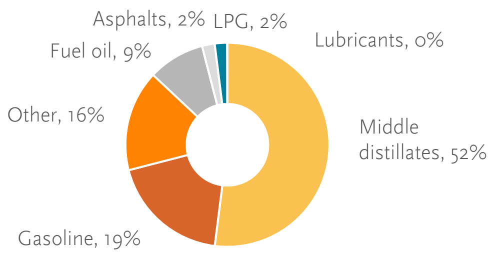
2021



38,229 Ktn

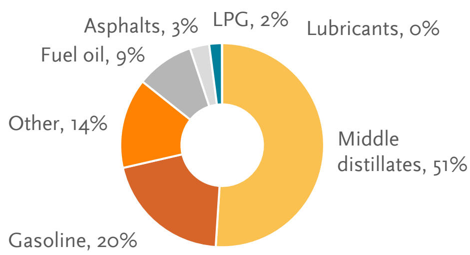
Refining production

2022



45,518 Ktn

2021



43,190 Ktn

Development of cutting-edge decarbonization projects

In March, the last phase of construction began on the first advanced biofuels plant in Spain, at the Cartagena refinery. Repsol is set to invest more than €200 million in this project, which will come into operation in the second half of 2023, with capacity to produce 250,000 metric tons per year of advanced biofuels, such as hydro-biodiesel, sustainable aviation fuel (SAF), bionaphtha and biopropane. These can be used in aircraft, boats, trucks or cars, allowing a reduction of 900,000 metric tons of CO_2 per year.

We continue to make progress on the EcoPlanta project, the first plant in Spain to recover non-recyclable municipal solid waste to circular methanol, which will be used to manufacture new materials and advanced biofuels. The project already has financing to develop it on a large scale thanks to the agreement signed with the European Commission within the framework of the Innovation Fund formalized in March. EcoPlanta is one of seven projects selected at European level, and the only one in Spain. It represents a milestone in the Company's plans, both in the decarbonization of our industrial businesses and in promoting the circular economy.

● *For more information, see section 6.3 Technology and innovation.*

Sustainability performance	2022	2021
Oil spills (>1bbl) reaching the environment (t)	1,461.10	0.28
CO_2e emissions (Mt) (Scopes 1 + 2)(1)	8.6	7.8
TRIR	1.88	1.21
No. of Tier 1 process incidents	2	1
No. of Tier 2 process incidents	2	1
Voluntary social investment (thousands of €)	1,559	1,447

(1) The Company's direct and indirect emissions (Scope 1 and Scope 2) will be subject to additional verification according to EU-ETS and international standard ISO 14064-1. Once verified, the data will be updated in the next edition of the Integrated Management Report.

5.2.2. Chemicals

Main assets

Production at Repsol's Chemicals business is concentrated in three petrochemical complexes, located in Spain (Puertollano, Tarragona) and Portugal (Sines), in which there is a high level of integration between basic chemicals and derived chemicals, as well as with the Group's refining activities in the case of the Spanish complexes. Repsol owns various subsidiaries and affiliates through which it operates plants that manufacture polyolefin compounds, synthetic rubber and specialty chemicals, the latter through Dynasol, a 50% alliance with the Mexican group KUO, with plants in Spain, Mexico and China, alongside local partners.

Production capacity	*(Thousand tons)*
Basic petrochemicals	**2,656**
Ethylene	1,222
Propylene	909
Butadiene	185
Benzene	290
Methyl tert-butyl ether / Ethyl tert-butyl ether	50
Derivative petrochemicals	**2,243**
Polyolefins	
Polyethylene(1)	793
Polypropylene	513
Intermediate products	
Propylene oxide, polyols, glycols and styrene monomer	937

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

Performance: margins and demand slipping

The performance of the Chemicals business was notably uneven throughout 2022, with a significant worsening in margins, mainly in the fourth quarter. The decline was down to a considerable decrease in demand as well as higher costs, leading to lower activity and adjustments in plant operations. Sales amounted to 2,451 Mt, down 13% on the previous year.

Thousand metric tons

Sales by product	2022	2021
Basic petrochemicals	651	889
Derivative petrochemicals [1]	1,800	1,930
Total	**2,451**	**2,819**
Sales by market		
Europe	2,033	2,270
Rest of the world	418	549
Total	**2,451**	**2,819**

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

Differentiation and the Circular Economy

In March, Repsol entered into a partnership with Ravago, a global compounds manufacturer and recycler and distributor of polymers, under a long-term agreement for a new polypropylene compound plant for automotive applications, in Morocco. The plant, which is scheduled to start up in mid-2023, will have a manufacturing capacity of 18.5 kt/year of polypropylene compounds. It will be located in the duty free zone of Tangier and will cover local demand.

In April, following an investment of €54 million in shares and an additional €69 million in a subscription of convertible bonds, Repsol became a shareholder in Enerkem, a leader in gasification technology to obtain renewable fuels and chemical products from non-recyclable waste.

Also in April, the DYNASOL Group, Repsol's JV with the KUO group in the rubber sector, announced that it will increase its production capacity in Santander with the installation of a new line to produce styrene-butadiene rubber (SSBR). The investment will mean a 20 kt/year increase in production of SSBR in Spain (with the potential to reach 25 kt/year) and the line is expected to be operational in the first quarter of 2024.

In May, an investment of €18 million in the production of high-quality polymeric polyols in Tarragona was announced, with the goal of expanding the Alcupol® range, aimed at the bedding, furniture and automotive markets. The production line, expected to be in production in the last quarter of 2023, will use in-house technology developed by Repsol.

In June, investment of €105 million was announced for construction of the first ultra-high-molecular-weight polyethylene plant in Spain. The plant, scheduled for commissioning at the end of 2024 in Puertollano, will use DSM technology and will have an annual production capacity of up to 15 kt. In the same month, Repsol announced that it will invest in a cross-linked polyethylene (XLPE) plant in Tarragona for the manufacture of high and very high-voltage cables. With an investment of €35 million, the plant will have a manufacturing capacity of up to 27 kt/year (commissioning scheduled for mid-2024). Finally, Repsol has inaugurated a new production line for fiberglass-reinforced compounds at the Polidux Monzón plant, Huesca, specially designed for the automotive sector.

Last but not least, in October, Repsol became a strategic shareholder of Acteco by acquiring a 27% stake in the integrated waste management and recovery company, thus strengthening its commitment to polyolefin recycling.

● *For more information, see sections 6.2.4 Circular economy and 6.3 Technology and innovation.*

Sustainability performance	2022	2021
Oil spills (>1bbl) reaching the environment (t)	—	—
CO_2e emissions (Mt) (Scopes 1 + 2)[1]	3.0	3.4
TRIR	2.36	0.53
No. of Tier 1 process incidents	—	1
No. of Tier 2 process incidents	—	—
Voluntary social investment (thousands of €)	361	299

(1) The Company's direct and indirect emissions (Scope 1 and Scope 2) will be subject to additional verification according to EU-ETS and international standard ISO 14064-1. Once verified, the data will be updated in the next edition of the Integrated Management Report.

5.2.3. Trading

The main function of Trading is to optimize the supply and marketing of the Group's positions in international markets for crude oil and petroleum products (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.

Performance: capturing opportunities as they arise

Very good results in 2022 across the main businesses, both in Crude Oil and Products, as well as in Maritime transport and Bunker, supported by the strength of our value chain and the opportunities of the volatile environment.

In 2022, 1,401 ships were chartered (1,413 in 2021) and 382 fleet voyages were made under time charter arrangements (397 in 2021).

Technological development and decarbonization

In March, Repsol and Navantia signed a collaboration agreement to develop innovative solutions jointly to decarbonize maritime transport. The behavior of the new liquid fuels with a low carbon footprint to be supplied by Repsol (advanced biofuels produced from waste and synthetic fuels) will be jointly evaluated in both the propulsion and generation engines manufactured by Navantia, The project will focus on evaluating the technical and economic feasibility of the technology.

5.2.4. Wholesale and Gas Trading

Main assets and operations

At 31 December 2022, the Group had regasification and transport assets at its North American marketing businesses, including the Saint John LNG regasification plant (formerly known as Canaport) and gas pipelines in Canada and the United States.

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 marketing and sale of regasified LNG from Saint John LNG 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), together with acquisitions from third parties.

Wholesale and Gas Trading also ensures the efficient supply of the Repsol Group's gas demands and markets and trades gas within the Spanish gas system and in the international liquefied natural gas (LNG) market.

Performance: highly volatile environment and steep gas prices

In 2022, commercial activity in the United States took place amid high prices for natural gas and LNG and extraordinary price volatility. The invasion of Ukraine has prompted many Central European countries to increase their liquefied natural gas supplies as a means of diversification. As a result, LNG exports from the United States to Europe have increased and, with it, the demand for natural gas in the US, thus pushing up natural gas prices there, as just mentioned.

LNG and natural gas marketing and trading activity in Spain was also impacted by the extreme volatility and high prices across all markets, especially in Spain and Europe. Against this backdrop, the consumption of natural gas at Repsol's industrial complexes fell by more than 50%, with natural gas being replaced by other lower cost raw materials, thus allowing for the optimization of the marketing and sale of these surplus volumes.

	2022	2021
LNG regasified (TBtu) at St. John LNG (100%)	10	23
Gas Traded in North America (TBtu)	598	736
NG and LNG for supply and marketing in Spain and International (TBtu)	239	290

Development of decarbonization projects

In the current context of high Liquefied Natural Gas (LNG) prices and increasing demand, Repsol continually explores all options to maximize the value of Saint John, focusing on new decarbonization opportunities in support of the energy transition. Along these lines, the company is exploring the possible construction of a liquefied natural gas facility on the east coast to supply Europe, and the possibility of adding liquefaction capacity at Saint John is also considered a viable option.

5.2.5. Firm commitment to hydrogen

January witnessed the birth of SHYNE (Spanish Hydrogen Network), the largest renewable hydrogen consortium in Spain. It is made up of 35 companies from different sectors and will deploy projects that are expected to generate more than 13,000 jobs. Repsol is leading this initiative in line with its renewable hydrogen strategy (presented in October 2021), in which it plans to invest €2,549 million by 2030.

In April, the creation of the Ebro Hydrogen Corridor was announced, as a benchmark in developing this renewable energy. The project will bring together the Basque Hydrogen Corridor (BH2C), the Hydrogen Valley of Catalonia (H2ValleyCat), the Hydrogen Valley of Aragon "GetHyGA" and the Navarre Green Hydrogen Agenda. The main aim is to contribute to the rapid and efficient deployment of the hydrogen economy by generating an outstanding geographical area for hydrogen development in Spain.

SHYNE will be a key driver of this new industrial ecosystem and will provide valauble support to projects and promote efficient knowledge management and research into pioneering technologies to position Spain at the forefront of this new energy vector.

In July, Repsol signed a collaboration agreement with Navantia for the industrial development of renewable hydrogen. Navantia's Turbine Factory in Ferrol (Galicia, Spain) will start up an electrolyzer production line and Repsol will contribute with its industrial capabilities to the development of the entire renewable hydrogen value chain and promote its use across different sectors as it seeks to lead this market in the Iberian Peninsula. In doing so, it will also help to achieve national and international capacity targets, set at 1.9 GW by 2030.

In September, the European Commission approved the IPCEI Hy2Use project, jointly prepared and notified by 13 Member States, which will provide up to €5,2,00 million. The project will include two of Repsol's renewable hydrogen projects, located in Cartagena and Petronor. These projects will help promote research, large-scale industrial deployment and the construction of infrastructure for the entire renewable hydrogen value chain:

- The Cartagena *Hydrogen Network* will promote the construction of an electrolyzer that will have, during phase one, a capacity of 100 MW and will help to decarbonize the industries located along the Escombreras Valley. It is estimated that this project will reduce CO2 emissions by more than 167,000 metric tons per year and create some 1,100 jobs.
- *Bay of Biscay Hydrogen*,a joint initiative of Repsol and Petronor, envisions the development, construction and operation of a 100 MW renewable hydrogen production plant. Production from this plant will be used to decarbonize large industrial consumers in and around the Port of Bilbao, Margen Izquierda and the surrounding area. n addition, the production of renewable hydrogen locally and through electricity generated at renewable energy facilities on the Spanish mainland, will increase the security of energy supply to all consumers who use it. The project is currently in the design and development phase and construction of the plant will begin in 2024, with the facility expected to commence production in the second half of 2025.

  The electrolyzer will also supply renewable hydrogen for mobility and heavy transport decarbonization applications, through the infrastructure that will soon be installed at the Energy Intelligence Center of the Ezkerraldea-Meatzaldea Technology Park, which will be directly connected to the production plant.

Meanwhile, Repsol is working with a consortium of companies to design and build the largest electrolyzer in Spain. The technology will be located in Tarragona and will have a capacity of 150 MW, in phase one. It is expected to be commissioned by the end of 2025. An investment of €230 million is estimated for the project. In a second phase, starting in 2027, renewable hydrogen production capacity would be increased to 1 GW.

The electrolyzer will look to run on nearby renewable energy wherever possible, which it will supplement with a power purchase agreement (PPA). It will feature state-of-the-art technology to minimize water consumption for the

production of renewable hydrogen and oxygen. The renewable hydrogen will be used as an industrial fuel for local industry, including uses relating to mobility, and will be injected into the natural gas transportation network.

A hydrogen collector will also be built to transport this gas between the electrolyzer, located in the northern estate of the Petrochemical Complex, and the southern area to connect the various consumers through an open network.

The renewable oxygen will also find uses in the surrounding industry and will be distributed via the gas pipeline that already exists at the Petrochemical Industrial Park.

Repsol is also exploring new opportunities to promote hydrogen hubs in other regions of Spain, such as Galicia. A 30 MW renewable hydrogen plant will be built in 2025 on the site of the former Meirama thermal power plant (Cerceda). This capacity will steadily increase as the different phases of the complex are completed, ultimately reaching 200 MW. Repsol is collaborating with Naturgy and Reganosa on this project.

● *For more information, see section* 6.3 *Technology and innovation*.

5.3 Commercial and Renewables

January
Acquisition of electricity customer portfolio from Capital Energy.

February
Start of Russia's invasion of Ukraine, which increases volatility.

March
First company to apply **discounts** (service stations) and sale of 49% of Valdesolar project.

April
Start of wind power production at Delta II and boost to **US renewable expansion** (acquisition of Frye).

May
Start-up of **renewable** production in the United States.

June
Agreement to sell 25% of **Repsol Renovables.**

July
Sale of 49% of **Kappa** facility and commencement of **gas and electricity sales in Portugal**.

August
New agreement to market and sell electricity (Phone House) and acquire a new customer base (Alterna).

September
Sale of 25% of **Repsol Renovables**.

October
Waylet reaches five million users.

November
New renewable projects in the USA and **digitalization of Lubricants** (new web portal).

December
Agreement to acquire **Asterion Energies**.

Our activities

- **Mobility:** marketing and sale of oil and other products at service stations and wholesale (Direct Sales), offering a differentiated value to industries such as shipping, heavy industries and end consumers.
- **Lubricants, aviation, asphalts and specialties:** production and sale of lubricants, bases for lubricants, bitumen for asphalts, jet fuel, extender oils, coke, sulfur, paraffins and propellant gases.
- **LPG:** acquisition, production, distribution, storage and wholesale and retail sale of liquefied petroleum gases.
- **Retail electricity and gas:** retail supply (residential and businesses) of electricity and gas in Spain.
- **Renewables and low-carbon generation:** low-emission power generation and development of renewable energy generation projects.

Our performance in 2022

Million euros	2022	2021	Δ
Operating income	809	761	48
Income tax	(203)	(188)	(15)
Investees and non-controlling interests	(66)	(31)	(35)
Adjusted net income	**540**	**542**	**(2)**
Inventory effect	19	51	(32)
Special items	(167)	(7)	(160)
Net income	**393**	**586**	**(193)**
Effective tax rate (%)	(25)	(25)	—
EBITDA	**1,248**	**1,219**	**29**
Operating investment	**925**	**829**	**96**

Sustainability performance	2022	2021
Number of employees	9,408	9,188
% of women	48	46
% of women in leadership position	30	28

Main operating figures	2022	2021
Own marketing sales (kt)	**25,510**	**21,091**
Number of service stations	**4,651**	**4,689**
Europe	3,819	3,821
Rest of the world	832	868
Sales of lubricants, aviation, asphalts and specialized products (kt)	**7,261**	**5,941**
Europe	5,212	4,278
Rest of the world	2,049	1,664
LPG Sales (kt)	**1,207**	**1,266**
Europe	1,180	1,240
Rest of the world	27	26
Electricity generation capacity (MW)	**3,870**	**3,738**
Electricity generation (GWh)[1]	**8,734**	**5,283**

(1) Does not include electricity generated by cogeneration plants

Incorporation of new partners to grow in the renewables business

In September, the sale of a 25% stake in Repsol Renovables was completed to the consortium formed by Predica Prévoyance Dialogue du Crédit Agricole, S.A. and certain funds managed by Energy Infrastructure Partners (EIP). *For more information, see section 2.5 Strategy.*

Integrated range of products and services

Repsol has an attractive and integrated range of products and services that includes cutting-edge digital solutions, 100% low-emission certified electricity, exclusive benefits for customers and discounts at our service stations, basic energy, management service, LPG supply and the opportunity to have self-consumption installations installed, such as, such as Solmatch, the first large solar community to operate in Spain, and Solar360.

Main events

The segment's performance was the product of an environment characterized by the partial recovery from the pandemic (increased demand and activity) and Russia's invasion of Ukraine (high volatility in electricity and gas prices and measures taken by the Spanish government to mitigate its effects).

At the Mobility businesses, activity increased in a year that included the government's fuel rebates and Repsol's discount campaigns, which were brought forward to March, of 10 cents/liter for users of the Waylet and Solred Profesional payment platforms. This ultimately attracted more than 2 million users to the Waylet app. The development of the electric mobility charging station network also continued throughout the period, with more than 1,000 public charging stations installed by the end of 2022.

At the electricity and gas marketing business, Repsol had a portfolio of more than 1.5 million customers at the end of the period, including Gana Energía. Highlights include the agreements reached to acquire the customer portfolios of Capital Energy and Alterna and to market and sell electricity with *The Phone House* and *Fnac*, as well as the start of the marketing and sale of electricity and gas in Portugal.

At the other commercial businesses, in Lubricants, Aviation, Asphalts and Specialized Products, kerosene sales continued to improve at Aviation, following the recovery that had started in 2021, while sales were slightly down at LPG, largely due to higher temperatures.

At Renewables, highlights included the strategic agreement to dilute the 25% stake in Repsol Renovables, as well as the sale of the 49% stakes held in the Valdesolar and Kappa photovoltaic parks, both operational. Progress in the growing the business in the United States following the acquisition of new projects (*Frye, Pinnington and Outpost*) and, in other geographies, with the agreement to purchase 100% of Asterion Energies. Last but not least, the period saw the start-up of the first asset in the United States (*Jicarilla 2*) and Delta II in Spain.

5.3.1. Mobility

Assets

At December 31, 2022, Repsol had 4,651 service stations, with the following geographical distribution:

Country	No. of points of sale
Spain	3,304
Portugal	515
Mexico	265
Peru	567
Total	**4,651**

Performance: recovery in activity and focus on customers and digitalization

Fuel sales in the year at Service Stations in Spain were 10% higher than in the same period of 2021, while Direct Sales (gasoline + automotive diesel) were up 41%.

In March, Repsol became the first operator to apply a 10 cents/liter discount on fuel prices to its customers who pay through the Waylet and Solred Professional apps, thus supplementing the 20 cents/liter discount approved by the Spanish Government, which remained in effect from April 1 to December 31. As a result, the fuel price reduction reached a minimum of 30 euro cents per liter of fuel.

Following the discontinuation of the government's discount on December 31, Repsol decided to extend Waylet's 10-cent discount until March 31, 2023. With these measures, Repsol is helping to mitigate the impact on its customers of the sharp increases in fuel prices.

In May 2022, the Fleet Management project was launched, a cloud-based product that helps professional customers make their processes more robust and efficient by centralizing, in a single platform, all the information generated by their vehicle fleets, thus cutting administrative and operating costs and reducing management time.

Also in May, Repsol signed an alliance with Burger King, whereby each Waylet payment made in its establishments generates a minimum 1.5% balance for the user, which is added to his or her digital wallet and can be discounted from future purchases.

At the end of 2022, the Waylet payment app had reached 5.5 million users, topping the table of transport apps with a 35.3% market share, while also winning the DEC 2022 Award for Best Innovation Project in June..

Electric mobility and sale of biofuels

In January, the Company signed an agreement with Uber, making Repsol an Uber-approved energy supplier for its drivers of VTC vehicles and taxis that are 100% electric or plug-in hybrids.

In 2022, an electric vehicle installation was unveiled with Nissan at the Elche service station, equipped with four ultra-fast charging points. With a power output of 50 kW, it is able to charge an electric vehicle in 25–30 minutes, depending on the size of the vehicle's battery. The first ultra-fast charging point has also been installed in the Community of Madrid, at the Venturada service station (kilometer 49 of the A-1), which in turn has four 350 kW charging points, quick enough to charge an electric vehicle in 5–10 minutes. At December 31, 2022, Repsol had a network of more than 1,087 public charging points.

In April, the supply of biofuel began to the French Formula 4 championship, the first single-seater competition in the world to use fuel from 100% renewable sources throughout the season. ● *For more information, see section 6.3 Technology and innovation.*

Sustainability performance	2022	2021
Spilled hydrocarbons (>1bbl) reaching the average (t)	4.11	0.50
CO2e emissions (Mt) (Scopes 1 + 2) (1)	0.02	0.02
TRIR	0.85	0.49
% of contracts with human rights, environmental and anti-corruption clauses	100	100
Voluntary social investment (thousands of €)	3	—

(1) The Company's direct and indirect emissions (Scope 1 and Scope 2) will be subject to additional verification according to EU-ETS and international standard ISO 14064-1. Once verified, the data will be updated in the next edition of the Integrated Management Report.

Distributed generation

In March, a 50/50 joint venture was created with Telefónica to develop photovoltaic self-consumption. The strategic agreement, approved by European Competition in June and known as Solar360, aims to offer innovative services for private customers, residential communities and companies (both SMEs and large corporations) through the installation of solar panels.

At the end of 2022, Repsol had 355 solar communities and numerous agreements in effect to create and promote them, such as the one signed with Ganvan and Caser in October to promote the energy transition and extend distributed generation at dealerships and repair shops. A further agreement was signed in November with educational institution La Salle to develop solar communities at 29 schools located in nine autonomous communities of Spain.

5.3.2. Lubricants, Aviation, Asphalts and Specialized Products

Assets and operations

Production of Lubricants, Asphalts and Specialized Products 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 Southeast 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 component, with deliveries in more than 90 countries around the world.

Repsol markets and sells aviation fuel in various locations, most notably in Spain, France, Portugal and Peru.

Performance: recovery at Aviation

Total sales were 22% higher than in 2021, driven by the recovery of Aviation fuel sales (beginning in the second half of 2021), which were up 56% on 2021 (131% above 2020).

Decarbonization and digitalization

In April, a collaboration agreement was signed with the Spanish Air and Space Force. The agreement includes aspects such as improving sustainable mobility in the air sector, analyzing and drafting proposals to promote the development and consumption of new fuels with a low environmental impact, and joint R&D&i actions. Under this agreement, sustainable aviation fuel (SAF) produced by Repsol from biomass was used for the first time on October 12 on occasion of the parade of the Patrulla Águila demonstration team.

In June, the first three long-haul flights, from Madrid to the United States, were successfully completed using biofuels produced in Spain from waste at the Petronor refinery, within the framework of the agreement signed with Iberia.

At the Lubricants unit, the *lubricantes.repsol.com* web portal was launched in November, thus meeting one of the key milestones of the business on the path to digitalization. The portal includes the MyQR tool, which will allow us to digitalize marketing campaigns for our lubricants.

Over the course of 2022, the first carbon neutral lubricant range, known as the Master range and aimed at light vehicles, was launched globally.

Sales in the period by geographical destination are presented below.

Country (Thousand metric tons)	Lubricants	Asphalts	Specialized products(1)	Aviation	Total 2022	Total 2021
Spain	72	310	1,251	2,146	3,779	2,971
Europe	27	146	885	375	1,433	1,305
Africa	1	38	1,150	—	1,189	1,051
Americas	57	2	128	431	618	444
Asia and Oceania	62	—	180	—	242	169
TOTAL	**219**	**496**	**3,594**	**2,952**	**7,261**	**5,941**

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

Sustainability performance	2022	2021
Spilled hydrocarbons (>1bbl) to have reached the environment (t)	—	—
CO2e emissions (Mt) (Scopes 1 + 2) (1)	0.01	0.01
TRIR	0.41	0.42
No. of Tier 1 process incidents	—	—
No. of Tier 2 process incidents	—	—
% of contracts with human rights, environmental and anti-corruption clauses	100	100

(1) The Company's direct and indirect emissions (Scope 1 and Scope 2) will be subject to additional verification according to EU-ETS and international standard ISO 14064-1. Once verified, the data will be updated in the next edition of the Integrated Management Report.

5.3.3 LPG

Assets and operations

Repsol is the leading retail distribution company of LPG[1] in Spain. It is also one of the leading companies in Portugal (third largest operator) and has been operating in the French market since 2019.

LPG sales by geographical area *(Thousands or metric tons)*	2022	2021
Europe	**1,180**	**1,240**
Spain	1,084	1,149
Portugal	94	90
France	2	1
Latin America	**27**	**26**
Peru	27	26
TOTAL	**1,207**	**1,266**

In Spain, Repsol distributes bottled LPG, bulk LPG and AutoGas, with around four million active customers, and it also supplies other operators. In Portugal, Repsol distributes bottled LPG, bulk LPG and AutoGas to the end consumer and also supplies other operators. In Peru, it supplies AutoGas.

Thousand metric tons

LPG sales volume by product	2022	2021
Bottled	597	645
Bulk, piped and others (1)	610	621
TOTAL	**1,207**	**1,266**

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

Performance: slight drop in sales

LPG sales in 2022 were slightly down on the previous year, mainly due to higher temperatures, although margins on regulated products followed a positive trend toward the end of the year, leading to a better result for 2022 as a whole.

Digitalization, decarbonization and customer focus

ISCC-Plus certification was earned during the year for the Puertollano facility, which will allow for the sale of Bio LPG produced by the refineries of sustainable origin. The year also witnessed the first photovoltaic plant in LPG, where the aim is to improve energy efficiency (the annual consumption of an LPG factory will come from its own solar generation).

LPG has become a perfect ally in tackling the ecological transition and is a genuine alternative for making immediate progress toward the decarbonization targets, without losing any competitiveness and taking into account the geographic and demographic circumstances of each region.

Sustainability performance	2022	2021
Oil spills (>1bbl) reaching the environment (t)	—	—
CO2e emissions (Mt) (Scopes 1 + 2)(1)	0.004	0.004
TRIR	1.08	2.72
No. of Tier 1 process incidents	—	—
No. of Tier 2 process incidents	—	—
% of contracts with human rights, environmental and anti-corruption clauses	100	100

(1) The Company's direct and indirect emissions (Scope 1 and Scope 2) will be subject to additional verification according to EU-ETS and international standard ISO 14064-1. Once verified, the data will be updated in the next edition of the Integrated Management Report.

5.3.4. Retail Electricity and gas

Performance: customers and power sales both up

The business performance in 2022 took place in a complex environment. Prices and volatility in the energy markets hit all-time highs and regulatory changes fueled fierce levels of competition in the retail market.

Volumes sold at year-end 2022 amounted to 4,278 GWh of electricity (3,964 GWh in 2021) and 1,650 GWh of gas (1,586 GWh in 2021).

At year-end 2022, Repsol had 1.5 million customers in Spain —including Gana Energía— (+15% vs. 2021) and a market share of 4.15% (3.5% in 2021). This growth was achieved

[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 2021 consolidated Financial Statements.*

thanks to a strategy based on competitive terms for new customers, taking advantage of portfolio purchase opportunities, focusing on loyalty and growing Gana Energía.

New customers and markets

In line with the strategy of harnessing portfolio purchase opportunities, in January Repsol acquired Capital Energy's portfolio of residential and SME electricity customers, thus bringing in a further 21,000 customers. Repsol also won the sixth edition of the collective purchase of energy promoted by the Spanish Organization of Consumers and Users (OCU), thus acquiring more than 45,000 customers.

In March, Repsol entered into a partnership agreement with Caja Rural del Sur to offer electricity, gas and value-added services to customers through the bank's 320 branches. The aim is to respond to the energy needs among customers and offer them a personalized range of products and services tailored to their consumption habits. Cajas Rurales de Aragón and Zamora would then join this agreement two months later.

In June, a pioneering alliance was launched in the Openbank sector, whereby users who arrange electricity and gas from Repsol can earn a discount of up to 10 basis points on their mortgage with the bank. The partnership with Correos (Spanish Post Office) was also extended, and Repsol products can now be marketed exclusively in all of its 2,100 offices (1,078 in 2021).

It has been selling electricity and gas in Portugal since July 2022, offering 100% renewable electricity and gas to residential customers, as well as electricity to companies, reaching almost 2,500 customers across the country.

In August, Repsol signed a double agreement with Dominion to sell electricity and gas through its Phone House channel (comprising a network of more than 500 physical stores) and to acquire Alterna's electricity and gas customer portfolio (70,000 customers in total). In November, the Spanish Markets and Competition Commission (CNCM) gave the green light to this operation and the process of integrating these new customers got under way. This process was completed before the end of the year.

In December, an alliance was signed with Fnac to offer the Company's electricity and gas rates.

5.3.5. Low-carbon generation and renewables

Assets

Repsol is a major player in the Spanish electricity generation market, with a total installed capacity in operation of 3,870 MW and capacity under development of 2,588 MW as at December 31, 2022(up 4% and 11% on 2021, respectively).

INSTALLED CAPACITY 2022	(MW)
Oviedo – Navia	193
Picos de Europa – Picos	113
Aguilar – Aguayo Aguilar	387
Hydroelectric and pumping plants(1)	**693**
Zaragoza – Escatrón	804
Algeciras – Bahía de Algeciras	821
Combined cycle plants	**1,625**
Cogeneration plants	**600**
Wind	**499**
Solar photovoltaic	**453**
TOTAL generation capacity in operation(2)	**3,870**
Wind projects	997
Solar projects	1,591
TOTAL generation capacity under development (2)(3)	**2,588**

(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.
(3) Relates to those assets under construction and those for which a final investment decision (FID) has been reached.

Repsol has hydroelectric power plants in operation with an installed capacity of 693 MW, located in the north of Spain and offering enormous potential for further organic growth, as it is planned to expand the capacity of the current Aguayo facility located in San Miguel de Aguayo in Cantabria with a second reversible pumping plant (Aguayo II), by leveraging the existing lower and upper reservoirs, with the aim of adding four generation unit of 250 MW each to achieve a total capacity of 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 at the Group's industrial complexes in Tarragona, Santander and Cartagena within its Chemical and Refining activity, with a combined capacity of 600 MW.

Operational wind power generation capacity amounts to 499 MW, corresponding to the Delta I projects (comprising eight wind farms located in Aragon with 335 MW) and two Delta II plants (Cometa I and Cometa II, with a total capacity of 60 MW and which started production in March 2022), as well as the first wind farm under the Pi project, located in Castilla y León (9.8 MW, operational as of December). In Chile, Repsol is part of a joint venture with the Ibereólica Renovables group for the commercial operation of the two phases of the Cabo Leones III wind farm, with a joint capacity of 188 MW (94 MW pertaining to Repsol).

Operational solar generation capacity amounts to 453 MW, corresponding to the Kappa (with 126.6 MW) and Valdesolar (with 263.7 MW) PV facilities in Spain, both of which entered production in 2021, and the Jicarilla 2 facility in the United States (with 62.5 MW), which entered production in 2022.

The wind and solar projects that Repsol is developing in Spain include the Pi wind project (located between Palencia and Valladolid), which will have a total installed capacity of 175 MW (of which 10 MW will come on stream in the early weeks of 2023), the Delta II wind facility (a further 729 MW, with 99 MW already in operation in January 2023) and the Sigma solar plant in Cádiz, which will have a total installed capacity of 203.6 MW. Several projects are under way in Chile, including the Atacama wind farm, which will have a capacity of 82.7 MW (already operational in January 2023) and the Antofagasta site, with 171.6 MW, along with the Elena solar facility, with 37.3 MW (also operational in early January 2023). In the United States, there are three solar facilities, Frye with 637 MW (Texas), Outpost with 629 MW (Texas) and Jicarilla 1, with 62.5 MW of installed capacity, which also features 20 MW of battery storage.

Performance: production and prices up

The contribution made by this vertical segment to the Group's results saw a significant increase due to the favorable price environment and the higher volume of electricity generated.

In 2022, electricity production amounted to 8,734 GWh, compared to 5,283 GWh in 2021 (excluding production at cogeneration plants), due to the increase in production from combined cycle plants and the start-up of new facilities.

Strategic agreements and asset rotation

In 2022, in accordance with the Strategic Plan, Repsol completed the sale of the 25% stake in Repsol Renovables to the consortium comprising Predica Prévoyance Dialogue du Crédit Agricole, S.A. and Energy Infrastructure Partners, in exchange for €986 million. ● *For more information, see section 2.5 Strategy*.

The Company also completed the rotation of two very important assets. The sale of the 49% stake in the Valdesolar solar plant (Badajoz) to The Renewables Infrastructure Group (TRIG), in exchange for €117 million, and the sale of the 49% stake in the Kappa solar project (Ciudad Real), for €27 million, Repsol's second transaction with Pontegadea Inversiones, which had previously acquired 49% of the Delta I wind farm in November 2021.

In December, an agreement was reached (see section 2.5 – Strategy) to acquire Asterion Energies from the European infrastructure fund Asterion Industrial, at an estimated price of €560 million. Asterion Energies manages a portfolio of projects, mainly under development, totaling 7,700 megawatts (MW) of renewable energy in Spain (84%), Italy (12%) and France (4%).

Last but not least, an agreement was signed with Ørsted to identify and, as the case may be, jointly develop floating offshore wind projects in Spain.

Expansion in the United States

In the United States, Repsol began producing electricity in March at Jicarilla 2, in New Mexico, making it the first renewable solar plant to be operated by Repsol (62.5 MW). Another solar plant, Jicarilla 1, with an installed capacity of 62.5 MW and 20 MW of battery storage, is currently being developed at the same location and will come into operation in the coming months.

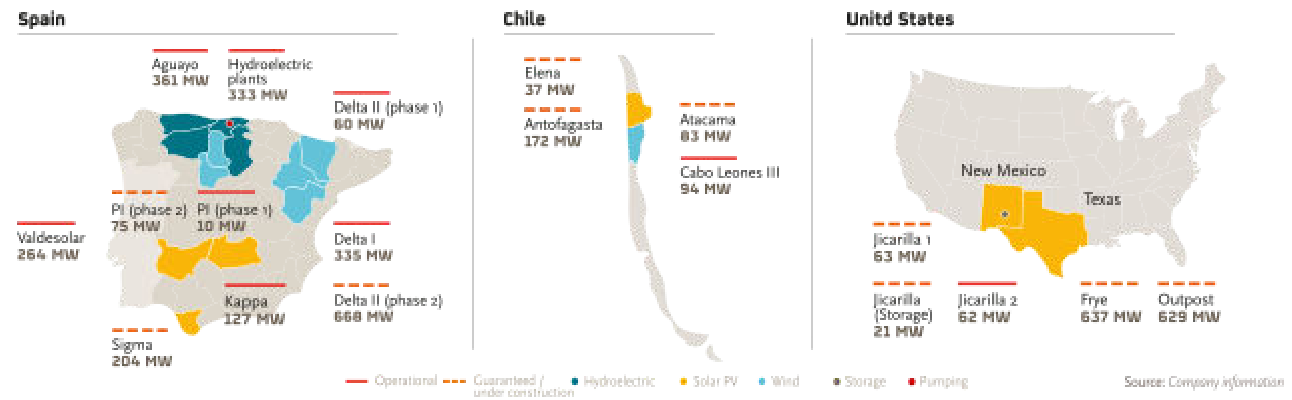
The *Frye* and *Outpost* facilities (capacity under development) were acquired in 2002, along with an additional facility at *Pinnington* (825 MW, awaiting final investment decision – highly visible pipeline), all of them located in Texas and utilizing solar technology.

In the United States, Repsol holds a stake of 40% in Hecate Energy Group LLC, which develops photovoltaic projects and energy storage batteries.

Sustainability performance	2022	2021
CO_2e emissions (Mt) (Scopes 1 + 2) (1)	2.4	1.2
TRIR	3.45	3.21
Voluntary social investment (thousands of €)	56	111.0

(1) The Company's direct and indirect emissions (Scope 1 and Scope 2) will be subject to additional verification according to EU-ETS and international standard ISO 14064-1. Once verified, the data will be updated in the next edition of the Integrated Management Report.

Geographical position of Repsol Renewables



6. Sustainability

Sustainability model

Repsol's Sustainability Policy sets the goal of meeting the growing demand for energy and products, while contributing to sustainable development.

This policy, created in 2015 and updated in 2017, was revised in 2022 to reflect the Company's commitment to achieve net zero emissions by 2050 and contribute to a fair energy transition.● *Zero net emissions, measured according to the IIC (Carbon Intensity Indicator) methodology, described at www.repsol.com (Sustainability - Carbon Intensity Indicator) (For more information see section 6.1.4)*

The policy is implemented through the Sustainability Model, in accordance with best practices in environmental, social and governance matters, and it is structured into six pillars: climate change, environment, innovation and technology, safe and secure operation, people, and ethics and transparency.

Sustainability plans are drawn up every year, serving as public commitments in line with the 2030 Agenda of the United Nations and its 17 Sustainable Development Goals (SDGs) and for which the Company is accountable year after year.

The 2022 Global Sustainability Plan (GSP), which sets out 49 medium-term objectives built around the six pillars of the model, incorporates new commitments this year to the production of renewable hydrogen and the reduction of absolute CO2 and methane emissions to move towards net zero emissions.

Based on the GSP, Local Sustainability Plans (LSPs) are implemented in countries and operating centers. They incorporate annual initiatives that respond to the Company's objectives and the needs of local stakeholders. In 2022, Repsol had a total of 19 local plans in place: 13 across its countries (Algeria, Bolivia, Brazil, Canada, Colombia, United States, Indonesia, Mexico, Norway, Peru, United Kingdom, Libya and Venezuela) and six at its industrial facilities (Bilbao-Petronor, Cartagena, Coruña, Puertollano, Tarragona and Sines). The LSPs have led to the implementation of more than 3,000 initiatives since 2014, aligned with the 2030 Agenda and its Sustainable Development Goals. ●*For more information on the Global Sustainability Plan and Local Sustainability Plans, see www.repsol.com (Sustainability - Sustainability Strategy -Reports and KPIs - Sustainability plans).*

Succes stories

Throughout section 6, different success stories related to sustainability management in the Company are identified in boxes such as this one.

United Nations Sustainable Development Goals

Section 6 identifies the different SDGs related to our management.

Repsol and the Sustainable Development Goals

Committed to the United Nations 2030 Agenda for Sustainable Development since its adoption in 2015, Repsol contributes to achieving the SDGs and works to ensure their implementation at all organizational and business levels.

Repsol focuses its efforts on SDGs 7, 8 and 13 with the aim of guaranteeing access to sustainable energy, promoting economic growth and fighting climate change. Moreover, it is committed to technological innovation, sustainable water management and the circular economy (SDG 6, 9 and 12) and it collaborates with its stakeholders and actively participates in business associations, in line with SDG 17.

Since 2019, Repsol has published an annual report which includes more than thirty indicators, projects and testimonials that show its contribution to the SDGs both globally and locally[1].

Likewise, in 2022 Repsol analyzed its contribution to the SDG Roadmap for the oil and gas sector, developed by IPIECA and the World Business Council for Sustainable Development (WBCSD), and in which it played a leading role in its preparation. This document sets out the actions that companies in the oil and gas sector should undertake to help achieve a future with a low carbon footprint and a healthier and more prosperous world in line with the 2030 Agenda.

On the basis of this analysis, the degree of alignment between Repsol's plans and the roadmap was established and improvements have been identified to continue making progress in the SDGs in the coming years.

Another major milestone was the Company's participation in two pilot projects for the valuation of impact assessment tools of the United Nations Development Program (UNDP) and UNEP-FI

[1]The SDG reports are available at www.repsol.com (Sustainability - Sustainability strategy - Our contribution to the SDGs)

Repsol and the Sustainable Development Goals

Decent work and economic growth

€17,002M paid in taxes

23,810 employees

4,017 suppliers

5,403 telecommuters

€21.04M voluntary social investment

39.6% women

3,702 evaluations of **878 suppliers**

79 nationalities

Clean and affordable energy

1.5 million electricity customers

€770M renewables investment in 2022

3,870MW total low-emission installed capacity

355 solar communities connect

3,400 tons of CO_2 avoided

Climate action

337kt reduction in CO_2e in 2022

9.6% reduction in CII compared to 2016 baseline

Goal **0** net emissions by 2050

29% CO_2e reduction in absolute Scope 1+2 emissions compared to base year 2016

Clean water and sanitation

117% increase in water reused vs. 2015

25% water reused of total water used in the Company's operations[1]

Responsible production and consumption

+300 circular initiatives in **12 countries**

+220 partnerships

35% total recovered waste

+40 types of waste and technologies under analysis

Industry, innovation and infrastructure

+500 digital initiatives

12 new patents

€59M R&D investment

[1] Does not include water withdrawn and injected or water from open-loop cooling processes in combined cycle power plants.

Governance model

The Board of Directors approves, subject to oversight by the Sustainability Committee, the Company's sustainability strategy and policy proposed by senior management. This Committee, among other functions, oversees and guides the policy, objectives and guidelines in the environmental, social and governance domains. In 2022, the committee held a total of 5 meetings and addressed the following matters, among others:

- 2030-2050 business scenarios analysis of the Company's resilience to the energy transition.
- Accident rate scorecard.
- Global Sustainability Plan (year-end of Plan 2021 and Plan 2022).
- 2022 Report on Sustainable Development Goals.
- 2022-2027 Sustainability risk map.
- CO2 emission allowances.
- Progress made on strategic safety and environmental projects.
- Assessment of the report on Repsol's participation in industry initiatives and associations.
- Local Sustainability Plans.
- Non-financial reporting framework strategy with a view to 2024.
- Progress in human rights: social management of the La Pampilla spill (Peru).
- Updates of the Sustainability Policy, Health and Safety Policy, and the new Environmental Policy.
- Results of the 2022 materiality analysis.
- Progress towards natural capital and biodiversity.
- Progress made on water management.
- Progress in human rights in the Low Carbon Generation business.
- ESG 2022 performance, valuations from the main ESG analysts and O&G sector rankings.
- Summary of COP27.

There is a growing demand for information from investors, analysts, shareholders and financial institutions regarding compliance with Repsol's energy transition strategy. ESG (Environmental, Social and Governance) criteria have become increasingly relevant in recent years, such that environmental, social and good governance factors are highly valued by investors, beyond financial results.

The Company provides its main stakeholders with timely, accurate and transparent information on ESG aspects during the quarterly and annual presentation of results and strategic events. The management team also conducts specific ESG roadshows, some of which are led by the CEO himself.

The sustainability ratings prepared by prestigious entities (MSCI, S&P, Sustainalytics, CDP, among others) represent an indicator of compliance with the strategic objectives and the quality of the Company's management and governance in this area.

The reports obtained from the roadshows and other ESG events, such as ESG Day held on October 4, 2022, are periodically presented to the Board of Directors. On this occasion, aspects about the role of technology in accelerating the energy transition were explained. Moreover, the Ecoplanta project was presented as an opportunity for a technology-driven circular economy. The main lines of work relating to diversity and inclusion, as well as Repsol's approach to assessing the climate credentials of an energy company were also discussed.

As for ethics and transparency, the Audit and Control Committee and the Ethics and Compliance Committee are responsible for ensuring compliance with the Code of Ethics and Conduct in all areas of the Company.

The Company's senior management defines the objectives, action plans and practices with regard to sustainability. To ensure that the organization is properly aligned, sustainability and decarbonization objectives accounted for 20-35% of the variable compensation of all Company employees in 2022, and 25% of the CEO's annual variable compensation. Additionally, there is a long-term incentive for the 2022-2025 period, where 40% of the objectives are linked to sustainability. It applies to all senior management, including the CEO, and other employees.

ESG Awards

(1) For more information on awards, see https://www.repsol.com/en/about-us/our-brand/awards/index.cshtml

Leadership and talent

Merco Líderes Ranking
Antonio Brufau and Josu Jon Imaz are among the top 15 executives with the best reputation in Spain in 2022.

Merco Talento Ranking
Repsol ranks second among the top 100 Spanish companies with the greatest ability to attract and retain talent.

Technology and digitalization

Repsol Data School
It received an award from AMETIC in the category of more and better trained ICT professionals at the Digital Skills Awards Spain 2022.

HR Excellence in Research
The first private company research center in Europe to receive this award.

Accessibility

Leed Platinium certification awarded by the US Green Building Council
The corporate headquarters is a sustainable and 100% accessible workspace. Among other aspects, energy efficiency, use of alternative energies and efficiency in water use are valued.

Communication and corporate reputation

Repsol, with 72,4/100 points,has the **best corporate website** in Spain, according to data from the annual Webranking study. Sustainability is one of the most highly valued sections.

Repsol is among the **top 6 in corporate reputation** among Spanish companies, according to the Merco study.

37%

of institutional shareholders are ESG investors

ESG 2022 indexes and ratings

CDP Climate change
Repsol maintains its score of A- in the leadership category.

MSCI
Score of A (on a AAA-CCC scale) which places Repsol above the average for the O&G sector.

Sustainalytics
Repsol is among the best in its sector, with a rating of 26.9/100 (Medium Risk).

S&P ESG Evaluation
Score of 65/100. The sustainability strategy is highlighted as the most advanced in the sector.

Ecovadis
Within the top 8% of companies with the best valuation in the sector.

ISS-ESG
Prime rating, which places Repsol among the leading companies in its sector.

Repsol, a company recognized for its commitment to sustainability

Repsol maintains leadership positions in its sector in the main ESG ratings.

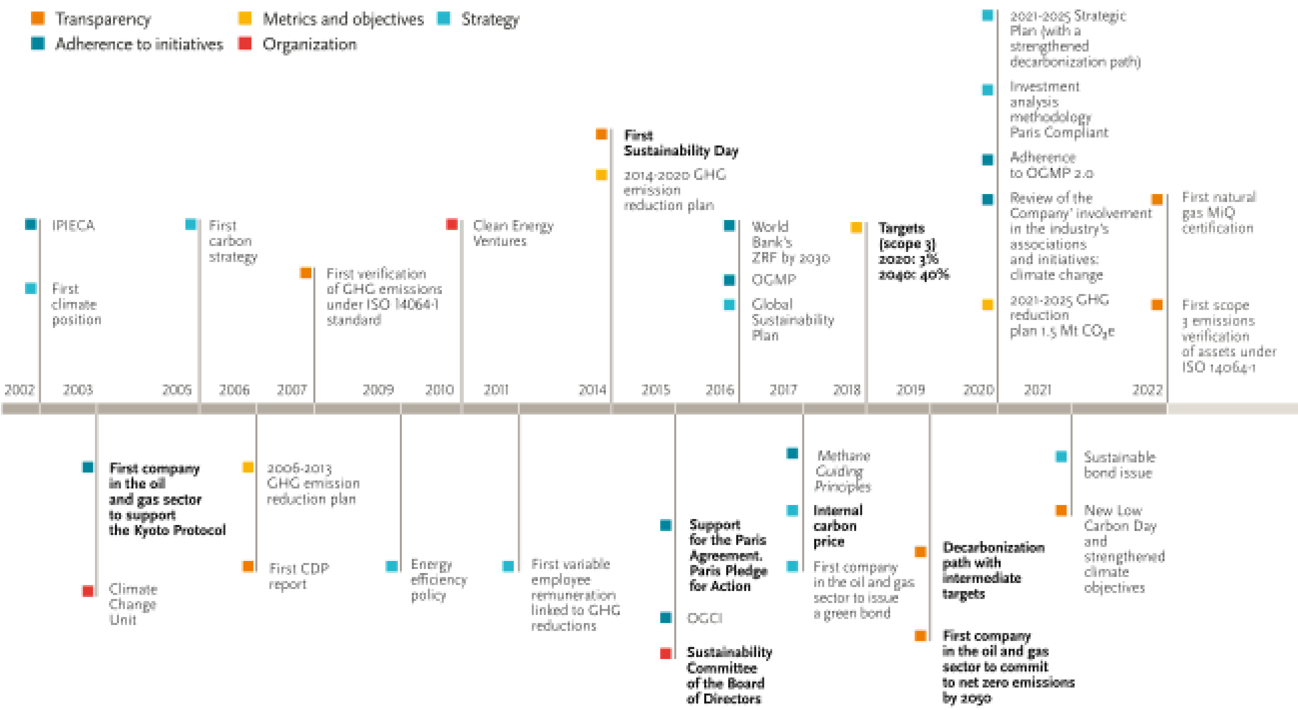
6.1 Energy transition and climate change[1,2,3]

Over the past twenty years, Repsol has built a leading position in relation to the energy transition and the fight against climate change in the global O&G industry.

The Company has been a pioneer in the sector, by in 2019, taking on the challenge of achieving net zero emissions by 2050, in alignment with the Paris Agreement, and making a commitment to technology and digitization. Repsol is decarbonizing its traditional operations, investing in renewable electricity generation and producing renewable fuels to offer customers power with a low carbon footprint for the mobility, industry and residential sectors.

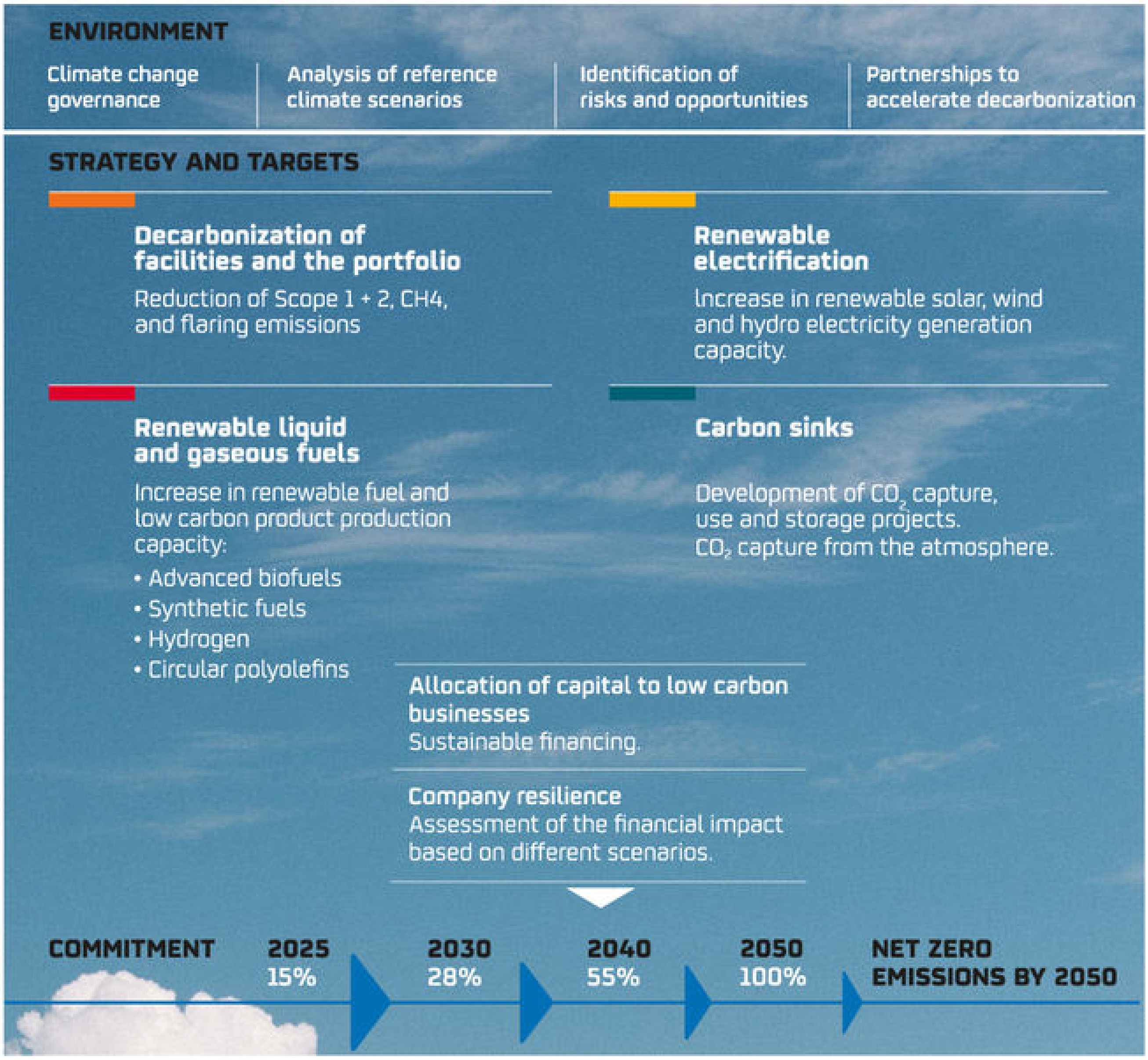
The energy transition is an unprecedented challenge. We are facing the so-called 'energy trilemma', it is necessary to decarbonize the energy mix, while also guaranteeing a reliable and affordable supply of energy.
Solving climate change issues is a great challenge for society. Repsol wants to be part of the solution and it has created a roadmap with specific targets that it is already starting to meet.

Decarbonization in Repsol's DNA



[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 energy transition, safety and environmental matters (S&E). As a general rule, environment and safety information includes 100% of the data from companies in which Repsol holds 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 discloses additional climate change information in the CDP survey (available at www.cdp.net and at www.repsol.com [Sustainability - Sustainability strategy - Reports, indicators and alliances - Management and sustainability reports]).

Roadmap for the energy transition



6.1.1. Governance

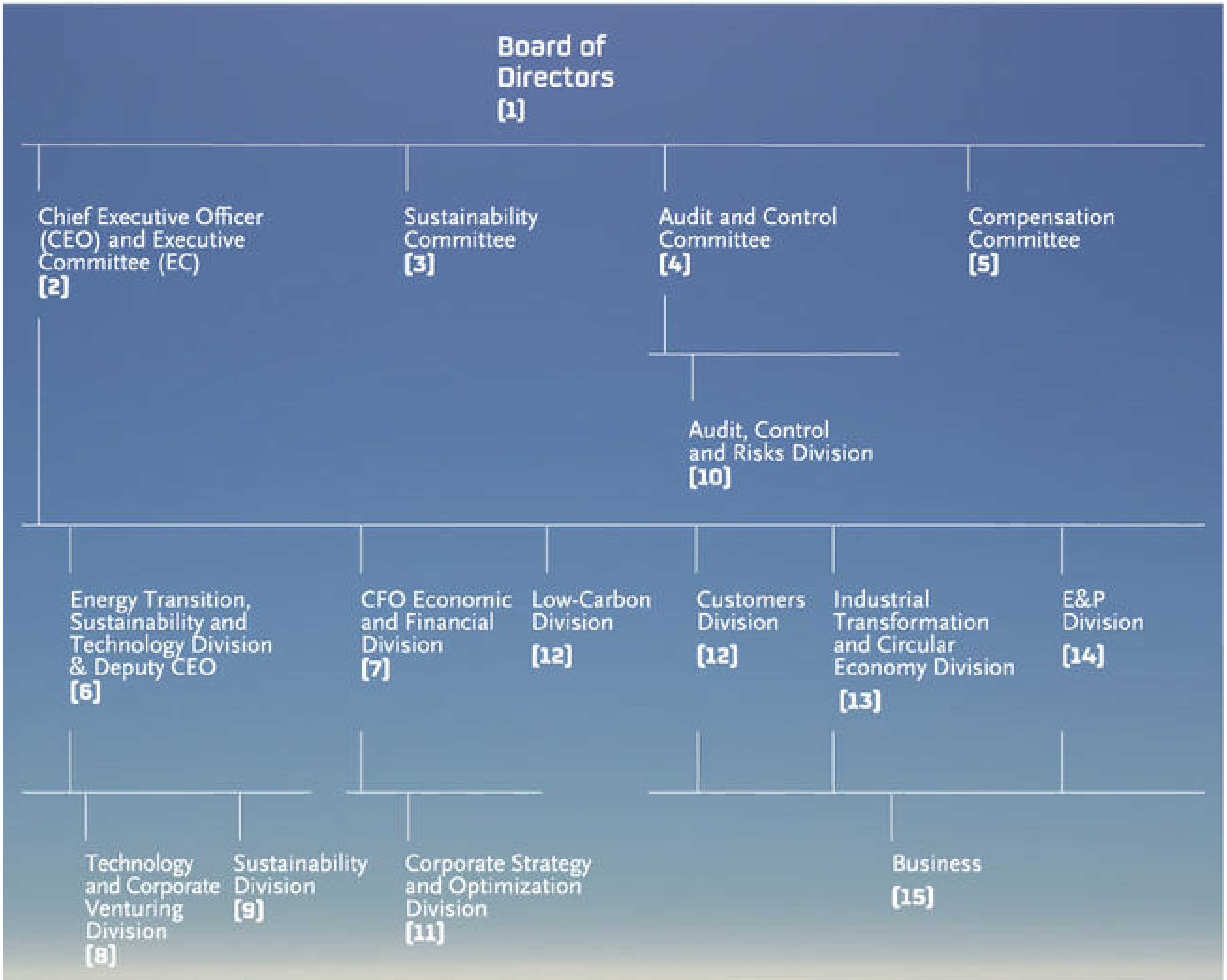
Repsol has a governance structure for managing matters related to climate change that is led by the Board of Directors, it approves the decarbonization strategy that forms part of the company's overall strategy and oversees its compliance by monitoring sustainability and energy transition targets and indicators. This monitoring includes performance metrics, targets for reducing emissions and carbon intensity, technological advances and investment proposals. By decision of the Board of Directors, the energy transition strategy and plans were submitted to the advisory vote of the General Meeting of Shareholders in 2022.

The Executive Committee (EC) and the Board of Directors oversee the compatibility of the investment proposals with the energy transition targets through specific reports drawn up by the Sustainability Department. In these reports, the impact of each investment on the Carbon Intensity Indicator (CII)[4] is measured, a metric that indicates the progress made toward decarbonization.

Moreover, specific sessions have been held for Board members on matters related to the energy transition and climate change, such as critical minerals for the energy transition, technologies to transform waste into products and circular chemistry, artificial intelligence technologies, gas markets, and the impact of the war in Ukraine.

[4] For more information, see Section 6.1.4. Metrics and targets.

Climate change governance



(1) Approves the decarbonization strategy and sustainability policy.

(2) Propose the climate change strategy and objectives. Regularly oversee implementation of the strategy and review GHG emissions and the Carbon Intensity Indicator and the fulfilment of climate change mitigation targets.

(3) Supervises and regularly monitors the decarbonization roadmap and compliance with related plans and objectives.

(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 to the Board of Directors the remuneration for the CEO and senior management 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 proposed targets and the monitoring of action plans.

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

(8) Steers the process of exploring decarbonization technologies that will help fulfill 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 the targets and goals linked to the decarbonization strategy in the short, medium and long term. Proposes the sustainability policy.

(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. It also lends support to the Audit and Control Committee in carrying out its functions.

(11) Draws up the strategy for steering the Company through the energy transition and submits it to the Executive Committee.

(12,13,14) Monitor implementation of the strategy by reviewing commitments undertaken by the businesses. Validate the budgets, business and investment plans and submit them to the EC.

(15) Implement the decarbonization strategy. Propose annual budgets, and any business and investments plans necessary to make progress on the decarbonization strategy.

The Sustainability Committee and the Audit and Control Committee of the Board, as well as the Executive Committee, regularly monitor the information on the implementation of the climate change strategy and the change in compliance with the CII.

Specifically, in 2022 the Sustainability Committee reviewed the following aspects, among others:

- Fulfillment of the energy transition targets by the end of 2022.
- Quantification of investments to ensure they are in line with the energy transition.
- CO_2 emission allowances.
- Greenhouse gas (GHG) emissions map for 2022.
- Non-financial reporting frameworks.
- 2030-2050 business scenarios.
- Participation in industry initiatives and associations and their alignment with the Company's climate position.
- Results from COP27.

Meanwhile, the Audit and Control Committee reviewed the non-financial information published in the Management Report, as well as the non-financial risk control and management systems[5].

The Executive Committee is directly responsibility for managing matters related to the energy transition:

- It oversees and proposes to the Board of Directors a Company's strategy aligned with the energy transition, as well as the long-term scenario analysis (2030-2050).
- It approves and assesses the targets, budgets and annual investment plans.
- It approves the qualification of investments to ensure they are in line with the energy transition.
- It approves potential changes to the CII calculation methodology and monitors the progress made towards achieving the targets established for this key indicator at least once a year.
- It assesses the investment proposals and their impact on the CII.
- It periodically oversees the state of risk management policies and the emerging risks and climate change map presented by the Audit, Control and Risk Department.

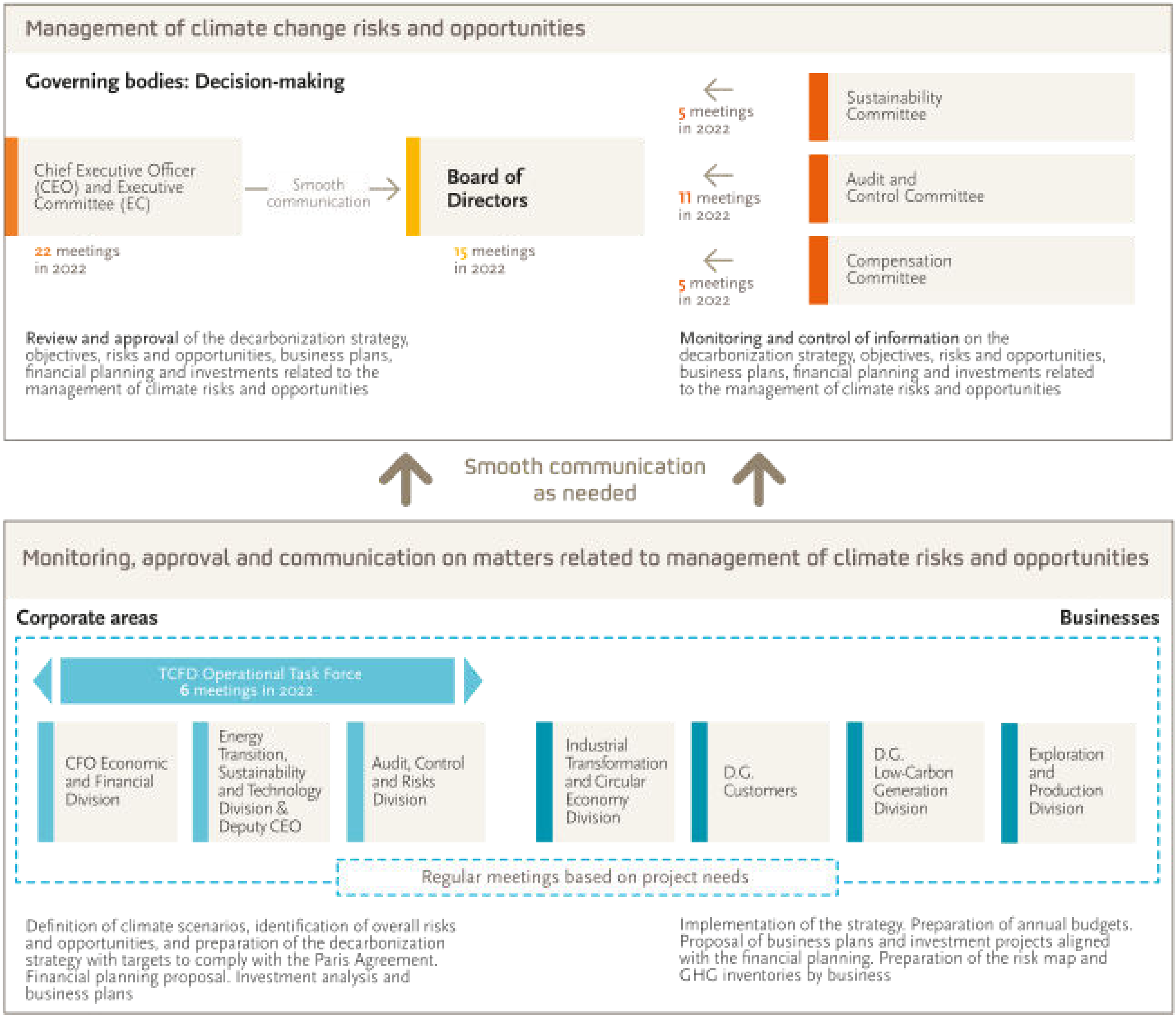
The executive managing divisions and business areas with the most significant impact on the energy transition strategy collaborate and hold regular coordination meetings. They review ongoing projects related to managing climate change risks and opportunities, and specialized teams advise them on climate-related issues. More than 60 full-time employees work on climate and energy transition issues, distributed across corporate functions (sustainability, legal, risk management, strategy, technology, investor relations, communication, institutional relations, etc.) and business units.

Fulfillment of the energy transition targets have a direct impact on the variable remuneration of all employees:

- Short-term variable remuneration is defined and reviewed on an annual basis. In 2022, up to 20% of this remuneration is based on sustainability commitments linked to the decarbonization pathway, which focus on CII reduction and making progress in renewable electricity generation capacity.
- Repsol also has a long-term incentive in place for the 2022-2025 horizon. 30% of this incentive is linked to compliance with the CII reduction goal and 10% is linked to compliance with the renewable generation capacity targets. This long-term variable remuneration applies to all executives and members of senior management, including the CEO, as well as a high percentage of leaders with managerial and technical responsibilities.

[5] For more information, see the annual reports of the Audit and Control Committee and the Sustainability Committee and the Annual Corporate Governance Report.

Climate risk governance model



6.1.2. Strategy

Repsol's strategy focuses on achieving net zero emissions by 2050, including all emissions from production to final consumption of the primary energy that is produced.

To define this strategy, Repsol carried out a process to identify and analyze the risks and opportunities related to the climate and the energy transition[6].

Repsol considers that the energy transition should be accompanied by technological development in a series of decarbonization areas:

- Energy efficiency and the decarbonization of current operations.
- Renewable electrification.
- Renewable liquid and gaseous fuels.
- Carbon sinks based on CO2 capture.

The strategy is translated into on plans and targets for this decade, a period with greater visibility in terms of environmental conditions. In the long term (2031-2050), Repsol uses global and regional energy demand scenarios to analyze several possible energy transition routes. They take into account the uncertainty associated with factors such as the pace of technological development, regulations or the energy needs and habits of consumers.

[6] See information in section 6.1.3 Risks and opportunities.

Reference energy scenarios

Given the uncertainty with regards to the pace and direction of the energy transition in the long term, the scenario analysis based on different assumptions about changes in the energy context (demand for oil and gas, growth of renewables, changes in new technologies, climate policies, etc.) will become particularly important. In this sense, Repsol will adapt its businesses to varying future conditions, without compromising its decarbonization targets. The scenario analysis should make it possible to test the resilience of the Company's strategy to financial risks that arise from climate change and the necessary transition toward a decarbonized energy portfolio.

As a reference for its business analysis, Repsol adopted the forecasts of oil and gas demand, renewable generation growth and other macroeconomic environmental conditions from the International Energy Agency (IEA) scenarios described in its World Energy Outlook 2021[7], since they are widely referenced in the energy sector:

- **NZE (Net Zero Emissions by 2050 Scenario):** a scenario in which net zero emissions are achieved by 2050 in the global energy sector, and compatible with the temperature not increasing by more than 1.5 °C by 2100.
- **SDS (Sustainable Development Scenario):** a scenario which allows for a 1.65°C pathway to be reached in line with the Paris Agreement goal of maintaining it "to well below 2°C".
- **APS (Announced Pledges Scenario):** a scenario in line with the fulfillment of the commitments and pledges publicly announced by governments around the world.

It is important to note that the IEA highlights its NZE scenario as one of the many possible scenarios that can be proposed to limit the increase in temperature to 1.5°C:

> *"There are many possible paths to reach CO2e net zero emissions worldwide by 2050 and many uncertainties that could affect any of them; the NZE scenario is, therefore, one path but not the definitive one toward net zero emissions" [IEA, 2021, Net Zero by 2050: A Roadmap for the Global Energy Sector].*

In fact, the Sixth Assessment Report, AR6, by the Intergovernmental Panel on Climate Change (IPCC), published in 2022, includes more than 200 scenarios in line with limiting the increase in temperature to 1.5 °C by 2100, of which only 28[8] achieve emissions neutrality by 2050, whereas the rest do so later.

With regards to change in the demand for energy end products, Repsol considers a single scenario, determined by the European Green Deal and the associated 2030 legislative package Fit for 55, as will be described later, since its industrial complexes (refining and chemicals) and commercial assets are mostly located in Spain and Portugal.

Repsol's Pathway to net zero emissions: 2030 strategy and 2030-2050 projections

In **this decade, until 2030**, Repsol will follow a decarbonization pathway that is based on specific business targets proposed in its Strategic Plan (November 2020) and bolstered in October 2021. In the **long term (2031-2050),** the decarbonization pathway is built on Company projections considering the environmental conditions of the three IEA scenarios mentioned.

The hydrocarbon **upstream business** mainly responds to changes in global oil and gas supply and demand.

- Until 2030, the strategy focuses on optimizing the asset portfolio, prioritizing assets that are already productive as well as projects to develop profitable reserves at moderate crude oil prices, with a shorter life cycle and a lower carbon intensity. Hydrocarbon production in this period remains stable in the range 600-630 kboed, which compares with maximum production of 709 kboed in 2019. It will start to decline toward the end of the decade accompanied by a drop in demand in each scenario. During this period, a large part of the natural decline in field production will be offset by projects to develop reserves and contingent resources already discovered. Particular attention is given to reducing direct emissions from the assets, so that by 2025 methane intensity will fall below 0.2% and routine flaring emissions will decrease by 50%. In addition, for this decade CO2 capture and storage (CCS) has only been included in the Sakakemang project (Indonesia), but other opportunities are being explored.
- In the long term, a more severe drop in production from 2030 onwards has been taken into consideration than the worldwide decline envisaged in the IEA scenarios , entailing a greater contribution of lower-cost hydrocarbons in the hands of national companies in producing countries. This, meanwhile, makes it easier to reach Repsol's decarbonization targets. In 2050, hydrocarbon production is estimated to be at 350-400 kboed (APS scenario), 250-300 kboed (SDS scenario) or less than 100 kboed (NZE scenario). This last case entails the decline resulting from the depletion of the assets that are already in operation by 2030, assuming that no new developments will have been undertaken from that date.

The **industrial** business (refining, chemicals and new renewable and circular products) must adapt to the local or regional demand trends and regulations Repsol's industrial operations, mainly located in Spain and Portugal, will be subject to demand trends where the Fit for 55 legislative package, published by the European Commission in 2021, is expected to have a decisive influence. The European Union aims to reduce GHG emissions by 55% by 2030 compared to

[7] In the latest edition of the WEO 2022, published after the development of scenarios by Repsol, the SDS scenario has been eliminated. The APS scenario revised in 2022 is close to the 2021 SDS (+1.7°C vs. +1.65°C, respectively) since emission reduction announcements from new countries were included. A Stated Policies 2022 scenario is maintained which incorporates only the current policies established by the countries and that leads to a +2.5°C pathway that is incompatible with the Paris goals.
[8] The 28 scenarios correspond to those that reach net zero emissions from the energy sector with a > 95% reduction compared to 2021.

1990, as an intermediate step towards achieving emissions neutrality by 2050, as set forth in the European Green Deal.

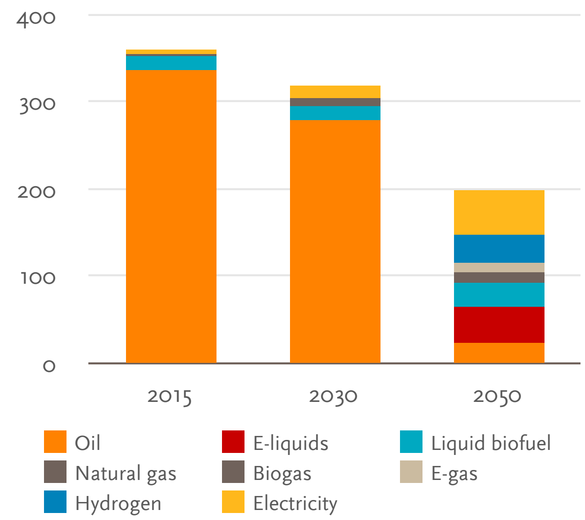
Transport-related regulations will be particularly relevant to Repsol since they could lead to a very significant drop in the demand for petroleum products in the 2030-2050 period. These products would be progressively replaced by electricity in the light road transport segment (and partially in the heavy-duty segment), and by renewable fuels (advanced biofuels, synthetic fuels and hydrogen), in the latter case especially aimed at the transport segments that are most difficult to electrify (aviation, maritime and heavy road transport).

Thus, in the so-called 1.5 Tech Scenario prepared by the European Commission, the total demand for fuels in the transport sector by 2050 in the European Union would be covered by 15% conventional fuel, 25%[9] electric mobility and 60% renewable fuels (including biofuels, synthetic fuels and hydrogen, all partly generated using renewable electricity as well).

Renewable liquid and gaseous fuels will be necessary for the decarbonization of the many energy uses where renewable electricity is not applicable or the most efficient option. The circular economy will also play a key role in decarbonization and the transformation of refining and petrochemicals industrial complexes, since a large part of the renewable fuels will be obtained from organic waste.

- Until 2030, Repsol's refining activity will continue to be high, with a reduction in crude processing toward the end of the decade of around 15% from 2019 values, while renewable fuel volumes will increase. Biofuel production will reach 1.3 Mt by 2025 and 2.0 Mt by 2030, and renewable hydrogen production will reach 0.55 GWe by 2025 and 1.9 GWe by 2030. In the chemicals segment, Repsol will recycle the equivalent of 20% of its total polyolefin production by 2030.
- In the longer term, distillation of crude oil is expected to drop by 80-90% by 2050, compensated by an increase in the production of renewable fuels (biofuels, synthetic fuels and hydrogen), which will constitute some 60-70%[10] of the Company's energy product mix by 2050. It should be noted that the competitive position of Repsol's industrial assets (first quartile in the EU by economic profit and market share in Spain) currently makes it easier to undertake the necessary investments for their transformation:
  - Repsol's production of renewable hydrogen will reach 10-15 GWe by 2050.
  - The Chemicals business shows growth in line with the increase in demand estimated under the IEA scenarios. Circular economy projects (waste as raw material, mechanical and chemical recycling) will be the main investment vectors. By 2050, Repsol expects to recycle the equivalent of 50% of its total production of polyolefins, which will be used in applications with a long-life cycle.

Fuel consumption in the transport sector by 2050 (Mtoe)
1.5 Tech scenario



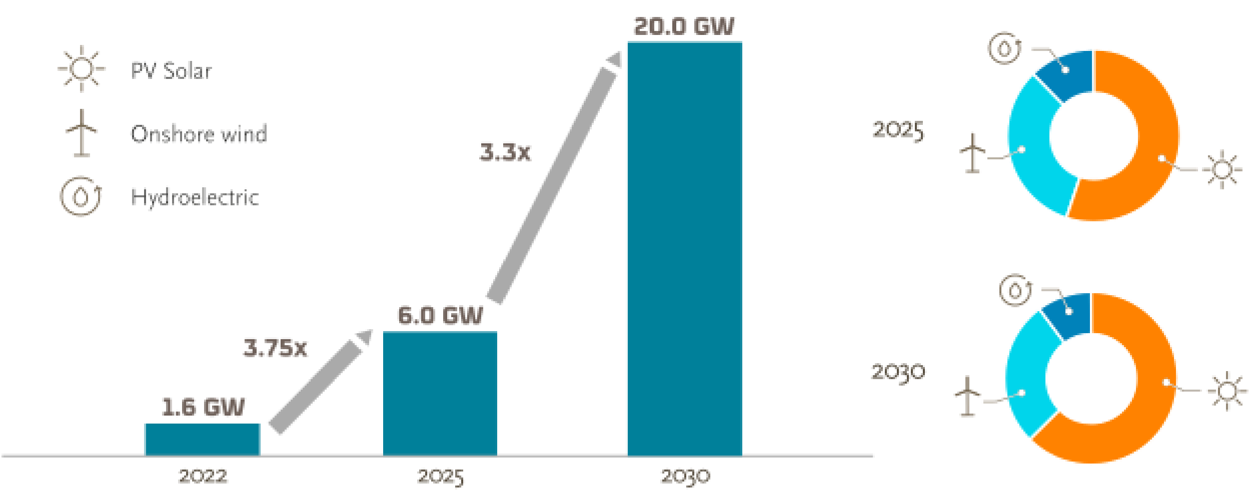
Source: 1.5 Tech scenario, Clean Planet for All.

Repsol's **renewable electricity generation** business' assets are distributed across various regions of the world, each with different perspectives in terms of growth in energy demand and other environmental conditions. These have been incorporated into the Company's projections.

- The Company aims to reach a renewable electricity generation capacity of 6 GW[11] by 2025 and 20 GW[11] by 2030.
- This will continue to be the business line that will see the most growth in the long term. By 2050 Repsol would reach an installed capacity of 40-45 GW under the SDS scenario and 50-55 GW under the NZE scenario.

[9] 25% in terms of energy supply for mobility, equivalent to 51% of useful energy due to the greater efficiency of electric motors.
[10] Percentage expressed in energy terms.
[11] Operated capacity expressed in gross terms.

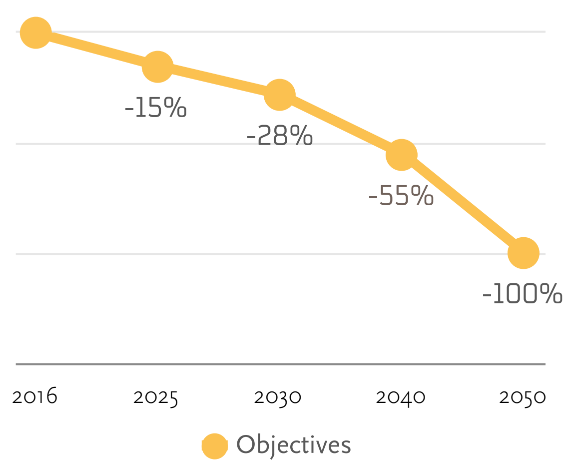
Renewable electricity capacity generation



In the **commercial** business, the strategy offers customers a multi-energy package of low-carbon products and services for mobility and for the residential and business sectors, leveraging digital channels for a more personalized relationship and with high levels of energy efficiency that go hand in hand with digital applications.

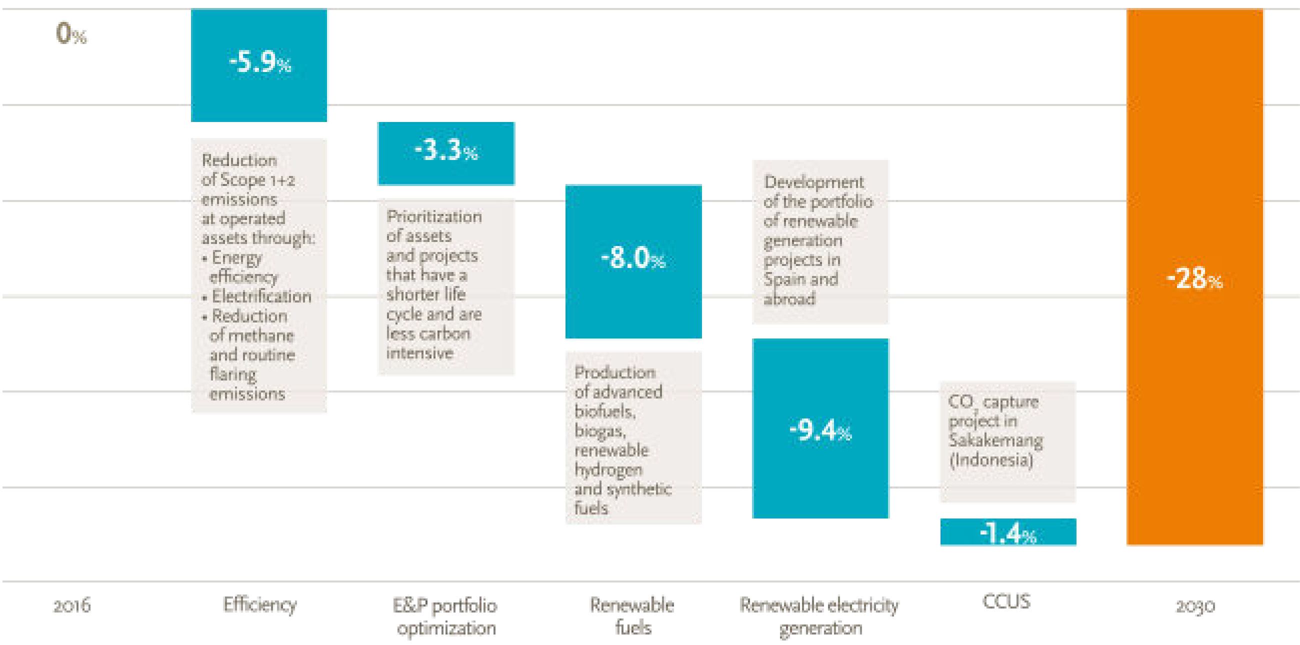
At the consolidated company level, the reduction in the CII is the key metric used to monitor and set targets for decarbonization toward becoming carbon neutral by 2050. This indicator includes both direct emissions (Scope 1) and indirect emissions (Scope 2 and Scope 3, the latter derived from the use of products obtained from the Company's production of primary energy). Since the announcement of its first decarbonization pathway in December 2019, Repsol has raised these targets twice and today they are set at 15% by 2025, 28% by 2030 and 55% by 2040, to reach 100% by 2050, in line with the goal of emissions neutrality.

Carbon Intensity Indicator (CII) Reduction targets



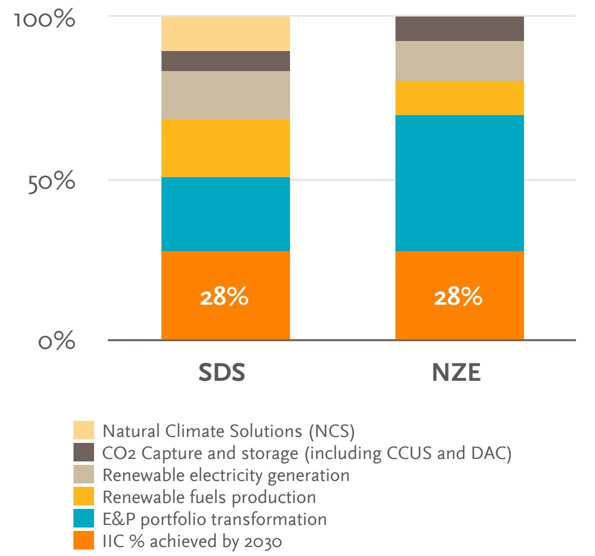
As for the period until 2030, the CII reduction target of 28% will be achieved by applying a broad combination of technologies and solutions. This is in line with Repsol's vision of the energy transition, according to which both renewable electrification and renewable fuels and CO2 capture will be required, alongside the reduction of the carbon intensity of the traditional operations:

Contribution of the levers to CII reduction by 2030



In the 2031-2050 period, the relative contribution of the different decarbonization levers to the reduction of the CII reduction is (in relation to the different IEA scenarios analyzed):

Relative contribution of the levers to CII reduction by 2050



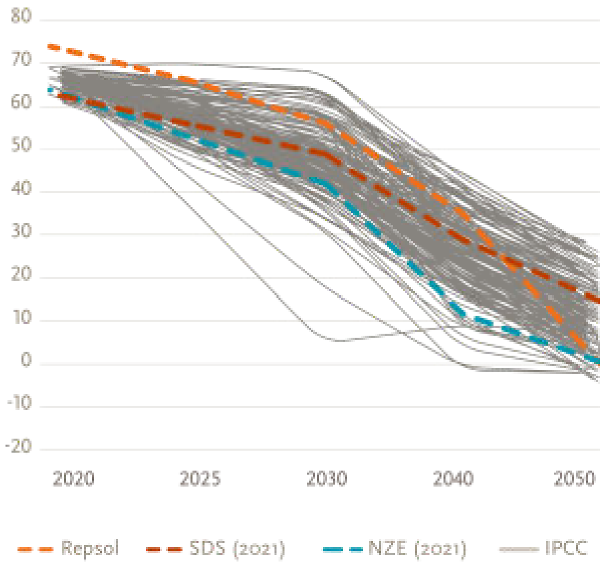
In the SDS scenario, more than 90% of decarbonization is achieved with energy solutions and the need to offset the remaining emissions through natural climate solutions (NCS) is anticipated, given potential technological limitations in sectors with emissions that are difficult to eliminate. In the NZE scenario, offsetting with NCS would not be required since Repsol's oil and gas production is already very low (net zero emissions are reached before 2050).

Lastly, Repsol compared its decarbonization pathway with that of the different 1.5°C scenarios of the IPCC (AR6, 2022), calculating their carbon intensity based on GHG emissions (CO_2, CH_4, N_2O) and primary energy data (IIASA)[12], to be able to compare them with Repsol's CII reduction.

As shown in the graph, the reduction rate of Repsol's pathway indicator declines, starting in the short term, within the variation interval of the 1.5°C scenarios of the IPCC, even when its starting point is higher due to the greater initial weight of oil and gas in its energy production. It should also be noted that in most IPCC scenarios emissions neutrality is achieved after 2050.

[12] IIASA (International Institute for Applied Systems Analysis) (2022), AR6 Scenarios Database hosted by IIASA, data.ene.iiasa.ac.at/ar6.

Carbon intensity (g CO2e/MJ)



The role of carbon sinks at Repsol

- CO_2 capture from emission points or from the atmosphere itself will be necessary to achieve emissions neutrality, using both technological solutions and NCS, such as reforestation.
- Among the technological solutions, a reduction of CO_2 emissions in the range of 10-15 Mt/year through CCUS in 2050 has been considered.
- Repsol will apply the principle of "mitigate first; offset later". Its decarbonization pathway does not include applying offsetting with NCS at least during the present decade. In the long term, only residual emissions unable to be removed by other means to achieve carbon neutrality by 2050 will be offset.
- Furthermore, Repsol has launched initiatives through which its customers and society as a whole can also contribute to mitigating their own emissions through NCS projects. It combines reforestation and social impact through job creation in rural areas), and the proposal to its customers to share the cost of offsetting the emissions that arise from the use of products purchased from Repsol through digital platforms such as Waylet.

Allocation of capital

Repsol's allocation of capital to the different businesses responds to compliance with the decarbonization target in the different scenarios described: committing increased investments to low-carbon segments in order to mitigate risks and take advantage of the opportunities generated as a result of the energy transition.

Investment in low carbon technologies and businesses[13] represents **35% of total investments in the 2021-2025 period.** For the 2030-2050 period, Repsol estimates that the allocation of capital under the different scenarios analyzed will be:

Percentage of capex in low carbon businesses out of total capex (average in the period)	2031-2040	2041-2050
Scenario consistent with APS demand	50-60	60-70
Scenario consistent with SDS demand	55-65	65-75
Scenario consistent with NZE demand	70-80	80-90

In 2030, Repsol plans to reach a capital employed of up to 45% in low-carbon businesses, a proportion that will continue to increase until 2050 at the pace of the energy transition in each scenario considered:

Percentage of capital employed in low carbon businesses out of the total	2030	2040	2050
Scenario consistent with APS demand	40-45	50-60	60-70
Scenario consistent with SDS demand	40-45	55-65	65-75
Scenario consistent with NZE demand	40-45	65-75	75-85

Resilience to the financial risks of climate change

In order to assess the financial resilience of the strategy in terms of climate change, an economic analysis of the current and future business models has been carried out in the three scenarios based on the IEA's forecasts. The result is shown in the following graph, in terms of net present value (NPV) variation in the different scenarios and contexts, taking the SDS scenario as the baseline:

The Company's value does not vary significantly in the different IEA demand scenarios, between -4% and +2% for the price levels considered in each of the three, for the following reasons:

- The environment of the Industrial and Commercial fuel businesses was considered invariable in the three scenarios, determined by the European Green Deal and the Fit for 55 legislative package. The strategy involves investments in low-carbon projects (renewable, synthetic and hydrogen fuels) that preserve the value of these businesses, today in the first quartile in the EU by economic profit and market share in Spain
- For its part, the upstream business maintains value in this decade, which are the years with the greatest impact in terms of NPV, and, starting in 2030 it progressively decreases, at the rate of the fall in production and the drop in prices due to lower demand.
- The Low Carbon Generation and Electricity Marketing businesses, on the other hand, create economic value at the rate of their growth.

The limited variation of the Company's NPV in the three scenarios shows that the proposed strategy is resilient to the different speeds of the energy transition which are implicit in these scenarios.

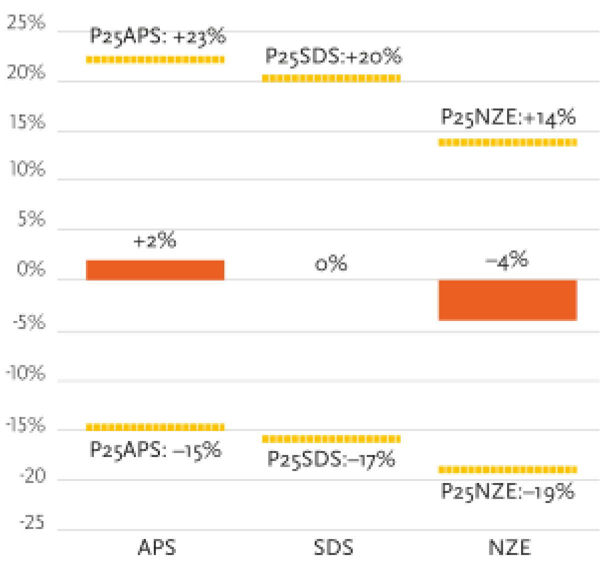
[13] Low carbon technologies and businesses: energy efficiency, renewable electricity generation, production and marketing of biofuels, renewable hydrogen, synthetic fuels, CCUS; marketing of renewable electricity, distributed generation and other value-added services such as electric mobility.

Regarding the prices in each scenario until 2030, Repsol has used its internal price pathway, framed by the references of analysts and agencies. From 2030 onwards, it has been linearly interpolated until reaching the IEA prices in 2040 in each of the three scenarios and thereafter, following that prices evolution.

The IEA estimates a deterministic price scenario in each of the demand scenarios. However, the current energy environment imposes great uncertainty on the supply-demand balance and the prices of raw materials, which adds to their inherent volatility. For this reason, for each of the three scenarios, a probabilistic analysis of sensitivity to oil, gas and refining margin prices has been carried out based on the historical variability of these indicators.

The results of this analysis are presented below, showing the P25 (25th percentile) and P75 (75th percentile) price ranges for each of the demand scenarios.

Probabilistic analysis of NPV variation



This variation in economic value is more related to the historical volatility of raw material prices than to the structural impact that the energy transition may have on these prices, but it is considered to provide useful supplementary information. In its price evolution, the IEA aims to provide a look at the impact of the energy transition on prices, calculating them from the marginal cost of production in the different demand scenarios, although other factors such as geopolitical ones are not taken into account.

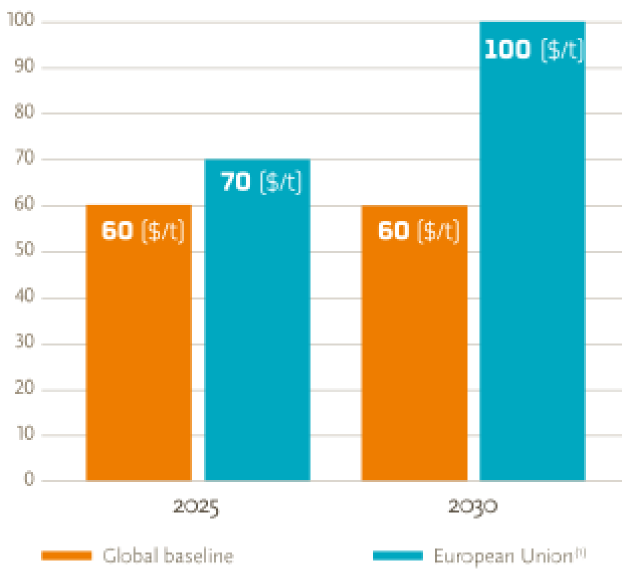
Mechanisms to incentivize decarbonization

Repsol has various internal mechanisms in place to promote the allocation of capital to low carbon investments, such as the internal carbon price and the methodology to gauge whether an investment is in line with the energy transition.

The Company has set an internal carbon price for making investment decisions on new projects. It applies to all investments, including cases where there is no regulated carbon price. This has been done with the conviction that the cost of CO2 emissions will be internalized through regulatory mechanisms in all geographical areas over the time horizon of the life span of such investments.

The internal carbon price[14] used by Repsol distinguishes between the EU and the rest of the world. Thus, new investments in the EU are assessed at $70/t over the 2022-2025 period (or the regulated price if this is higher), rising to $100/t in 2030. In the rest of the world, in countries without more stringent specific regulation, $60/t is applied across the entire 2022-2030 period.

Internal carbon price (carbon incentive for new investments)



(1) Based on EU projections. For other regulated markets that may arise, a similar methodology would be applied.

Furthermore, in 2021 Repsol developed its own methodology to assess whether a new investment is in line and consistent with its path towards decarbonization.

Any investment proposal submitted to the Executive Committee and the Board of Directors must include a report drawn up by the Sustainability Department that reflects its impact on the Company's CII.

The investments can be categorized as follows depending on whether the impact is positive, neutral or negative:

- **Aligned with the energy transition**, when it does not affect or facilitate the Company's CII reduction targets.
- **Enabling the energy transition**, if it has a negative impact on the CII of less than one percentage point and it can be offset by other initiatives. Additional conditions are also imposed on upstream investments (limited life of exploitable reserves and no investment in oil sands, extra-heavy crude and Arctic offshore).
- **Misaligned**, when it does not meet the requirements of either of the two previous categories.

[14] Prices expressed in nominal terms.

In 2022, following the investment qualification methodology, the sustainability report was incorporated into 38 investment proposals that were submitted to the Executive Committee for approval (7 from E&P, 17 from Low Carbon Generation and 4 from Industrial Transformation and Circular Economy). Of these proposals, 61% were aligned, 33% were facilitators and 5% were misaligned.

Partnerships and collaborations

Repsol engages constructively in open and well-informed discussions with governments, companies, investors, academic institutions, non-governmental organizations and other shareholders on the key aspects of sustainable development and the energy transition. Being aware that a collective approach can lead to additional achievements to its individual action in defense of legitimate interests, Repsol participates in industrial and business associations. However, it must also ensure that any position expressed on its behalf or with its support are aligned with its own views on climate change.

Alignment with industry associations

Repsol works to ensure that all the associations and initiatives in which it takes part are in line both with the fulfillment of the objectives of the Paris Agreement and with its main courses of action regarding climate change. Since 2020, the Company has published the Assessing Repsol's participation in industry associations report on its website, analyzing the associations that are closely related to the energy sector because they operate in regions where the Company has a significant presence and have an important role to play when it comes to climate change. It is updated annually.

https://www.repsol.com/content/dam/repsol-corporate/es/accionistas-e-inversores/pdf/informe-asociaciones-industria-2022.pdf

6.1.3. Risks and opportunities

The risks and opportunities associated with the energy transition and climate change are becoming increasingly important in the medium and long term.

Repsol identifies and assesses the long-term risks associated with the energy transition and climate change from several perspectives by using its own analysis methodology. It adapts the medium-term risk assessment envisioned in the Integrated Risk Management System with the aim of extending its scope to 2050. This supplements the Group's general risk map, (five-year horizon)and the emerging risk map (ten-year horizon) looking forward to 2030, 2040 and 2050 for climate change and energy transition risks.

- The risk analysis is based on the IEA's three scenarios: Announced Pledges Scenario (APS), Sustainable Development Scenario (SDS) and Net Zero Emissions (NZE) described in the previous section. Climate risks may have an adverse or positive impact depending on the strategies for mitigating risk and adapting to the scenarios, since they imply the emergence of business opportunities that can be unlocked.
- The most significant climate change risks for the Company have been identified. Thus, the taxonomy developed for this purpose has been updated, taking the risk classification proposed by the Task Force on Climate-related Financial Disclosures (TCFD) as the main reference. It includes the categories of climate change risks, both those derived from the energy transition (regulatory, legal, technological, market and reputational) and the physical risks that could be exacerbated by the progress of climate change (acute and chronic). It includes a total of 17 risks classified according to their nature. Of these risks, the ten that account for most of the exposure are prioritized for subsequent analysis. These risks are prioritized by a group of the Company's experts in strategy, markets, regulation, finances, reputation, legal affairs, technology and sustainability. They reach a consensus using the Delphi technique.

The importance of each of the risks identified is determined by semi-quantitatively estimating their economic impact on each of the business lines and geographical areas. Each risk is considered a factor of uncertainty that may cause a deviation in the long-term economic results (2030-2050 horizon) in each of the scenarios analyzed according to the Company's decarbonization roadmap.

On the 2030 horizon, the risk analysis reveals that the probability of suffering negative impacts from the energy transition is relatively low. In other words, the Company is prepared for even the most rapid transition scenarios thanks to its decarbonization pathway. Thus, in 2030, the Company has a very high probability of being able to harness opportunities that will completely neutralize any potentially negative impacts, as a result of its position and its long-term climate strategy compared to the rest of the sector, 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 term, carbon capture and storage.

In the long term (2040 and 2050), exposure to climate risks will increase, as there will be added uncertainty associated with risk factors and the scale at which these factors may materialize and opportunities can be exploited.

However, the commitment to become a net zero emissions company by 2050 and the analysis of its response to different energy transition scenarios mitigate these risks and demonstrate the company's resilience (see the Resilience to the financial risks of climate change section, in section 6.1.2).

The exposure of all Repsol's businesses to the various risks has been examined in detail and differentiating elements can be seen, due to the specific characteristics of each business. The main risks, which may become opportunities through mitigation measures (see section 6.1.2, Strategy), are the following:

TRANSITION RISK [1]		IMPACT ASSESSMENT					
		Time horizon relevance [2]	Business [3] Industrial	Business [3] E&P (upstream)	Business [3] Customer	Business [3] LCG	Geography
Regulatory and legal	Regulatory changes that affect the Company's results	Short, medium, and long term	High	High	Average	Average	Special relevance for EU and North America
	Increase in litigation derived from the effects of climate change	Greater relevance in the short and medium term	High	High	Average	Low	
Technological	Inefficient, late or premature adoption of new practices, processes or developing technologies.	Greater relevance in the long term	Average	High	Average	Average	UE and rest of the world
	Scarcity or unavailability of raw materials and natural resources		Low	High	Average	High	
Market	Decoupling of the portfolio management strategy with the speed of the energy transition	Short, medium, and long term	High	High	Average	Average	Special relevance for EU and North America
	Changes associated with the preferences of final consumers or intermediaries	Greater relevance in the long term	Average	High	High	Low	
	Potential difficulty or limitation in raising funds	Short, medium, and long term	High	High	Average	Low	
	High competition in the markets associated with the energy transition	Greater relevance in the long term	Average	High	High	Average	
Reputation	Stigmatization of the O&G sector (includes failure to meet objectives)	Greater relevance in the long term	High	High	High	Low	UE and rest of the world
	Difficulties associated with talent management	Greater relevance in the short and medium term	Average	High	Average	Average	Special relevance for EU

[1] See Appendix V for a detailed description of climate change risks.
(2)Short, medium and long term are understood as the time horizons 2030, 2040 and 2050 respectively.
(3)The impact on each of the business divisions in a NZE 2050 scenario is semi-quantitatively determined on the basis of the consensus reached by the group of experts who participated in the analysis.. Three qualitative impact levels have been defined which reflect the relative contribution of each business to the total impact of each of the risks.

E&P (upstream) Industrial Customer LCG (Low Carbon Generation) ●High ●Average ●Low

Regarding the physical risks of climate change, given the nature and location of the Company's activities, the team of experts agrees that they are lower risk factors than those derived from the energy transition. However, and as a result of the public disclosure obligations arising from the European Union regulation (Taxonomy Regulation 852/2020), which establishes the framework to promote sustainable investment, Repsol has developed a semi-quantitative methodology to perform a detailed analysis of the physical risks of climate change in existing facilities, and especially in the new facilities that it includes in its portfolio and that meet the requirements established to be considered environmentally sustainable activities.

To carry out this long-term analysis, the global warming scenarios described by the Intergovernmental Panel on Climate Change (IPCC) were considered: RCP 8.5, RCP 4.5 and RCP 2.6[15], with the same time horizon as for transition risks (2030, 2040 and 2050), in each of the geographic locations of the facilities studied[16]: wind, photovoltaic, hydraulic power plants and certain petrochemical plants.

The climate projections being used to carry out these analyses are, among others, those of the Copernicus services (the EU's Earth observation program coordinated and managed by the European Commission).

[15] According to the Sixth Assessment Report (AR6) of the Intergovernmental Panel on Climate Change (IPCC), the RCP (Representative Concentration Pathways) scenarios used in this study correspond to a projected increase in global average temperature in 2100 of 4.5°C in the RCP 8.5 scenario; 2.8°C in the RCP 4.5 scenario; and 1.85°C in the RCP 2.6 scenario.
[16] Wind power plants (PI, Delta I, Delta II, Atacama, Cabo Leonés, Elena and Antofagasta), photovoltaic power plants (Valdesolar, Kappa, Sigma and Jicarilla), hydraulic power plants (Aguayo, Picos and Navia), petrochemical power plants (C43 project in Cartagena; RECPUR project in Puertollano; Electrolyzer 2.5 MW in Bilbao).

In view of these climatic condition forecasts (studied through the analysis of the physical variables associated with acute and chronic risk factors related to variations in temperature, rainfall, wind speed, etc.), possible impacts on these facilities are analyzed, both from the point of view of potential structural damage due to intensification of extreme weather events and the potential production losses or operational inefficiencies as a result of these events or changes in weather patterns.

Likewise, the barriers currently implemented to mitigate these risks and other possible mitigation measures that can be implemented in the future are also analyzed, in the case that these types of events, which significantly reduce the probability of having an impact, come about.

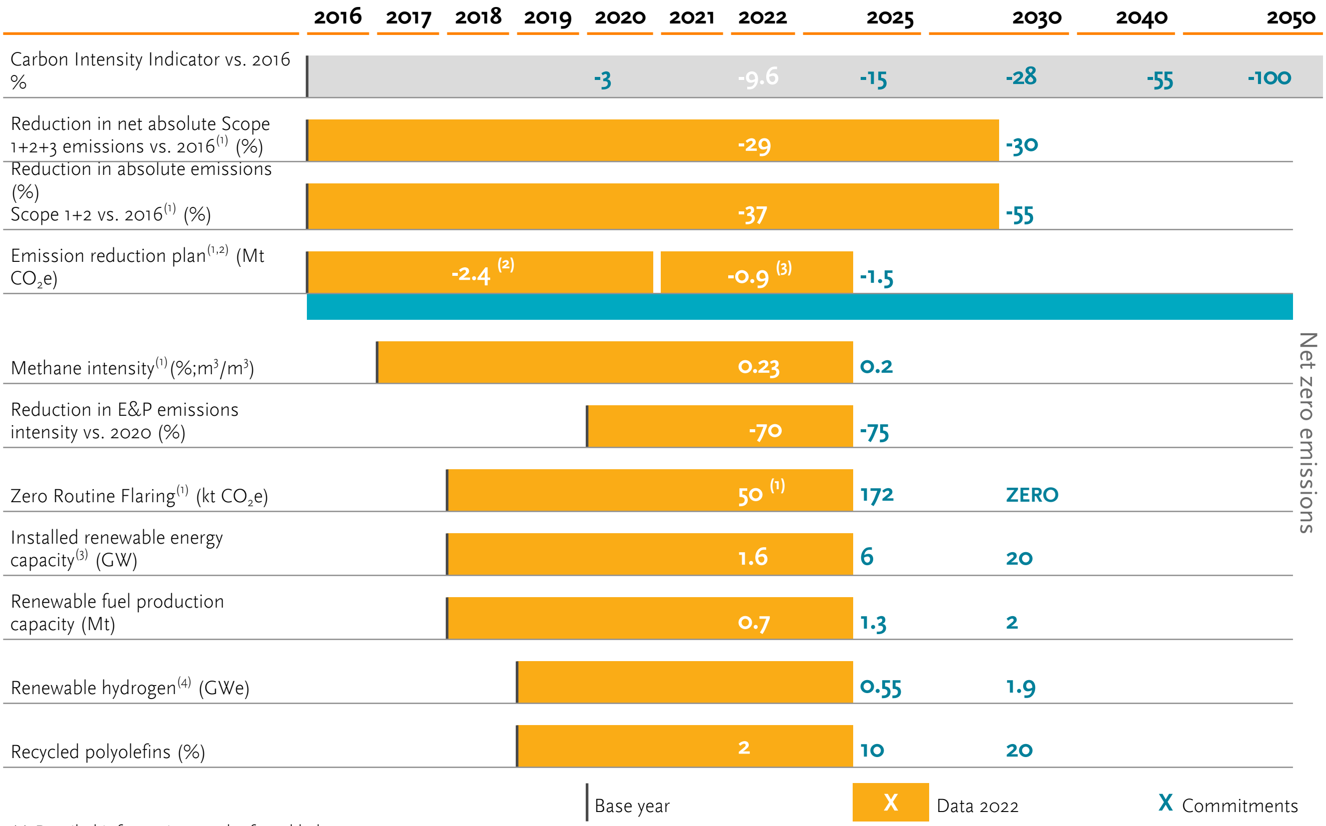
The conclusion reached is that Repsol is more exposed to transition risks than to physical risks. However,it is taking steps to reduce exposure to all risks.

Climate change risks, both physical and transition risks, are managed and mitigated in the same way as the other risks to which the Group[17] is exposed. However, the fact that they are emerging risks means that they will need to be examined in greater detail in the long term and mitigated through a long-term commitment to net zero emissions by 2050[18], a decarbonization roadmap through to 2050 and a 2021-2025 Strategic Plan that is already laying the groundwork for the transition in the short term.

[17] For more information, see Appendix V or section 7.4 Risks.
[18] For further information on the measures of Repsol's decarbonization pathway, see section 6.1.2, Strategy.

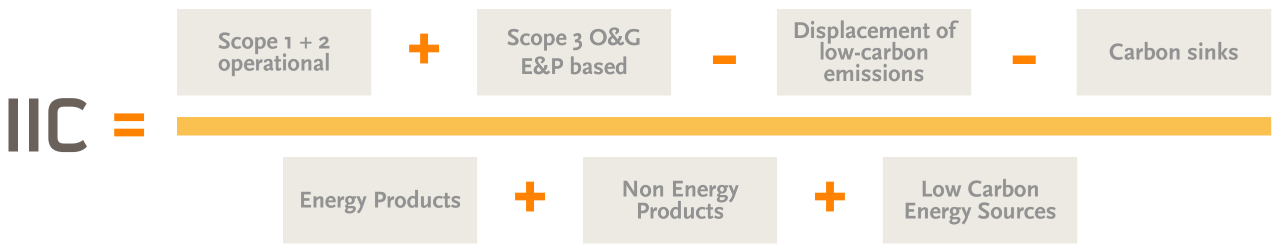
6.1.4. Metrics and targets

Transition targets



(1) Detailed information can be found below.
(2) Cumulative value in the 2014-2020 period. Exceeded the target in the 2014-2020 Emission Reduction Plan by 0.3 Mt CO2e. New emission reduction plan for the 2021-2025 period.
(3) Capacity expressed in gross terms.
(4) Installed capacity for renewable hydrogen production. First commissioning scheduled for May 2023.

Carbon Intensity Indicator (g CO_2e/MJ)



Direct and indirect emissions and energy consumption

		2022	2021	2020	2019
Scope 1 emissions[1]	**Total GHG (Mt Co2e) [8]**	**15.7**	**19.4**	**22.4**	**24.7**
	Total CO_2 (Mt CO_2)	**14.9**	**17.0**	**19.0**	**20.1**
	Total CH_4 (Mt CO_2e)	**0.7**	**2.3**	**3.3**	**4.5**
	Total N_2O (Mt CO_2e)	**0.11**	**0.10**	**0.07**	**0.08**
	Breakdown by source				
	Flaring	**0.6**	0.9	1.0	0.8
	Combustion	11.8	12.1	12.9	13.7
	Venting	0.7	4.2	6.2	7.6
	Fugitive emissions	0.1	0.2	0.3	0.4
	Process	**2.4**	2.0	2.0	2.2
Scope 2 emissions[1]	**Total GHG (Mt CO_2e)**	**0.4**	**0.4**	**0.5**	**0.5**
Scope 1 and 2 emissions	**Total GHG (Mt CO_2e**	16.1	19.9	22.8	25.2
	Refining[2]	8.6	7.8	7.6	8.7
	Chemicals	3.0	3.4	3.3	3.3
	Upstream[3]	2.1	7.5	9.9	11.0
	Power & Gas	2.4	1.2	2.0	2.1
	Others[4]	**0.05**	**0.04**	**0.1**	**0.1**
Allocation of emissions to Repsol facilities under European regulation EU ETS (Mt CO2)		7.3	7.6	7.7	
Intensity of Scope 1+2 emissions	E&P emissions intensity (t CO2e/ thousands of boe produced)	17	53	56	66
	Refining energy intensity (t CO2e/t crude processed)	0.2	0.2	0.2	0.2
Scope 3 emissions[6]	**Raw materials (category 1)[7]**				
	Crude oil (Mt CO2e)	5.6	5.5	5.4	7.6
	Hydrogen (Mt CO2e)	0.6	0.6	0.6	0.7
	Use of sold products (category 11)				
	Use of refinery output products (Mt CO2e)[5]	161	151	151	180
	Use of primary energy base products (Mt CO2e)	66	69	79	88
	Use of marketed energy products (Mt CO2e)	182	172	175	205
	Use of marketed energy products to end users (Mt CO2e)	70	65	67	77
Energy (Scope 1+2)	**Total (M GJ)**	**244**	**246**	**265**	**278**
	Chemical energy (Scope 1+ 2) (M GJ)	54	61	60	
	% of electricity grid	0.2%	2%	3%	
	of which % renewable	42%	47%	44%	
	Total electrical energy generated by Repsol Chemicals (M GJ)	1.3	3.0	4.3	
Energy intensity	E&P energy intensity (GJ/boe produced)	0.2	0.3	0.3	0.3
	Refining energy intensity (GJ/t processed crude oil)	2.9	2.8	3.2	2.9
Energy (Scope 3)	**Total (M TJ)**	**2.5**	**2.3**	**2.3**	**2.8**
	Use of refinery output base products (M TJ)	2.4	2.3	2.3	2.7
	Raw materials (M TJ)	0.06	0.07	0.06	0.08
TOTAL Flared hydrocarbons (Mt)		0.31	0.37	0.43	0.32
Vented hydrocarbons (Mt)		0.03	0.10	0.15	0.19

(1) The Company's direct and indirect emissions (Scope 1 and Scope 2) in operated assets reported in gross basis will be subject to additional verification according to EU-ETS and international standard ISO 14064-1. Once verified, the data will be available at www.repsol.com and it will be updated in the next edition of the Integrated Management Report. For the 2021 financial year, no relevant changes were observed after verification.
(2) The steam cracker plant is included in the Chemicals business.
(3) The breakdown by source for the Upstream business is as follows: 1.1 Mt CO2e for fuels; 0.2 Mt CO2e for flaring; 0.1 Mt CO2e for fugitive emissions; and 0.7 Mt CO2e for venting.
(4) Includes LPG, lubricants, asphalts and specialized products, mobility and headquarters.
(5) Scope 3: use of products counting the production of natural gas at E&P (Upstream) and the production of LPG, naphtha, gasoline, kerosene, diesel, fuel oil and petroleum coke produced at the refineries.
(6) For more information see the Scope 3 emissions report section.
(7) Calculated based on refinery input.
(8) Global warming potential (GWP) factors from the IPCC's Fourth Assessment Report are used as a reference.

Research and development investment

	2022	2021	2020	2019
Research and development investment (€M)	59.0	57.0	65.0	72.0
Percentage allocated to achieve neutrality[1] (%)	40	35	20	8

(1) The percentage allocated to the development of low-carbon technology projects is calculated on the total investment of the Tech Lab.

Scope 3 emissions report

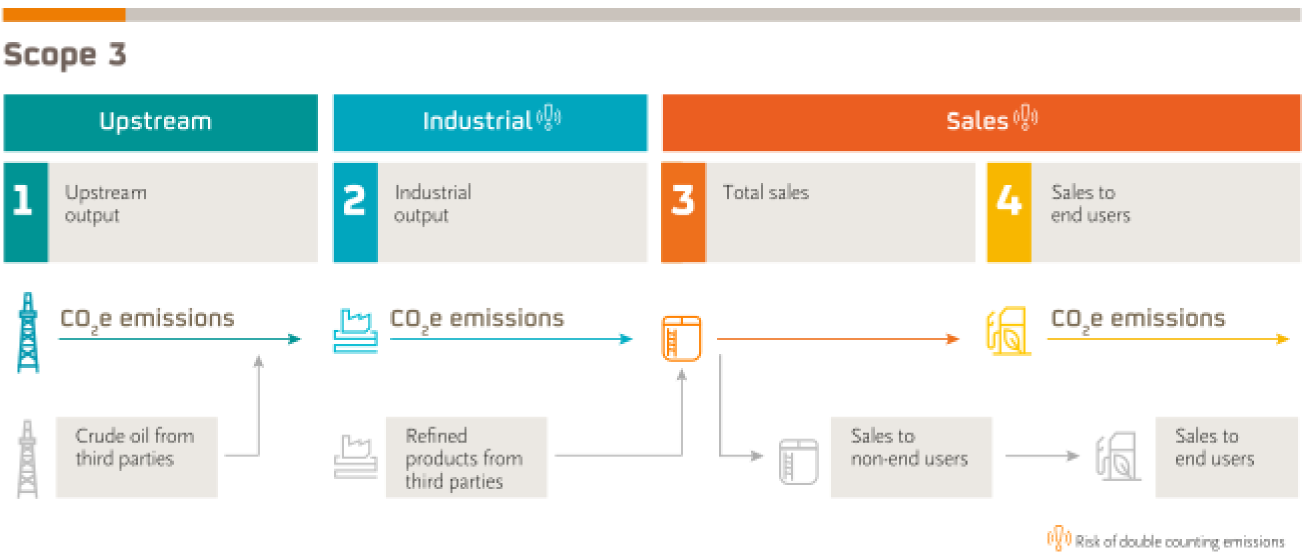
Although there are up to 15 categories of Scope 3 emissions in the oil and gas sector, most emissions come from those derived from the final use of its products. Repsol decided to link its target of reaching net zero emissions and its intermediate targets to a Carbon Intensity Indicator (CII) that takes into account the energy and emissions associated with the use of fuel products derived from its primary energy production (oil and natural gas). Doing this, instead of referring to the emissions from the products it sells, makes more sense strategically and it entails a number of positive aspects:

- Hydrocarbon production is the most capital-intensive activity and its investments have a longer life cycle. Investment decisions today translate into production and product use many years later. The marketing activity, on the other hand, is much less capital intensive and can be adapted more easily to demand in the short term.
- Energy products are bought and sold successively throughout the value chain, meaning that a sales-based system could count emissions from the same product multiple times
- An emissions accounting system based solely on sales will allow an integrated company to increase its hydrocarbon production without impacting its Scope 3 emissions if it sells a greater volume of products than the hydrocarbons it produces.

However, Repsol also considers that metrics related to Scope 3 emissions of marketed products can provide a useful complementary perspective to understand companies' energy transition strategy. That is why this management report includes the following metrics, in addition to the Scope 3 emissions of the products obtained from its own production of hydrocarbons[19] that are used for the CII:

- Scope 3 emissions of the products marketed by Repsol to the end user (the one who uses the fuel and, therefore, generates the emissions).
- Scope 3 emissions of all products marketed, excluding those that Repsol buys and resells to a non-final consumer without any other intermediate transformation.

Scope 3 (category 11) Mt CO_2e	2022	2021	2020	2019
Marketed energy products	182	172	175	205
Marketed energy products to end users	70	65	67	77



[19] Corresponds to Scope 3 category "Use of primary energy products (Mt CO2e)" in the table: Direct and indirect emissions and energy consumption.

Reduction in the Carbon Intensity Indicator

As indicated, Repsol has defined its CII in g CO_2e/MJ as the main metric for monitoring the Company's progress toward the goal of net zero emissions by 2050 upon achieving a 100% reduction in the CII. Moreover, it has set intermediate reduction targets of 15% by 2025, 28% by 2030 and 55% by 2040 compared to the base year (2016).

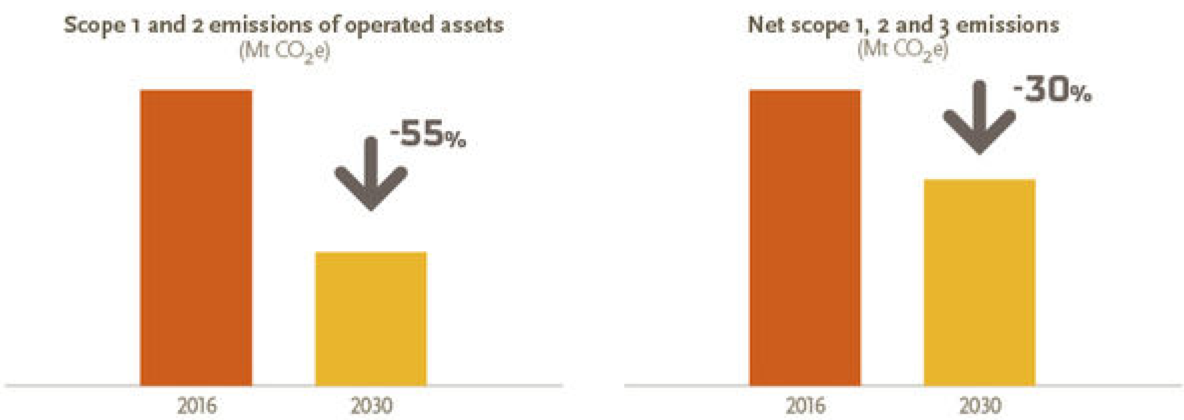
Carbon intensity	2022	2021	2016
g CO_2e/MJ	70.3	73.9	77.7

In 2022, a reduction of 9.6% was achieved with respect to the base year 2016, mainly due to the optimization of the E&P business asset portfolio, together with the continuation of the energy efficiency plans, the management of methane emissions in E&P operated assets and the growth in installed renewable capacity.

The numerator of the CII shows the emissions generated by the Company's activities (direct and indirect emissions, Scope 1 and Scope 2, derived from E&P and Refining and Chemicals, and from Electricity Generation), as well as Scope 3 emissions generated by the use of fuel products derived from primary energy production (oil and natural gas) and the displacement of emissions from the fossil mix through renewable energy substitution. 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[20].

In addition to the CII reduction targets, and in response to the demands of its stakeholders, the Company has set two new targets based on its absolute emissions. In October 2021 the company announced for the first time, its targets for reducing absolute emissions, Scope 1+2 of operated assets and for net emissions under Scope 1+2+3:

Reduction in absolute emissions (%)



Reduction in absolute Scope 1+2 emissions

Repsol aims to reduce its emissions from operated assets by 55% by 2030 compared to 2016.

This commitment focuses on Scope 1 emissions (those produced by sources directly controlled by Repsol) and Scope 2 emissions (associated with the purchase of electricity, heat, cooling or steam consumed by Repsol).

Today, the Company has already undertaken initiatives with which it has achieved a 37% reduction in emissions through portfolio optimization, energy efficiency measures, reduction of methane emissions and reduction of gas flaring in the E&P business, and recovery of flare gases in the Industrial business.

Absolute Scope 1+2 emissions	2022	2021	2016
Mt CO_2e	16.1	19.9	25.4

Reduction in net absolute Scope 1+2+3 emissions

The target of reducing these emissions, which make up the CII numerator, by 30% compared to the base year of 2016, has been established.

[20] Further information in www.repsol.com/content/dam/repsol-corporate/es/sostenibilidad/indicador-intensidad-carbono.pdf

In 2022, a reduction of 29% was achieved due to the reduction of Scope 1+2 emissions described above, lower E&P production and the positive impact of renewable electricity generation, due to emissions displacement. Given that it has reached values very close to achieving the 2030 target, Repsol will consider the possible reformulation of a more ambitious objective.

Net absolute Scope 1+2+3 emissions	2022	2021	2016
Mt CO_2e	79.1	87.1	111.7

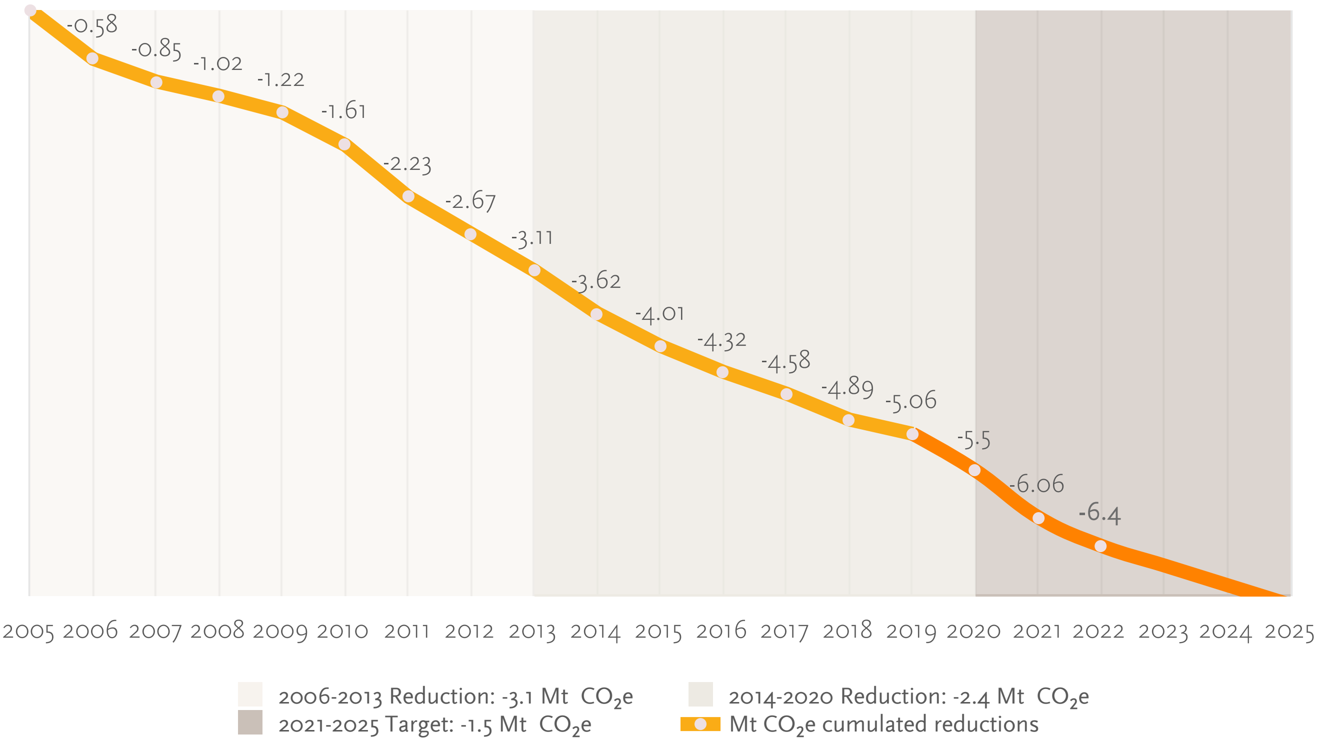
CO_2e emission reduction plan

Repsol has multi-year emission reduction plans (Scope 1 and 2) that envision various measures to improve operational efficiency. These plans were launched in 2006 and remain in force today. A plan for the 2021-2025 period is underway, with the aim of achieving an additional reduction of 1.5 Mt CO2 by 2025, which includes, among others, electrification projects, energy integration of units, process optimization, operation efficiency of the facilities and reduction of methane emissions. In 2022, Repsol achieved a reduction of 0.34 Mt CO2e. In energy terms, this is equivalent to a reduction of 3.1 million GJ.

CO_2e emission reduction (Mt)

Reduced Mt CO2e per year

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
—	-0.58	-0.27	-0.17	-0.2	-0.39	-0.62	-0.44	-0.44	-0.51	-0.39	-0.31	-0.26	-0.31	-0.17	-0.44	-0.56	-0.34



Reduction of methane emissions intensity

The detection, monitoring and reduction of methane emissions throughout the gas chain is of great importance given the role of natural gas in the energy transition.

Repsol participates in initiatives aimed at establishing standards of excellence in methane reduction and it has adopted short-term reduction targets.

OGMP 2.0

In 2020, UNEP launched the OGMP 2.0 initiative, which already involves more than 80 signatory companies throughout the entire gas value chain (from production to distribution).

With this commitment, Repsol began deploying different technologies in its operated assets, combining measurements at the source and aerial level (especially drones and light aircraft), to confirm the measurements detected at ground level.

In October 2022, the International Methane Emissions Observatory (IMEO) published its second report, and Repsol again obtained the Gold Standard from UNEP for its report and implementation plan. This indicates that the Company is well on its way to achieving the goal of reporting under the Gold Standard for all its operated assets by 2023 and non operated assets by 2025.

MIQ: we supply certified natural gas from the Marcellus Shale

On November 1, Repsol started supplying the North American market with certified natural gas in the Marcellus Shale (Pennsylvania), demonstrating its commitment to providing safe, reliable and environmentally responsible. The Company certified **100%** of its production in the field, which represents more than **400** million cubic feet per day of dry natural gas from more than **680** wells.

Reduction target

Repsol aims to reduce the methane intensity to 0.20% by 2025 at its operated E&P assets. This value is recognized as near zero for the oil and gas sector by international organizations such as the UNEP, and it is consistent with the commitment recently announced by the Oil and Gas Climate Initiative (OGCI), of which Repsol is a member.

Methane intensity(1)	2022	2021	2017
CH_4 emissions /gas produced (%)	0.23	0.77	1.34

(1) Calculation based on volume..

This year there has been a greater decrease in methane intensity due to the addition of divestments of carbon-intensive asset to the reduction initiatives.

Reduction of routine flaring

The progressive reduction of routine gas flaring is key to the E&P business. That is why Repsol, in June 2016 joined the World Bank's Zero Routine Flaring by 2030 initiative, which brings together governments, oil and gas companies and international development organizations.

Repsol also set an intermediate target of achieving a 50% reduction in CO_2e emissions from routine gas flaring activity by 2025 at its operated E&P assets and with 2018 as the baseline year, along with specific action plans to achieve it.

In 2022, the volumes of hydrocarbons sent for routine flaring decreased very significantly due to the additional contribution of divestments in Malaysia and Ecuador, exceeding the target set for 2025.

Routine gas flaring	2022	2021	2018
kt CO_2e flaring routine at upstream	50	327	344

6.2. Environment[1,2]

Repsol supported the Nature Is Everyone Business call of the Business for Nature international initiative, which drives business action aimed at business models that value nature and are environmentally friendly and nature-positive by 2030

Repsol is committed to protecting the environment and the sustainable use of resources. For this reason, it prioritizes the necessary actions to prevent and minimize the potential impacts of both its operations and the products and services it offers to its customers, and it encourages measures that promote the protection of natural capital.

These commitments were reaffirmed this year through the approval of a specific environmental policy for the first time in the Company. This policy reflects the commitments to protection and preservation of biodiversity and ecosystem services, the sustainable management of water resources, the preservation of air quality, the fight against climate change and the application of the principles that govern the circular economy, extending all these commitments to the entire value chain. The circular economy fosters the optimization of natural resources and proper waste management, following the principles of the management hierarchy, reducing waste or, when this is not possible, giving it a second life in its own processes or in third-party processes by reusing and recycling it.

Repsol implements certification, verification and assurance processes through internal and external audits to ensure proper compliance with current regulations. Moreover, it addresses voluntary processes, such as the certification granted by AENOR to Repsol's 100% Circular Strategy, which are a sample of its commitments to society and the environment, beyond those that are strictly regulated.

6.2.1. Air quality

Repsol is aware of the importance of protecting air quality for society and the environment. That is why one of the commitments of the new Environmental Policy promotes "applying the latest technologies to minimize air emissions from both our operations and from the products we manufacture", using the most demanding standards to achieve this.

Air quality is mainly affected by the concentration of pollutants caused by combustion. It is determined by the energy mix, the size and density of populations, meteorological conditions, etc. Air quality management focuses mainly on emissions of sulfur dioxide (SO_2), nitrogen oxide (Nox) and particulate matter and volatile organic compounds (VOCs).

To control air emissions, Repsol closely monitors the conditions under which its operations are carried out. Its industrial facilities have a network of continuous measurement systems and immission cabins (shared with the authorities) that allow the composition and levels of atmospheric emissions to be continuously measured and analyzed, with the results being sent to the environmental authorities for monitoring and control.

To cite a specific example, in 2022, Repsol continues to lead the Air Quality Observatory initiative at Camp de Tarragona (Spain) and collaborate with the Chemical Business Association of Tarragona, with technical support from scientific institutions such as the Universitat Rovira i Virgili and the Eurecat Technological Center of Catalonia in Tarragona. The entity is coordinated by the Institut Cerdà which aims to provide an ongoing assessment of air quality in the cities and neighborhoods of Camp de Tarragona to improve the environment and the sustainability of the region.

Minimization of emissions from operations

Emissions from processes are continuously minimized through the implementation of the best technologies available. This includes low NOx burners (DLN technology), vapor recovery units or particulate abatement systems. In addition, and in order to control and minimize fugitive emissions, periodic Leak Detection and Repair (LDAR) campaigns are carried out and high sealing systems are installed to prevent the leakage of volatile organic compounds.

Minimization of emissions from products

The commitment to air quality goes beyond operations, as Repsol is constantly working to expand the range of products offered that generate lower emissions when used by customers. For example, renewable energy for mobility, advanced biofuels, synthetic fuels, renewable hydrogen, LPG, ad-blue, Autogas, LNG or specific gas oils for state-of-the-art boilers, among many others.

[1] For more information, visit www.repsol.com (Sustainability - Environment)

[2] 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 environmental matters. As a general rule, environment and safety information includes 100% of the data from companies in which Repsol holds a controlling interest or control over operations.

6.2.2. Natural capital and biodiversity

Repsol and natural capital

Natural capital is defined as the inventory of both renewable and non-renewable natural resources. Through ecosystem services, it provides benefits to people by contributing to their well-being, the development of society and progress in the world economy, and it does so in the form of energy, materials supply, cultural aspects, etc. Repsol, like other companies, depends on natural capital and generates both positive and negative impacts through its operations. Therefore, conservation and protection are key factors in achieving sustainable development and ensuring that the benefits provided by these ecosystems, and specifically biodiversity, are safeguarded for present and future generations, in line with the commitments of the Environmental Policy.

In the scope of natural capital, Repsol has adopted a unique approach that makes it possible to quantify and value from an economic point of view the services provided by ecosystems in general, and biodiversity in particular, which makes it easier to include them in management decision-making. This approach is especially relevant, since it provides a new way of understanding the Company's relationship with nature and the related risks and opportunities, with the ultimate goal of guiding actions for its protection.

To this end, Repsol developed the Global Environmental Management Index (GEMI[3]) methodology, which comprehensively assesses the environmental impacts of projects and operations globally, and it has implemented it as a digital solution (READS[4]). In 2022, new functionalities were added and implemented to cover the entire energy sector. Thus, it covers all the Company's activities throughout the entire value chain.

READS helps to advance management by providing key indicators for the economic analysis of the impacts of projects and assets on biodiversity and ecosystem services, climate change, water resources and well-being.

In 2022, Repsol has modeled all types of facilities in the READS tool, which has made it possible to obtain an analysis of its portfolio with natural capital criteria and thus understand the impacts, in order to develop and prioritize specific action plans.

Reads Capitals Valuation

In 2022, READS, the digital solution developed by Repsol to improve natural capital management in all types of organizations, was selected as a reference tool in the Update Report 4 of the report Assessment of Biodiversity Measurement Approaches for Businesses and Financial Institutions, published by the European Commission's EU Business@Biodiversity platform. It was also recognized as an appropriate methodology for valuation and accounting of natural capital impacts within the Transparent project, funded by the European Commission and developed by the Value Balancing Alliance (VBA), The Capitals Coalition and the World Business Council for Sustainable Development (WBCSD), which aims to develop standardized principles for accounting and valuing natural capital in companies, in accordance with the goal of the European Green Deal.

Measuring impacts on natural capital in the energy sector

In 2022, the **Measuring what matters. Impacts and dependencies of natural capital in the Spanish energy sector** report, which Repsol helped draw up, was presented. It addresses the link between energy and natural capital, through the analysis of the impacts and dependencies of the sector, as well as the analysis of the main impacts and dependencies in the entire energy value chain. This is the first step in the transition to a nature-positive global economy (more information at capital-natural.es).

In 2022, Repsol assessed its dependence on natural capital as a company and the ecosystem services it provides. To carry out the analysis, it used the ENCORE methodology[5], developed by Natural Capital Finance[6] in collaboration with UNEP-WCMC. Among other things, it allows the risks and opportunities associated with the dependencies on natural capital to be assessed, with the ultimate goal of managing them properly. The following table summarizes the results obtained:

[3] Recognized in 2020 by experts from The Capitals Coalition (www.capitalscoalition.org) and the World Conservation Monitoring Centre (www.unep-wcmc.org) of the United Nations Environment Programme (UNEP-WCMC) for its scientific soundness, for its adaptation to the standards established in that program, and for being in line with the Natural Capital Protocol and the Biodiversity Supplement that accompanies it.
[4] For more information, visit www.repsol.com (Sustainability – Environment)
[5] The tool has a database that encompasses a selection of ecosystem services, natural assets and drivers of environmental change for the different economic sectors. Economic sectors follow the Global Industry Classification Standard (GICS), while the categorization of ecosystem services is based on the Common International Classification of Ecosystem Services (CICES). The classification of natural assets follows that established by a group of researchers at the United Nations Environment Programme World Conservation Monitoring Centre (UNEP-WCMC).
[6] naturalcapital.finance.

Type of ecosystem service	Ecosystem services (included in ENCORE)	Upstream	Refining	Chemicals	Lubricants and specialized products	LPG	Customer	Service stations	Low Carbon Generation	Corporation
Are enabling factor for all or part of a production process	Maintain nursery habitats									
	Soil quality		●							
	Ventilation									
	Water flow maintenance	●	●	●	●				●	
	Water quality	●	●							
	Pollination									
Help to mitigate direct impacts associated with a production process	Bioremediation	●	●							
	Dilution by atmosphere and ecosystems									
	Filtration	●	●							
	Attenuation of sensory impacts			●	●			●		
Input into a production process	Fibers and other materials									
	Animal-based energy									
	Genetic materials									
	Ground water	●	●	●	●				●	
	Surface water	●	●	●	●			●	●	
Provide protection from disruption to the production process	Disease control									
	Buffering and attenuation of mass flows									
	Climate regulation	●	●		●	●	●		●	
	Flood and storm protection	●	●	●	●	●	●	●	●	
	Mass stabilization and erosion control	●	●		●	●	●		●	
	Pest control									

All economic activity, in the same way that it produces impacts (positive or negative) on natural capital, also has dependencies on ecosystem services generated by that capital. This table contains a summary of the dependency analysis carried out in 2022 (see text) using the ENCORE tool[5]. Only the dependencies (rows) for the representative economic activities in each of Repsol Group's main business lines (columns) are included, without taking into account the dependencies with a "low" or "very low" level according to the results provided by ENCORE. Each business line will show dependency on a given ecosystem service provided that at least one of the economic activities of that business line has this dependency.

Biodiversity protection and conservation in all our activities

One of the main assets of natural capital is biodiversity. This term encompasses not only ecosystems and their living components, but also the ecological processes that sustain them and the valuable offer of services on which society depends.

In December 2022, during the United Nations COP15 High-Level Segment on Biodiversity was established the commitment of the signatory countries to undertake a coordinated global action "to stop the loss of biodiversity by 2030 and to achieve the goal of living in harmony with nature by 2050". Repsol, through IPIECA, is working to establish a Global Biodiversity Framework (GBF) together with IUCN, with traceable targets and goals to halt the current decline in biodiversity and guarantee its conservation and recovery.

As an energy company with a clear commitment to a sustainable world, Repsol plans and develops its projects and operations, regardless of their location, bearing in mind biodiversity conservation and protection, as well as the mitigation of the impacts[7]that may arise. To do this, it applies the mitigation hierarchy (avoid, minimize, restore and offset) throughout the life cycle of its operations, and especially in protected areas. This commitment has been embodied in the new Environmental Policy published in 2022.

Likewise, and fully aware of the positive role that companies can play in finding solutions to the challenges regarding the loss of biodiversity and ecosystem services, Repsol develops its management practices according to the following principles:

[7] For more information on the potential impact of operations on biodiversity, see Appendix V – Further information on sustainability (includes Non-Financial Statement).

- Integrating natural capital, biodiversity and the protection of ecosystem services into decision-making processes.
- Engaging with local communities and other stakeholders, and understanding their expectations regarding biodiversity.
- Assessing the impacts and dependencies associated with the ecosystem services and provided by the elements of natural capital, with special focus on biodiversity.
- Preventing and minimizing impacts on biodiversity and natural capital, in addition to restoring the environment in which activities are carried out and offsetting residual impacts if necessary, applying the mitigation hierarchy at all times, with a special focus on sensitive and protected natural areas.
- Developing indicators to measure performance and optimize management efforts.
- Involvement in research, biodiversity conservation, education and awareness projects.

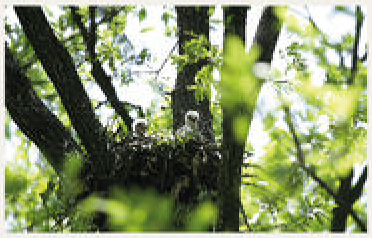
Repsol has internal environmental management regulations that envisage the performance of environmental, social and health impact assessments (ESHIA) for all new operations or facilities (even when not required by local legislation).

According to this regulation, and considering the pre-existing environmental baseline, risks and impacts on biodiversity are assessed from the design phase to the decommissioning of each project, advanced assessment and monitoring procedures are developed in areas where biodiversity is especially sensitive, and appropriate mitigation measures are defined.

This information is used to draw up biodiversity action plans (BAPs), which are developed at sites and operations located in areas that are sensitive in terms of biodiversity.

Described below are some of the main protection and restoration activities[8], along with other actions related to biodiversity management that are carried out by Repsol in 2022. It should be noted that independent and competent legal bodies have overseen the standards and methodologies used in each case.

Repsol and its commitment to biodiversity



Release of the first Bonelli's eagle chicks in Aragon, Spain.

Repsol released five Bonelli's eagles in the Sierra y Cañones de Guara Natural Park (Huesca, Aragon). The action is part of the plan on accompanying measures developed by the Company and defined in the environmental impact statements of the wind farms associated with the Aguas Vivas complex, belonging to the Delta I project. Repsol funded and promoted the program with the oversight of the Department of Agriculture, Livestock and Environment of Aragon (through its Natural Environment and Forestry Management Division) and the technical support of the GREFA association (Group for the Rehabilitation of Native Fauna and its Habitat).

This bird of prey is one of the most threatened in the Autonomous Community of Aragon and it is listed as an "endangered" species. Its main threat today is related to electrocution and collision with powerlines. The Bonelli's eagle population in Aragon has dropped by 35% in the last 15 years and currently stands at 20 pairs.

The project envisages the release of a total of 25 chicks in 5 years, and involves maintaining contact and collaboration with local agents, Natural Park representatives and all related associations and sectors, as well as local society. In this sense, informative talks and presentations of results will be held to promote awareness and dissemination of nature conservation and the importance of all native species in the balance of ecosystems.

Repsol Exploration Mexico begins its reef restoration program in Veracruz

This year, and in collaboration with the National Commission of Protected Natural Areas (CONANP) and the company Blu Tech/Oceanus AC, a work program started to restore 3 hectares of reef in Mexico's Veracruz Reef System National Park (PNSAV). This program is aligned with compliance with the compensation constraints established in the Environmental Impact Authorization for the exploratory drilling projects in Block 10 and Block 29, both located in deep waters. One of the aims of this program is to increase healthy and genetically diverse coral colonies, rehabilitating their structure and ecological functions, as well as establishing other species. The procedures developed by the Oceanus AC company, the technical expert that will implement the program, will be followed and it will allow for an increase of 15,000 coral colonies in 3 reefs through the installation of nurseries, fragment stabilization, colony transplantation and monitoring. All this will be complemented with education and dissemination activities, a handbook of good practices, and training and certification to promote sustainable tourism.

[8] For more information, see Appendix V. Further information on Sustainability (includes Non-Financial Statement)

Land Custody Agreement for the Gaià Reservoir, Spain.

As a continuation of the actions framed in the Biodiversity Action Plan (BAP) of Repsol lands around the Gaià reservoir (Repsol owns 499.44 Ha in the Gaià River Natural Area), the company signed a custody agreement for that land with the "La Sínia" Environmental Association, with which it has been collaborating since 2014 to protect this area of high faunal and ecological interest. Both entities agree on the need to use the land in a manner that is compatible with the conservation of its natural, landscape and heritage elements.
One of the noteworthy actions set forth in the custody agreement is the collaboration with the land turtle (*Testudo hermanni*) reintroduction project in the protected natural area of the Gaià River, which is promoted by the Generalitat of Catalonia and has the technical support of CRARC, Amphibian and Reptile Recovery Center of Catalonia.
This custody agreement seeks to establish joint lines of work to maintain, promote and increase the conservation of the Gaià River natural area. Moreover, it encourages the celebration and joint organization of events, conferences, talks, and scientific and technical studies for dissemination of the natural values of the Gaià River natural area, such as those already carried out for the creation of a shelter for bats, margin restorations and improvements in riparian vegetation or fostering corporate volunteering with Repsol workers through actions such as support rafts for fauna, plantations of riparian vegetation, construction of nest boxes, etc.

Wildlife rescue at La Pampilla in Peru

Following the incident of January 15 2022 at La Pampilla refinery terminal in Peru, together with the other environmental measures implemented by Repsol, the rescue of the affected fauna was carried out in a meticulous manner and hand in hand with the competent authorities, the National Service of Natural Protected Areas by the State (SERNANP) and the National Forestry and Wildlife Service (SERFOR), in association with the Las Leyendas Zoo, also contracting a consulting firm of international prestige for its expertise in the recovery of animals after oil spills: Akuaipa.
After the identification, capture and transfer of the affected individuals, clinical examinations were carried out with the evaluation of vital parameters, hydration with saline and/or electrolyte solutions, division of birds by species groups, appropriate care according to their condition, and feeding with fish or supplements, until their condition was stabilized. Once they met the clinical criteria, they were washed, rinsed and dried; then they were kept in pools until they recovered waterproofness of their feathers and their weight, with appropriate feeding and constant medical attention.
More than 100 birds have already been released into their natural habitat, including Peruvian boobies, gulls, cormorants and pelicans.

6.2.3. Water

2025 target

To have integrated water management at 100% of our assets and industrial facilities at the Upstream, Refining and Chemical businesses

Water, a key element in energy management

Water and energy are intrinsically connected. Water is used in industrial processes, factories and in hydrocarbon upstream activities. For this reason, the strategic and joint management of water and energy resources is key.

In this regard, Repsol, as an energy provider, is committed to carrying out sustainable water resource management, promoting the search for new solutions to optimize water use, guaranteeing the reduction of freshwater withdrawal and promoting measures to increase internal and external reuse as well as to preserve the quality of the receiving environment, as stated in the new Environmental Policy.

In 2022, Repsol reinforced its commitment to address global water challenges by endorsing the CEO Water Mandate, an initiative led by the United Nations Global Compact. This mandate offers a unique platform to share best practices and establish multi-stakeholder partnerships to address challenges related to scarcity, quality, governance, and access to water and sanitation.

WE SUPPORT CEO WATER MANDATE

Endorsement to the CEO Water Mandate

Repsol's CEO, Josu Jon Imaz, supports this mandate by making public Repsol's commitment to continuous improvement in water management and transparent progress reporting.

Specifically, the **six** lines of action for strategic water management that the company is committed to working on are:

- Direct operations.
- Supply chain and watershed management.
- Collective action.
- Public Policy.
- Community engagement.
- Transparency.

Repsol will define its company objectives and align its main projects in a way that allows the company to uphold the commitments made.

Interactions with water as a shared resource

Most of the water withdrawn by Repsol comes from the ocean (77%) and is used for cooling processes. The remaining water comes from different sources: from third parties (13%), mainly public water network suppliers, from surface water sources (5%), production and flowback water (3%); and from groundwater sources (2%).

Of the total water withdrawn, 19% is freshwater and only 0.6% of this freshwater comes from regions with high or extremely high water stress levels.

The main use of the withdrawn water is for industrial cooling process. It is also used to produce steam or be incorporated into industrial processes, in drilling activities and, to a lesser extent, to supply sanitation networks, firefighting systems and cleaning services.

In terms of water discharge, the main destination is the ocean (95%). Other minority destinations for effluents are surface water bodies (3%) or their transfer to third parties for effluent treatment or final disposal (2%).

Repsol promotes optimization and circularity in the use of water at all facilities. That is why in 2022 19 Mm3 of water were reused internally, 25% of the total incoming water, excluding that water withdrawn for once-through cooling processes in combined cycle power plants and produced and flowback water. By implementing this type of responsible water reuse practices, it has been possible to reduce the withdrawal and dependence on natural environment and its potential impacts.

Strategic action lines for 2025

For several years, Repsol has been working on a series of strategic lines in water management that are based on the analysis of its main risks and the implementation of specific actions to minimize the impacts, on the incorporation of its real economic value in decision-making, and on promoting a responsible water culture in the Company.

In this sense, efforts are being made to define and implement improvement action plans in the different business areas until 2025. Specific targets are set in some selected cases, and regular monitoring of key performance indicators is carried out at each facility or operational center.

Analysis and management of water risks

Given that water is used throughout the life cycle of projects and activities, it is essential for Repsol to have the Repsol Water Tool (RWT), which allows it to identify and minimize associated risks.

The RWT was developed in 2013 to identify and assess the main water-related risks to which operations are exposed. Its analysis methodology takes into account both internal factors (measurement level, types of use, quality treatment, withdrawal sources and discharge receptors) and external factors (future availability, regulatory changes and reputational aspects).

RWT was fully updated in 2022 to incorporate functionalities such as exposure to the risk of water stress[9] and the option to calculate the value of water price[10] based on the risks associated with quantity and quality, which allows this value to be used in the economic analysis for strategic decision making.

Once its analysis criteria was updated, the scope of risk calculations has been expanded to include new businesses and operations, in order to identify those centers or critical assets where greater effort must be made to mitigate risks by prioritizing and implementing improvement programs.

[9] The reference tool used to analyze the risk of water scarcity is the Aqueduct Water Risk Atlas, from the World Resources Institute (WRI, www.wri.org/aqueduct).
[10] The reference tool used to calculate the price of water is Water Risk Monetizer, developed by Ecolab in partnership with Trucost and Microsoft, about.smartwaternavigator.com.

Strategic lines until 2025. Sustainable water management

EXTERNAL REUSE OF WATER

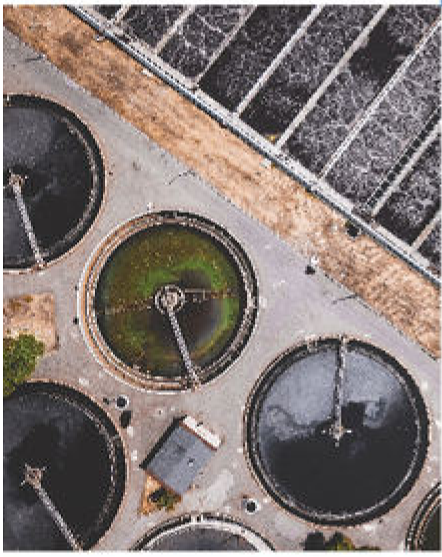
Encouragement of the search for and use of alternative sources of water.

At the Marcellus E&P operations in the USA, agreements have been reached with other operators in the area to exchange and reuse surplus produced water from Repsol Operations to avoid water withdrawal from the environment. This good practice of shared water management encourages the use of alternative non-freshwater sources.

EFFICIENTE USE OF WATER

Work to reduce and optimize water consumption in the diferent activities that are carried out.

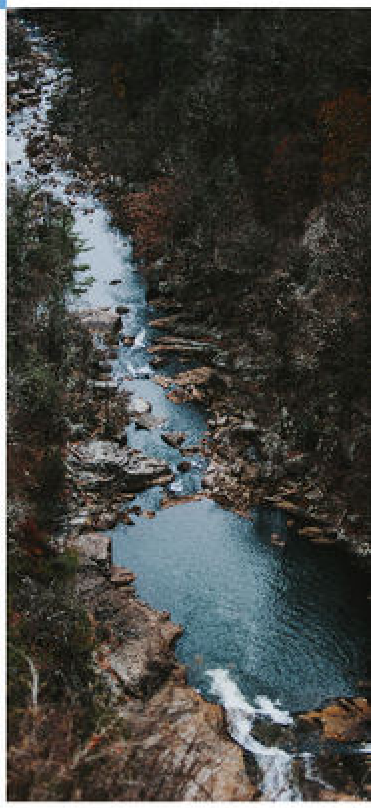
At the Marcellus E&P operations in the USA, agreements have been reached with other operators in the area to exchange and reuse surplus produced water from Repsol Operations to avoid water withdrawal from the environment. This good practice of shared water management encourages the use of alternative non-freshwater sources.



REDUCING THE IMPACT OF DISCHARGES

In 2022, a total of 31.7 million m³ of water has been discharged, without counting once-through cooling processes in combined cycles power plants. This made for a reduction of 37% compared to 2015.

An initiative has been implemented at the Escatrón combined cycle power plant (Spain) An initiative has been implemented at the Escatrón combined cycle power plant (Spain) to improve the efficiency and control of chemical parameters in all sanitary water discharge lines.



INTERNAL REUSE OF WATER

Use of the most advanced treatment technologies to obtain high-quality treated water for reuse in its operations. Reused water increased by 117% between 2015 and 2022. In 2022, reused water accounted for 27% of total water used in the Company's operations, not including produced water withdrawn and injected open loops in the combined cycle power plants of the Low Carbon Generation business and considering E&P produced water and flowback.

At the Cartagena refinery (Murcia), an ultrafiltration unit was installed before the reverse osmosis membranes in the boiler water treatment plant number 2 (PTAC no. 2). As a result, the quality of the inlet water to the membranes is improved and contamination is minimized, the useful life is increased, the number of required chemical cleanings is reduced, and the reliability of the PTAC is improved. Likewise, by increasing the recovery of effluent water, both in the production of boiler water and in other uses, water withdrawal from the network is reduced.

The plant began operations in April 2022 and water recovery has more than doubled (from 80 to 180 m³/h). This improvement will increase internal recirculation, equivalent to the consumption of more than 3,700 families in one year.

Repsol's water risk analysis

Internal factors

1. Measurement

Level of knowledge and monitoring of all water flows (volume and quality) of the water balances.

2. Water use

Determination of the volumes based on the different types of water use and the internal management capacity (efficiency and reuse) of all water flows (volume and quality) of the water balances.

3. Water quality

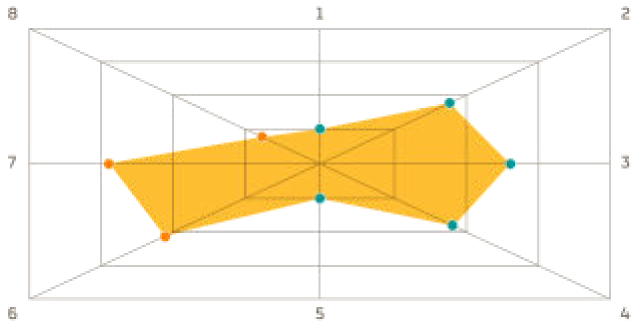
Analysis of water treatment technologies to ensure their quality (water withdrawn and discharged).

4. Water sources

Assessment of the impact and importance of the water withdrawal sources (based on their availability, environmental sensitivity, degree of protection and water stress).

5. Water receiving bodies

Assessment of the impact and importance of the discharge receptors (based on their availability, environmental sensitivity, degree of protection and water stress).



External factors

6. Future availability

Study on the access and guarantee of water supply (short term) and comparison of the demand for water vs. competition (medium term).

7. Regulation

Assessment of potential risks derived from regulatory changes and impacts in the case of non-compliance with the regulations.

8. Reputation

Analysis of the relationship with other stakeholders and users of shared water resources.

Minimization of impacts

The main potential impacts derived from the use and water consumption in operations are related to withdrawal and the consequent reduction of availability in the environment. Regarding discharges, there may be potential impacts with the possible decrease in quality in the receiving bodies.

To carry out proper identification and monitoring, a series of specific tools are applied, including:

- Environmental, social and health impact assessments, which are conducted in accordance with the requirements established by legislation in the countries where the Company operates, internal regulatory standards and requirements of reporting, controlling and monitoring each facility or asset on a regular basis as agreed upon with the environmental authorities and based on internal requirements.
- Analysis of the impacts and dependencies of Upstream assets, following the internal GEMI (Global Environmental Management Index) methodology, which assesses water management as a key element, based on a natural capital approach.
- Analysis of the product life cycle, including the water vector.
- Water footprint studies, such as the Blue Certificate of the Peru Business Unit and other detailed technical analyses (water map studies or environmental risk analysis carried out at the LPG factories).

Managing the impacts derived from the use of water at Repsol takes into account both compliance with legal requirements that affect operations and internal standards developed according to the best international practices and recommendations published by IOGP, IPIECA, CONCAWE or other governmental agencies in which the Company participates.

Collaborative approach to water management

To promote an integrated water resource management, it is necessary to adopt a participatory approach that involves all users, water planning authorities and water government agencies at all levels.

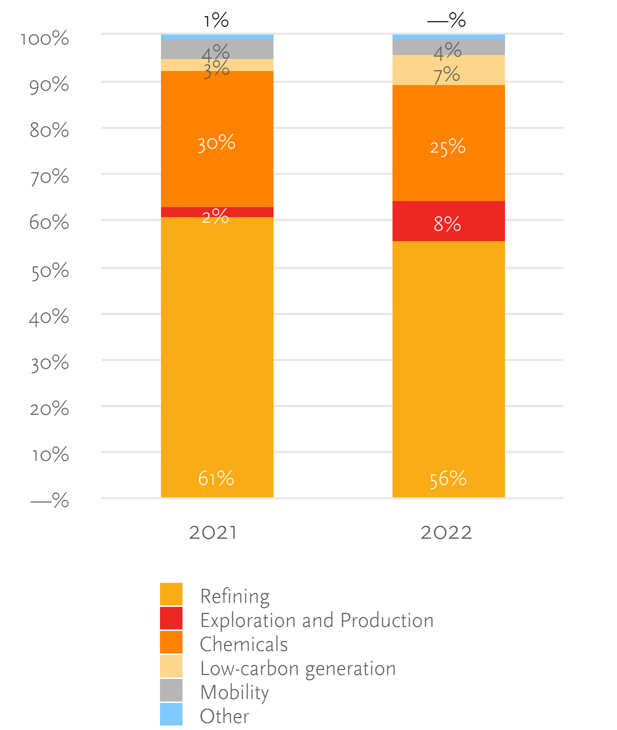
For Repsol, it is important to establish relationships with all stakeholders involved in water management, including regulators, and taking their needs and interests into account. This approach leads to more effective management strategies to help prevent risks and mitigate impacts in each river basin where it is present.

Examples of collaboration with stakeholders with regard to water include:

- Participation in sectorial working groups at associations such as IPIECA, CONCAWE, AOP, CEFIC and FEIQUE. In the case of IPIECA, specifically in the water risks and opportunities working group, one of the initiatives in 2022 involved validating the accuracy and usefulness of the global flood and drought risk identification tools vs using local data. The aim is to determine whether these global tools can assess risks at a local level, with the same accuracy as local tools or assessments, reinforcing the standardization of their use and the comparability of results.

- Establishment of permanent dialogue channels between society and the Company, such as public advisory panels at the industrial facilities, which allow us to become aware of and convey the concerns of neighbors regarding safety, health and the environment (including water).
- Multidisciplinary coordination at the operational level through the Operational Excellence Group (OEG) for water management among industrial facilities (refineries and chemical plants) with the participation of technical experts in the field.

Evolution of freshwater withdrawal by activity



Water management	2022	2021
Freshwater withdrawn (thousands of m³)	59,681	50,519
Reused water (thousands of m³)	19,532	17,691
Discharged water (thousands of m³) (1)	276,637	250,858
Hydrocarbons in discharged water (tons)	71	158

In 2022, freshwater withdrawal increased by 18%, mainly due to an increase in Refining and Low Carbon Generation production (use of water for once-through cooling) and for carrying out drilling campaigns in E&P North America. On the other hand, non-freshwater withdrawal dropped 4% due to a decrease in the extraction of produced water from E&P after divestment of assets. This reduction offsets the increase in seawater withdrawal in Low Carbon Generation for once-through cooling.

6.2.4. Circular economy[11]

In recent decades, the industrialization of emerging economies and the accelerated production and consumption models of developed countries have led to unparalleled growth in demand for resources. The link between economic development and the consumption of raw materials, the basis of the linear economy, represents an unsustainable model over time.

The risks of a linear economy are not only associated with resource scarcity, with the problems involved in sourcing the supply chain or the impact on the price of commodities, but also with growing waste generation with a high environmental impact on ecosystems.

Given this scenario, the circular economy emerges as a new production and consumption model that promotes maintaining a balance between the preservation of the planet and economic development.

Since 2016, Repsol has promoted the circular economy, not only as a key lever in the industrial transformation and decarbonization process, but also as a clear reflection of its duty to preserve the environment. In 2022, the new Environmental Policy reinforces Repsol's express commitment to the principles of the circular economy.

2025 target | Develop cross-company circular economy initiatives in partnership with external firms, working with all businesses

Repsol applies the circular economy in all the countries in which it operates and throughout its value chain. This encourages extending the life of products, optimizing the use of resources, reducing the consumption of raw materials and reusing waste, giving it a new life or recycling it to turn it into new products.

The Company relies on the Repsol Technology Lab to apply circularity to its production processes and to the products it offers to society. Moreover, it works closely with partners, suppliers and customers, generating synergies and partnerships that allow progress to be made in technological developments and the implementation of projects.

To this end, it analyzes circular raw materials and technological pathways that progressively reduce the use of fossil fuels: municipal solid waste, organic waste, residual plastics, biogas, renewable hydrogen, CO2, etc.

In the framework of its strategic objectives, Repsol will:

- Process 4 Mt of waste by 2030.
- Reach low carbon biofuel production capacity of 1.3 Mt by 2025 and more than 2 Mt by 2030, of which more than 65% will be produced from waste.
- Recycle the equivalent of 20% of its polyolefin production by 2030, incorporating waste plastic material from mechanical and chemical recycling into the manufacture of new polymers.

[11] More information about the circular economy and Repsol's commitment at www.repsol.com (Sustainability – Circular Economy)

+300 circular initiatives in 12 countries

+220 strategic alliances

+160 circular projects under development with strategic partners

+40 types of waste and technologies under analysis

+4 million tons in waste processed as raw materials by 2030

In 2022, some of the most notable advances in the circular economy that are worth mentioning are:

- Search and assessment of new pathways, technologies and raw materials. In 2022, more than 40 different types of waste and technologies were assessed to ensure the production of advanced biofuels and circular petrochemical materials.
- Progress in the decommissioning of the Tarragona and Puertollano thermal power plants following the principles of circularity. Joint work with specialized waste managers in order to optimize a new life for waste as resources through reuse and recycling.
- To disseminate good circular practices, Repsol collaborated in the third conference series “Towards a circular economy”, organized by Repsol Foundation and Funseam, which had more than 900 participants.
- Repsol Foundation and the University of the Basque Country launched the Energy Transition Classroom, focused on the role of the circular economy in the industry’s value chain.
- Active collaboration in the public consultations initiated by the Government of Spain and the European Commission on circularity. In 2022, it has participated in more than 50 consultations directly or through sector organizations.
- Contribution, as a signatory company to the Circular Economy Pact and for the third consecutive year, to the initiatives launched by the Government of Spain: business indicators and the development and dissemination of good circular economy practices.
- Active participation in more than ten national and international circular economy working groups (World Economic Forum, IPIECA, CONCAWE, Plastics Europe, CEFIC, Spanish Chamber of Commerce, CEOE, COTEC, CTN323 UNE, Circular Economy Observatory by the Club de Sostenibilidad, Spanish Association of Petroleum Product Operators, FORÉTICA Circular Economy Group, etc.).
- First multi-energy company to obtain the voluntary 100% Circular Strategy certification from the Spanish Standardization and Certification Association (AENOR), which endorses the commitment to the goal of reaching net zero emissions by 2050.

In addition, this year Repsol has launched various circular economy initiatives. ● *For more information, see Section 5.2, Performance of our businesses - Industrial, Section 5.3, Performance of our businesses - Commercial and Renewables, and Section 6.3.1, Technologies for Decarbonization.*

Repsol obtains the 100% Circular Strategy certification granted by AENOR

In 2022, Repsol obtained the 100% Circular Strategy certification, which endorses its commitment to circularity and sustainability.

Through the audit, AENOR learned about the strategic plan and the roadmap to become a net zero emissions company by 2050, in which it has the circular economy as a key lever. It also validated the strategy’s alignment with the pillars that support the certification: share, optimize, virtualize, exchange, regenerate, innovate and act with transparency.

Repsol, Grupo Sesé and Scania come together to test renewable fuels in long-distance freight transport

Repsol, Grupo Sesé and Scania started a one-year pilot project to promote decarbonization in freight and car transport with renewable fuels. This project is supported by Seat and Cupra, as well as the commitment of Coca-Cola Europacific Partners, where all the links in the freight transport value chain are represented.

In Spain and Europe, **ten Scania trucks** from Grupo Sesé will circulate for one year and until May 2023 using Repsol’s advanced biofuel, produced from waste to verify the reduction of CO2 emissions that, with the use of these fuels, can be up to 90%.

Repsol's commitment to the circular economy

2016
- Dissemination and identification of circular projects
- Launch of Repsol's circular economy strategy

2017
- One of the first companies to adhere to the Spanish Government's Pact for a circular economy
- More than 100 circular projects in collaboration with strategic partners

2018
- Creation of a specific circular economy committee
- Definition of circular economy indicators
- Joined the PlasticsEurope's Voluntary Commitment, Plastics 2030

2019
- First company in the sector to commit to net zero CO_2 emissions by 2050
- Launch of Repsol's 2019-2022 Circular Economy Plan

2020
- Joined the EC's UNE-ISO CTN 323 standardization committee to develop guidelines, guides and support tools in the field of circular economy
- Revision of the Company's circular strategy to bring it into line with the guidelines of the European Green Deal and the 2030 Spanish Circular strategy
- Presentation of the 2021-2025 Strategic Plan, with the circular economy as a key lever in the Company's decarbonization process

2021
- Participation in the Spanish government iniciative Good Circular Economy Practices, which includes 5 of Repsol's projects
- More than 300 circular projects distributed among the assets operated

2022
- Obtained the 100% Circular Strategy voluntary certification, granted by AENOR, which endorses Repsol's commitment to the circular economy and sustainability
- Fundación Repsol and the University of the Basque Country launch the Energy Transition Chair, focused on the role of the circular economy in the industry's value chain
- Participation in the Circular Economy PERTE launched by the Government of Spain, focusing on plastics and capital goods for the renewable energy industry as priority sectors.

Circular Economy

6.3. Technology and innovation

6.3.1. Technology and innovation[1]

7 AFFORDABLE AND CLEAN ENERGY | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 13 CLIMATE ACTION | 17 PARTNERSHIPS FOR THE GOALS

Ambition

Drive technological innovation as a lever of transformation towards more sustainable business models

Technological innovation is an essential driver for building more sustainable energy models and meeting the challenge of decarbonization in industrial production and transportation.

Repsol's technological development resides in its Technology Lab and it supplements the Company's own research work with the Corporate Venturing investment fund and an open innovation strategy by establishing partnerships with technology centers, companies and universities around the world.

Repsol Technology Lab works on detecting, validating, and developing relevant technologies for its industrial activity, among which the most important are those aimed at decarbonization, such as:

- Production of renewable hydrogen through the use of technologies such as first- generation electrolysis and development of future generations from renewable electricity, biomethane reforming and photoelectrocatalysis.
- Production of renewable fuels from waste, and development of synthetic fuels from CO_2 and renewable hydrogen.
- Circular economy as one of the pillars for transforming the industrial centers into large multi-energy hubs, capable of using different types of waste and converting them into carbon-neutral products.
- Development of technological products for the energy transition, such as the Energy Management System (EMS), which optimizes the electric energy consumed, generated, and stored by customers.

2027 target	50% of the investment in R&D projects in line with the pillars of the Sustainability Model.

Production of renewable hydrogen at refineries and petrochemical plants

Repsol has recently proposed an ambitious renewable hydrogen development strategy with objectives set at 550 MWeq in 2025 and 1,900 MWeq in 2030. To succeed, more mature electrolysis technologies that allow for early development will be needed, as well as disruptive technologies to improve the efficiency of the process over the medium term. Repsol Technology Lab is working on both time horizons.

With regard to more mature technologies, such as alkaline electrolysis and Proton Exchange Membrane (PEM), efforts in 2022 have focused on selecting the most suitable technologies and their use in industrial applications for projects that are expected to be launched over the short and medium term. At the same time, we continue looking for new solutions that allow us to improve the efficiency and the investment costs of both technologies, seeking to implement said technologies in medium- and long-term projects.

In addition, a project subsidized by the Center for the Development of Industrial Technology (CDTI) program Misiones (Missions) called Zeppelin has been developed in collaboration with companies and technology centers such as Técnicas Reunidas, Naturgy, Aqualia, Reganosa, Redexis, Norvento, and Perseo Biotechnology to explore different alternatives for the production of renewable hydrogen from waste.

Work also continues on initiatives for the development of disruptive technologies capable of improving the efficiency of the renewable hydrogen production process. One such initiative has turned into a consortium of Spanish companies for the development and scaling of SOEC technology (solid oxide electrolyzer cells), being submitted to two national calls for public aid (PERTE H2 and "Misiones" - "Missions" 2022).

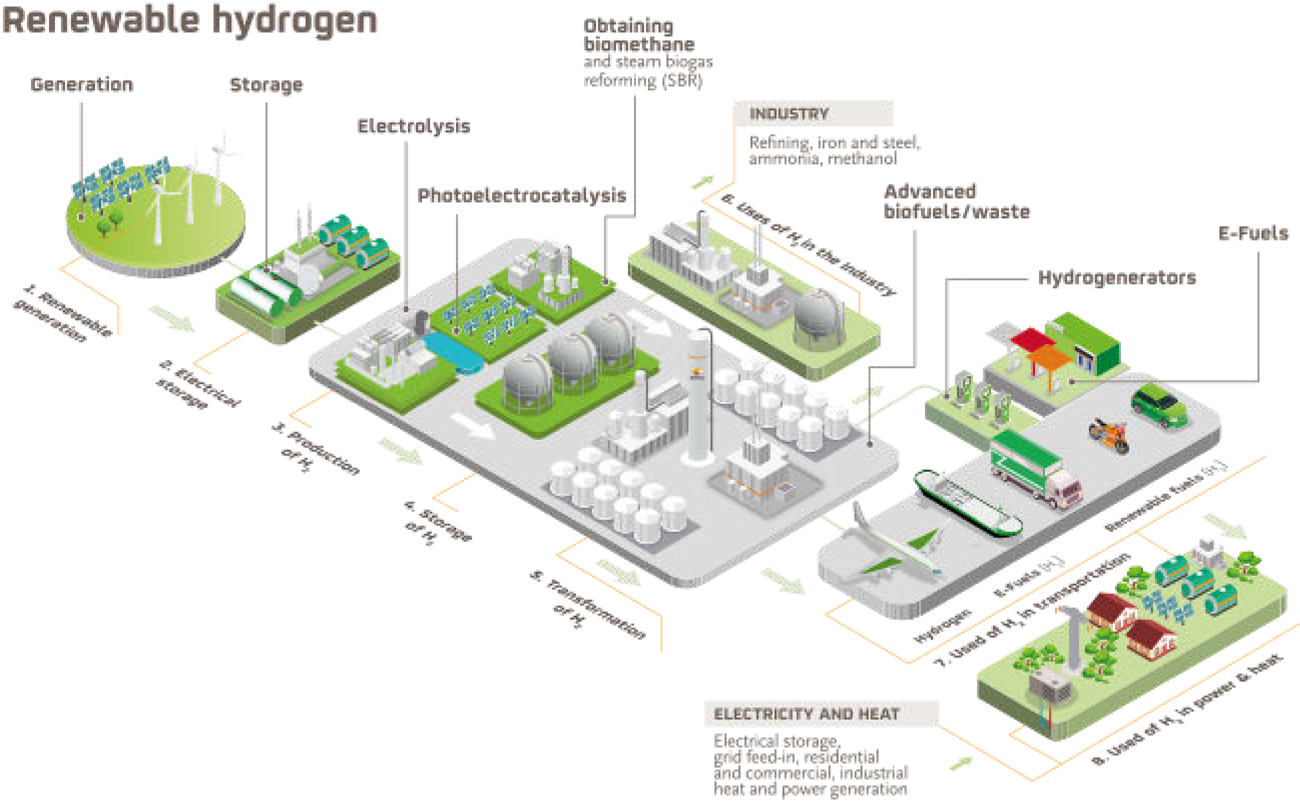
The second initiative, based on photoelectrocatalysis technology, was developed in 2021 through the spin-off Sunrgyze, together with the company Enagás . During 2022, we have continued supporting Sunrgyze in its optimization and scaling so that it can be implemented in a demo plant that will start up in 2025 at the Puertollano refinery, for which an European aid was received under the Innovation Fund (Small Scale) call.

[1] The figures and indicators in this section have been calculated in accordance with corporate standards that set out the criteria and methodology applicable.

Development of fuels with a low carbon footprint for mobility

Repsol is working to seek out new carbon neutral fuels for road, air and maritime transport. During 2022, progress has continued in the activities started in 2021, such as the design, manufacture, and supply of the first 100% renewable gasoline for single-seater competition, manufactured at Repsol Technology Lab.

Renewable hydrogen



Production of synthetic fuels from renewable hydrogen and CO_2

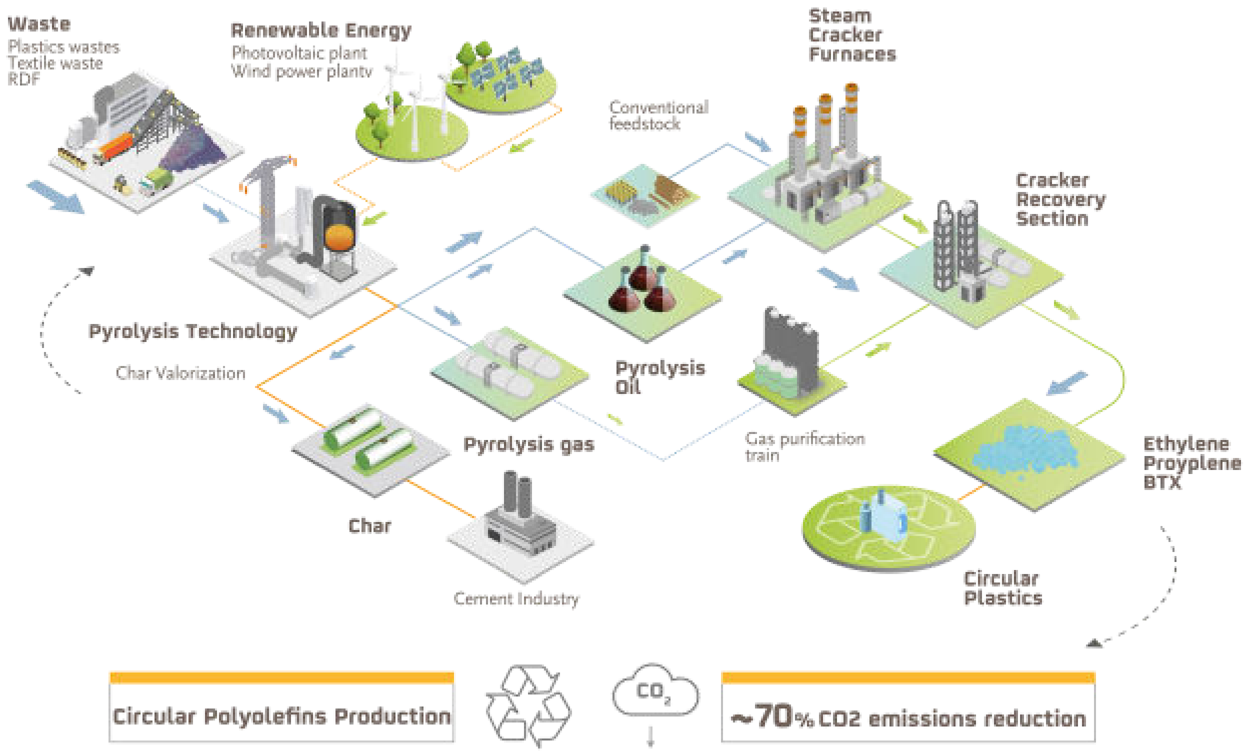
In 2022, in collaboration with Saudi Aramco, a demonstrational project was developed for the production of synthetic fuel from renewable hydrogen and CO2. The installation is located at the Port of Bilbao, in the vicinity of the Petronor refinery. The project will allow for the validation of a key technology to achieve the objectives set by the European Commission.

Decarbonization and circular economy in refineries and petrochemical plants

Repsol is working to transform its existing refineries and petrochemical plants into industrial centers that can convert organic waste and recycled plastics into carbon-neutral fuels. In 2022, the following initiatives were implemented:

- **Development of the basic engineering design for the first plant on the Iberian Peninsula to transform waste into chemicals and fuels,** doing so in alliance with Enerkem. The plant will be able to convert around 400,000 tons of non-recyclable municipal solid waste into approximately 220,000 tons of methanol, which can be transformed into renewable plastics or advanced biofuels.
- **Start of the Horizon Europe Plastic 2 Olefin project.** Repsol is coordinating the project, which aims to develop a new technology for the chemical recycling of plastic waste for the production of circular olefins, doing so in a consortium with twelve other technological and industrial partners. Its objective is to scale the technology from a pilot plant to a demo phase, building a demo plant in one of Repsol's industrial complexes in 2027.

Plastic2Olefins Project



Biomethane production

In 2022, an alliance between Reganosa, Repsol, and Naturgy was established to create a network of biomethane production plants. The agreement aims to progressively deploy a network of plants throughout Spain that use cattle, pig, and poultry slurry for the production of renewable energy.

CCUS

Repsol and its Oil & Gas Climate Initiative (OGCI) partners are channeling their efforts into the development of carbon capture, utilization and storage (CCUS) technologies through the Climate Investment Fund[2]. The OGCI brings together 12 major companies in the oil and gas sector, and its fund invests in decarbonization technologies. During 2022, it invested in five new companies and projects with which it hopes to reduce emissions from various industrial sectors.

Repsol is likewise appraising CCUS opportunities at its upstream assets with the scientific support of the Repsol Technology Lab.

Intelligent systems for energy management and flexibility

Repsol is working on developing integrated solutions based on artificial intelligence and complex optimization algorithms applied to energy systems.

EMS (Energy Management System) is a technology developed at Repsol Technology Lab and tested with positive results at customer facilities over the last two years was transferred in August of 2022 to the company Smarkia.

EMS is an energy management system that allows us to remotely and autonomously optimize the customers' consumption (residential, commercial, and industrial), saving them on their electricity bill while reducing CO2 emissions. It is based on predictive intelligence and physical modeling of assets.

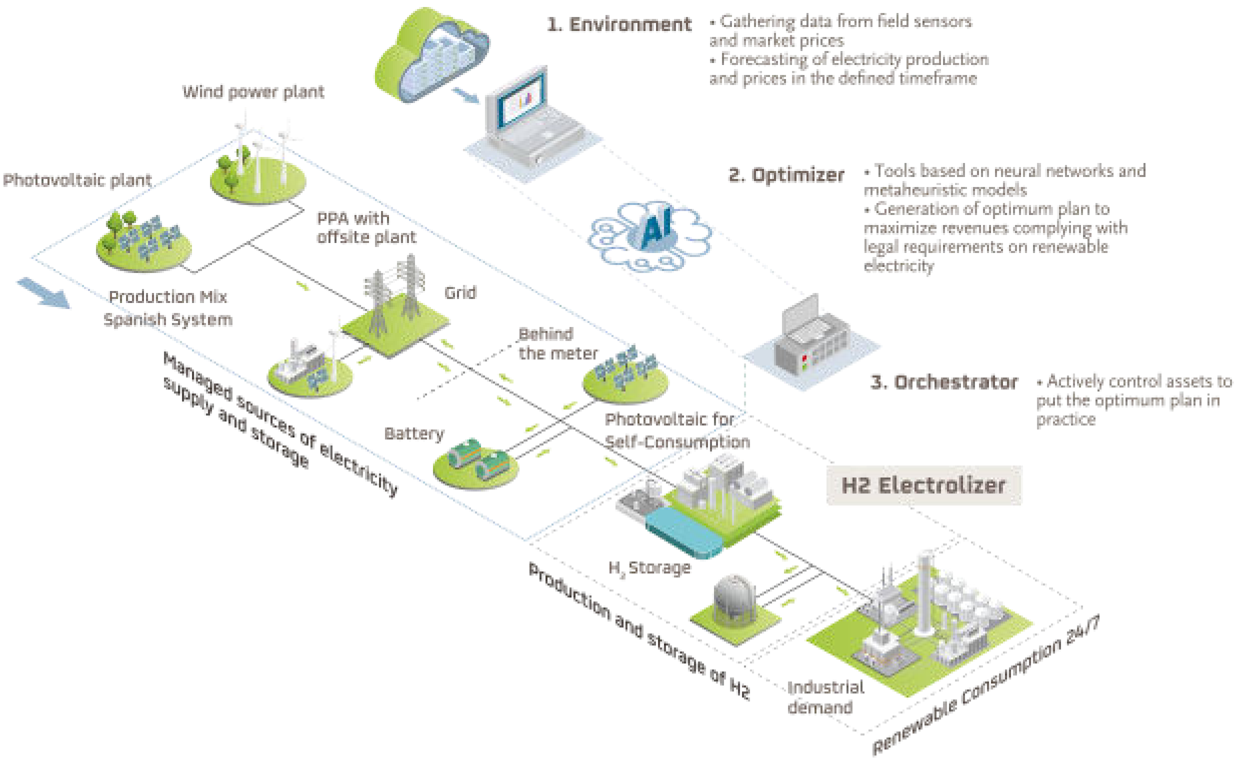
Repsol and MN8 invest in the Smarkia energy management platform

Repsol, through its Repsol Deep Tech investment facility, has entered into the capital of the technology startup Smarkia together with MN8 Energy, one of the largest renewable energy companies of the USA, founded as part of Goldman Sachs Asset Management. Repsol –in addition to contributing capital– is transferring energy optimization technology based on artificial intelligence.

[2] For more information, visit oilandgasclimateinitiative.com/climate-investments.

H2Opera. Its aim is to maximize profit in the production of renewable hydrogen by undertaking the intelligent and autonomous management of elements such as an electrolyzer, a battery, and/or self-consumption photovoltaic solar panels, all the while taking into account available renewable electrical energy. It is under development for application in power supply systems for Repsol's future electrolyzers.

H2Opera



Quantum computing

Repsol participates in the CUCO project, subsidized by the Center for the Development of Industrial Technology (CDTI) and supported by the Ministry of Science and Innovation under the Recovery, Transformation, and Resilience Plan. Its aim is to progress in quantum computing algorithms both scientifically and technologically through public/private collaboration between companies, research centers, and universities, thus accelerating the implementation of these technologies for use over the medium term. In addition, it identifies a series of relevant cases for use in the Spanish economy in which concept tests can be carried out. In this context, cases will be investigated in which this technology has been used in Earth observation, the fight against climate change, the traceability of information throughout the supply chain, etc.

Open innovation model

Repsol's open innovation model covers all phases of innovation and allows for the establishment of strategic alliances and collaborative efforts with third parties, doing so with the aim of joining forces and bringing together capabilities in order to offer solutions for the global energy transition challenge and for the company's own aim of being, in terms of emissions, a net-zero company by 2050.

The objectives of Repsol's networked open innovation model are:

- Early detection of technologies that solve the challenges of the energy industry.
- Validation and scaling of technologies developed by third parties.
- Accelerate innovation cycles and ensure that technological solutions reach the market as soon as possible.

2023 target	Creation of an industrial innovation hub together with other corporations, with a focus on decarbonization and the circular economy to accelerate the process of detecting and adopting technologies that help achieve sustainability goals.

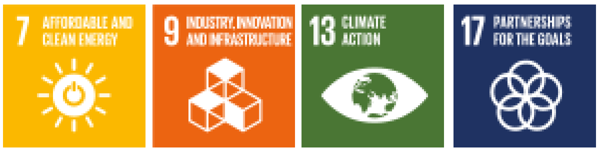
Repsol Corporate Venturing[3,4]

In 2022, Repsol diversified its investment capacity in startups, launching (along with Suma Capital) **SC Net Zero Tech Ventures,** a new venture capital fund for decarbonization technologies.

It is a venture capital investment fund focused on technologies for the energy transition. It will accompany companies that develop technologies aimed at decarbonization and the circular economy to promote said technologies' growth and international expansion and accelerate their application on an industrial scale. The fund will have an approximate size of €150 million.

Simultaneously, Repsol Corporate Venturing has kept its own corporate investment fund, which is starting a new phase under the name **Repsol Deep Tech Fund.** It will invest in technological startups in the most incipient phases of development and has 50 million euros.

6.3.2. Digitalization



The year 2022 was key to completing the Digital Program which has been consolidated at Repsol since its creation in 2017.

Among its objectives, the following are noteworthy:

- Obtaining economic benefits along the entire value chain through the implementation of digital tools.
- Promote sustainability, advance in decarbonization, and contribute positively to the achievement of Repsol's goal of having zero net emissions by 2050.
- Promoting the transformation of work methods and develop employees' digital capabilities.

Foundations of the digital program and results

The Digital Program was based on three main pillars:

- **Practical application and results oriented.** More than 500 digital cases were deployed in the last five years, and the goal of €800 million of impact captured in 2022 was surpassed (after discounting the positive effect derived from macro variables, such as the price of crude oil and gas or the refining margin).
- **Focused on people and new ways of working.** More than 1,200 employees have participated in digital cases. One of the priorities of the program is the development of digital talent, accompanying people in their training and in new, more streamlined ways of working.
- **Focused on data and artificial intelligence.** Over 60% of the digital cases deployed have a data analytics and artificial intelligence component.

The digital program numbers

+500 Digital initiatives

+1,200 people involved

4 continents

+20 countries

9 Technological HUBS

+180 new hires in two years

Including

Data Analytics

Omnichannel

RPA

User Experience

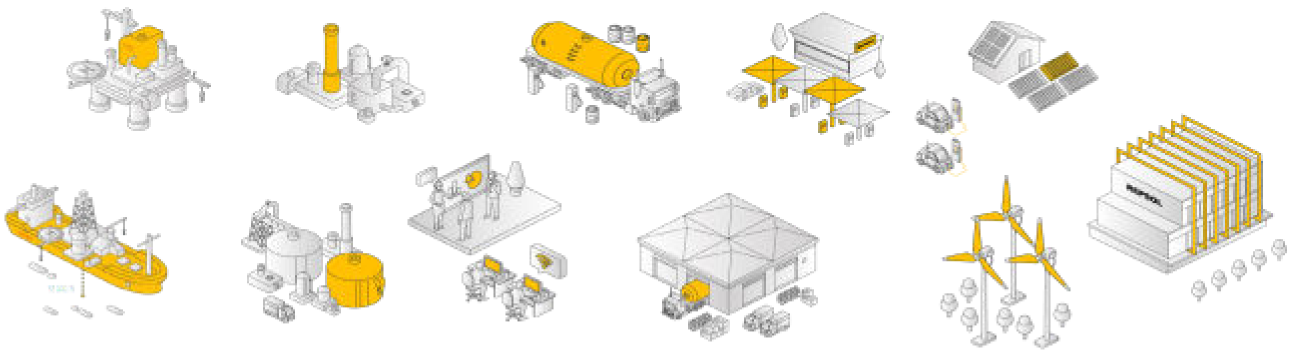
Digitization along the value chain

Digitization is integrated into all areas of the Company and all business units have numerous digital initiatives.

The following initiatives are those most related to the decarbonization strategy:

[3] For more information, visit www.repsol.com (Energy and innovation - Opern innovation).
[4] See ventures.repsol.com

Digitization and decarbonization in our entire value chain



E&P	Industrial Transformation and Circular Economy	Customer	Low Carbon Generation	Corporation
Decarbonization	***Multi-energy hubs***	**New proposition of value customer centric**	**New assets**	**Energy efficiency**
CO_2 capture, storage, use and measurement	Commitment to the development of renewable hydrogen and biofuels	Development of new business models focused on sustainable mobility and energy efficiency in service stations and homes	In Spain and worldwide	In internal processes and operations
Digital Twin, InWell, Methane D&Q	**Smart Energy Management, Asset Health Evolution**	**Solmatch, Vivit, Wibble, Waylet, Suggested order, ELIoT**	**Control Center, Thunderstorm Detection and Warning**	**My Digital Services, Workplace Repsol**

Commitment to digital capabilities

Repsol has continued to promote initiatives that foster the development of skills and training in digital technologies, such as our Data School, which contributes to creating a data-driven culture through employee training.

Also, and with the aim of improving the way we work and of meeting the needs of businesses and employees in the future, the Workforce for the Future initiative has been implemented, which allows such requirements to be planned.

Digital capabilities

Data School

16 editions held
500 employees trained
26 editions **800** employees in 2023

Digital ecosystem

Repsol believes that collaboration is key to the digital program's success, as collaboration allows access to skills, experience in implementation, and technology platforms. In 2022, a digital ecosystem was consolidated with more than 60 partners. This digital ecosystem is making it possible to accelerate digital innovation.

To this end, consortia and alliances have been established with SMEs and startups with capabilities in very specialized areas – such as Kabel, Tinamica, and Touring.

Likewise, partnerships have been formed with large technology companies (Microsoft, AWS, Celonis, Salesforce) and business consortia such as INDESIA have been promoted.

Second digital wave

Building on its success from the initial years, Repsol is committed to giving new impetus to the digital transformation; therefore, throughout 2022, a new digital wave with a time horizon of 2025 was planned, a digital wave to tackle the strategic challenges and incorporate a special focus on multi-disciplinary platforms and the generation of synergies between businesses. Likewise, new actions have been defined which allow us to reinforce digital training and the promotion of talent.

Strategic partnerships

Microsoft

Collaboration focused on accelerating digital innovation and the energy transition by developing co-innovation initiatives to promote decarbonization, sustainability and efficiency in operations, such as:

- **DIY**. Deployment of the DIY Center to give greater support to users and the scaling of digital cases.
- **Bonsai**. Platform to accelerate the development of automation driven by artificial intelligence, from Microsoft.
- **Viva Insights**. Tool to evolve the way of working, with the aim of achieving a greater degree of efficiency, ensuring a work-life balance and reinforcing team cohesion in the context of hybrid work.

Celonis

Collaboration based on the execution management system (EMS), which will enable Repsol to obtain greater visibility in terms of the variants of processes in real time, increasing their efficiency and boosting capacity to simplify operations.

Salesforce

Strategic agreement based on the development of the platform. It makes it possible to offer a global service that includes discounts, cross-offers and personalized advantages through a single channel accessible from any device.

AWS

Through a collaboration agreement, AWS will provide Repsol with new cloud services to accelerate its digital transformation and continue developing its multicloud commitment.

IndesIA

Repsol co-founded a consortium to promote the use of data and artificial intelligence in industrial companies.

Its mission is to launch digital initiatives that position Spain as a benchmark in this field.

External recognition 2022

Gartner	Gartner published a case study that highlights Repsol as an example of digitalization leadership in companies that are beginning their digital transformation.
MIT	The Massachusetts Institute of Technology (MIT) analyzed Repsol's digital model and recognized its scaling at scale capacity (the possibility of multiple digital innovation initiatives yielding a big value from their innovation).
CIO 100 Awards Spain	Award to the 2022 Organization of the Year as a Large Company at the CIO 100 Awards of Spain, which recognize the most outstanding digital innovation projects of the year.
Enertic X Edition Awards	Enertic 2022 Awards Two winning Repsol initiatives at the Enertic X Edition Awards, which recognize innovation projects in information technology disciplines: (i) READS, for the valuation and accounting of impacts on natural capital, and (ii) The Green Engine marketplace, as a CO_2 compensation platform for citizens and companies.
National Industry 4.0 Award	The Factory of the Future initiative, aimed at transforming industrial complexes, received the National Industry 4.0 Award in the Industry 4.0 category for Large Industrial Companies, as well as the Community of Madrid Digitization Award for the best initiative undertaken in the field of raw material, energy, and/or water production/distribution.

Cybersecurity

The progress made toward digitalization certainly brings great benefits. However, as the use of new technologies and their capabilities increases, so do the risks derived from their exposure in cyberspace, the reliance on the systems deployed and the information generated at the Company.

The risks are not only technical but also business-related and may take the form of operational disruptions, theft of intellectual property or sensitive information, fraud, etc. Exposure to these risks has increased with the international pandemic and the mass use of online working and remote connections. The war in Ukraine and its overflow to cyberspace has also meant an increase in the level of alertness maintained since the start of the war especially for the energy sector.

Even so, in 2022 Repsol did not encounter any relevant incidents for which it was necessary to trigger the crisis management model for cyber-attacks or business continuity due to the massive unavailability of information systems.

To mitigate these risks, the Strategic Plan and the Cybersecurity Operating Model promote the concept of information system resilience (in all aspects: management IT, industrial IT, digital environments, cloud environments, data, etc.) and the operations that support and strengthen the resources assigned to cybersecurity This model is constantly being adapted and reinforced. Its main features are:

- The person responsible for the model within the organization possesses the necessary hierarchical level and independence to perform his or her tasks and make decisions.
- It is implemented in the form of a policy, regulations and procedures to ensure the protection of information and the sound management of cybersecurity concerns.
- It is based on the risks generated within the business, which are identified and periodically monitored, controlled and mitigated at the corresponding areas and with the senior management.
- Internal cybersecurity analysis and third-party audits are conducted on a regular basis. They are certified by international standards and continuously follow independent ratings and benchmarks that measure their performance. The Company also regularly takes part in the relevant national and international forums.
- It is reinforced by continuous training and awareness-raising for all workers through specific training and awareness campaigns.
- Business continuity and incident response plans are continually improved to include new threats and response processes with periodic training exercises (tabletop, red and purple team, breach and attack) and other simulations.
- It has a security operations center and a cyber-intelligence service that continuously detects, analyzes, reports and corrects alert information and potential threats, identifies cyber-attack patterns and manages security incidents.

Repsol applies state-of-the-art detection and protection technology that is constantly evolving. It is configured according to risk prioritization, the principle of zero trust, least privilege, and security and privacy by design, and it draws on the capabilities of artificial intelligence, machine learning and automation in cybersecurity.

In this context of constant evolution, more than 50 initiatives have been deployed over the last year through the ambitious 2021-2023 Cybersecurity Strategic Plan, some of the most significant of which are listed below:

- Obsolescence remediation.
- Deployment of state-of-the-art protection and detection technologies on all user devices.
- Isolation and immutability of backups.
- New micro-segmentation scenarios for communications between computers in the network.
- New cyber intelligence analysis scenarios.
- Improvement of risk management in relationship with providers of industrial control systems.
- Centralization and integration of monitoring for industrial control networks.
- Deployment of advanced monitoring and threat hunting services.

6.4 People

6.4.1 People-centered and just transition

> Repsol is committed to a just energy transition towards a future with low emissions

For Repsol, the energy transition can only be understood if it includes the principles of efficiency, sustainability, and fairness and it must be achieved with solutions that minimize the social and economic impact on workers, local communities, and society in general always being based on. respect for human rights and paying special attention to the most vulnerable groups of people.

As an integrated, multi-energy company, Repsol is diversifying its business portfolio by creating jobs in low carbon activities, investing in new energy sources, and improving processes through technologies that help reduce and neutralize emissions.

Repsol recognizes the need to collaborate with key players from the public and private sectors and society in general to achieve a just transition. In addition, the Company actively participates in different forums, such as IPIECA and The Council for Inclusive Capitalism, with the aim of sharing best practices and expert knowledge.

6.4.2 People management

Repsol's management and organization of people is a way to respond to the challenge of transforming the business to advance in terms of the energy transition and to achieve net-zero emissions before 2050. This challenge will be achieved by boosting people's development with the help of committed leaders who inspire and promote the employees' professional development so that they can be main players in this transformation, with talent management aimed at responding quickly to business needs and change management that involves digitalization, new ways of working, and the deployment of agile and flexible organizations. All of this, of course, must be done while taking care of people and ensuring their commitment, well-being, diversity, and inclusion.

Leading to transform

For Repsol, leadership is a key strategic pillar in the process of the energy transition and cultural evolution. Repsol is investing its efforts in analyzing what leaders need in order to deploy training and support programs so as to promote the type of leadership that the strategy requires.

Promote inspirational leadership

Leaders play a crucial role in talent management by engaging employees so that they achieve business objectives, generating a sense of purpose, and driving and facilitating continuous development.

During 2022, a leadership survey was carried out to identify and assess the strengths and areas for improvement of our leaders (2,700 people) based on the Company's leadership model, after which an individual development plan was defined. The results were very favorable, as reflected in the external benchmark,[1] placing Repsol's leaders in the first quartile when compared to the market (84% vs. 81% of the market).

In order to accompany new leaders and boost their growth at such an important time in their careers, Repsol launched a flash mentoring program in 2022, the first edition of which had 122 senior leaders mentoring newly promoted leaders.

Promoting entrepreneurial leadership

Repsol needs an entrepreneurial leader who is capable of identifying and promoting the needs for change in the areas he/she is responsible for, likewise being able to guide teams towards the challenges of the transformation at hand.

In 2022, the LEAD training program concluded. This is a program which, for the last three years and with the participation of around 1,800 leaders from all over the world and an NPS[2] of 77.17%, has focused on promoting transformative and inspiring leadership by developing the skills if prioritization, communication, digitization, and innovation. It has become as a disruptive proposal with excellent results that has received external recognition, such as the gold medal for the best leadership development program by Brandon Hall.[3]

During 2022, renewal of our management structure continued in order to accelerate Repsol's evolution (17 departures, 49 moves, 8 appointments, and 2 new additions to the Executive Committee).

Transforming to advance

The 2021-2025 Strategic Plan envisions a new company operating model in which the organization and the way of working must evolve in order to streamline decision-making, improve efficiency, and champion innovation. In this plan, a different, anticipatory approach to talent management is key in order to respond to business needs.

Deploying an agile and adaptable organization

The Company's transformation involves adopting a more integrated and efficient operating model, supported by a more agile, flatter organization with greater adaptability. To this end, in 2022 Repsol continued with its process of evolving and transforming in terms of the different units' operating models and organization.

For example, in Upstream, the Excellence Centers[4] have been consolidated, concentrating support for the central areas to the business units and adapting the organization to the entrance of a new partner. In the Industrial Transformation and Circular Economy Division, a new operating and organizational model has been implemented that lays the foundations for new growth platforms in businesses and multi-energy and decarbonized assets. In the Customer Division, a new transformational phase has been embarked upon to advance in the challenge of offering multi-energy solutions adapted to the needs of each customer. In the Low-Carbon Generation and Carbon areas, the organization has been adapted to the current context and the entry of a partner. And in the Corporate Areas, the optimization and efficiency process has continued, consolidating the Global Services model while transformation processes have been undertaken in the Legal, Tax, Digital, and IT areas.

Within this context of evolution, the simplification and flattening of the organizational structure has continued, improving the ratio of employees per manager from 5.9 in 2021 to 6.4 in 2022.

Promoting change in ways of working

Repsol faces the challenges of making the way teams and people work evolve to be more efficient, promoting collaboration, innovation, and digitization, and adapting to a hybrid and flexible work environment.

During 2022, Repsol undertook an alliance with Microsoft to design and implement the Microsoft Viva Insights[5] tool in the Company. This technological solution allows for obtaining key data and analytics on how people work and how they use digital tools.

[1] Benchmark prepared by Korn Ferry with more than 600 companies. It evaluates leaders with a 14-question quiz based on their team's perception. Based on the answers, results are obtained that allow companies to be evaluated and positioned.
[2] Net Promoter Score.
[3] Brandon Hall Group is a leading professional development company providing data, research, insights, and certification to learning and talent executives and organizations.
[4] Our Excellence Centers are organizational units responsible for certain technical or support activities for the different business units. Repsol has eight Excellence Centers: Health, Safety, and Environment, Planning, Purchasing, Underground, Production Engineering, Maintenance Engineering, and Information Management.
[5] Microsoft Viva Insights is a solution that helps individuals and teams to improve productivity and wellbeing with data-driven, privacy-protected insights and recommended actions.

Additionally, a support program was launched to achieve efficient work in a hybrid and flexible working environment. Its objective, initially, is to integrate the new ways of working into the teams in order to improve efficiency through optimal management of individual time and collaboration, facilitating well-being and the reconciliation of people's personal and professional life and reinforcing team cohesion. Based on diagnosis of the current situation, an action plan is generated with specific objectives to improve the adoption of new ways of working.

Anticipatory talent management

Anticipatory talent management is essential to ensure that the Company has the talent it needs when it needs it. The development and reinforcement of existing talent together with the attraction of new profiles are the two key pillars to achieve a human team capable of facing present and future challenges.

Repsol is working to promote ongoing strategic planning and anticipation of the talent needs in the different businesses delving deeper into the use of data analytics for people management. Thus, the development of digital tools for the projection of talent needs and for the analysis of the main people management indicators has allowed the Company to model various scenarios, to analyze voluntary turnover data, to focus on talent renewal and the loyalty of critical team members, and to establish a roadmap of the types of profiles and resources necessary to fulfill the growth strategy.

New methodologies have been developed and applied to identify key positions that, due to their impact or uniqueness, will make an essential contribution to achieving Repsol's strategy. Along with this process, a successor identification process is being deployed in order to more accurately diagnose the available talent and draw up action plans to go along therewith.

Talent attraction

In order to face the challenge of being a multi-energy company, Repsol must be able to identify and attract specific and innovative talent profiles that allow the Company to respond to the needs of the changing context of its business activity -- without neglecting the talent it needs to guarantee the efficiency and safety of all operations.

To do this, during 2022 Repsol hired 1,313 people with permanent contracts, of which 14% corresponded to strategic profiles that expand knowledge in emerging disciplines such as hydrogen, industrial optimization, solid waste management, and the circular economy -- thus contributing to the transformation of the industrial sector. In line with the "Primera Ola Digital" ("First Digital Wave") Program,[6] key profiles specializing in big data, artificial intelligence, and cybersecurity were added.

In addition, the Low-Carbon Generation Division launched a two-year program for young graduates, something which ensures a pool of professionals who will help achieve corporate objectives thanks to their development inside the Company.

In order to ensure proper generational change, the Company annually plans scholarship and internship opportunities in varied and adaptable formats. These programs ensure that students can put their knowledge into practice by developing technical skills and gaining experience in real situations. During 2022, a total of 707 scholarships for university students were handled, as well as having 189 dual vocational training students who were able to carry out their internships at Repsol. Thus, in addition to helping to bring talent into Repsol, the Company contributes to improving the employability of young students.

> 30% of the students who participated in the scholarships and internships that we organized during 2022 joined the Company as employees at the end of their programs

Talent development

Repsol is convinced of the importance of the talent of its people and the value of their knowledge and experience. For this reason, the Company is developing and deploying new approaches and activities for development, training, learning, and mobility.

The design of career and professional development plans is perfected year after year. In order to accelerate the development of its professionals to ensure critical talent needs over the medium and long terms, the Company started a program in 2022 that includes the identification of employee interests and the detection of successors in key positions so that they can be provided with the necessary training, as well as giving them opportunities for mobility and challenging projects that allow them, together with external support, to create their development plan.

Also during 2022, 300 professionals participated in the Learn&Lead training program[7] and 100 participated in an external development assessment.

As part of Repsol's commitment to developing potential successors in management positions, 24 experienced leaders participated in development assessment programs and 17 participated in management development programs at business schools.

Additionally, with the aim of bringing about new development possibilities for professionals with key technical knowledge, the Engineering and Technology areas updated

[6] "Primera Ola Digital" is a company program that promotes the design and development of strategic projects to promote digitization. They are deployed and assessed by applying agile methodologies.
[7] The Learn&Lead program has as a learning objective to understand the importance of the role of leader in an environment of change and transformation and to strengthen commitment and motivation.

the competencies of the technical studies program. At the same time, the definition of specialist positions continued,[8] totaling more than 60 in different areas.

At Repsol, training is a key to development. To this end, training plans are designed that respond to the needs linked to the company's strategic challenges, all with an increasing focus on sustainability and the development of new, low-carbon businesses.

Examples of this are training in the energy transition and green exploration for the Upstream business (covering topics related to hydrogen, geothermal energy, and the capture, storage, and use of CO_2), as well as training in industrial safety and renewable energy for the Industrial Transformation and Circular Economy Division (dealing with issues such as the hydrogen value chain and the storage of renewable energy and its relevance in the energy transition). In addition, all service station employees participated in a program on the sale of electricity and gas.

Additionally, awareness was reinforced of the importance of data-based management and decision-making. During 2022, 1,136 people received online training and 480 started face-to-face programs within the context of the Repsol Data School, a learning program that improves the knowledge and analytical skills of employees.

Key talent retention

Given the competition for key talent on the labor market in 2022, Repsol acted quickly by developing new, more flexible compensation formulas that help retain the talent that is needed and even attract new key talent for new businesses and operations, doing so without harming internal equity between employees. In this way, more individualized compensation formulas have been developed, such as retention bonuses, premiums for expertise or critical specific knowledge, success bonuses for results, etc.

In addition, in high-demand labor markets such as that of renewable energy, case-specific salary measures have been taken to ensure the attraction and loyalty of strategic talent.

Taking care of people to prosper

Repsol knows that its employees are the main players in the transformation that the Company is undergoing and is working with the firm commitment to manage them in a sustainable way that is focused on their wellbeing and fair and inclusive treatment.

Satisfied and committed people

Repsol is convinced that a motivated and committed team is the key to succeeding in the challenges it faces. The Company is in a continuous process of updating and improving its value proposition for employees, doing so from a perspective that guarantees the generation of resilient teams which are prepared to face challenges – guaranteeing sustainable employment, proper working and remuneration conditions, and a continuous dialog with workers.

Active listening to employees

For Repsol, employees' opinions are important, and for this reason the Company periodically launches a global culture survey, as well as different perception surveys on topics of general interest. This is done in order to measure employee perception.

The 2022 culture survey (79% participation) obtained an average favorable score in all the survey questions of 71%, exceeding the target defined in the Strategic Plan (70%). Among the most positively ranked aspects, it is worth highlighting our employees' sense of belonging and their recognition of Repsol as a good place to work (80% favorable score).

Fair, flexible, and variable compensation

Repsol has built a full compensation model based on fair remuneration and components that contribute to people's well-being as a crucial part of the Company's value proposition to employees. This approach aims to offer a competitive and attractive system.

In general, full compensation includes the base salary, short- and long-term variable remuneration, and a set of benefits (pension plans, healthcare, life and disability insurance, stock plan, among others).

In addition, Repsol's full compensation model promotes the Company's sustainability strategy by linking the variable remuneration of leaders and employees with strategic objectives and the sustainable transformation of the business. Examples of this are the inclusion of sustainability and decarbonization criteria in the annual variable salary and long-term incentive for the CEO (such as an increase in renewable generation, a reduction of intensity in terms of carbon, and growth in low-carbon businesses).

Regarding pay equality, Repsol carries out continuous and transparent monitoring to ensure internal equity and outward competitiveness at each location, and therefore efficiently meet the requirements of each country.

The compensation policy is continuously adapted to ensure that talent is attracted and retained. In 2022, in a context of higher-than-normal inflation and with a labor market featuring increasing mobility, the remuneration of employees was improved through an increase in the fixed salary, adapting it depending on the collective and on the realities of each country.

Work-life balance and flexibility

We at Repsol are aware that work-life balance and flexibility are fundamental elements on the current labor market; thus, these good practices are continuously promoted worldwide through ongoing programs, initiatives, and informational campaigns to raise awareness and promote a culture that strives towards work-life balance, digital disconnection, and flexible working hours.

[8] Profiles with specific critical technical knowledge.

In 2022, there was a 19.9% increase in the number of employees who applied for telework, rising to 5,403 (4,506 in 2021)

Aside from teleworking, many countries have established flextime, whereby employees can adjust their workplace entry and departure times to ensure a healthier work-life balance. This system is in operation in Brazil, Canada, the USA, Spain, the Netherlands, Portugal, Indonesia, Luxembourg, and Norway. In addition, many countries have adapted their work schedules during the week so that their employees have Friday afternoons off.

Throughout 2022, in countries whose local law does not include provisions to this end (Bolivia, Peru, Trinidad and Tobago, and Venezuela), numerous work-life balance benefits were extended to the LGTBI+ collective, which makes it easier for people in this group to access leave for marriage, maternity, and/or paternity and allows them to be included on the health insurance of their partners.

Diversity and equal opportunities

Repsol considers diversity a fundamental part of its corporate culture and of the just transition and, for this reason, it works to promote the integration of different profiles, as well as to raise awareness regarding inclusion and respect.

In this regard, Repsol continues to work towards its target of 35% of women in leadership positions by 2025, after having achieved 32.2% in 2022 (31.4% in 2021). The figures are improving year after year, working to attract female talent and make it more visible. This is evidenced by the fact that in 2022, 47% of external hires were women -- something which has contributed to positioning Repsol as a diverse and inclusive company.

Repsol is a company committed to hiring people with disabilities, aiming to eliminate the barriers that hinder their inclusion. In Spain, it exceeds the legal requirements of the General Law on Disability,[9] as 2.16% of the Company's employees have a degree of disability greater than 33%. The total number of employees with disabilities in the countries where Repsol is present amounts to 486. In 2022, a collaboration agreement was signed with Down Spain to promote the occupational inclusion of people with intellectual disabilities through hiring at service stations.

To achieve a more inclusive environment for the LGTBI+ collective, different internal awareness activities have been developed, including the development and offering of the "Energía con Orgullo" ("Power with Pride") training. The Proud at Repsol Group[10] has grown and it now has more than 200 people in 10 countries.

Social dialogue

As part of the commitment to manage people in a responsible and sustainable manner, freedom of association and the effective recognition of the right to collective bargaining are part of Repsol's culture.

Collective bargaining in Spain, where 72.31% of the group's employees are based, is best exemplified by the Framework Agreement. Entered into with the most representative trade unions, it includes overarching labor issues that are later transferred to the collective bargaining agreements of the companies included within its scope. In September 2022, Repsol signed the X Framework Agreement, which includes (among other relevant issues) new teleworking formulas and salary increases for agreement employees, taking into account the current market and the inflationary context, internal equity, and value contribution. By signing this agreement, the Company reaffirmed its commitment to people while guaranteeing the sustainability of industrial employment, salary competitiveness, and an attractive offer for its employees.

On the international scene, Repsol has employees under collective bargaining agreements in Spain, Peru, Portugal, Brazil, Indonesia, France, Italy, and Norway, all represented by an internal body or by an industry-wide trade union. Of the total number of employees from these countries, nearly 85.91% of them were covered by a collective bargaining agreement in 2022, representing more than 79.44% of the Group's total workforce.

Since 1997, Repsol has had a European Works Council — a body for information, consultation, and communication on issues that may affect the Group in general and which focuses more specifically on key issues affecting the Company on a European scale.

The Company has formalized an Equality Plan with the Equality Plan Monitoring and Negotiation Commission, which the majority unions are a part of – and this plan falls under the scope of the Framework Agreement. The plan puts the focus on female talent, with measures in areas such as selection, training, professional promotion, remuneration, and professional classification. The last update of 2022 concludes that there is no discriminatory treatment at Repsol, nor are there inequalities based on sex. The plan was modified to respond to a new challenge: to advance the presence of women in the Company due to the fact that our sector continues to be mostly male, despite the progress made in recent years.

In addition, the plan includes a broad and improved set of reconciliation measures, a protocol for prevention and action against harassment, and a protocol for the protection of victims of violence in the family environment.

Since 2020, Repsol has held a Sustainability Roundtable with the Group's most representative unions in Spain, where issues such as sustainability plans, non-financial information

[9] Royal Legislative Decree 1/2013, dated November 29, which approves the Consolidated Text of the General Law for People with Disabilities and for their Social Inclusion.
[10] In 2020, the LGTBI+ Ally Group was created ("Grupo Aliad@s LGTBI+") in order to bring together the forces of those committed to creating a secure and inclusive ecosystem, supporting and implementing initiatives related with equality and non-discrimination against the LGTBI+ collective.

from management reports, circular economy initiatives, strategic S&E projects, etc. are discussed.

Employee health and wellbeing

Repsol is committed to investing efforts and resources in health and well-being and, since 2018, it has approached this mission with a holistic approach and attention being paid to mental health as a key aspect for employee well-being in a context of transformation in terms of how work is done.

Repsol continues working on the review of health protocols issued by the authorities so as to adapt them to the current times in each country and any new health emergencies that may arise.

The Company has a strategic framework for occupational health and well-being implemented in all countries and which aims to share common guidelines and make resources available to employees to help them improve and maintain their health and well-being. During 2022, initiatives focused on physical, emotional, and cardiovascular wellbeing were developed, as well as on other health-related prevention and promotion campaigns.

Thus, the Company is prepared to face the challenges of the present and the future; it values its legacy and continues to transform and develop its professionals by providing them with the tools they need to enhance their talent and by taking care of each one of them through competitive working conditions, fair and inclusive treatment, and with concern for health, flexibility, training, and wellbeing.

6.4.3 Respect for human rights and community relations[11]

Repsol considers the role of companies as agents of change to be key in terms of respecting human rights and, thus, this idea constitutes a very relevant managerial aspect in all of the company's business activities. The two cornerstones of respect for human rights are as follows: governance and commitment at the highest level, as well as excellent social performance on a day-to-day basis.

The Company's aim is to always operate with the acceptance of internal and external stakeholders, maintaining solid relationships therewith based on respect and honest, proactive, and transparent dialog that seeks shared benefit and contributes to local, socioeconomic, and environmental development.

Human rights due diligence is the management model used to identify, prevent, mitigate, and remedy negative impacts and to maximize the positive consequences of the Company's business activities. Therefore, there is a commitment from top management (which also extends to the people who work in the field) that brings them to carry out their work based on the most demanding international standards, and this commitment is accompanied by a process of dialog with all stakeholders. This commitment is present throughout the value chain, providing support to contractors and partners to achieve better performance in terms of handling social aspects.

Repsol's commitment to human rights

> Repsol is committed to complying with the most demanding international standards on respect for human rights throughout its value chain

Since its approval in 2008, the Human Rights and Community Relations Policy has been adapted to comply with the highest international standards. It represents the formal commitment of top management to steer the Company's endeavors in this area.

This commitment spans the entire life cycle of the Company's business activities, from the design, construction, and commissioning phases of the projects to their execution and decommissioning. Repsol also promotes compliance with the highest international standards among employees, contractors, suppliers, and partners.

To this end, the Company actively takes part in industry-wide initiatives, in partnership with other companies from the sector. For example, through IPIECA, an association in which Repsol collaborates in different working groups. These include Social Responsibility and SDG.

[11] For more information on human rights management and community relations, see www.repsol.com (Sustainability - Human Rights and Sustainability - Communities and Shared Value).

Governance in human rights

1. Approves the Company's human rights strategy.
2. Approves human rights policies and oversees the implementation of the strategy. As part of the Crisis Committee they also manage critical claims.
3. Regularly monitors the strategy and compliance with human rights action plans and objectives.
4. Oversees the process of preparing financial and non-financial information and the integrity thereof (including human rights), as well as the risk management and control processes.
5. Works alongside the businesses and corporate functions to coordinate and develop the sustainability strategy and monitor action plans.
6. Steers and implements the human rights strategy across the different businesses.
7. Carries out strategic analysis and coordinates and provides technical support through the expert area of community relations and human rights.
8. Deploys the strategy in each business unit.
9. Link between the communities and the Company in its operations.
10. Share good practices and address material issues in the areas where Repsol operates.
11. Coordinates the global strategy with the businesses and cross-cutting areas.

Human rights governance is established at the highest level and is supplemented by specialized teams that carry out the day-to-day management of human rights and the relationship with the surrounding communities. Repsol has a Human Rights Expert Group since 2020 which coordinates the global strategy throughout the Company. One of the actions carried out in 2022 was the Human Rights Course being published on the Company website and open to all, with special attention focused on suppliers and contractors since the procurement and contracts function has already carried out this training in 2021.

In this regard, the Code of Ethics and Conduct for Suppliers has also been reviewed, including new social risks.[12] In addition, work is being done to adapt to the future European Directive on Due Diligence on Human Rights, focusing especially on new renewable energy projects.

As part of the due diligence process, Repsol annually defines human rights objectives at global and local levels. These objectives are added to the Global Sustainability Plan and the 19 local sustainability plans, which include information on the progress.

Priority issues on human rights

Repsol identifies and prioritizes human rights issues based on the severity and scope of the impacts of its activities and how easily they can be remediated. The Company therefore relies on several sources: analysis of risks and impacts, social audits, grievance mechanisms, consultations with stakeholders and the feedback received from the different countries with operations.

[12] See 6.8, Supply Chain.

Social management in renewable energy projects

Under the strategy to achieve net-zero emissions by 2050, Repsol is carrying out the deployment and adaptation of its social framework to the new projects that are part of the Low-Carbon Generation business. In this way, the Company is complying with the commitment to act with due diligence in human rights in all areas where it develops activities.

In the specific case of renewable energy projects, the entire human rights due diligence process is covered – this includes analysis of the social context, identification and evaluation of social impacts, the social action plan with mitigation measures, and social investment initiatives aligned with the impacts detected and the needs shown by the communities. All the while, maintaining a continuous and transparent relationship with the identified stakeholders.

At the moment, three social impact assessments are in their final phase of development: two for Jiloca and Cinca clusters [both are part of the Delta II Project] and one for the hydroelectric plants of Picos, Aguayo, and Navia clusters -- all of which are currently in operation. In addition, Repsol uses social monitoring in all projects under construction – an innovative process by which it makes a grievance channel available to local stakeholders to address their concerns and needs, in line with the Company's grievance mechanisms.

Due diligence management model

Ambition

Promoting proactive dialog and early management of social impacts and opportunities

Repsol uses due diligence in human rights as the ideal model for managing internal processes with an anticipatory approach focused on the identification, evaluation, and mitigation of risks and impacts associated with the activity itself, as well as in the search for new opportunities. The due diligence model is applied throughout all stages of the life cycle of the assets, from the beginning to abandonment. Proactive and fluid dialog is at the heart of human rights due diligence and the process involves all stakeholders: contractors, partners, employees, communities, etc. and it is based on the main international standards.

The objective is to minimize the risks and any negative impacts and maximize the positive impacts. The following actions are therefore carried out in all projects and operations:

- Exhaustive analysis of the context and the specific social, economic, and cultural characteristics of each area.
- Identification and assessment of risks, as well as negative and positive impacts.
- Design and implementation of mitigation plans for risks and negative impacts.
- Identification of social opportunities to maximize positive impacts.

These actions are combined with participation strategies with local communities and other stakeholders in all operating projects. All this contributes to the sustainable development of the communities in the area of influence of our operations and helps Repsol to obtain and maintain its social license to operate.

An example of an initiative involving local stakeholders is the Caipipendi Block (Bolivia), where nearby communities are informed of the scope of all projects being carried out in the block. In addition to describing the scope of the project, the benefits for the community are reported during these meetings and the number of local staff members and services to be contracted is agreed. Subsequently, the committed agreements are monitored and followed up on, evidence of our commitment to transparency at all times.

Activities are developed in accordance with the environmental, social, and health impact assessment standard in force since 2011, which ensures that an environmental, social, and health risk and impact assessment process is carried out for all Repsol projects and activities in order to identify and assess risks and impacts and, where applicable, deploy the necessary prevention and mitigation measures, all the while involving stakeholders. Before starting a new project, business units run a preliminary analysis of the social, environmental and health context, as well as of the 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. In addition, the Company has had its own methodology for assessing human rights impacts since 2014.

All impact assessments conducted in 2022 (5 in total: 1 in Peru, 3 in Spain, and 1 in the USA) included social and human rights aspects.

Repsol includes human rights clauses in contracts with partners and suppliers, assesses their performance, and provides support through awareness-raising activities to ensure human rights due diligence along the entire value chain.

In operations in which Repsol does not participate in the management of social aspects, as is the case with non-operating assets, information is shared with partners on commitments, policies, and practices and the Company's know-how, expertise, and techniques necessary to implement its objectives are made available thereto.

Grievance and remediation mechanisms

> Repsol promotes claim mechanisms as the preferred way of resolving disputes.

Repsol has grievance mechanisms for communities, employees, partners, suppliers, customers, and any third party. The Company is committed to verifying any report or complaint received and to cooperating to remediate the impact caused by its activities or those of its partners or contractors. This allows us to be proactive, respond to minor incidents before they escalate, and provide an early way of reparation for to affected parties.

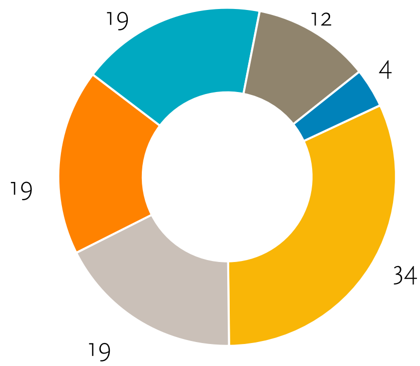
These mechanisms include the Repsol Ethics and Compliance Channel, the Employee Service Desk, and the Customer Care Service. However, many of the concerns, worries, and complaints from stakeholders are related to impacts on the communities near operations, which is why it is essential to have operational-level grievance mechanisms as well.

These mechanisms are designed in accordance with the United Nations Guiding Principles on Business and Human Rights, in collaboration with partners and other stakeholders. They are adapted to the specific characteristics of the environment and are accessible to all so that they are considered legitimate by all concerned. This helps to create an environment of trust and respect that makes it easier for anyone to report complaints or grievances without fear of retaliation. Moreover, these mechanisms are no impediment to in-court or out-of-court proceedings, nor do they affect the legitimate and peaceful activities of human rights defenders.

Relevant complaints are handled at the local level and forwarded to the communities and human rights expert team of the Sustainability Division so that, if necessary, they may be submitted to the Executive Committee for review and possible management.

During 2022, a total of 107 grievances were received(96 in 2021), excluding those related to the incident that occurred in Terminal 2 of the La Pampilla refinery, which are treated separately due to that incident's magnitude (it came up as a result of an impact generated and not normal operations). The increase compared to 2021 is due to the inclusion of claims from the renewables business (47) for the first time. All claims have been addressed and 81% resolved.

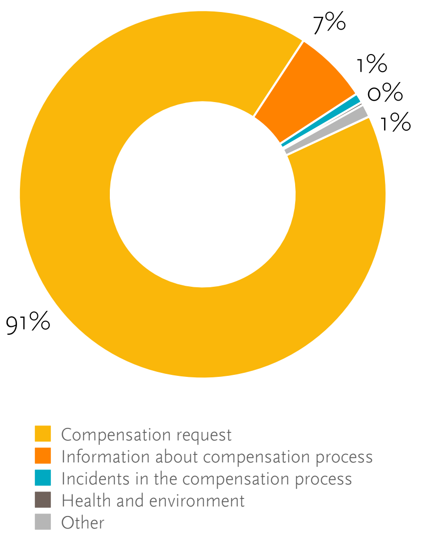
Types of social grievances in 2022



As a result of the accident that occurred in Terminal 2 of the La Pampilla refinery (Peru) on January 15, 2022, a grievance mechanism adapted to the circumstances was designed and implemented, accessible to anyone through different communications channels, including the web page where the progress in the environmental and social remediation is being published. The image *'Social action plan for the incident at La Pampilla refinery terminal 2' shows additional information on the social action plan put in place to respond to the implemented social action plan in response to the incident.* Claims could be filed through the website, by email, phone, WhatsApp, social media or in person.

Grievances received during 2022 related to this accident amounted to 3,932. All of them were addressed and resolved throughout the year. Additionally, community liaison officers took care of more than 7,400 queries from the population and more than 8,000 case files related to the compensation process, presented by the Parties' Reporting Desk, are being managed. The types of grievances received are detailed below:

Types of social grievances at La Pampilla in 2022



Indigenous communities

Repsol recognizes and respects the unique nature of these communities and their rights to the land and natural resources. Actions in environments with indigenous communities are governed by Convention 169 of the International Labor Organization (ILO), regardless of whether or not it has been transposed into the national legislation of each country.

In accordance with this commitment and the requirements included in Repsol's regulatory framework, feasible alternative designs that minimize land acquisition and restrictions on land and subsoil use are considered prior to starting each activity to avoid resettlement and adverse impacts on local communities and those using the land.

Another key aspect of managing indigenous communities is respect for their right to free, prior, and informed consultation. Repsol verifies the level of acceptance of the indigenous peoples in all its activities and actively seeks the consent of those potentially affected. Otherwise, both the potential impacts and the advisability of continuing with the project are assessed, a decision that is taken by the Executive Committee.

Economic impact on communities and shared value

The Company, in line with its commitment to the Sustainable Development Goals, contributes to social development by maximizing the positive impacts generated by its activities and enhancing shared value in its projects. The social investment strategy focuses on an exhaustive analysis of the needs of the context, and on the priority SDGs for Repsol (6, 7, 8, 9, 12, 13, and 17).

The social investment management standard, aimed at guaranteeing transparency and optimizing positive impacts, governs these processes: Repsol assesses opportunities that bring about positive impacts in each context and enhance the shared value when undertaking projects, while at the same time avoiding future dependencies. Sustainable socio-economic development stemming from planning based on dialog and consensus with local communities is a key priority and determines the scope of the investment.

In 2022, social investment amounted to 49 million euros (33 million euros in 2021).[13]

Security and human rights

Repsol has been adhered to the United Nations Voluntary Principles on Security and Human Rights since 2013 to guarantee the security of operations in sensitive or conflict zones through working procedures that ensure respect for human rights.

Repsol asks private security companies to guarantee that 100% of the employees providing services at its facilities are trained in human rights. The Company oversees this training or undertakes courses for corporate security personnel. In addition, in some countries, public security and law enforcement agencies receive specific training in human rights.

Human rights	2022	2021
Number of employees trained in human rights	921	714
Number of training hours in human rights	952	714
Contracts with security firms that include human rights clauses (%)	100	100
Security providers evaluated according to human rights criteria (%)	99	100

[13] For more information and examples of social investment projects, see Appendix V. Further information on Sustainability (includes Non-Financial Statement).

Social Action Plan for the Incident at Terminal 2 of La Pampilla Refinery, Peru

On January 15, 2022, an uncontrolled movement of the Mare Doricum ship during unloading caused a crude oil spill on the coasts of 5 municipalities north of La Pampilla Refinery.

In an immediate response to the accident, Repsol designed and implemented a Social Management Plan consisting of 3 phases:

Repsol continues to work to compensate more than 10,000 families in Ventanilla, Aucallama, Chancay, Ancón and Santa Rosa and also implement social and sustainable development projects in the affected areas.

First response to the emergency

The main objective of this phase was to define the impacted municipalities and preliminarily identify affected groups and provide emergency aid for basic needs. More than 10,400 vouchers were provided to more than 4,700 people.

Remediation Phase

The major milestone of this phase was the signing of an agreement with the Peruvian government to establish a Single Registry of Affected Persons, which resulted in more than 10,300 affected people being identified by Peruvian authorities.

As part of this agreement, Repsol provided advances of the final compensation to these affected people. In 2022, the Company signed compensation agreements with more than 6,600 people and will continue to focus on compensating the remaining people listed in the Single Registry of Affected Persons, prepared by the Presidency of the Council of Ministers (PCM) and the National Institute of Civil Defense (INDECI).

During this phase, Repsol hired an expert consultant in business and human rights to prepare a Human Rights impact study, in compliance with the Company's commitment to due diligence in Human Rights.

This analysis was carried out in compliance with the highest international standards set forth in the United Nations Guiding Principles on Business and Human Rights and by applying Repsol's Human Rights Impact Assessment Guide.

Currently, this phase is still ongoing, being carried out in continuous dialogue with the different stakeholders (communities, authorities, associations, etc.) to optimize the process and verify its effectiveness. The company will maintain ongoing transparent dialogue with the affected communities and the authorities.

Development Phase

Repsol is designing, developing and implementing a **strategy of social investment and sustainable development projects** . This strategy is based on project proposals in line with the needs of the affected people and with the collaboration of the affected communities, social institutions, national and international organizations, as well as the relevant authorities. The projects will be aligned with Repsol's commitment to the United Nations 2030 Agenda.

6.5. Safe operations[1]

Repsol is committed to carrying out its activities considering the health and safety of its people and environmental protection as essential values, based on the firm conviction that all accidents are preventable and avoidable. This continuous effort in recent years has led to a significant improvement in safety, although we are certain that we can continue to improve, as serious accidents are still occurring. Therefore, the Company considers it essential to focus on the interactions between people, the safety culture, facilities, processes, and work systems.

This drive to improve safety is reinforced with the **2022 update of the Health and Safety Policy,** which includes commitments in terms of the human factor, fair recognition, and error management as a source of organizational learning. Said policy includes the commitments that allow our activities to be carried out while preserving the integrity of our people and avoiding any damage to the environment, all the while ensuring a healthy and safe work environment from both a physical and mental point of view:

- Leadership from the Executive Committee, with the line of command responsible for application.
- Proactive risk management, with the aim of minimizing the probability of damage to people and the environment, especially major accidents, and incorporating that into decision-making processes.
- Consideration of human factors as a key for continuous improvement.
- Organizational learning, both in terms of investigating incidents and based on the systematic analysis of habitual work practices, treating human error and failures to comply as elements for analysis and learning.
- Requirement of individual responsibility and compliance with rules and procedures.
- Involvement of employees, contractors, and other stakeholders in continuous improvement and in the definition of health and safety management programs and systems that make it possible to systematically evaluate performance and undertake the appropriate corrective measures.

In addition, in 2022 the **Safety and Environment Excellence Program** has been launched, the aim of which is to take a qualitative leap while promoting the culture of safety and the environment protection. The program was born with a clear operational focus, led by new corporate management in coordination with those responsible for all the Company's businesses. Currently, has already advanced in the first diagnostic phase, with the entire organization involved in said phase, including partners and collaborators. This will make it possible to identify strengths and weaknesses in order to later move on to the implementation and monitoring phases.

As a basis for the diagnosis, the safety management system updated and formalized during 2022 is being used. In accordance with international and industry standards and best practices, the system establishes the safety requirements applicable to operations throughout the entire life cycle and it facilitates uniform risk management in all areas throughout Repsol. It is made up of the following key attributes:

- Two fundamentals, which constitute the bases of the management system: leadership and culture, and continuous improvement.
- Nine elements, each of which is made up of an objective and a series of requirements:

Safety management system

[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 environmental matters (S&E). As a general rule, environment and safety information includes 100% of the data from companies in which Repsol holds a controlling interest or control over operations. In particular, in the field of security, this includes data from contractors that provide services under a direct contract.

The safety culture is one of the fundamentals of the management system, without which its effective and full implementation is not possible. Thus, in order to achieve and maintain excellent safety performance, it is necessary to ensure that the attributes of Repsol's safety culture model are reflected in the elements of the management system.

The second fundamental, continuous improvement, is key to preventing accidents, especially the most serious ones. To spark continuous questioning, promote learning, and avoid possible complacency inside the organization, it is essential to have specific improvement processes. Thus, Repsol continues to work on deploying specific safety culture diagnostics across its assets and businesses. In 2022, the LPG business and the Spanish Upstream unit's diagnostics were completed, contemplating the dismantling of the Casablanca and Poseidón assets, something which brings the sum to more than 25 since the start in 2015.

Fair recognition is one of the attributes of Repsol's safety culture model and a key element in achieving a climate of trust in which safety information flows, latent system risks are identified and corrected, and organizational learning is promoted.

During 2022, the bases were established and the conceptual framework was defined which has allowed for the development of a pilot project in the LPG business, incorporating the lessons learned into a second pilot in the Upstream business. Both will make it possible to continue laying the foundations for deployment in the rest of the businesses in the coming years -- something which is in line with the provisions of the Health and Safety Policy.

Attributes of Repsol's safety culture model

As an example of concrete actions from these pilots, work is being done to eliminate the differences between "imagined work" and "performed work" for key processes, both in terms of safety and operations. This is making it possible to identify actions for improvement at all levels of the organization at both a technical and a human level.

In safety leadership training, the Safety Leap program has been tailored and delivered to the technical groups that are part of the Industrial business and the Upstream business units based in North America (Eagle Ford, Marcellus, and Canada).

Repsol is convinced that collaboration between different companies and industry associations is key to improving safety and accelerating the learning process. Repsol continuously participates and collaborates in organizations such as:

- International Oil & Gas Producers (IOGP), promoting a shared vision and some principles to improve human performance.
- Energy Institute, sponsoring the JIP Toolbox as a tool to share lessons learned from accidents.
- International Process Safety Group (IPSG), acting as hosts at the A Coruña refinery for the 2022 international conference in which topics such as hazard identification in transient operations, contractor management, and human performance were discussed.
- Center for Chemical Process Safety (CCPS), hosting the European regional meeting on digitization in process safety.

All these collaborations have also been reflected internally with the preparation of the internal guide entitled "Improving Human Performance in Safety: Understanding before Acting," which analyzes the interactions of the organization, the work environment, and the people and provides tools applicable to asset managers.

6.5.1 Personal safety

The Company is working to reduce personal accidents, especially those with the most serious potential consequences, doing so in conjunction with the groups that are most involved: employees, contractors, and suppliers.

In 2022, the incident management standard was revised and concepts such as "remote work" and "on mission work" were included. Likewise, the requirements for the management of high potential indicators (HPI) were clarified and simplified and the reporting area was reviewed and aligned in accordance with good industry practices.

Transport continues to be one of the main causes of harm to people, both personally and professionally. For this reason, the Safe Mobility course has been re-done, also being updated online with all the new means of transport.

Repsol is constantly developing tools that allow for the digitization of security:

- Internet of Things (IoT), with the increase of sensors for better knowledge on the location and state of equipment, the environment, and the workers.
- Digital Twins & Analytics, to monitor operations in real time and for the early identification of risks.
- Artificial intelligence, for process optimization, risk mitigation, decision making, and situation assessment.

- Broadband Mobile, for communications with latency, which allows for a real-time response and the transmission of large volumes of data.
- Robotization and remote control, to improve safety by reducing human participation in dangerous environments.
- Automation, agility, and simplification in actions stemming from risk situations and events that impact health and safety.
- IT tools for key processes such as change management and work permits, or the Guided Operations tool.

In 2022, it is worth noting the launch of a proof of concept from the Knowledge Graph Accident Taxonomy, IA (KATIA) project, whose objective is to improve safety through the analysis of spill data.

At Repsol, occupational accident indicators are reported in accordance with the incident management standard, based on international standards (IOGP and OSHA), which establishes the common criteria and methodology to properly record and manage incidents, improvement actions and lessons learned. Accordingly, incidents are classified depending on the severity of their actual and potential consequences.

All employees are required to report any incident they experience or witness. The incident is recorded in the IT tool and an investigation process is then opened to identify the root causes and to propose improvement actions and lessons learned. The standard affects 100% of the companies in which Repsol has a majority interest or control over operation. Incidents affecting contractors that provide their services under a direct contract are also recorded.

Unfortunately, in 2022 we had to regret the death of three subcontracted workers in occupational accidents. In March at the A Coruña refinery: during the opening of a line cover. When two workers were carrying out this task, they were affected by the inhalation of gases. One of them died days later in the hospital. The investigation committee was made up of specialist technicians from the different areas of the refinery, as well as workers' representatives. In October, also at the A Coruña refinery, a worker from an auxiliary company died while carrying out specialist tasks in a construction project. The accident was caused by the impact of an element of the tool used during concrete injection.

In addition, in October, a tanker truck (tractor and trailer unit) overturned, and a second vehicle was also involved. The driver of the overturned tanker died in the accident. Although the event is still under investigation by the competent authority, it has been confirmed that the vehicle complied with applicable safety measures and legal inspections, and that the environmental and road conditions posed no difficulties.

The 2022 TRIR increased from 0.89 to 1.59. This is mainly due to incidents that occurred during the remediation work from the spill that occurred in Terminal 2 of the La Pampilla Refinery and to incidents linked to an increase in drilling activity when compared with 2021. Repsol continues to work to promote leadership in safety, as well as actions to strengthen preventive safety observations, digitization, etc., which will also be promoted through the Safety and Environment Excellence Program.

Main personnel safety indicators[1]	2022	2021
Lost Time Injury Rate (LTIR)[2]	1.13	0.64
Employee lost time injury rate	0.81	0.56
Contractor lost time injury rate	1.49	0.73
Total Recordable Injury Rate (TRIR)[3]	1.59	0.89
Employee total recordable injury rate	1.01	0.74
Contractor total recordable injury rate	2.24	1.06
Number of employee fatalities	—	—
Number of contractor fatalities	3	—
Number of safety training hours	254,145	164,568

(1) There is a corporate regulation that explains the criteria and methodology for recording incidents.
(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, with days lost, medical treatment and restricted work) accumulated during the period, for every million hours worked. Includes company employees and contractor staff.

Occupational safety according to severity of consequences

	2022			2021		
Severity	**Men**	**Women**	**Total**	**Men**	**Women**	**Total**
Very serious	3	—	3	—	—	—
Serious	4	—	4	2	—	2
Moderate	64	24	88	40	6	46
Minor	34	3	37	21	3	24
Trivial	2	—	2	5	—	5
Total	**107**	**27**	**134**	**68**	**9**	**77**

6.5.2. Process safety

Repsol considers process safety to begin in the design phase of the installation and to continue throughout the entire life cycle of the asset and until the dismantling and abandonment of the installations. To this end, the Company works on the design, implementation, management, and maintenance of safety barriers and critical processes that guarantee the integrity of the facilities through operational discipline and compliance with our global standards and operating procedures, based on international standards such as API, NFPA, ISO, EN, IEC, IOGP, and CCPS.

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 prevent leaks of dangerous products.

In 2022, the number of safety incidents from Tier 1 and Tier 2 processes increased with respect to 2021 by 5 accidents, although these indicators are in asymptotic values, and are better than the target values established in the continuous improvement path. These incidents mainly took place in Upstream, due to a significant increase in activity and to the integrity of the facilities. Actions are being carried out to improve integrity, inspection plans, and monitoring programs.

Process safety indicators(1)	2022	2021
Tier 1 process safety events	3	3
Tier 2 process safety events	11	6

(1) A process safety accident is one in which the first line of control has been breached. The following criteria must be met simultaneously: i) There is a process or chemical involved. ii) It occurs in a specific location; that is, it occurs in a production, distribution, storage, auxiliary services (utilities) facility or pilot plants related to the process or chemical product involved. iii) It results in an unplanned or uncontrolled release of material --including non-toxic and non-flammable materials (for example, 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.

6.5.3 Spill management

Spills	2022	2021
Number of oil spills (>1 bbl) reaching the environment	24	11
Volume of oil spills (>1 bbl) reaching the environment (tons)(1)	1,510	6

(1) Data corresponding to oil spills of more than one barrel to have reached the environment.

In 2022, two relevant spills occurred in Peru. The first occurred on January 15 at Terminal 2 of the La Pampilla Refinery while crude oil was being unloaded from the ship Mare Doricum. The amount spilled was 1,460 tons (see infographic on the next page entitled "Environmental actions against the spill in Terminal 2 of the La Pampilla Refinery," and Section 5.2.1, "Refining"). The second spill occurred as a result of a tanker overturning while trying to avoid two mounds of minerals on a sloping curve and under rainy weather conditions. The driver was unharmed, but one of the hatches opened, spilling 32 tons of the product it was carrying. The remediation work was carried out through a specialized external company.

The Company has internal and external emergency response mechanisms and has specialized and trained teams that use the most advanced detection tools and follow specific management and training protocols to ensure the allocation of the highest priority required in each case. Once the situation has been controlled, new preventive actions are established to prevent the same thing from happening again. These mechanisms are critical components for Repsol, and are fundamental in reducing the impact on individuals and the environment.

In the event of maritime spills, in addition to our own response means, Repsol has contracts in place that guarantee rapid action by external specialists and equipment (Oil Spills Response Limited - OSRL, including access to the Global Dispersants Stockpile, Wild Well Control, Helix, etc.).

Environmental actions in response to the spill at terminal 2 of the La Pampilla refinery

On January 15, 2022, an oil spill occurred at sea, at the facilities of the terminal Multiboyas No. 2, La Pampilla refinery (Peru), while crude oil was being unloaded from the 'Mare Doricum' ship. The spill had an impact on the natural environment and the surrounding populations.

The cleanup, containment and recovery of oil from the 28 affected beaches was carried out in coordination with the competent authorities, and the Technical Advisory Committee chaired by the General Directorate of Captaincies and Coastguards (DICAPI) participated during the response, in which environmental, regional and local authorities also intervened.

Repsol established an Emergency Control Center at the La Pampilla Refinery and worked together with a team of companies and professionals specialized in containing national and international oil spills.

Leading experts include Edward Owens, a renowned specialist in the detection and assessment of oil spills in coastal areas, Oil Spill Response, a global company with more than 30 years of experience in managing oil spills, and Marino Morikawa, a Peruvian scientist specializing in nanotechnology and ecological cleaning, among many others.

The work was carried out using the SCAT methodology, an international coastal assessment technique that seeks to determine the best cleaning practices for each area, taking into account the characteristics of the terrain and protecting the identified environment.
The latest reports on the state of the sea and the beaches, issued by the OANNES NGO, Environmental Resources Management (ERM) and the School of Fisheries at the Agrarian University, conclude that they are oil-free, which makes it possible to resume fishing and reopen beaches.

(1) Environmental Evaluation and Enforcement Agency of Peru. It is attached to the Ministry of the Environment of Peru.

6.5.4 Emergency preparedness and crisis management

Repsol does its utmost to prevent accidents, which is done with careful preparation for any possible contingency. Therefore, in addition to prevention, it works on mechanisms that enable early detection of any situation and the rapid and effective management of safety, environmental or other emergencies.

The Company continues to make progress and improve its comprehensive crisis and emergency management model. In addition to traditional oil and gas sector and in-house expertise, it includes industry best practices and is applied to crisis and emergency management at the business or corporate levels. It involves senior management in the most serious cases and ensures the allocation of specific resources, such as management support teams specifically trained and coached each year, with 24/7 coverage.

The crisis and emergency management standard ensures a minimum and uniform management standard, as well as frequent training, drills, and exercises at all levels -- including at least one annual exercise at the highest level of the Company.

In 2022, the annual drill to learn how to act in the event of crises and emergencies was developed around a hypothetical scenario of a cyberattack on the Company's main systems, preventing normal operations. Senior management participated in this drill and it was led by the CEO. In addition to training the teams on how the crisis plan should be carried out and executed, the aim was to verify that the technical resources and the complex coordination mechanisms between the various management groups would function when activated at the same time (Crisis Management Team, Business Support Team and CMT Support Group).

6.6. Responsible tax policy

€17,002 M
Taxes paid by Repsol

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 about the relevance that the taxes it pays have for these purposes. For this reason, it has defined a tax policy that is related to the responsible payment of taxes, through the application of good fiscal practices, the transparency of its actions and the promotion of cooperative relations with governments.

Through this tax policy, which is in line with the mission and values of the Company and the Sustainable Development Goals, Repsol aims to be publicly recognized as a company that practices integrity and transparency in its tax affairs. Our tax policy is available at www.repsol.com.

Tax contribution and impact

2022 tax contribution reached a historical record level: €17,002 million paid in taxes and similar public levies.

By countries, Spain's tax contribution is especially noteworthy, exceeding €11,900 million, which accounts for 70% of the Group's tax payments.

This significant tax contribution, generated by our activities and paid by the Group companies, is borne both by the company (tax burden) and by its customers, employees and investors (tax collected).

Its tax burden paid in 2022 amounts to €4,544 million (€1,672 million in Spain). For its part, corporate income tax amounts to €2,595 million(€783 million in Spain).

Lastly, the Group's tax contribution related to preserving the environment also reached historical highs in 2022, coming to €6,397 million (€5,429 million in Spain).

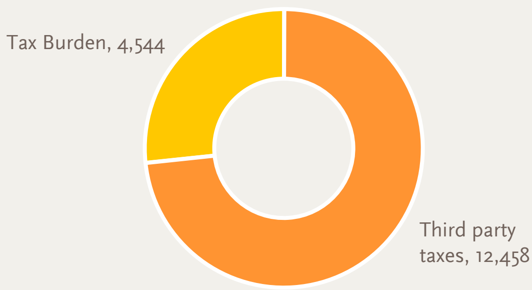
Details of tax payments by country, can be found in *Appendix V to this report and at www.repsol.com*.

Taxes paid in 2022[1]

	Tax paid[2]		Tax burden			Tax collected				Profit	
Millon euros	**2022**	2021	**Total**	Tax on profits	Other taxes on profits	**Total**	VAT	HI[3]	Other	**2022**	2021
Europe [4]	**13,397**	9,155	**2,078**	1,099	979	**11,319**	4,929	5,870	520	**2,468**	1,297
Latam and Caribbean	**2,295**	1,239	**1,241**	562	679	**1,054**	701	267	86	**1,030**	766
Asia and Oceania	**239**	299	**229**	228	1	**10**	4	—	6	**-48**	91
North America	**337**	207	**267**	34	233	**70**	16	—	54	**430**	-7
Africa	**734**	554	**729**	672	57	**5**	—	—	5	**371**	351
TOTAL 2022	**17,002**		**4,544**	2,595	1,949	**12,458**	5,650	6,137	671	**4,251**	
TOTAL 2021		11,454	**2,290**	1,042	1,248	**9,165**	3,282	5,363	520		2,498

(1) Information prepared in accordance with the Group's reporting model, as described in Note 4 – Segment information of the 2022 Consolidated Financial Statements.
(2) The amount includes returns from previous years.
(3) Hydrocarbon tax. Includes receipts from logistics operators where the Company is ultimately responsible for payment.
(4) Includes, among others, production taxes, local taxes, social security paid by the employer, public untaxed payment on fuels, etc.

Our tax contribution: tax burden and tax collected from third parties (€ million)



56% tax burden on our profits[1]

44% effective rate of corporate income tax

(1) Percentage corresponding to the Company's tax burden accrued on the net result. The Company's tax burden paid and accrued is typically different due to the offsetting of tax credits from previous years that reduce the tax burden paid.

Tax contribution made to environmental protection[1]

€6,397M in 2022	€5,556M in 2021

(1) Classification according to EuroStat. More information in our "Tax contribution report 2022", available at www.repsol.com.

commitment to transparency

Repsol explains its tax contribution and discloses relevant information so that it can be appraised by interested parties. The main reports available on the company's website (www.repsol.com) are the following:

1. Tax Contribution Report. It discloses all taxes and other public levies paid, broken down by item and country.

2. Country-by-country report for corporate income tax. Report as presented to the tax authorities and which Repsol publishes on a voluntary basis, containing further disclosures relating to the corporate income tax paid in each country in which we operate.

3. Report on Repsol's presence in tax havens. It describes and explain the activities carried out and the taxes paid in these jurisdictions.

This commitment to transparency has earned us numerous recognitions.[1]

Good tax practices

The Group's tax decisions are made responsibly in accordance with a reasonable interpretation of tax regulations, following not only the letter but also the spirit of the law. In the event of any disagreement or dispute with the tax authorities, Repsol prioritizes amicable solutions, though if the disagreement persists, the company defends its legitimate rights and interests through the legally available channels and appeal mechanisms.

Repsol is committed to complying with best practices of responsible taxation and tax governance through voluntary adherence to internationally accepted principles, guidelines and recommendations (Code of Good tax Practices, GRI 207, OECD, B-Team). For more information, see Appendix V and *www.repsol.com* include detailed information on Repsol's compliance with these transparency standards and, more precisely, with GRI 207.

Accredited good tax practices
Repsol is compliant with GRI 207 (see Appendix V).

Cooperative relations with tax authorities

Repsol is committed to maintaining cooperative relations with the tax administrations of the various countries in which it operates, based on the principles of good faith, transparency and mutual trust, and with the shared goal of ensuring the effective application of the tax system. Following this approach, Repsol expects to reduce the inherent risks and uncertainties applying tax rules, facilitate the tax authorities to understand its operations and avoid unnecessary conflicts.

Notably, Repsol has submitted, as has been doing since 2015, its Voluntary Tax Transparency Report before the Spanish Tax Office (AEAT). It also continues to lend its support to international cooperation initiatives for the prevention of tax risks and, after having taken part in the first program of the OECD International Compliance Assurance Programme (ICAP), it is now participating in the European Trust and Cooperation Approach (ETACA) of the European Union and in the CONFIA program in Brazil.

Presence in non-cooperative jurisdictions for tax purposes

2023 target	Reducing presence in non-cooperative jurisdictions.

Repsol is committed to having no presence in tax havens, unless it is for legitimate business reasons, in which case it undertakes to be transparent in its activities.

Repsol's presence in these non-cooperating jurisdictions is immaterial and any presence it does have is not intended to conceal its business activities or make them less transparent. The revenue obtained there does not account for even 0.01% of our turnover and there is only one active Group company that has presence, through a permanent establishment, in one of these territories (Trinidad and Tobago), carrying out hydrocarbon upstream activities.

Repsol releases detailed information on its presence and activities not only in non-cooperative tax jurisdictions but also in other territories considered controversial for tax purposes by civil organizations, even though they may not be included on official lists[2].

[1] Norges Bank, the Corporate Responsibility Observatory, Transparency International Spain, OXFAM, Haz Fundación (which has awarded us its top score for transparency – three stars) and, more recently, the Dutch association VBDO (which awarded Repsol the EU Tax Transparency Award 2022).
[2] For further information, see in Appendix V to this report, or visit www.repsol.com.

6.7. Supply chain and customers

6.7.1. Supply chain[1]

Sustainable supply chain management

Repsol responds to the expectations of stakeholders and compliance with ethical, labor, environmental, safety and social standards through the sustainability of its supply chain. Likewise, it promotes employment and the rights of employees among local communities and drives local economic and social development where it operates. In this regard, it is aligned with the United Nations 2030 Agenda for Sustainable Development and contributes to the 17 SDGs, seeking to integrate commitment, dissemination and action in favor of this global agenda into its culture.

In this regard, the space available on the Repsol website, called 'Sustainable Management along the Supply Chain',features relevant content related to sustainability and the commitment to the United Nations 2030 Agenda. This space seeks to disseminate the culture and actions carried out to support this global agenda and in this regard the Repsol Sustainable Development Goals Contribution Plan has been made available to all suppliers. Another tool developed to raise awareness on this matter is a dissemination course for employees and suppliers, called ODStories. This course works like a fictitious social network and navigates through the different SDGs, showing examples of how Repsol contributes to them.

This sustainable supply chain management requires greater transparency in the information disclosed to both local communities and consumers, while at the same time promoting good practices among suppliers and contractors. The relationship with suppliers and their respect for human rights are fundamental pillars to achieve a just transition to which Repsol is committed. Moreover, the goal of managing risks and being diligent with the impacts derived from commercial relations with its partners, suppliers and contractors[2] was also set.

Suppliers play an important role in Repsol's value chain. That is why they must comply with current regulations and adopt the Group's good practices. For their part, contractors must adopt behaviors in line with the Suppliers Code of Ethics and Conduct, aimed at mutual benefit, by including obligations such as the rejection of child labor, the rejection of forced labor, freedom of association and the right to collective bargaining, in addition to ethical behavior and measures against bribery, corruption and conflict of interest. Likewise, they must act in accordance with the code, as well as with the Anti-corruption Policy.

Repsol ensures the absolute integrity of its commitments to suppliers, which are based on mutual respect and trust. With this aim, control levels and a procedure to ensure that they behave in accordance with the Company's commitments in this regard were implemented. This allows for continuity of operations and mitigates the risks of the process.

Training for supplier and contractor employees

As proof of Repsol's commitment to sustainability and the United Nations 2030 Agenda, it launched a plan throughout the value chain to promote the SDGs. This plan covers the entire life cycle of operations and disseminates compliance with the most demanding international standards among employees, contractors, suppliers and partners. This plan includes developing training and awareness in sustainability (compliance, human rights, safety and the environment) for employees, contract holders and the most relevant suppliers in terms of impact on these matters.

As a good practice and to disseminate Repsol's regulations and minimize exposure to risks in activities carried out by contractors in the field, during 2022 various training activities were carried out focused on training contractor employees in human rights and ways of relating to the community. Repsol also encouraged the contractors themselves to choose to organize talks on the various topics in the Code of Ethics and Conduct.

A total of 492 Repsol contractor employees attended this type of training. It should be noted that the human rights and community relations norms and policies are part of the introduction processes in the field, for both contractor staff and subcontractor staff. The follow-up of activities of this type is verified through a record of the sessions and an attendance control (online and in-person).

Risk management

Repsol is aware that the supply chain poses specific risks and can help create jobs and promote local economies where it operates. Thus, it works to ensure that suppliers and contractors behave in accordance with the commitments they have undertaken. In this regard, the company is adapting selection, qualification and monitoring processes to identify and mitigate risks at different stages of the business relationship. Suppliers who want to work with Repsol must undergo a due diligence process relating to risk management, integrity, and international sanctions and embargoes, among others.

The Company inserts specific clauses in its contracts insisting that the counterparty complies with internationally recognized standards and observes the safety, environmental, ethical behavior and respect for human rights provisions of its internal rules and regulations.

[1] Information related to the Repsol Group's purchases, managed by the purchasing function in accordance with the Company's internal regulatory framework, is included
[2] By law, the illegal assignment of workers is not allowed. For this reason, Repsol's internal purchasing and procurement regulations establish that services are contracted with suppliers and not with people. This condition prevents specific data on employees who are not workers from being provided.

Likewise, awareness-raising activities are carried out among the counterparties and there is a standard of due diligence with third parties, applicable to business relations to manage the risks related to corruption, money laundering and terrorist financing, and international sanctions and embargoes.

Repsol has set itself the goal of developing and implementing agile and effective mechanisms whereby it can verify compliance with the agreed conditions and implement corrective measures if deemed necessary, so that the performance of the participants in the supply chain is the one that corresponds.

The procedure established to ensure efficient risk management in the supply chain is illustrated below.

Supply chain risk management

Performance assessment

- Assessing performance in the management of human rights, environment and safety over the term of the contract and upon its termination.
- Applying corrective measures if the required standards are not met or if the commitments assumed are not honored.
- A low or poor performance assessment has an impact on subsequent negotiation processes and contractual relationships.

Procurement and recruitment

- Accepting Repsol's General Terms of Contract, which include the obligation to respect the legislation and international standards in force relating to human rights, anti-corruption, data protection, safety and environment, labor relations and other key areas of sustainability.
- Greater demand in critical safety and environmental activities (appraising bids and performance assessment).

Due Diligence and scoring

- Registration of suppliers and contractors
- Expressly accepting Repsol's Code of Ethics and Conduct for Suppliers.
- Reputational analysis of all suppliers.
- Assessment of compliance risks (anti-corruption, international sanctions and embargoes, etc.).
- Analysis of financial and business aspects (financial statements, tax obligations, insurance, etc.).
- Validation of Safety and Environmental criteria in critical procurement.

Environmental and social assessment of suppliers

Repsol works together with its value chain to implement initiatives related to the environment, SDGs and circular economy. In this sense, it defines the principles of action on the environment in the phase of carrying out new contracts and agreements with partners and third parties. As for the acquisition of goods and services with a high safety and environmental risk, the inclusion of environmental criteria in supplier performance qualification and assessment, contractual clauses and bid evaluation is monitored.

Thus, in the due diligence phase, suppliers are registered in the purchasing management systems, undergoing prior filtering using the Refinitiv World Check One tool. This tool is used to assess aspects of integrity, anti-corruption, bribery and international sanctions and embargoes to mitigate risks. This information is regularly reviewed and updated for all suppliers that maintain a relationship with Repsol.

Likewise, the Company has internal and external audit procedures that examine and monitor to ensure that the established requirements are met. Moreover, and depending on the purpose of the award, it is necessary to fill out several compliance questionnaires on the security of operations and compliance with additional legal requirements (data protection, illegal assignment of workers, cybersecurity, etc.).

Thus, in 2022, integrity, corruption and bribery aspects were assessed at 9,338 suppliers worldwide (4,015 in 2021). These assessments revealed material information on 20 companies (21 on 2021) 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. In accordance with Repsol's internal regulations, the responsible areas undertook due diligence actions by applying the specific analyses included in the internal regulations, in order to mitigate any compliance risks that might arise. To this end, several instructive actions have been carried out for employees in the purchasing area and for some suppliers in certain regions.

Furthermore, in 2022, in the tender processes, suppliers are assessed on the basis of a safety and environmental technical benchmark, with relevant issues and aspects for the new contract and relationship. The aim is to maintain the social license to operate, demonstrating that Repsol is sustainable throughout its entire value chain.

Thus, in 2022, 5 assessment audits were conducted on suppliers, in which financial and business aspects, among others, related to their fiscal, tax and insurance obligations were analyzed. As a result, it was determined that none of the audited companies present any relevant non-conformities, meaning they are therefore considered serious and reliable to establish a satisfactory business relationship.

In addition, a total of 3,702 performance assessments were completed in 2022 at 878 suppliers and contractors, taking into consideration environmental, labor, social and integrity aspects.

From this procedure, there is a supplier disqualification process, through which any current and future business relationship with a certain supplier is blocked for a period of time or even indefinitely. It takes into account all kinds of aspects in the relationship with the supplier (ethical, social, safety, environment, etc.) and is approved by the Purchasing Functional Committee. In 2022, 2 suppliers were disqualified by these means.

Indirect economic impact

Repsol indirectly contributes to the generation of wealth in the local economy by supporting local companies, encouraging them to join its network of suppliers and contractors. Moreover, local purchasing has the advantage of geographical proximity between the point of origin and the point of demand, which provides a faster response to emerging needs and greater flexibility in operations.

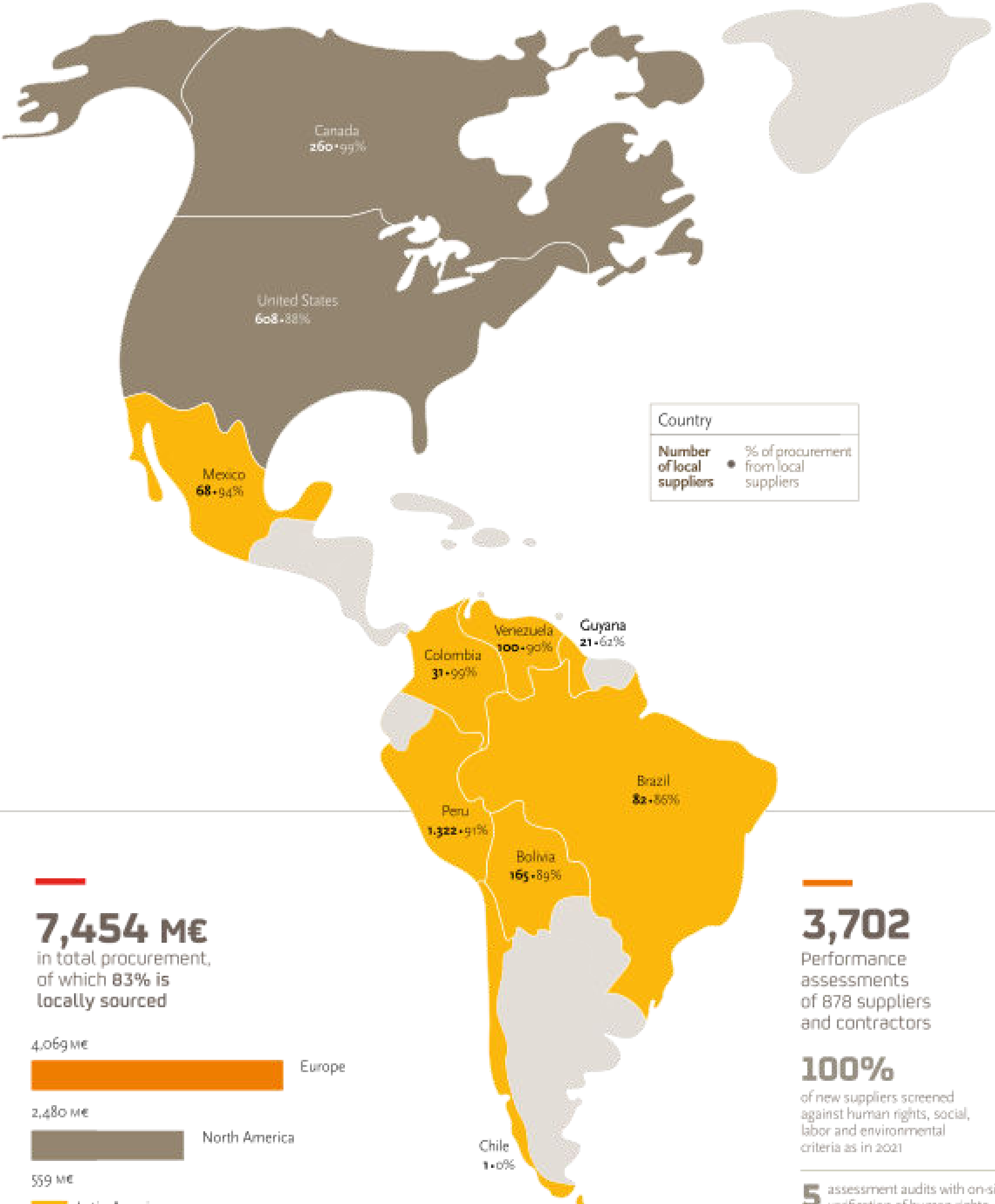
In the same way, Repsol generates indirect employment opportunities in the projects it carries out in different countries. The percentage of purchases and procurement that were made locally in 2022 represents 83% of the total purchases in the year. These purchases focused on medical services, logistics (civil engineering, catering, accommodation, vehicle rental and driver rental), warehouse and office lease, and IT support, waste management and courier services.

Furthermore, the Company aims to develop cross-company circular economy initiatives in partnership with external firms and working with all Group businesses to add secondary raw materials to its value chain, maximize process efficiency, reduce waste, create new products and services and driven eco-design.

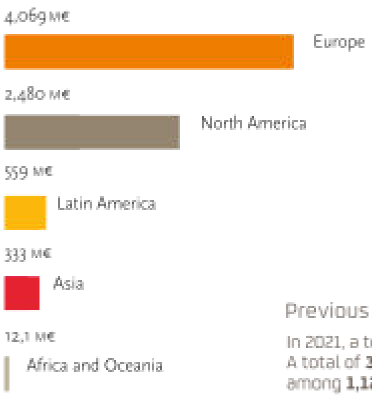
Average payment period to suppliers

The average period for payment[3] to suppliers of Spanish companies in 2022 was 38 days, below the maximum statutory period of 60 days set out in Law 15/2010, of 5 July (amended by the final provision two of Law 31/2014), on measures to combat late payment in commercial transactions.

[3] For further information, see Note 17 – Trade debtors and other receivables, of the consolidated Financial Statements..



7,454 M€
in total procurement, of which **83% is locally sourced**



3,702
Performance assessments of 878 suppliers and contractors

100%
of new suppliers screened against human rights, social, labor and environmental criteria as in 2021

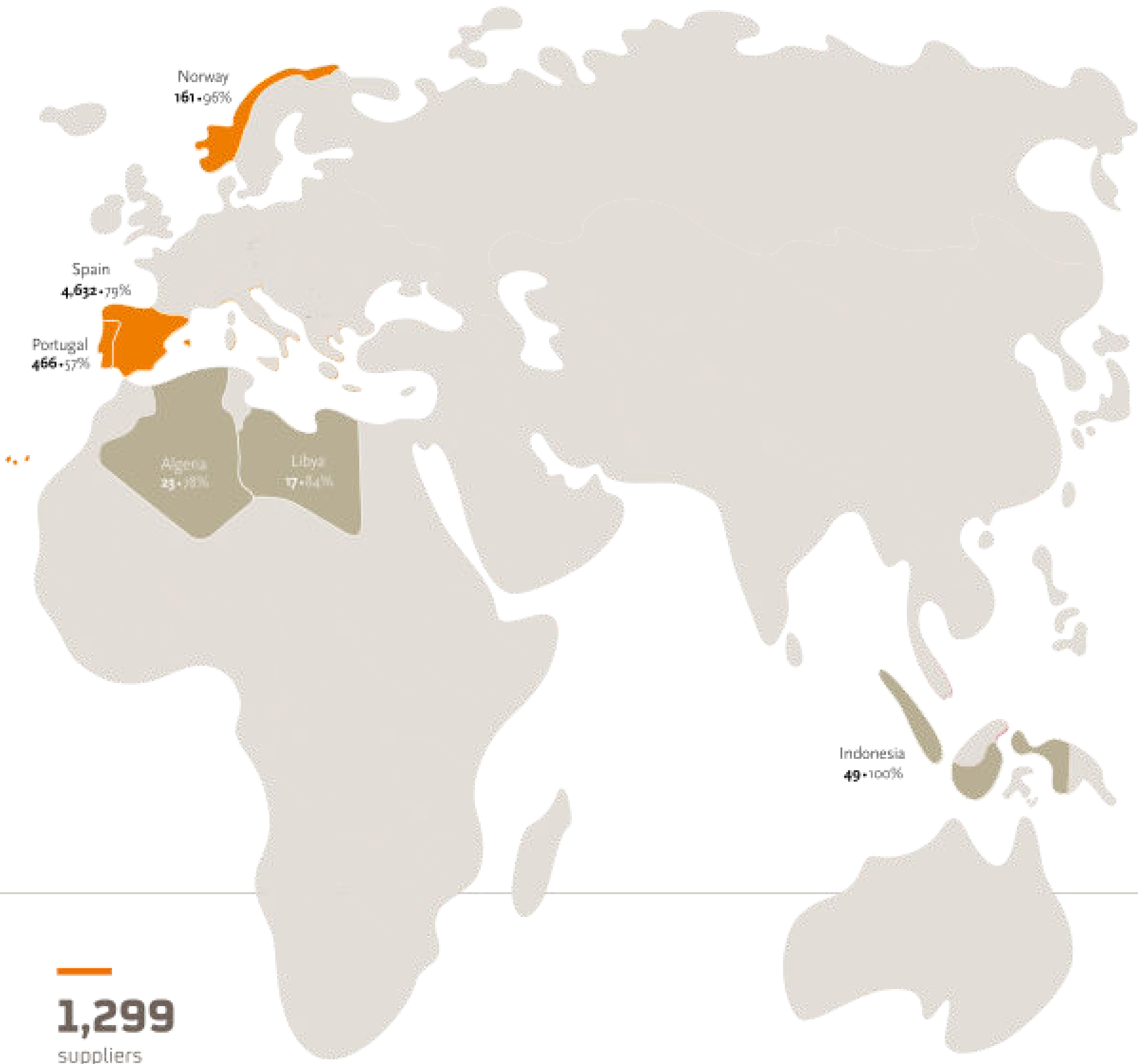
5 assessment audits with on-site verification of human rights and other aspects

100%
of contracts include clauses on human rights, anti-corruption and the environment, the same as in 2021

2 breaches of contract due to safety concerns

Previous year's data

In 2021, a total of **5** assessment audits were carried out. A total of **3,010** performance assessments were conducted among **1,125** suppliers and contractors and **1,055** suppliers were scored. In 2021, total procurement came to **€5,251** billion from **4,235** suppliers, **78%** of which were local, and 74% of total expenditure went to local suppliers.

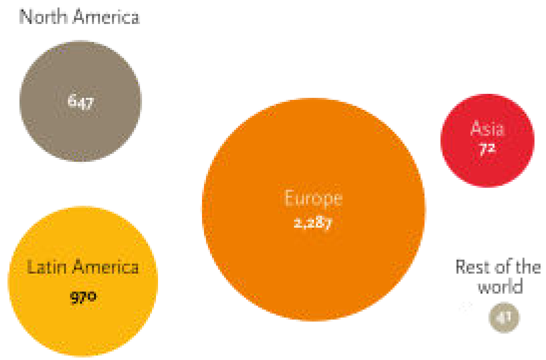


1,299
suppliers scored[1]

4,017
suppliers worldwide, of which **86%** are local[2]

Assessment of impacts on health and safety for **100% of significant products** and services

Number of suppliers



(1) In 2022, as was the case in 2021, 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) Suppliers are those to which Repsol has made new awards in 2022. Repsol considers local suppliers to be companies established or nationalized under the laws of the country in which Repsol carries out operations as part of which the supply will be made or service provided.

6.7.2. Responsible management of customers

Safety across the product life cycle

Managing the safety of the products sold is a priority for the Company and is present through all stages of their life cycle. In addition to the applicable legislation in force, Repsol has internal regulations that establish the requirements to ensure appropriate management of risks from the very beginning of the research to design a product until it is sold on the market.

During the design phase, any hazards are identified and potential risks arising from use are assessed in order to take the appropriate measures to manage these risks. As an example, in the project for new circular polyols manufactured from polyurethane waste, knowledge has been generated about the possible adverse effects on people and the environment by carrying out several laboratory studies. This knowledge was applied to assess the potential risks associated with manufacturing at the centers and subsequent use by customers. This information is being communicated to workers and customers through the safety data sheet, which includes the conclusions from the results of the studies and the measures for safely handling the product.

Ensuring product safety involves ongoing monitoring to detect new or changing risks. Therefore, products already made available to customers are also re-assessed in order to ensure efficient updates.

Repsol encourages participation in voluntary programs of the sector itself and European bodies that examine in greater detail specific knowledge about certain products. For example, together with European companies that manufacture diesel processed with hydrocarbons from renewable sources (vegetable oil or animal fats), the Company is participating in several studies aimed at obtaining further knowledge about their possible adverse effects.

The Company is also part of a project focused on improving scientific knowledge of NLP (no longer polymers) polyols. This project, led by the top manufacturers of this type of product, seeks to improve toxicological knowledge of the same based on a limited number of studies, and subsequent extrapolation of results between different polyols within the same group or category.

Technological innovation also makes it possible to increase safety, optimize the use of raw materials, eliminate emissions and contribute to reducing the waste generated.

Communication of hazards

In compliance with internal regulations, Repsol provides information on the hazards of each product it sells through safety data sheets and hazard labels so that customers can take the appropriate measures to handle them safely.

It works with a global tool that allows access to all product safety documents from a single repository available to all employees. This tool also allows an advanced analysis to be carried out, by company or by product range, of the different parameters of the products handled for the entire company. These documents are available to Repsol customers and employees in accordance with the laws of the country where the product is to be handled. Business and product data come together in the tool, which allows Repsol to automatically send safety documents to customers.

Customer privacy[4]

Privacy and personal data protection is one of the most relevant issues for companies today, due to the volume of information handled, which includes personal and financial data of customers, suppliers and employees.

Repsol ensures the fundamental right to the protection of personal data of all individuals that have a relationship with the Group companies. The Company therefore carries out all its activities in accordance with the laws of the countries in which it operates, in keeping with its spirit and purpose, and ensuring respect for the right to honor and privacy in the processing of the different types of personal data.

The Data Protection Division, which is part of the Compliance Processes Department, is tasked with advising on and managing the personal data protection compliance model. This division is composed of a team of professionals specializing in privacy that offer advisory services to the entire Company through a corporate mailbox. In 2020, the OneTrust software suite was acquired as an ideal platform for ensuring compliance with data privacy regulations across all sectors and jurisdictions, including the EU GDPR and Privacy Shield. Throughout 2021, a loading of the records of processing activities and risk analysis was carried out. In 2022, a method for monitoring recommendations from the Data Protection area was implemented through the corporate tool SACI, an Onetrust optimization process was carried out and the security breach module of this tool was started to be used.

[4] En 2021 reported data includes information relating to breaches of customer privacy and loss of customer data at Group companies in Spain and Portugal.

The configuration of the module and the fact of having a tool that serves as a register to record any analysis of incidents that affect data independently of their criticality has led to a substantial increase in the number of incidents reported, since it has made it possible to strengthen the model and not only count incidents not only of medium or high risk but also of low or negligible risk.

Substantiated complaints concerning breaches of customer privacy and losses of customer data	2022	2021
Total number of substantiated complaints relating to breaches of customer privacy	11	–
Complaints received from third parties and substantiated by the organization	9	–
Claims raised by regulatory authorities	2	–
Total number of identified cases of leakage, theft or loss of customer data	13	3

Managing customer grievances

Repsol has procedures that allow claims and complaints from customers in all business areas to be heard and managed. These contacts may correspond to business customers (business to business) or household customers (business to consumer).

No matter the type of customer, claims or complaints relating to sustainability issues are handled with the aim of minimizing or mitigating potential environmental or social impacts. The process for handling claims is as follows:

- Claims received by the relevant agents provided (Customer Service, Technical Assistance and Development technicians, business department, etc.), through the enabled channels (telephone, email, social media, in-person, etc.) .
-
- Claim registered in the computer systems, with detailed categorization of each case, by process, petitioner, origin, classification levels, etc.
- Assignment the area responsible for handling and following up on the claim to the resolving group.
- Management: information gathering, analysis of the root cause, proposal and start-up of control, corrective and improvement actions.

In 2022, the number of claims received in Spain rose to 41,641 (of which 93.7% have been resolved). In Portugal, 7,025 claims were received, of which 98% have been resolved.

Registered claims Customer Care Service	Total no. of claims	% vs. total registrations
Spain	41,641	1.5%
Portugal	7,025	4.5%

In 2022, Repsol digitized the CRC. It operates in a Genesys and Salesforce Cloud environment as a cross-company CRM (Customer Relationship Management) system for the Lubricants, Asphalts, Specialties, Service Stations and Direct Sales, Waylet and LPG businesses (in progress), replacing several tools. With this it has achieved:

- A unified, homogeneous experience in each of the channels.
- Promoting digital channels for optimal resolution.
- A single work tool.
- Personalized customer service and traceability of interactions.
- Automation of processes of lesser value to customers.

6.8 Ethics and compliance[1]

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Comprehensive compliance management model

Stages			Matters
Prevention Anticipating risks	**Monitoring** Supervise the model	**Correction** React to non-compliance	Anti-corruption
Through a risk identification and assessment methodology that enables us to prevent risks and roll out mitigation measures	Ensuring its efficiency and proper functioning across all the different business processes and countries	By establishing and monitoring improvement plans and conducting investigations or audits	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 legal breach

Repsol has in place a range of procedures, an overarching action framework and a specialized team dedicated solely to ensuring that its internal and external obligations are properly fulfilled. The compliance function reinforces compliance culture across the Group and improves our ability to identify and monitor ethics and compliance risks. We focus especially on anti-corruption measures, anti-money laundering and counter terrorist financing, crime prevention, international sanctions and embargoes, antitrust rules and personal data protection.

Code of Ethics and Conduct[2]

Repsol's Code of Ethics and Conduct is approved by the Board of Directors and applies to all directors, executives, 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. This 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.

1 The figures and indicators in this section include 100% of the data from companies in which the Company holds a controlling interest or control over operations, with the exception of communications received through the Ethics and Compliance Channel, the scope of which would be that established in Repsol's own Code of Ethics and Conduct.[1]

2 Available at www.repsol.com

In 2022, Repsol once again has undertaken a global initiative for training on and dissemination of its Code of Ethics and Conduct. This includes all employees (even part-time employees –something new this year) and aims to continue promoting a positive culture of compliance, as well as to measure the knowledge that employees have on certain issues to this end. Specifically, the dissemination campaign entitled “Los intachables” ("The Flawless") has been developed with a total of seven dissemination initiatives by senior management that included sketches, interviews, podcasts, and ethics regulations. Likewise, mandatory training has been deployed for all employees (entitled "Tu conducta en juego" – "Your conduct at stake") in an interactive, innovative, and disruptive format. Additionally, it is worth noting the expansion of our voluntary network of compliance ambassadors to more than 100 people and our holding of three compliance days: one worldwide (with recognition of the best practices in this area) and two local ones (in Mexico and Houston, USA).

The "Los Intachables" ("The Flawless") campaign

In 2022, the dissemination campaign entitled "Los Intachables" ("The Flawless") was deployed and it reached the entire Company while maintaining the relaxed tone of previous years. There were seven content deliveries in different formats and for different types of media (email, digital signage, digital dissemination via MyRepsolnet), all of which were consumable in an easy, attractive, and accessible way. **This content allowed the relevant messages on the Code of Ethics and Conduct and the basic regulations on Compliance to be properly positioned and emphasized.** In terms of the main pieces of data, the following numbers stand out: 71% opening rate for the 126,588 emails of the campaign sent during the period (March to September of 2022); more than 12,000 page views on MyRepsolnet, almost 40,000 reproductions of campaign content via streaming (Spanish and English), and 10 pieces of digital signage published globally.

The aim, among others, of the Ethics and Compliance Committee is to manage the monitoring and compliance system for the Code of Ethics and Conduct. In accordance with the committee’s own internal regulations, it is a collective, high-level, multidisciplinary body, with autonomous powers of initiative and control, and other powers necessary to carry out its functions. It comprises representatives from Legal Affairs, People and Organization (Corporate), Audit, Control and Risk, Legal Services (Corporate) and Chief Compliance Officer (CCO) and Labor Relations, Labor Legal Affairs and Occupational Health.

The Ethics and Compliance Channel[3] is accessible 24 hours a day, seven days a week. It is managed by an external service provider, which allows employees and any third party to communicate directly with the committee with absolute confidentiality and anonymity, and in any language. Said individuals can raise queries or report possible breaches of the Code of Ethics and Conduct and the Crime Prevention Model.

In 2022, 91 pieces of correspondence were received through the Ethics and Compliance Channel, of which 55 resulted in an investigation. At the end of the year, 6 cases of discrimination and harassment were confirmed, although most of them correspond to situations involving a lack of respect and unwanted or annoying behavior, of minor importance. No cases of corruption, or violation of human rights were proven.

The Company has the internal investigation procedure of the Ethics and Compliance Committee, as well as an orientation guide for investigators and channel managers regarding personal data protection and other regulations. The regulation emphasize that no type of retaliation is allowed against a person who in good faith discloses or alerts a breach or raises questions about the code, internal regulations, and/or the law. Nor are retaliations allowed against anyone who collaborates in an investigation. Specifically, everything mentioned above is guaranteed and regulated first and foremost by the principles of impartiality, confidentiality, professionalism, and independence.

Ethics and compliance	2022	2021
Number of participants in the Code of Ethics and Conduct training[(1)]	22,814	21,758
Number of communications received through the Ethics and Compliance Channel	91	47

[(1)] Includes anti-corruption training..

Fight against corruption and bribery

Repsol reiterates its commitment to strict compliance with regulations for the prevention and fight against corruption[4] and fraud in all their forms, developing the principles contained in the Code of Ethics and Conduct and extending compliance therewith not only to all employees of the companies in which we exercise direct or indirect managerial control, but also to our business partners.

During the general recurring process of reviewing and updating internal regulations, in 2022 the Company reviewed its Anti-Corruption Policy, changing its name to the Integrity Policy as its contents were expanded to include aspects related not only to corruption but also to fraud (following the lines of European regulations). Said regulations include Repsol's express position regarding illegal conducts like

[3] Available at ethicscompliancechannel.repsol.com.

[4] Corruption: offering, promising, granting, receiving, requesting, or accepting an unjustified benefit for oneself or for a third party in exchange for unduly favoring another party in the acquisition or sale of goods, in the contracting of goods and services, or in business relations. This includes both the public sphere and the private/business sphere and also when the purpose or result of such conduct implies the breach of the contractual, fiduciary, and/or legal duties by the corrupt individual person.

corruption, fraud, and conflicts of interest in an additional, more detailed way than what is listed in the Code of Ethics and Conduct, covering not only illegal conduct but also aspects that are unethical or dishonest.

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 has internal framework (Crime Prevention Model and Internal Investigations by the Ethics and Compliance Committee) that dictates the preventative measures and response mechanisms for breaches of the Code of Ethics and Conduct or suspected or confirmed criminal offenses within the scope of the Repsol Crime Prevention Model[5].

In this context, the Ethics and Compliance Committee approves and monitors the annual plan for the updating and continuous improvement of the Crime Prevention Model. In terms of said Model, the following objectives and work carried out should be highlighted:

- Adaptation of the model (internal regulations and criminal risk matrices) to Organic Law 10/2022, of September 6, on the Comprehensive Guarantee of Sexual Freedom, which modifies different aspects of the Criminal Code, among which we must highlight the expansion of the list of crimes that a legal entity may be responsible for (mental wellbeing, sexual harassment, and discovery and disclosure of secrets).
- Digitization of key compliance processes (risks, gifts and hospitality, and conflicts of interest).
- Review of the risk control framework (such as fraud in terms of subsidies and discovery and disclosure of secrets).
- Definition of minimum control standards for companies with a limited size or business activity.

The Company has internal standards and guidelines on due diligence with third parties, conflicts of interest, gifts and hospitality, social investment, and relations with public officials. These rules are specifically focused on mitigating potential risks in terms of corruption and fraud. Repsol also has a Criminal Prevention Manual to improve the company's understanding of criminal risks and the actions and behaviors expected of employees. In addition, we have a comprehensive training plan that includes, among other things, simultaneous actions on the role of leaders, managers, executives, and the Repsol representative. Finally, an online course is available for those responsible for running and managing Crime Prevention Model controls and the whistleblowing channels for raising queries and reporting breaches in relation to the Model.

Likewise, the Company has a guide to the anti-corruption compliance domain management system which describes the general standards and requirements, as well as controls and associated risks (bribery of officials, bribery in the private sector [offering and accepting bribes], and influence peddling). In 2022, 11 specific assessments were carried out in relation to corruption risks[6].

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. This commitment is a core element of Repsol's Code of Ethics and Conduct.

The Company believes in fair and effective competition on the market and we do not engage in inappropriate practices that might impair free competition. Nor does it seek to obtain competitive advantage through the use of unethical or illegal business practices.

In addition, specific risk assessments continue to be carried out in terms of competition, and the measures implemented to prevent or mitigate risks are improved or reinforced as needed. Likewise, the Company has developed specific training and awareness initiatives, among which we can highlight the development of guidance and training materials, the development of micro-learning sessions on fair competition, and complementary training actions for the most sensitive groups. In 2022, an 80% attendance rate for synchronous training was reached and a total of 648 employees received training on compliance with competition regulations.

Repsol has an Anti-Trust Compliance Manual, a guide on how to act in the event of home inspections, guidelines on risks associated with participation in business associations, and a procedure for state aid, among other materials. The main aim is to continue to drive the implementation of these regulations, help all employees understand the fundamental principles governing anti-trust regulations, and provide them with clear guidelines to identify potential risk situations for the Company.

Additionally, the Ethics and Compliance Channel is available, among other resources, through which any employee or third party can direct any type of query or alert regarding compliance with anti-trust law.

[5] Among the crimes included in the model is money laundering (crime no. 15). Likewise, the Company has a guide that describes the general standards and requirements in terms of money laundering and there are models for compliance/anti-money laundering and counter terrorist financing for those bound by local/specific regulations.
[6] In 2022, there were zero confirmed cases in which contracts with business partners were terminated or not renewed due to corruption-related offenses. Moreover, there were no public legal cases related to corruption filed against the organization or its employees during the reporting period, and there have been no confirmed cases in which an employee has been dismissed for corruption or in which disciplinary action has been taken in this regard.

7. Outlook

7.1 Outlook for the energy sector

Macroeconomic outlook

In early 2022, a slowdown in growth was expected as the relatively easy gains made following the re-opening of the economy in the wake of COVID-19 gradually faded, and also due to a reversal of sorts of the exceptional monetary and fiscal policy support that had been provided in 2020 and 2021. That said, growth was still expected to be very strong and relatively high by historical standards. However, the global economic outlook then suffered a serious setback, largely due to Russia's invasion of Ukraine.

On balance, the IMF's January 2023 baseline scenario expects global GDP growth of 3.4% in 2022 and 2.9% in 2023. While the outlook was downgraded throughout 2022, an upgrade is now expected for 2022 and 2023, of 0.2 percentage points (pp) from the October forecast.

Notably, the negative repercussions have varied greatly between regions and countries. Europe has been more heavily affected by the war, given its greater reliance on energy imports. Thus, the Eurozone's growth forecast for 2023 has been trimmed to just 0.7%, although this is an improvement of 0.2 percentage points on the previous forecast, in response to the surprising resilience shown by Europe in the third quarter and the relatively ease in adapting to the new environment.

IMF macroeconomic forecast

	Real GDP growth (%)		Average inflation (%)	
	2023	2022	2023	2022
Global economy	2.9	3.4	6.6	8.8
Advanced countries	1.2	2.7	4.6	7.3
Spain	1.1	5.2	4.9	8.8
Emerging countries	4.0	3.9	8.1	9.9

Source: IMF (*World Economic Outlook* January 2023) and Repsol Research Department.

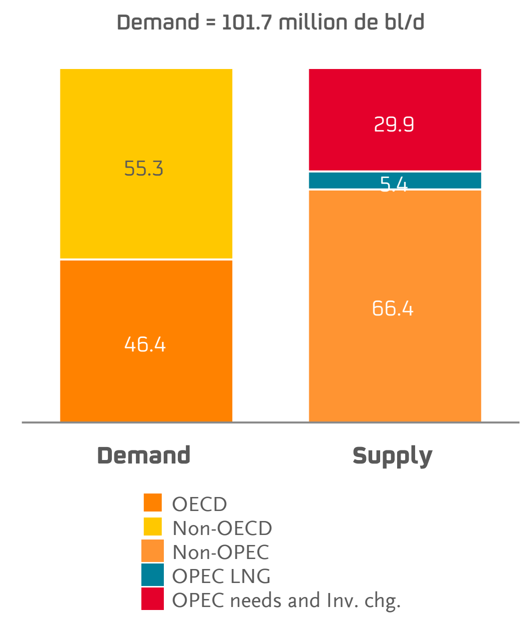
Against this backdrop, forecasts and projections will be fraught with uncertainty. And the risks to these growth forecasts are skewed to the downside.

Firstly, the emergence of Omicron is a timely reminder that the pandemic is not over and that new virus variants may emerge, carrying additional risks and possibly derailing the recovery process, either because they are highly infectious or otherwise able to evade the protection given by vaccines.

Secondly, supply problems, coupled with the release of pent-up demand and the rebound in commodity prices, have caused a rapid rise in inflation, which could be more permanent than initially expected. Monetary tightening is more evident in the US, while in Europe the ECB will have to strike a delicate balance between addressing inflation, supporting activity and avoiding the risks of financial fragmentation. A sudden reassessment of the monetary policy outlook could tighten financial conditions and slow the recovery.

Energy sector outlook

Global supply/demand balance in 2023



Source: International Energy Agency (IEA) and Repsol Research Department.

According to November estimates of the International Energy Agency (IEA), global demand should rise 1.6 Mbbl/d in 2023 to reach average demand in 2023 of 101.4 Mbbl/d. Consumption among non-OECD countries would grow by 1.3 Mbbl/d, with China increasing its oil use by 0.8 mb/d. In contrast, demand in OECD countries would rise by only 0.3 Mbbl/d. On the supply side, the IEA expects the sanctions on Russia to cause its oil production to fall by 1.4 Mbbl/d in 2023.

This, together with the cut announced by the OPEC+ cartel, led by Saudi Arabia and Russia as *de facto* leaders, could generate tensions within the markets. However, the IEA estimates the actual cut within the cartel to be 0.8 Mbbl/d, as some of the producing countries in the group were already encountering serious difficulties in reaching the production quota set by themselves. On the non-OPEC+ supply side, production increases in 2023 would come mainly from the US (1 Mbbl/d), Brazil (0.3 Mbbl/d) and Norway (0.27 Mbbl/d). In any case, the oil markets are having to contend to high uncertainty and volatility, due to geopolitical issues such as the release of strategic oil reserves in the US, the signing of the nuclear agreement with Iran, which could return around 1 Mbbl/d to the market, or the easing of sanctions in Venezuela.

As for the Henry Hub natural gas market, the EIA expects natural gas prices to rise from late 2022 levels as a result of higher winter natural gas demand and increased LNG exports. The spot price is expected to exceed $6/MMBtu in 1Q23, and prices will likely begin to decline thereafter once the winter is over and as gas storage levels in the US approach the average for the past five years, largely in response to increased domestic gas production. Price volatility is expected to continue throughout 2023.

Meanwhile, production is expected to increase in 2023, despite persistent limitations in the Permian Basin due to a lack of pipeline capacity, as has been the case in previous years. On the demand side, a year-on-year contraction is expected in response to lower consumption in the generation and industrial sectors.

LNG trading will remain high once activity resumes at Freeport LNG, which is expected to reach full operating capacity by March 2023.

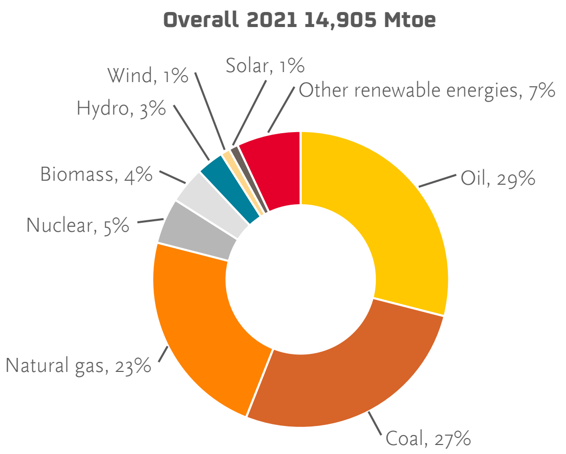
Long-term energy sector outlook

The world is in the midst of its first global energy crisis, a shock of unprecedented scale and complexity. The market pressures actually precede Russia's invasion of Ukraine, although Russia's actions have turned what was promising a speedy economic recovery from the pandemic (albeit stretching all manner of global supply chains, including energy, to near breaking point) into a full-blown energy crisis. Russia has been by far the world's largest exporter of fossil fuels, though its restrictions on natural gas supplies into Europe, coupled with European sanctions on Russian oil and coal imports, are cutting off one of the main arteries of global energy trade. While all fuels have been affected, the gas markets have been the epicenter, as Russia seeks leverage by exposing consumers to higher energy bills and supply shortages.

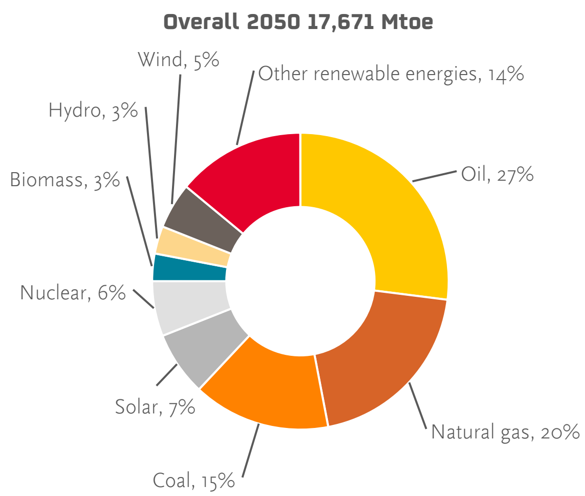
According to scenarios published in WEO 2022 by the IEA, under the STEPS baseline scenario, use of coal will decline over the coming years, demand for natural gas will plateau by the end of the decade, and rising electric vehicle (EV) sales mean that oil demand stabilizes in the mid-2030s before declining slightly through to 2050. Total fossil fuel demand will decline steadily from the mid-2020s by about 2 exajoules per year on average through 2050; an annual reduction roughly equivalent to the lifetime production of a large oil field.

The share of fossil fuels in the global energy mix has remained stubbornly high, at around 80%, for decades. By 2030 under the STEPS, this proportion falls below 75%, and to just over 60% by 2050. A high point for global energy-related CO_2 emissions is reached in STEPS in 2025, at 37 billion metric tons (Gt) per year, before falling back to 32 Gt by 2050. This would be associated with an increase of about 2.5°C in global average temperatures by 2100. This is a better outcome than projected a few years ago: the renewed policy momentum and technological advances achieved since 2015 have been successful in reducing the long-term temperature increase by about 1°C. However, a reduction of only 13% in annual CO_2 emissions by 2050 under STEPS is far from being enough to avoid the severe impacts of a changing climate.

World primary energy matrix under the IEA's STEPS scenario



Source: IEA and Repsol Research Department.



Source: IEA and Repsol Research Department.

7.2 Outlook for our businesses

In 2023, the Group will continue to focus on pursuing its Strategic Plan and, therefore, on growth and on accelerating the transformation. The 21–25 Strategic Plan, the roadmap for the Company's transformation, envisioned an initial period of resilience, during 2021 and 2022, which is now behind us, and a second period, 2023 to 2025, in which the main growth projects would take shape.

The Group continues to pursue its ambition of being a leader in the energy transition and in meeting the goals of growth, diversification and focus on multi-energy, while ensuring strong profitability and maximizing shareholder value. All of this would be achieved by developing a prudent financial policy and continuing to exercise caution in a still volatile environment.

The Renewables business remains very much a central pillar in the energy transition, with the goal of reaching 6 GW of renewable electricity generation capacity in operation by 2025. To succeed, in 2023 Repsol will continue to launch development projects in Spain, Chile and the United States, while also making progress on new projects in its portfolio, including those to have resulted from the acquisition of Asterion Energies (mainly located in Spain and Italy), and pressing on with its international expansion.

In 2023, the Industrial businesses will continue to drive transformation and the circular economy by bringing renewable hydrogen generation projects to fruition, such as the start-up of the first electrolyzer in Bilbao and the production of advanced biofuels at Cartagena, along with other initiatives in biogas, efuels, circular economy and waste recovery. All this while continuing with our decarbonization program through CO_2 emission reduction plans at our industrial centers and increased plant reliability and flexibility, working to differentiate high-value products, and incorporating energy efficiency measures.

The commercial businesses will continue to optimize operations and support customers through the energy transition in a bid to make Repsol their multi-energy supplier of choice. In doing so, we will place the customer at the center of our decisions by offering them digital solutions and an end-to-end differentiated value proposition, thus bolstering our competitive position as we seek to serve society.

The Upstream segment will continue to focus on value generation through cash generation, focusing on operational efficiency and safety.

And in the corporate areas, in 2023 we will continue to work on increasing efficiency, automating processes and making the entire organization more profitable. To succeed, a Second Digital Wave will be launched in 2023 in order to accelerate digital transformation as a key lever in the transition toward digital transformation energy and business efficiency, promoting the implementation of models, digital products and disruptive technologies. As an additional lever, the 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.

In order to accelerate the Company's transformation by implementing the projects envisioned in the 21–25 Strategic Plan, organic investment in 2023 is expected to increase significantly compared to previous years, reaching more than €5,000 million, provided that the macroeconomic and business environment is suitably propitious.

In addition, in 2023, we will offer an attractive remuneration to our shareholders, equivalent to 25–30% of cash flow from operations. This distribution is expected to take the form of a dividend of €0.70 per share, which will be submitted for approval at the General Shareholders' Meeting, and a reduction in capital stock.

Repsol expects that in 2023 it will be able to generate cash to finance its organic investment needs and remunerate its shareholders.

7.3 2023 relevant events

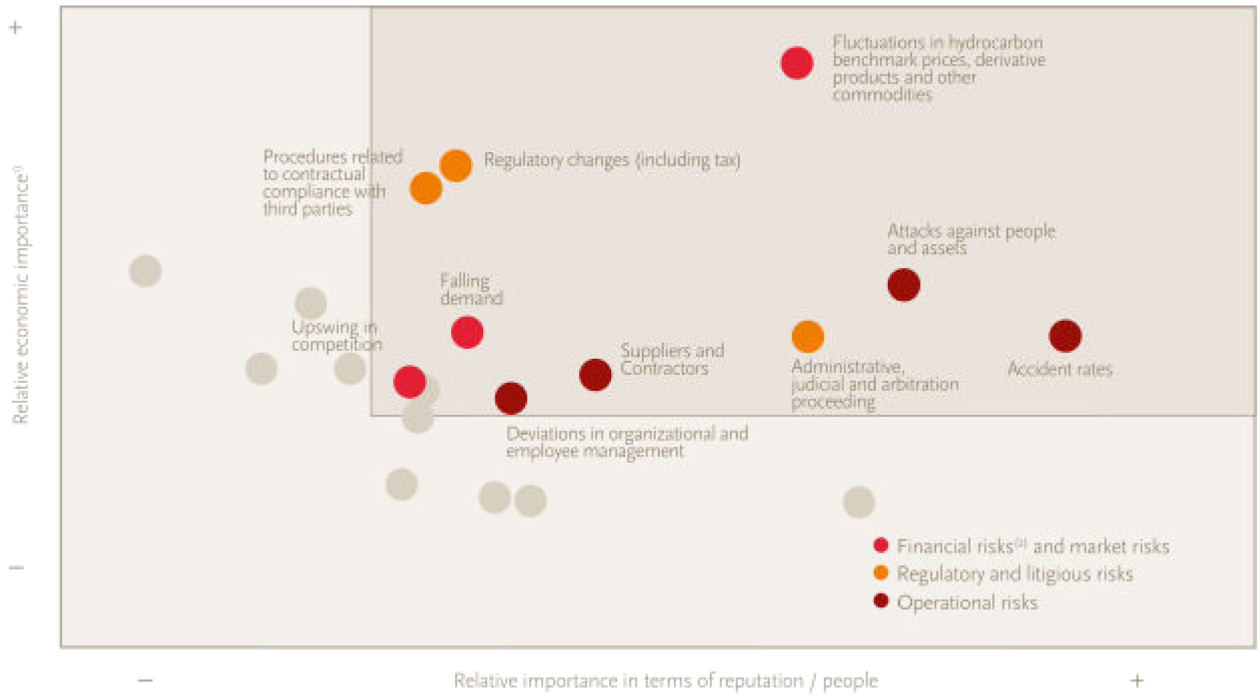
In 2023, and prior to the publication of this report, the following key events took place:

- In January, Repsol International Finance B.V. completed the partial repurchase of a €1,000 million bond issued in March 2015 (maturing in March 2075 and paying an annual coupon of 4.5%) for a nominal amount of €229 million.
- On 31 January, the acquisition of 100% of Inpex EagleFord, LLC, owner of production assets in the Karnes Trough area (Eagle Ford), was completed.
- On February 15, 2023, the Board of Directors of Repsol, S.A. agreed to implement a share buyback program for a maximum of 35 million shares and to propose to the next Annual General Meeting a capital reduction through the redemption of 50 million shares of treasury stock.
- In relation to the proceedings into the engagement of Cenyt, S.A., the Criminal Division of the National Court (Audiencia Nacional) has confirmed the dismissal and closure of the proceedings with respect to Repsol, S.A., its Chairman, the director Secretary and two former executives. ● *For further information, see Note 30 of the Consolidated Annual Accounts 2022.*

7.4 Risks

The Group's main risks are identified below on a five-year horizon[1], based on their importance in terms of finance, reputation and people:

Main Risks



Note: The risks identified in the diagram are described in Appendix IV "Risks".
(1) Relative economic weight is measured in terms of loss at the 95th percentile (potential loss in scenario) according to distribution of probability of losses for each risk.
(2) See Note 10 to the 2022 consolidated Financial Statements.

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 the prices of hydrocarbons, derivative products and other commodities, the potential upswing in competition, available talent, and adequacy of skills for the deployment of low-carbon technologies.

Given the emerging nature of the climate change risks in the current energy context, the Group is committed to extending the scope of the analysis of these risks to ensure that they are viewed on a long-term basis. 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 climate change risks, see section 6.1 Energy transition and climate change.*

In addition, risks related to cybersecurity are becoming increasingly relevant given the current geopolitical uncertainty. ●*For more information on the Integrated Risk Management System and for a detailed description of the main risks facing the Group on a five-year horizon, see Appendix IV. "Risks".*

[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.

7.5 Russia's invasion of Ukraine

Last year was dominated by a shift in the global economic and geopolitical situation, most notably following Russia's invasion of Ukraine on February 24, 2022. Following the divestment of our assets in Russia in 2021, the Group's exposure so far to the direct risks stemming from the war has been limited, though it has been affected by certain indirect risks arising from the new macroeconomic environment, which have pushed up commodity and product prices (*see section 3. "Environment"*), the tightening of trade sanctions and monetary policy, cybersecurity and the risk of regulatory changes affecting our business.

One of the biggest indirect risks to have arisen from the new macroeconomic landscape is the prevailing uncertainty regarding the supply chain, which was already stretched in 2021 due to the lingering effects of the COVID-19 pandemic. This situation may impact the availability of certain materials and services and also push up procurement prices, thus negatively affecting the operating costs of the businesses and the cost and time objectives of ongoing investment projects. In a bid to cushion the effects of this situation, Repsol is more closely monitoring its awards to mitigate possible logistical restrictions on key materials and equipment and to adjust their supply accordingly in response to prevailing market conditions affecting suppliers and contractors.

Meanwhile, the complex economic landscape, with rampant inflation and uncertainty over the future economic recovery, could prompt the authorities to introduce temporary measures in the energy markets, or push through new legislation affecting the tax framework of the businesses.

In addition, cybersecurity risks are on the rise worldwide, threatening the confidentiality, availability and integrity of critical systems and their information. Repsol has not suffered any relevant incident or attack forcing it to activate its business continuity plans and it has continued to work alongside the competent government authorities in ensuring close monitoring and follow-up measures for this risk.

Lastly, due to the current geopolitical situation, the Group may be affected by a tightening of the sanctions and trade embargoes to have been imposed, among others, by the European Union, its Member States, the United States, and supranational bodies such as the United Nations, on certain countries in which the Group operates and/or on related companies or individuals. ● *For more information on the indirect impacts of the invasion of Ukraine and the Group's exposure to other geopolitical risks (Algeria, Libya, Venezuela or Bolivia), see Note 20.3 Geopolitical risks of the 2022 consolidated Financial Statements.*

Appendices

Appendix I. Table of conversions and abbreviations

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

(1) Benchmark mean: 32,35 °API and relative density 0.8636.

			Meter	Inch	Foot	Yard
Lenght	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	0.178	28.32	0.0283
	Barrel	bbl	5,615	1	158.984	0.1590
	Liter	l	0.0353	0.0063	1	0.001
	Cubic meter	m3	35.3147	6.2898	1,000	1

Term	Description	Term	Description	Term	Description
bbl/bbl/d	Barrel/ Barrel per day	**kbbl**	Thousand barrels of oil	**Mm3/d**	Million cubic meters per day
bcf	Billion cubic feet	**kbbl/d**	Thousand barrels of oil per day	**Mscf/d**	Million standard cubic feet per day
bcm	Billion cubic meter	**kboe**	Thousand barrels of oil equivalent	**kscf/d**	Thousand standard cubic feet per day
boe	Barrel of oil equivalent	**kboe/d**	Thousand barrels of oil equivalent per day	**MW**	Megawatt (million watt)
Btu/MBtu	British termal 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	**toe**	Ton of oil equivalent
Gwh	Gigawatts per hour	**Mboe**	Million barrels of oil equivalent	**USD/Dollar/$**	US dollar

Appendix II. Alternative performance measures

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

Repsol presents its segment performance measures including joint ventures or other companies which are jointly managed in accordance with the Group's investment percentage, considering its operational and economic indicators within the same perspective and degree of detail as those for companies consolidated under the full consolidation method. 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.

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 measures

Adjusted net income

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

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[1] incurred during the period in question and not based on weighted average cost (WAC), which is the accepted methodology under European accounting law and regulations. The difference between CCS earnings and WAC earnings 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.

Special items

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

[1] Cost of supplies is calculated on the basis of international quoted prices in the reference markets in which the Company operates. The relevant average monthly price is applied to each quality of distilled crude. Quoted prices are obtained from daily crude oil publications according to Platts, while freight rates are estimated by Worldscale (which publishes global reference prices for freight costs from one port to another). All other production costs (fixed and variable costs) are valued at the cost recognized in the accounts.

Special Items	Cumulative 12 months		Fourth Quarter	
Million euros	**2022**	**2021**	**2022**	**2021**
Divestments	84	13	23	(2
Indemnities and workforce restructuring	(63)	(93)	(47)	(27)
Impairment of assets [(1)]	(1,775)	(699)	(328)	(667)
Provisions and others	(731)	27	(47)	215
Total	**(2,485)**	**(752)**	**(399)**	**(481)**

(1) The difference with the heading "(Charges for)/reversal of impairment provisions" in the IFRS-EU income statement is largely down to the fact that the latter includes impairment of credit risk and dry wells and impairment of exploratory wells in the normal course of business and excludes the tax effect of impairment, impairment of deferred tax assets and impairment of joint ventures.

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

Results	Cumulative 12 months											
			Adjustments									
	Adjusted net income		Reclassifications of joint ventures		Special items		Inventory effect[(2)]		Total adjustments		IFRS-EU profit/ loss	
Million euros	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Operating income	10,648	4,372 [(1)]	(1,819)	(541)	(3,072)	(1,173)	103	1,099	(4,788)	(615)	5,860	3,757
Financial result	86	(315)	178	137	67	449	—	—	245	586	331	271
Net income of companies accounted for using the equity method - net of tax	(22)	(3)	1,030	314	(19)	(10)	—	—	1,011	304	989	301
Net Income before tax	**10,712**	**4,054**	**(611)**	**(90)**	**(3,024)**	**(734)**	**103**	**1,099**	**(3,532)**	**275**	**7,180**	**4,329**
Income tax	(3,938)	(1,590)	611	90	517	(22)	(25)	(279)	1,103	(211)	(2,835)	(1,801)
Consolidated net income for the year	**6,774**	**2,464**	**—**	**—**	**(2,507)**	**(756)**	**78**	**820**	**(2,429)**	**64**	**4,345**	**2,528**
Net income attributed to non-controlling interests	(113)	(10)	—	—	22	4	(3)	(23)	19	(19)	(94)	(29)
TOTAL NET INCOME ATTRIBUTABLE TO THE PARENT COMPANY	**6,661**	**2,454**	**—**	**—**	**(2,485)**	**(752)**	**75**	**797**	**(2,410)**	**45**	**4,251**	**2,499**

(1) Net income from 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.

Results	Fourth Quarter											
			Adjustments									
	Adjusted net income		Reclassifications of joint ventures		Special items		Inventory effect[(2)]		Total adjustments		IFRS-EU profit/ loss	
Million euros	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Operating income	2,993	1,606 [(1)]	(365)	(209)	(1,122)	(588)	(793)	232	(2,280)	(565)	713	1,041
Financial result	143	(176)	37	44	177	98	—	—	214	142	357	(34)
Net income of companies accounted for using the equity method - net of tax	(25)	(5)	313	156	(16)	(10)	—	—	297	146	272	141
Net income before tax	**3,111**	**1,425**	**(15)**	**(9)**	**(961)**	**(500)**	**(793)**	**232**	**(1,769)**	**(277)**	**1,342**	**1,148**
Income tax	(1,072)	(541)	15	9	586	17	201	(60)	802	(34)	(270)	(575)
Consolidated net income for the year	**2,039**	**884**	**—**	**—**	**(375)**	**(483)**	**(592)**	**172**	**(967)**	**(311)**	**1,072**	**573**
Net income attributed to non-controlling interests	(32)	(12)	—	—	(24)	2	13	(3)	(11)	(1)	(43)	(13)
TOTAL NET INCOME ATTRIBUTABLE TO THE PARENT COMPANY	**2,007**	**872**	**—**	**—**	**(399)**	**(481)**	**(579)**	**169**	**(978)**	**(312)**	**1,029**	**560**

(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 + depreciation and 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 operations at weighted average cost (WAC). Where ***net income from operations at current cost of supply*** (CCS) is used, it is known as ***CCS EBITDA***.

EBITDA	Cumulative 12 months					
	Group Reporting Model		**Reclassifications of joint ventures**		**IFRS-EU[2]**	
Million euros	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Upstream	7,485	4,429	(2,527)	(1,385)	4,958	3,044
Industrial	5,223	2,654	(49)	(54)	5,174	2,600
Commercial and Renewables	1,248	1,219	(23)	(19)	1,225	1,200
Corporate and others	(143)	(132)	(7)	7	(150)	(125)
EBITDA	**13,813**	**8,170**	**(2,606)**	**(1,451)**	**11,207**	**6,719**
Upstream	—	—	—	—	—	—
Industrial	(74)	(1,030)	8	—	(66)	(1,030)
Commercial and Renewables	(29)	(69)	—	—	(29)	(69)
Corporate and others	—	—	—	—	—	—
Inventory effect[1]	**(103)**	**(1,099)**	**8**	**—**	**(95)**	**(1,099)**
CCS EBITDA	**13,710**	**7,071**	**(2,598)**	**(1,451)**	**11,112**	**5,620**

(1) Before tax.

(2) Corresponds to *"Income before tax"* and *"Adjustments to profit"* on the consolidated statement of cash flows under IFRS-EU.

EBITDA	Cumulative 12 months					
	Group Reporting Model		**Reclassifications of joint ventures**		**IFRS-EU[1]**	
Million euros	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Net income before tax	**7,791**	**4,419**	**(611)**	**(90)**	**7,180**	**4,329**
(-) Financial result	(153)	(134)	(178)	(137)	(331)	(271)
(-) Net income from investments accounted for using the equity method	41	13	(1,030)	(314)	(989)	(301)
Operating income	**7,679**	**4,298**	**(1,819)**	**(541)**	**5,860**	**3,757**
Depreciation of property, plant and equipments	**2,935**	**2,562**	**(596)**	**(558)**	**2,339**	**2,004**
Operating provisions	**3,288**	**1,348**	**(189)**	**(413)**	**3,099**	**935**
(Provision for) / Reversal of impairment provisions	3,005	1,348	(332)	(413)	2,673	663
(Provision for) / Reversal of provisions for risks	283	—	143	—	426	272
Other items	**(89)**	**(159)**	**(2)**	**(390)**	**(91)**	**(549)**
EBITDA	**13,813**	**8,170**	**(2,606)**	**(1,451)**	**11,207**	**6,719**

(1) Corresponds to *"Income before tax"* and *"Adjustments to income"* on he consolidated statement of cash flows under IFRS-EU.

EBITDA	Fourth Quarter					
	Group Reporting Model		Reclassifications of joint ventures		IFRS-EU[2]	
Million euros	2022	2021	2022	2021	2022	2021
Upstream	1,641	1,502	(558)	(451)	1,083	1,051
Industrial	956	790	(2)	(5)	954	785
Commercial and Renewables	325	347	(8)	(6)	317	341
Corporate and other	28	(55)	(33)	(18)	(5)	(73)
EBITDA	**2,950**	**2,584**	**(601)**	**(480)**	**2,349**	**2,104**
Upstream	—	—	—	—	—	—
Industrial	762	(213)	(3)	—	759	(213)
Commercial and Renewables	31	(19)	—	—	31	(19)
Corporate and other	—	—	—	—	—	—
Inventory effect[1]	**793**	**(232)**	**(3)**	**—**	**790**	**(232)**
CCS EBITDA	**3,743**	**2,352**	**(604)**	**(480)**	**3,139**	**1,872**

(1) Before tax.

(2) Corresponds to *"Income before tax"* and *"Adjustments to profit"* on the consolidated statement of cash flows under IFRS-EU.

EBITDA	Fourth Quarter					
	Group Reporting Model		Reclassifications of joint ventures		IFRS-EU[1]	
Million euros	2022	2021	2022	2021	2022	2021
Net income before tax	**1,357**	**1,157**	**(15)**	**(9)**	**1,342**	**1,148**
(-) Financial result	(320)	78	(37)	(44)	(357)	34
(-) Net income from investments accounted for using the equity method	41	15	(313)	(156)	(272)	(141)
Operating income	**1,078**	**1,250**	**(365)**	**(209)**	**713**	**1,041**
Depreciation of property, plant and equipments	**776**	**664**	**(161)**	**(149)**	**615**	**515**
Operating provisions	**1,129**	**702**	**(75)**	**(174)**	**1,054**	**528**
(Provision for) / Reversal of impairment provisions	973	702	(56)	(174)	917	528
(Provision for) / Reversal of provisions for risks	156	—	(19)	—	137	—
Other items	**(33)**	**61**	**—**	**(148)**	**(33)**	**(87)**
EBITDA	**2,950**	**2,584**	**(601)**	**(480)**	**2,349**	**2,104**

(1) Corresponds to *"Income before tax"* and *"Adjustments to income"* on he consolidated statement of cash flows under IFRS-EU.

ROACE:

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

ROACE (*"Return on average capital employed"*) is calculated as: (Adjusted Net Income before non-controlling interests and excluding finance income + Inventory effect + Special items) / (***average capital employed*** for the period in 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 *(Million euros)*	**2022**	**2021**
Operating income (IFRS-EU)	**5,860**	**3,757**
Reclassification of joint ventures	1,819	541
Income tax[(1)]	(3,594)	(1,994)
Net income of companies accounted for using the equity method - net of tax	(41)	(13)
I. ROACE result at weighted average cost	**4,044**	**2,291**

DENOMINATOR *(Million euros)*	**2022**	**2021**
Total equity	25,973	22,794
Net debt	2,256	5,762
Capital employed at period-end	**28,229**	**28,556**
II. Average capital employed[(2)]	**28,393**	**27,937**
I/II ROACE (%)[(3)]	**14.2 %**	**8.2 %**

(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) ROACE on CCS (without taking into account the Inventory Effect) amounts to 13.9%.

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. For its usefulness and to show how cash flow evolves between periods by isolating changes in current capital, Cash flow from operations can be presented excluding working capital (Cash flow from operations "ex working capital" or "OCF exWC".

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

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

Cash metrics	Cumulative 12 months					
	Adjusted cash flow		Reclassifications of joint ventures and others		IFRS-EU statement of cash flow	
Million euros	2022	2021	2022	2021	2022	2021
I. Cash flows from / (used in) operating activities (cash flow from operations)	8,923	5,453	(1,091)	(776)	7,832	4,677
II. Cash flows from / (used in) investing activities	(3,712)	(2,614)	(391)	(319)	(4,103)	(2,933)
Free cash flow (I+II)	**5,211**	**2,839**	**(1,482)**	**(1,095)**	**3,729**	**1,744**
Cash generation	**3,228**	**1,293**	**(1,450)**	**(1,052)**	**1,778**	**241**
III. Cash flows from / (used in) financing activities and others (1)	(4,172)	(1,511)	1,360	1,041	(2,812)	(470)
Net increase / (decrease) in cash and cash equivalents (I+II+III)	**1,039**	**1,328**	**(122)**	**(54)**	**917**	**1,274**
Cash and cash equivalents at the beginning of the period	5,906	4,578	(311)	(257)	5,595	4,321
Cash and cash equivalents at the end of the period	6,945	5,906	(433)	(311)	6,512	5,595

(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.

Cash metrics	Fourth Quarter					
	Adjusted cash flow		Reclassification of joint ventures and others		IFRS-EU statement of cash flow	
Million euros	2022	2021	2022	2021	2022	2021
I. Cash flows from / (used in) operating activities (cash flow from operations)	2,804	2,082	(378)	(218)	2,426	1,864
II. Cash flows from / (used in) investing activities	(1,743)	(1,098)	(717)	(197)	(2,460)	(1,295)
Free cash flow (I+II)	**1,061**	**984**	**(1,095)**	**(415)**	**(34)**	**569**
Cash flow generated	**88**	**865**	**(1,093)**	**(401)**	**(1,005)**	**464**
III. Cash flows from / (used in) financing activities and others (1)	(2,066)	(982)	1,061	422	(1,005)	(560)
Net increase / (decrease) in cash and cash equivalents (I+II+III)	**(1,005)**	**2**	**(34)**	**7**	**(1,039)**	**9**
Cash and cash equivalents at the beginning of the period	7,950	5,904	(399)	(318)	7,551	5,586
Cash and cash equivalents at the end of the period	6,945	5,906	(433)	(311)	6,512	5,595

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.

Liquidity	Group Reporting Model		Reclassification of joint ventures		IFRS-EU	
Million euros	Dec-2022	Dec-2021	Dec-2022	Dec-2021	Dec-2022	Dec-2021
Cash and banks	3,021	2,786	(345)	(278)	2,676	2,508
Other financial assets	3,924	3,120	(88)	(33)	3,836	3,087
Cash and cash equivalents	**6,945**	**5,906**	**(433)**	**(311)**	**6,512**	**5,595**
Deposits of immediate availability (1)	2,389	2,025	—	—	2,389	2,024
Undrawn credit lines	2,681	2,675	(7)	(12)	2,674	2,664
Liquidity	**12,014**	**10,606**	(440)	(323)	**11,575**	**10,283**

(1) Repsol contracts time deposits but with immediate availability, which are recorded under "Other current financial assets" and which do not meet the accounting criteria for classification as cash and cash equivalents.

Operating investments (investments):

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

Investments may be presented as organic (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.

Investments	**Cumulative 12 months**					
	Operating investments		**Reclassifications of joint ventures and others**		**IFRS-EU(1)**	
Million euros	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Upstream	2,127	1,223	(236)	(493)	1,891	730
Industrial	1,025	859	(26)	(33)	999	826
Commercial and Renewables	925	829	(108)	19	817	848
Corporate and other	105	83	1	—	106	83
Total	**4,182**	**2,994**	**(369)**	**(507)**	**3,813**	**2,487**

(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"*.

Investments	**Fourth Quarter**					
	Operating investments		**Reclassifications of joint ventures and others**		**IFRS-EU(1)**	
Million euros	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Upstream	778	534	(148)	(246)	630	288
Industrial	476	493	(10)	(22)	466	471
Commercial and Renewables	494	294	(50)	21	444	315
Corporate and other	37	39	13	—	50	39
Total	**1,785**	**1,360**	**(194)**	**(247)**	**1,590**	**1,113**

(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 metrics

Debt and financial position ratios[2]:

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

Net Debt	Net Debt	Reclassifications of joint ventures	IFRS-EU balance sheet
Million euros	**Dec-2022**	**Dec-2022**	**Dec-2022**
Non-current assets			
Non-current financial instruments [(1)(2)]	688	667	1,355
Current assets			
Other current financial assets [(2)]	3,148	(91)	3,058
Cash and cash equivalents	6,945	(433)	6,512
Non-current liabilities			
Non-current financial liabilities [(2)]	(9,540)	(590)	(10,130)
Current liabilities			
Current financial liabilities [(2)]	(3,497)	(48)	(3,546)
NET DEBT [(3)]	**(2,256)**	**(495)**	**(2,751)**

(1) Amounts included under "Non-current financial assets" in the consolidated balance sheet.
(2) Includes net non-current and current leases amounting to €(3,043) and €(643) million, respectively, according to the Reporting model and €(2,395) and €(511) million, respectively, according to the IFRS-EU balance sheet.
(3) The reconciliations in previous period are available at www.repsol.com.

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

Gross Debt	Gross Debt	Reclassifications of joint ventures	IFRS-EU balance sheet
Million euros	**Dec-2022**	**Dec-2022**	**Dec-2022**
Current financial liabilities (ex derivatives)	(3,181)	(48)	(3,229)
Net mark to market valuation of current financial derivatives	184	—	184
Current gross debt	**(2,997)**	**(48)**	**(3,045)**
Non-current financial liabilities (ex derivatives)	(9,540)	(590)	(10,130)
Net mark to market valuation of non-current derivatives	—	—	—
Non-current gross debt	**(9,540)**	**(590)**	**(10,130)**
GROSS DEBT [(1)]	**(12,537)**	**(637)**	**(13,175)**

(1) The reconciliations in previous periods for this figure are available at **www.repsol.com.**

[2] To help monitor progress under the previous Strategic Plan, until 2020 the debt and profitability measures were further broken down by excluding the effect of lease liabilities.

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

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

Leverage	**Group Reporting Model**		**Reclassifications of joint ventures** [(1)]		**IFRS-EU balance sheet**	
Million euros	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Net debt	2,256	5,762	(495)	145	2,751	5,617
Capital employed	28,229	28,556	495	(145)	28,724	28,411
Leverage	**8.0 %**	**20.2 %**			**9.6 %**	**19.8 %**

Solvency	**Group Reporting Model**		**Reclassifications of joint ventures**		**IFRS-EU balance sheet**	
Million euros	**Dec-2022**	**Dec-2021**	**Dec-2022**	**Dec-2021**	**Dec-2022**	**Dec-2021**
Liquidity	12,014	10,606	(440)	(323)	11,575	10,283
Current gross debt	2,997	3,592	48	862	3,045	4,454
Solvency	**4.0**	**3.0**			**3.8**	**2.3**

Appendix III. Consolidated Financial Statements - Repsol reporting model

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

(Unaudited figures in millions of euros)

Statement of Financial Position

	12/31/2022	31/12/2021
NON-CURRENT ASSETS		
Intangible assets	2,077	3,607
Intangible assets	27,237	26,547
Investments accounted for using the equity method	684	570
Non-current financial assets	557	294
Deferred tax assets	3,048	3,249
Other non-current assets	883	946
CURRENT ASSETS		
Non-current assets held for sale	6	641
Inventories	7,516	5,443
Trade and other receivables	10,187	9,608
Other current assets	301	343
Other current financial assets	3,148	2,459
Cash and cash equivalents	6,945	5,906
TOTAL ASSETS	**62,589**	**59,613**
TOTAL EQUITY		
Shareholders' equity	24,611	22,320
Other cumulative comprehensive income	683	94
Non-controlling interests	679	380
NON-CURRENT LIABILITIES		
Non-current provisions	4,616	4,742
Non-current financial liabilities	9,540	10,810
Deferred tax liabilities and other tax items	3,100	2,674
Other non-current liabilities	1,199	674
CURRENT LIABILITIES		
Liabilities related to non-current assets held for sale	—	463
Current provisions	1,645	1,140
Current financial liabilities	3,497	3,748
Trade and other payables	13,019	12,568
TOTAL LIABILITIES	**62,589**	**59,613**

Income statement

	2022	2021
Revenue	78,724	52,130
Operating income/loss	**10,648**	**4,372**
Financial result	86	(315)
Net income from investments accounted for using the equity method	(22)	(3)
Net income / loss before taxes	**10,712**	**4,054**
Income tax	(3,938)	(1,590)
Income from operations	**6,774**	**2,464**
Net income / loss attributable to non controlling interests	(113)	(10)
ADJUSTED NET INCOME	**6,661**	**2,454**
Inventory effect	75	797
Special items	(2,485)	(752)
NET INCOME	**4,251**	**2,499**

Statement of cash flow

	2022	2021
I. CASH FLOWS FROM OPERATING ACTIVITIES		
EBITDA	13,813	8,170
Changes in working capital	(1,871)	(1,371)
Dividends received	30	37
Income taxes received/ (paid)	(2,607)	(1,014)
Other proceeds from/ (payments for) operating activities	(442)	(369)
	8,923	**5,453**
II. CASH FLOWS USED IN INVESTMENT ACTIVITIES		
Payments for investment activities:	(4,392)	(2,868)
Organic investments	(4,006)	(2,335)
Inorganic investments	(386)	(533)
Proceeds from divestments:	680	254
	(3,712)	**(2,614)**
FREE CASH FLOW (I+II)	**5,211**	**2,839**
Payments for dividends and payments on other equity instruments:	128	(425)
Net interests	(397)	(399)
Treasury shares	(1,714)	(722)
CASH GENERATED IN THE PERIOD	**3,228**	**1,293**
Financing activities and others	(2,189)	35
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**1,039**	**1,328**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**5,906**	**4,578**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**6,945**	**5,906**

Appendix IV. Risks

Risk management

Repsol's Integrated Risk Management System – [SGIR]

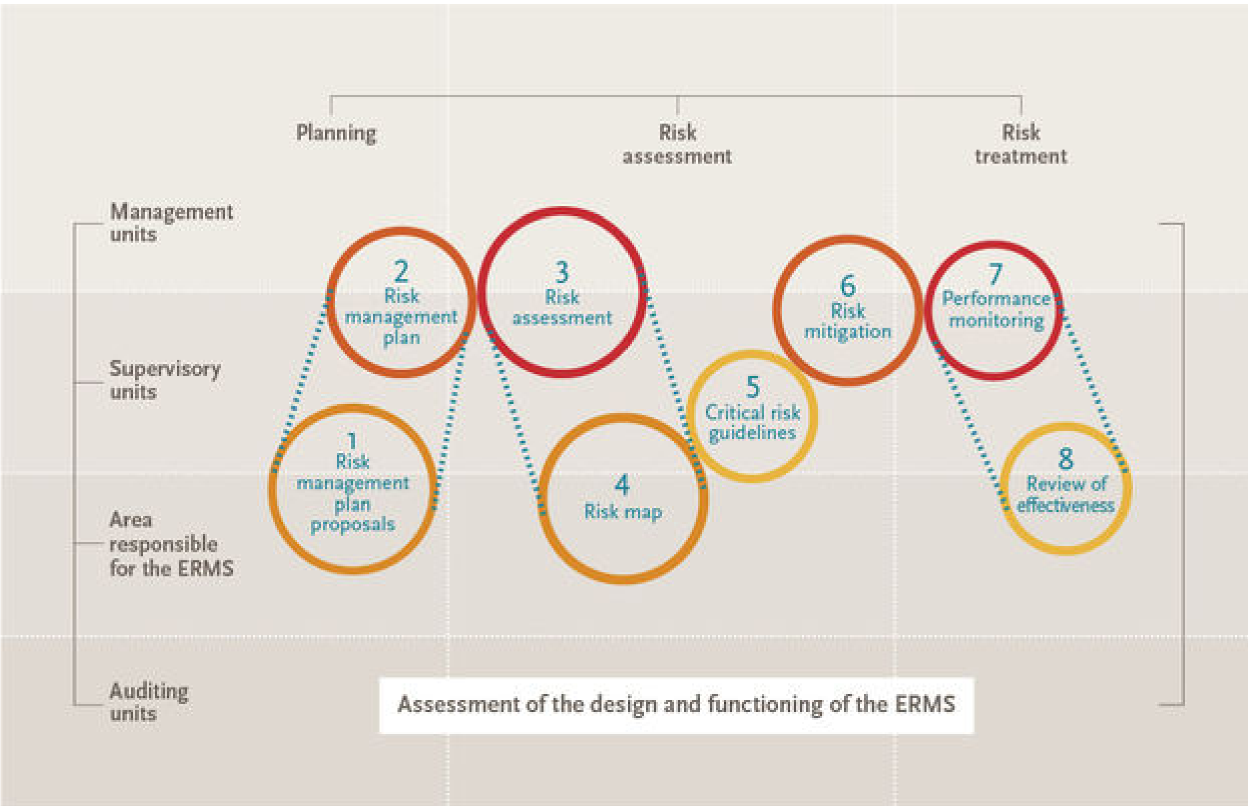
Repsol operates an Integrated Risk Management System: through coordinated action among all units involved, the key risks arising from the Group's activities are identified, measured, managed and supervised in line with the risk policy, management systems effectively mitigate the risks to the stipulated levels. Repsol's Integrated Risk Management System (Spanish "SGIR") provides a reliable and advance overview of all risks to which the Company is exposed, based on a Risk Management Policy adopted by the Board of Directors. The principles of the system are embodied in an Integrated Risk Management Standard adopted by the Executive Committee.

The core pillars of the SGIR are:

- Senior Management leads integrated 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 of defense model) as well as the Risk Unit, 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 declaration, which is set out in the Risk Management Policy along with the above principles. 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 SGIR, as well as their responsibilities:

Overview of the corporate bodies involved in the SGIR

Board of Directors

Approves the general **policies and strategies** of the Company, which include the risk control and management policy and the **oversight** of internal information and control systems

Audit and Control Committee

Directly **oversees** the activities of Audit, Control and Risk Department, to which the Risk Unit reports, and **periodically reviews** the effectiveness of internal control systems, internal audit and risk management systems so that the main risks are properly identified, manages and disclosed.

Sustainability Committee

Reviews and assesses the sustainability risk management and control systems.

Executive Committee

Approves the necessary **governance elements** in the field of risk management, ensures that they are properly implemented 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 management in daily operations (risk identification, analysis, assessment and treatment)

Risk Supervisory Units

Supervisory Units:, governance units that specialize in managing certain risk classes, and that aim to support and oversee the implementation of **effective risk management practices** at the Management Units by providing ongoing advice.

Risk Units: implement the SGIR and coordinate its activities to ensure the sound functioning of the risk control and management systems and, in particular, ensure that all material risks affecting the Company are identified, managed and quantified. The Risk Units also ensure that risk factors have an effective influence on **decision-making processes**. Lastly, they monitor the extent to which risk control and management 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 control and management systems to ensure that they are properly identified, measured, prioritized and controlled in accordance with the Risk Management policy and other current standards and good industry practices.

Under the SGIR, the risk profile of each management unit is reported at least once a year to its senior manager for formal validation. However, the processes are prepared such that 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 to align the risk profile with the organization's expectations, in line with the risk tolerance declaration set out in the Risk Management Policy. This gives the Company reasonable assurance as to compliance with the objectives of each organizational area, including operational, financial and non-financial, financial and non-financial reporting, and regulatory compliance, through internal reporting and control systems based on the principles of the COSO framework[1].

The risks unit 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, issue 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 oversight units and, when they involve management units, converge with those units' own risk management strategies. The supervisory units include, among others, the technical functions and business specialists and the corporate functions of communication, institutional relations, finance and tax, corporate security, strategy, legal services and compliance, sustainability, finance, technology, engineering, procurement management, corporate governance, people and organizational management, digitalization and information systems, internal control and reserve control.

In the course of these activities, the risks unit collects information from the management and oversight units on their performance and expectations in relation to achieving the objectives of the SGIR. This information collection is supplemented, when appropriate, with campaigns specifically designed to obtain certain data, such as surveys or backtesting studies. By reference to this information, the area responsible for the SGIR reviews its effectiveness and ensures that the findings result in continuous improvement of the SGIR.

At all stages of the integrated 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 practice. 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 SGIR 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 proper functioning provides reasonable assurance as to 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.

System of internal control over Non-financial Reporting (ICNFR)

The Repsol Group also has a system of Internal Control over Non-Financial Reporting (ICNFR), the aim of which is to provide reasonable assurance as to the reliability of the non-financial information disclosed. Development of the model began following the entry into force of Spanish Law 11/2018, on non-financial information and diversity. This law requires the Group to draw up a Non-Financial Statement (NFS), which should include information relating to environmental, social and personnel-related issues, respect for human rights, the fight against corruption and bribery, and the Group's impact on society. As with the ICFR, the ICNFR is defined on the basis of the COSO 2013 methodological framework (described in the previous section), and is there to contribute to the accurate and reliable disclosure of information, in accordance with international standards. As regards the differentiated responsibility of the units and bodies involved in risk management, the ICNFR system is based on the three-line model, which is a standard recommended by the Institute of Internal Auditors Global. The Audit, Control and Risk Management Division annually assesses the design and operation of controls, processes and other elements of the Group's ICNFR system.

[1] COSO Internal Control – Integrated Framework. Repsol has an Integrated Internal Control model in place that follows the COSO framework and includes the Group's formally developed Internal Control and Compliance Systems, most notably the System of Internal Control over Financial Reporting, the System of Internal Control Over Non-financial Reporting, and the Crime Prevention Model, among other compliance models.

Main risks

The main risks identified in section 7.4 of this document are as follows:

Financial and market risks	
Fluctuations in benchmark prices for hydrocarbons derivative products and other commodities	Oil and gas prices, and indeed derivative prices, are subject to exogenous factors and, therefore, to volatility as a result of fluctuations in international supply and demand. This can be caused by the prevailing geopolitical and macroeconomic environment, the influence of OPEC, technological changes, natural disasters, pandemics, or the energy transition process. Note that price deviations from the Group's projected figures may be favorable or unfavorable. The average price of Brent crude was $101/bbl in 2022, up 40% on the average price in 2021. Meanwhile, the average Henry Hub natural gas price stood at 6.6 $/Mbtu in 2022, well up on the average price in 2021 (3.9 $/Mbtu). The sanctions imposed due to the ongoing war in Ukraine is a determining factor in explaining the price increases, as is the increase in demand for crude oil and energy products due to the progressive recovery of economic activity and mobility, following the lifting of restrictions as the vaccination campaigns roll on. 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. Rising prices have the opposite effect. A potential drop in investment could adversely affect Repsol's ability to replace its crude oil and gas reserves. For further information regarding the impact of variations (positive and negative) on the calculation of the recoverable amount of the assets that undergo an impairment test, see Note 20.1 of the 2022 consolidated financial statements. In turn, the price of international crude oil and its derivatives may impact the value of inventories stored at the Industrial segment. In 2022, the impact of price fluctuations on inventories is reflected in the "Inventory effect" (see section 4.). The price of finished products can also affect demand for them. Moreover, the macroeconomic environment, dependent in the short run on how the Russia-Ukraine conflict pans out, as well as by the emission reduction scenarios associated with the energy transition process and the effects of climate change, may affect the price of other commodities. There was a significant increase in 2022 in electricity prices and CO2 emission allowances (in 2022, the average wholesale electricity price rose to 167.7 €/MWh, well above the 111 €/MWh of the previous year). The former mainly impact the low-carbon generation and electricity trading businesses, while the latter affect the margins of the industrial businesses. For more information on the prices of hydrocarbons, derivative products and other commodities in 2022, see section 3.2 of this report. For more information on the effect of prices on the earnings and performance of the businesses, see sections 4 and 5 of this report.
Fiercer levels of competition	The energy industry is a fiercely competitive place in which to operate. This competition can be further heightened by a number of factors including the entry of new competitors, changes in market conditions, the expiration of administrative concessions, technological obsolescence or insufficient differentiation, acceleration of the energy transition process and growing levels of competition due to access to low-carbon resources. The combined effect of these factors may affect market share and margins.
Drop in demand	Should demand for crude oil, gas, electricity or oil derivatives drop beneath the Group's forecasts, the results of its main businesses would be adversely affected (E&P, Refining, Mobility, Chemicals, Trading, LPG, Electricity and Gas, etc.) as this would affect business volume. These changes in demand forecasts may be caused by a broadly adverse economic climate (slowdown in economic growth in the countries to which the Group is exposed, increased unemployment, higher inflation, etc.), political climate (national or transnational conflicts or trade tensions between the major powers, etc.), or social climate (epidemiological lockdowns and restrictions, changes in consumer habits, etc.), or may be linked to climate change and energy transition scenarios. In 2021, the launch of vaccination programs across most countries and economic and fiscal stimuli were successful in pushing the economy back on course. However, it suffered a setback in 2022, due mainly to the geopolitical scenario resulting from Russia's invasion of Ukraine and the context of rampant inflation. These factors may impact economic activity in the countries where the Group is present, thus reducing the demand for our products. For more information on the impacts on activity and profitability of the businesses, see sections 4. and 5.

Regulatory and litigation risks	
Administrative, judicial and arbitration proceedings	Disputes may arise concerning the application or interpretation of current law and regulations in certain realms.Notably, this exposure may arise in areas such as tax regulations and their interpretation, energy transition regulations, the huge array of environmental and safety regulations (environmental quality of products, air emissions, climate change and energy efficiency, extractive technologies, water discharges, soil and groundwater remediation, as well as generation, storage, transport, treatment and final disposal of waste), accounting regulations and those governing financial and non-financial information disclosed to the market, financial market regulation, competition, good corporate governance, money laundering and financing of terrorism, labor law, data protection and, in general, all those required by the public authorities. Furthermore, Repsol reports on proven oil and gas reserve estimates, a process that inherently involves a degree of uncertainty, including judgments and estimates (see Note 3.5 of the 2022 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. For further information on the regulatory framework applicable to the Group's main activities, see Appendix III of the 2022 consolidated financial statements and for tax-related developments, see Note 22.4.
Proceedings relating to contractual performance with third parties	The Repsol Group is subject to the effects of administrative, judicial and arbitration proceeding arising from the normal course of its business. The scope, content or outcome of these events cannot be reliably estimated. For more information, see Note 15.2 of the 2022 consolidated financial statements.

Operational Risk	
Accident rate	Repsol's industrial and commercial assets (refineries, petrochemical complexes, regasification plants, power generation plants (cogeneration, combined cycle, wind farms and photovoltaic facilities), bases and warehouses, port facilities, pipelines, ships, tanker trucks, service stations, etc.) as well as Upstream installations (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 potentially significant 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. Repsol is exposed to impacts from any type of damage or temporary interruption of service associated with accidents in operations or involving vehicles for land, sea-river and air transportation of persons, substances, goods or 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 scarcity of market goods and services, price and cost fluctuations, as well as interruptions and deviations in time and form in the supply of goods or the provision of services, including the supply of raw materials, which may eventually force the interruption of the affected business activities. Specifically, part of the processing, transportation and marketing of crude oil and gas production from Upstream assets is carried out through infrastructure (pipelines, processing and purification units or liquefaction terminals) operated by third parties. This infrastructure is exposed to various risks, such as unscheduled shutdowns or accidents, which may affect the provision of these logistical services by the suppliers concerned. In addition, in certain countries where the Group operates that are prone to socio-political instability, there may be a shortage of qualified suppliers or contractors, which could in turn affect business. The Company is also exposed to risks arising from its relations with other firms along the supply chain, or where Repsol is held jointly liable for their actions, including non-compliances with applicable laws and other regulations, external policies and standards or administrative requirements. It bears repeating that the new macroeconomic environment is having an impact on supply prices, which may push up business operating costs and cause deviations in the amount of planned investments. There may also be restrictions in the supply of certain critical equipment, particularly those related to low-carbon generation technologies, demand for which has risen due to the new global energy context.
Attacks against people or assets	In general, but especially in certain countries where it operates, Repsol is exposed to potential impacts deriving from acts of direct violence that may endanger the integrity or safety of the Company's assets and people as a result of the actions of persons or groups motivated by any interests, whether governmental or not, including, among others, acts of terrorism, asset blockades, crime and piracy.

In 2022, various regulatory and litigation risks materialized. The legislative developments to have impacted the company include the regulatory and intervention measures in the energy markets adopted by the Spanish Government due to address the economic and social consequences of the war in Ukraine (see Appendix III of the consolidated financial statements), the approval of extraordinary temporary levies on the profits of energy companies (see Note 22.1 to the 2022 consolidated financial statements) or the extraordinary temporary discounts on the retail prices of certain energy products, as part of the package of urgent measures enacted by the Spanish Government in response to the economic and social consequences of the war in Ukraine (see Note 19.1. of the 2022 consolidated financial statements. With regard to financial and market risks, although in the short run the war and the sanctions imposed on Russia have made raw materials more expensive and reduced the supply of products, thus bolstering industrial margins, the conflict is likely to encourage the acceleration of the energy transition in Europe on a longer-term horizon. More precisely, the new REPowerEU decarbonization roadmap or the decision to bring forward the ban on combustion engines are driving forward the transformation of Repsol's industrial business in Spain in line with its commitment to becoming a zero net emissions company by 2050. The impact for the Company of these new dynamics is explained in Note 20.1 to the 2022 consolidated financial statements.

In relation to operational risks, on January 15 there was an oil spill into the sea while unloading crude oil at the La Pampilla refinery, generating an impact on the surrounding populations and the natural environment. More information on how the incident was handled can be found in sections 6.6 Safe Operation, while 6.5.3 Human rights and relations with the communities describes the grievance and redress mechanisms put in place as part of the Social Management Plan for the incident. It is also regrettable that three contractor workers died as a result of occupational accidents during 2022 (see section 6.6.1 Personal safety). Lastly, it should be mentioned that, due to the ongoing socio-political instability in Libya, there were interruptions of operations at the Al Sharara field in order to ensure the safety of both the Company's assets and the people linked to them (see Note 20.3 to the 2022 consolidated Financial Statements).

Appendix V. Additional information on Sustainability (includes Non-Financial Statement)[1]

Repsol publishes a Management Report that combines financial and non-financial information and, specifically includes sustainability information. In its commitment to transparency and based on best practices in preparing corporate reports — particularly the recommendations contained in the "International Integrated Reporting Framework" of the International Integrated Reporting Council (IIRC).

This appendix contains the content that makes up the non-financial information report established under Law 11/2018, of 28 December, on the disclosure of non-financial information and diversity, which are included throughout the document (in particular, in Chapter 6 – Sustainability), in this appendix and in the additional reports that make up the Management Report (Annual Corporate Governance Report and Annual Report on Directors' Remuneration). The international framework of reference used to prepare the sustainability indicators is the Global Reporting Initiative (GRI) guidelines, using the "exhaustive" option[2].

Furthermore, it complements the Group's sustainability information with:

- Detailed information on the 2022 materiality analysis, which defines the most relevant sustainability matters to the different stakeholders, who are referred to in the report.
- The breakdown of environmentally sustainable activities, as per the requirements established in the sustainable finance regulations (section e of this Appendix).
- Information on the sustainability indicators that form part of the reporting frameworks: Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosures (TCFD) and Stakeholder Capitalism Metrics (SCM) in the World Economic Forum (WEF) and Principal Adverse Impacts (PAI) of the Sustainable Finance Disclosure Regulation (EU).
- Reference indexes in relation to the content of the Management Report, which respond to the indicators of the reporting frameworks mentioned above.

[1] In this section, the numeric references in parenthesis correspond to GRI and SASB indicators.
[2] The new universal (GRI 1, 2, 3) and sectoral (GRI11) standards of 2021 have been incorporated in this report. Additionally, all GRI thematic standards are followed in their 2016 version, with the exception of the Water (2018), Health and Safety (2018), Taxation (2019) and Waste (2020) standards.

a] Materiality and stakeholder engagement

Materiality [GRI3-1 alGRI3-3] and stakeholder engagement [GRI2-29]

Repsol's relationship with stakeholders is a key aspect of the business model. That is why the Company is working to improve the process through which it establishes communication with them to identify and understand their information needs through active listening. It has tools to transparently cover these needs.

The stakeholder map is regularly updated, in collaboration with the areas of Repsol that are in direct contact with the groups. With the aim of improving communication and meeting expectations, the available channels and their effectiveness are reviewed.

The materiality analysis aims to identifying those environmental, social and governance (ESG) issues that are the most material for the Company and its stakeholders to make them part of its internal decision-making processes and help generate further economic, social and environmental value.

In 2022, Repsol developed a new methodology based on the new requirements of the reference standards, which indicate how to act with a dual materiality approach:

- Impact materiality, which includes the impacts of activities on the environment and how they affect the stakeholders.
- Financial materiality, which includes the potential economic impact of ESG risks and opportunities in the Company.

Matters identified by stakeholders

Natural capital

1 Air quality
2 Water quality and management
3 Circular economy and waste management
4 Biodiversity and ecosystems

Climate change

5 Energy transition strategy and sustainable technologies
6 Adaptation to climate change: environmental management and natural disasters protocol
7 Sustainable finance

Human capital

8 Labor rights and employee satisfaction
9 Health and prevention of workplace accidents
10 Physical safety against third parties
11 Diversity and equal opportunities
12 Talent attraction, retention, and development

Commitment to society

13 Human rights
14 Social commitment and community relations
15 Just transition for communities

Managing the value chain

16 Sustainable supply chain
17 Customer satisfaction and safety

Ethics and transparency

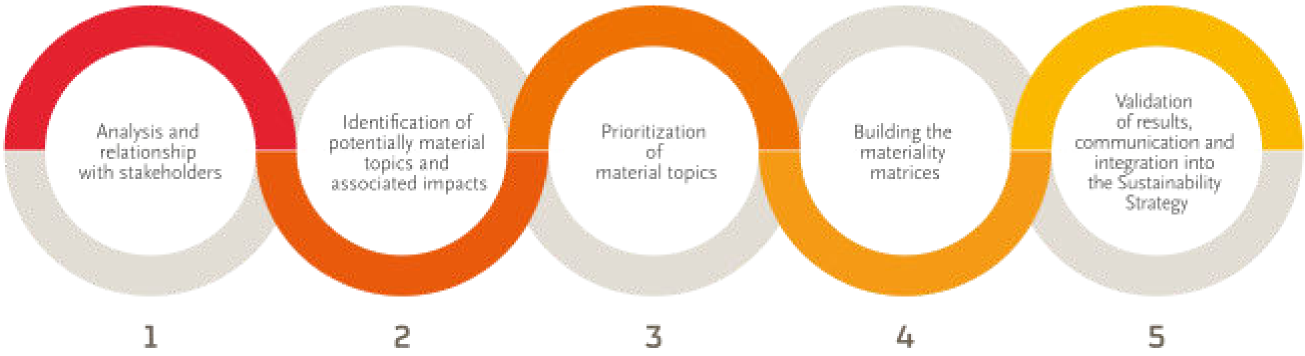
18 Integrity
19 Regulatory compliance
20 Good governance and responsible leadership
21 Transparent relationship with the Administration
22 Responsible communication

R[(1)]	Topic	ID	Category
1	Energy transition strategy and sustainable technologies	5	Critical
2	Integrity	18	Significant
3	Health and prevention of work-related accidents	9	Significant
4	Circular economy and waste management	3	Critical
5	Labor rights and employee satisfaction	8	Significant
6	Human rights	13	Significant
7	Sustainable finance	7	Significant
8	Adaptation to climate change: environmental management and natural disaster protocol	6	Significant
9	Just transition for communities	15	Significant
10	Air quality	1	Significant
11	Water quality and management	2	Significant
12	Biodiversity and ecosystems	4	Significant
13	Regulatory compliance	19	Significant
14	Customer satisfaction and safety	17	Significant
15	Social commitment and community relations	14	Significant
16	Sustainable supply chain	16	Significant
17	Transparent relationship with the Public Administration	21	Significant
18	Responsible communication	22	Important
19	Diversity and equal opportunities	11	Important
20	Physical safety against third parties	10	Important
21	Talent attraction, retention, and development	12	Important
22	Good governance and responsible leadership	20	Important

(1) Ranking.

Repsol's materiality assessment is a comprehensive process throughout the organization that is divided into 5 phases[1].

Process of preparing the materiality analysis



1. **Analysis and relationship with stakeholders.** In 2022, the stakeholder map was reviewed. It is divided into 9 broad stakeholder groups (see the Stakeholders infographic below), which are then sub-divided into a total of 40 categories. To determine which stakeholder has the most weight for Repsol, a ranking exercise was carried out based on criteria of power and interest in the Company.
2. **Identification of potentially material topics.** The list of topics decreased from 34 to 22. Moreover, impacts associated with each of them were defined. The list, which is divided into 6 axes, includes sustainability-related issues with the potential to generate challenges and opportunities for both the Company and its stakeholders. To prepare it, the opinion of a panel of experts within Repsol was consulted and the specific context of the company was analyzed, as well as current and future trends in terms of sustainability.
3. **Prioritization of material topics.** Material topics are prioritized by applying the concept of 'double materiality' set out in Article 1 of Directive 2014/95/EU on disclosure of non-financial information. Financial materiality is based on expert judgment and takes the Company's risk analysis, among others, as a reference. The positive and negative impacts associated with each of the material topics are assessed, and afterwards an aggregation is carried out at the material topic level. Impact materiality is mainly determined using the results obtained after the assessment carried out through the listening channels. These results are weighted considering the stakeholder hierarchy made with the power-interest matrix. In 2022, different communication channels were activated: workshops (3), interviews (35) and surveys (>2,700). The response rate was 30%.
4. **Building the materiality matrices.** To define the double materiality matrix, the results obtained for financial materiality are moved to the X axis, and the results of impact materiality to the Y axis. To identify the material topics, the categorization thresholds for the most significant or material topics are designated. After applying them in 2022, 22 material topics were identified (21 issues in 2021). As in the previous year, a global matrix and nine stakeholder-specific matrices were obtained during the process.
5. **Validation of results, communication and integration into the Sustainability Strategy.** The results of the materiality analysis are appraised by a committee of experts comprising risk, reputation and sustainability specialists and are then presented to the Executive Committee, which is responsible for validating them. The resulting materiality is then integrated into the Sustainability Strategy and implemented through the Global Plan and local sustainability plans. The actions envisioned in the plans, both locally and globally, are aimed at improving performance and minimizing the impact of the 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.

[1] For more information, see www.repsol.com (Sustainability – Sustainability Strategy - Materiality Assessment).

Stakeholders

Repsol stakeholder map Periodic review in collaboration with stakeholder management areas		How we relate At Repsol, the relationship is both direct and indirect and we work to identify the preferred channels for each stakeholder
1	**Shareholders and financial community**	Results presentations Senior management Roadshows Events (AGM, Low Carbon Day)
2	**Customers**	Commercial network, specialized events and trade fairs Television and social networks Repsol website
3	**Society**	Social programs Grievance mechanisms Television, social networks and Repsol website
4	**Regulatory bodies and Institutions**	Forums, seminars and conferences Digital apps (webinars, etc.) Repsol website (queries mailbox)
5	**People in the organization**	Presentations or events Intranet and e-mail Trade union representatives
6	**Media and opinion formers**	Press releases Specific interviews Repsol website and social networks
7	**Companies and business associations**	Trade negotiations Seminars and conferences Sector associations (OGCI, etc.)
8	**Suppliers and partners**	Trade negotiations Trade fairs, forums and conferences Digital platforms
9	**Research center**	Conferences Digital platforms Seminars and conferences

How we add value at Repsol[1][2]

1 2 3 4 5 6 7 8 9

Climate change
The energy transition is the central pillar of the company's strategy: commitment to have net zero emissions by 2050. Carbon Intensity Indicator (CII) targets for 2030, 2040 and 2050.

1 3 4 5 6 7 8

Ethics and transparency
Comprehensive compliance management model. Rejection of all forms of corruption and commitment to compliance with anti-trust regulations. Governance system established in accordance with national and international best practices and standards.

1 2 4 5 6 7 8 9

Natural capital
Priority is given to minimizing potential impacts. Circular economy, biodiversity and water management strategy. Targets defined in the Sustainability Plans for 2025.

2 4 5 6 7 8 9

Human capital
Work environment based on equal opportunity, diversity and inclusion. Targets in the Sustainability Plans for 2025. Commitment to safety is embedded in the culture of the organization. It ensures spill management, process safety, and crisis and emergency management.

4 7

Commitment to society
Policies and regulations aligned with the UN *United Nations Guiding Principles on Business and Human Rights*
Targets in the Sustainability Plans for 2025.

2 3

Managing the value chain
Innovation and research in technologies to develop sustainable products. Managing the safety of products and services throughout the life cycle.

(1) The pillars have been selected based on the top 10 issues in the materiality matrix for each stakeholder.
(2) Further information in Chapter 8 'Sustainability' and at Repsol.com

b) Sustainability indicators

Corporate governance

[2-11] Chair of the highest governing body

Since 2014, the Chairman of the Board of Directors and the Chief Executive Officer have been considered different posts at Repsol. Antonio Brufau Niubó serves as the non-executive Chairman of the Board of Directors and Josu Jon Imaz serving as the Chief Executive Officer of the Company and, therefore, heads up the Executive Committee.

On May 31, 2019, at their annual general 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, 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: with Mr. Imaz focusing on executive tasks and Mr. Brufau being responsible for the work related to supervision and institutional representation of the Company.

[2-20] Stakeholder involvement in remuneration

Repsol's Annual Report on Director Remuneration is submitted to the advisory vote of the shareholders. At the General Meeting of May 6, 2022, this report was broadly supported, being approved by a majority of 95.310% of the working capital.

With respect to the year, Repsol 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.

Likewise, the General Shareholders' Meeting held on March 26, 2021 approved, with 97.566% of votes in favor, the Director Remuneration Policy of Repsol, S.A. for 2021, 2022 and 2023.

The average remuneration of directors, by gender, is shown below:

Average Director remuneration by gender (€)

	2022		2021	
	Women	Men	Women	Men
Director average	297,451	336,133	290,118	332,273
Chairman	N/A	2,500,000	N/A	2,500,000

For more information, please see the Annual Report on Director Remuneration.

Climate change

Energy efficiency and climate change

[11.2.2] Investment in renewable energy (1)

Repsol's low-emissions business is one of the pillars of the Company to achieve net zero emissions by 2050. Repsol is currently working on various renewable energy projects in Spain, Chile and the United States (see section 5.3 of this Report).

Total amount of renewable energy generated, by source (MWh)

Source	2022	2021
Hydro <10MW	44,458	70,140
Hydro >10 MW	831,901	1,024,692
Onshore wind	1,087,638	1,088,583
Solar	820,513	330,468
Total	**2,784,509**	**2,513,877**

Note: In 2022 and 2021 the information includes 100% of the data of the renewable projects in Spain and the Jicarilla project (USA), as well as the data corresponding to the percentage of Repsol's interest in the joint venture with the Group (Ibereólica renewables in Chile).

Total investment in renewable energy, by type of technology (€ thousands)

Technology	2022	2021
Onshore wind	259,691	304,387
Solar	490,885	119,160
Conventional hydro	11,134	3,054
R&D Biofuels 1st generation	3,222	2,442
R&D Advanced biofuels	6,050	4,496
Total	**770,983**	**433,538**

Note: includes the investment corresponding to Repsol´s percentage interest in the joint venture (Ibereólica renewables in Chile)

Investment growth to 2021 is in line with the Company's expansion plan. 2022 has been a year with scarce renewable resources, so despite the increase in capacity, production has not increased in the same proportion. ● *For more information, see section 5.3.5. Low-carbon generation and renewables.*

[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 the Company's commitment to having net zero emissions by 2050, Repsol helps to reduce CO2 emissions released during transport through the use of biofuels incorporated in gasoline, kerosene and gasoil. In addition, it is focusing on the implementation in refineries and the promotion of projects of advanced biofuels (based on non-food, waste-sourced raw materials) with a strong technological content and high reduction of the carbon footprint. Work is currently under way at the Technology Lab.

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 ISCC sustainability frameworks and have been certified under the National Sustainability Verification System (SNVS). The percentage of biofuels incorporated into gasoline and diesel fuel in 2022 is higher than the minimum limits mandated by law.

It is worth noting that during 2022, 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 2022 was 1,045,361 m3 (1,077,935 m3 in 2021), of which 416,761 m3 (511,931 m3 in 2021) was produced at the Group's refineries. The rest, 628,599 m3 (566,004 m3 in 2021),was purchased 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 2.7 million tons of CO2. Repsol's biofuel production capacity is 960,000 m3/year, divided up between BioETBE (429,000 m3/year) and hydrogenated vegetable oil (HVO, 531,000 m3/year).

Likewise, in 2022 Repsol continued to promote the use of renewable fuels as a tool for the decarbonization of transport. Throughout the year, numerous agreements were established with institutions and companies for the use of renewable fuels, among which it is worth mentioning the agreements made with the Regional Transport Consortium of Madrid, Tragsa, Grupo Avanza, Grupo Sesé, New Holland, Pepsico, Geregras, and with Iberia and Air Europa in the air sector, and Navantia Seaenergies in the maritime sector.

In March 2022, it has begun the last phase of the construction of the first plant in Spain for the production of low-emission advanced 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 CO2 per year.

The construction phase is expected to create more than 1,000 jobs. The investment amount, approved in September 2020, comes to €188 million and it will become operational in the third quarter of 2023.

Climate change risks

TRANSITION RISKS	DESCRIPTION
	Regulatory and legal
Regulatory changes that affect Company's results	Regulatory changes that affect operations, either derived from the obligation to adopt measures to mitigate climate change (e.g., limitation of the production and use of hydrocarbons) consistent with the decarbonization commitments acquired by each of the countries or of an environmental or tax nature (e.g., emissions trading scheme systems or increased tax charges).
Litigation derived from the effects of climate change	Climate-related litigation that holds companies in the oil & gas sector responsible for the consequences of climate change.
	Technological
Inefficient, late or premature adoption of new practices, processes or developing technologies	The impact of this risk would mainly arise from investments in technologies aimed at the production of energy (including renewable energy), its distribution and its storage which become obsolete before being deployed in the market.
Scarcity or unavailability of raw materials and natural resources	Scarcity of raw materials and natural resources required for the development of key technologies associated with the energy transition (minerals such as lithium, nickel, cobalt, graphite and other chemical elements). Exposure will increase as the transition progresses and therefore the demand for said materials and resources will foreseeably become more acute in a NZE scenario.
	Market
Decoupling of the portfolio management strategy with the speed of the energy transition	Uncertainty associated with the climate scenario that finally materializes; there may be multiple factors that imply an acceleration or slowdown of the energy transition. The impact would be associated with asset investment/divestment decisions.
Changes associated with the preferences of final consumers or intermediaries	Changes associated with the preferences of consumers as a result of increased concern about climate change, which could lead to reduced consumption of fossil fuels (demand) compared to other alternative energy sources and/or significant changes in the price of raw materials (margins).
Potential difficulty or limitation in raising funds	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 (ESG factors included) that impacts the Group's financing capacity in the markets.
High competition in the markets associated with the energy transition	Increased competition in the markets associated with the energy transition due to the entry of new competing companies as a result of the increase in the attractiveness of low-carbon businesses in a favorable investment environment or as a result of the change in positioning of already existing companies in the energy sector in the different markets.
	Reputational
Harm to the reputation of the Company or the industry	Harm to the reputation of the Company or the industry caused by social disapproval of the activity or its performance in relation to sustainable development initiatives, including potential non-fulfillment of the commitments undertaken by the company.
Challenges associated with people management in the energy transition process	Challenges associated with people management in the company's transformation process: attraction/retention of talent as a result of the deterioration of the company's image, or due to a shortage of specialized profiles in the market, which would make it difficult to achieve the goals of the Transformation Plan and meet the targets set.

Environment

Non-GHG emissions

[305-7/11.3.2] Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions

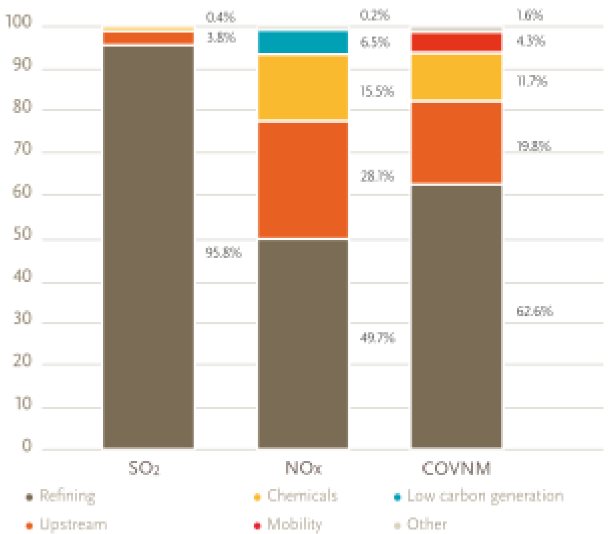
SO2, NOx, NMVOC, VOC and PM10 emissions (t)	2022	2021
SO_2	18,066	25,190
NO_x	12,711	18,197
NMVOC	15,945	19,214
VOCs	42,635	110,123
Particles	352	538

When the applicable regulations do not define a method of calculation or direct measurement, these emissions are calculated using the methodologies described in the internal guidelines for reporting environmental parameters. In particular, SO2 and NOx emissions in the Refining and Chemical businesses are measured with continuous smoke concentration and flow analyzers.

[EM-EP-120a.1] [EM-RM-120a.1] [RT-CH-120a.1] NOx (excluding N2O), SOx, volatile organic compound (VOCs), particle (PM10) air emissions

	2022				2021			
Air emissions (t)	SO_2	NO_x	VOCs	PM_{10}	SO_2	NO_x	VOCs	PM_{10}
E&P	682	3,567	27,859	128	5,063	9,508	96,128	222
Refining & Marketing	17,318	6,340	12,557	201	20,065	6,046	11,061	279
Chemicals	65	1,969	2,220	23	62	2,222	2,934	37

Significant atmospheric emissions by activity



In 2022, the Company significantly reduced SO2 (-28%), NOx (-30%), NMVOC (-17%) and PM10 (-35%) emissions.

This reduction can be partly attributed to the outflow of E&P assets (in 2021 unlinked assets contributed 17% SO2, 35% NOx, 20% NMVOCs and 11% PM10 of the Company). On the other hand, this reduction in emissions is also due to a decrease in SO2 emissions in Refining as a result of maintenance shut-downs and improvements to the sulfur recovery systems, and to a decrease in NMVOC emissions in Chemicals after completing an LDAR (Leak detection and Repair) campaign for leak repairs as well as to partial shutdowns for operational needs.

This reduction in emissions is likewise reflected in the emissions intensity indicators referred to below.

Intensity of significant atmospheric emissions

Atmospheric emissions per ton of crude oil processed at refineries and per barrel of oil equivalent (boe) produced at E&P assets are as follows:

Refining	2022	2021
Tons SO2 / thousands of tons of oil processed	0.41	0.52
Tons NOx / thousands of tons of oil processed	0.15	0.16
Tons NMVOC / thousands of tons of oil processed	0.24	0.23

E&P[1]	2022	2021
Tons of SO2 / thousands of boe produced	0.006	0.036
Tons of NO2 / thousands of boe produced	0.029	0.069
Tons of NMVOC / thousands of boe produced	0.026	0.050

[1] The intensity indexes have been calculated on the basis of the gross production of the operated assets, as reported atmospheric emissions include 100% of emissions for such assets, irrespective of the Repsol's percentage in them.

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.

Water[1]

[303-2/11.6.3] Management of water discharge-related impacts

Minimization of impact associated with discharges, definition of minimum criteria to ensure the quality of water returned to the environment and determination of priority substances of the effluents are mainly based on compliance with the requirements under applicable legislation in each of the locations 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 (BREF).

The E&P business has specific internal norms to ensure compliance with quality standards in discharges wherever there is no applicable local regulation, through the Environmental Performance Practices (EPPs). They affect the quality of sanitary effluents, drilling fluids and production water in relation to their potential impact on the environment. A technical guide establishes guidelines on how to develop wastewater disposal plans. These internal technical reference documents take into account international standards recommended by IOGP, IPIECA and EPA.

The Refining and Chemicals divisions have technical experts dedicated to disseminating operational knowledge to improve the management of discharge at operational units by controlling these critical parameters at the source, the implementation of best measurement practices or developing guidelines for effluent treatment

[303-3/11.6.4] Water withdrawal [EM-EP-140.a.2]

Water withdrawal (thousands of m³)		2022		2021	
		All areas	Water stress areas	All areas	Water stress areas
Total water withdrawal	**Total**	315,603	388	317,770	387
	Freshwater	59,681	361	50,519	368
	Other water	255,922	27	267,251	19
Water withdrawal by source	**Surface water (total)**	16,717	26	15,774	22
	Freshwater	16,717	26	15,774	22
	Ground water (total)	5,279	30	2,698	28
	Freshwater	3,342	3	747	8
	Other water	1,937	27	1,951	20
	Seawater (total)	244,620	—	212,700	—
	Freshwater	244,620	—	212,700	—
	Produced water - generated (total) [EM-EP-140a.2]	9,026	—	52,562	—
	Other water	9,026	—	52,562	—
	Third-party water (total)	39,961	332	34,036	338
	Freshwater	39,622	332	33,998	338
	Other water - Produced water	339		38	—

Freshwater: total dissolved solids <1000 mg/l.
Other water: total dissolved solids > 1000 mg/l.

[1] Upstream operations use production water from the reservoirs, which is mostly reused by reinjection into the same reservoirs to maintain pressure. As part of this closed cycle, production water is not available as an ecosystem service and is returned to oil and gas reservoirs without generating an environmental impact. Reinjected water is not considered discharged or consumed water.

[303-4/11.6.5] Water discharge

Water discharge (thousands of m³)		2022		2021	
		All areas	Water stress areas	All areas	Water stress areas
Total water discharged	**Surface water + ground water + seawater + third-party water (total)**	276,637	140	250,858	147
Water discharge by water type	Freshwater[1]	29,720	140	31,259	147
	Other water	246,917	—	219,599	—
Water discharge by destination	Surface water	8,759	54	10,423	79
	Ground water	—	—	—	—
	Seawater	263,155	—	235,914	—
	Third-party water	4,723	86	4,520	68
Water discharge by treatment level	Primary treatment or no treatment	1,477	—	5,833	—
	Secondary treatment	265,194	—	233,451	—
	Tertiary treatment	9,966	—	11,573	—
Produced water [GRI 11.6.5. a] [EM-EP-140.a.2]	Other water - Produced water injected	7,849	—	47,583	—
	Other water - Produced water reduced	102	—	5	—
	Other water - Produced water discharged by third parties	404	—	278	—
	Other water - Produced water discharged into the ocean	676	—	4,736	—

Fresh water: total dissolved solids <1000 mg/l.
Other water: total dissolved solids > 1000 mg/l
[1] The figure for fresh water discharged in 2021 is modified following a change in data consolidating criteria

[303-5/11.6.6] Water consumption

	2022		2021	
Water consumption (thousands of m³)	**All areas**	**Water stress areas**	**All areas**	**Water stress areas**
Total consumption (Withdrawal - Discharge)	28,061	221	17,084	221

Water withdrawn is considered as consumed when it is not returned to the environment in a way that can be used by other users. The data provided corresponds to freshwater.

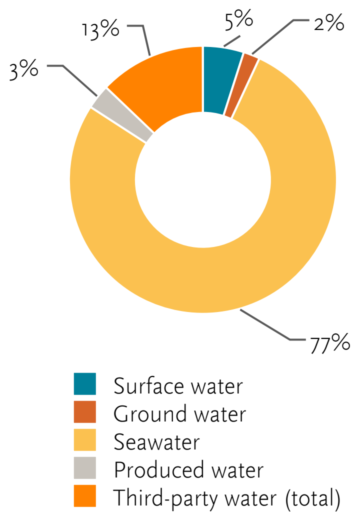
[EM-EP-140a.1], [EM-RM-140a.1] and [EM-CH-140a.1] Freshwater withdrawn

Total freshwater withdrawn by activity (thousands	2022	2021
E&P	4,946	1,066
Refining & Marketing	35,731	33,104
Chemicals	15,001	14,869

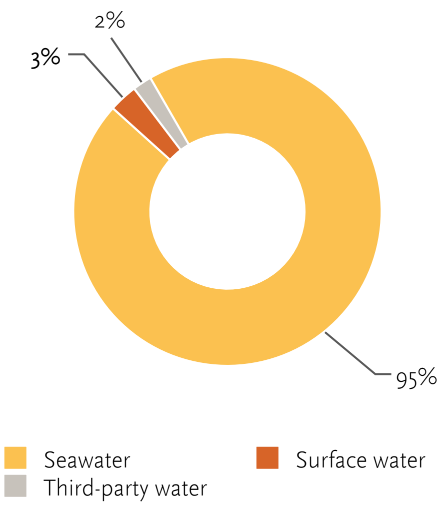
[EM-RM-140a.1] Percentage of water reused

Percentage of water reused (%, Water reused / Water entering operations)	2022	2021
Refining & Marketing	32%	32%

Water withdrawal by source



Water discharged by receiver



93% of discharged water into the ocean comes from once-through cooling system in the Low Carbon Generation Business that withdraws seawater and returns it in optimal physicochemical condition.

Treatment of the effluents

Fluid effluents generated in the processes and activities are subjected to purification treatment to minimize their potential impact of the discharge on the environment and to ensure compliance with legal requirements. The used treatment technologies are adjusted to the type of activity and the characteristics of the facility. It may be physicochemical (primary treatment), completed with a biological process (secondary treatment), or even incorporate a more advanced treatment stage (tertiary treatment) or other specific ones for pollutants that cannot be degraded by non-conventional treatments.

Main contaminants discharged

The main contaminants discharged at Repsol's facilities are hydrocarbons, suspended solids, and organic matter susceptible to oxidation, measured as chemical oxygen demand (COD).

[303-4d] Priority substances of concern for which discharges are treated

Priority substances (t)	2022	2021
Hydrocarbons discharged	71	158
COD	2,498	2,502
Suspended solids	794	791

In 2022, the hydrocarbon load in effluent discharges was reduced by 55% after the sale of E&P assets. On the other hand, the increase in water reuse and the reduction of effluents discharges in Refining contributed to maintaining the COD and suspended solids load in a scenario of increased production.

[303-4/11.6.5 b] Hydrocarbons discharged in produced water and process wastewater

[EM-EP-140a.2] Hydrocarbon content in discharged water

Hidrocarburos vertidos por actividad

	2022		2021	
Actividad	t	%	t	%
E&P	24.61	34.7 %	107.23	67.9 %
Produced water discharged (1)	24.59	34.7 %	107.12	67.9 %
Rest of discharges	0.02	— %	0.11	0.1 %
Refining	40.50	57.2 %	43.92	27.8 %
Chemicals	0.59	0.8 %	1.27	0.8 %
Mobility	4.72	6.7 %	4.80	3.0 %
Low Carbon Generation	—	— %	—	— %
Other	0.43	0.6 %	0.64	0.4 %
Total	**70.85**	**100.0 %**	**157.86**	**100.0 %**

(1) Norway and Malasya assets until their outflow

Waste Management

[GRI 306-1/11.5.2] Waste generation and significant waste-related impacts

[GRI 306-3/11.5.4] Amount of waste managed by hazardousness and composition

	Total waste managed (t)		Waste diverted from disposal (t) [1]		Waste directed to disposal (t)	
Non-hazardous waste	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Construction and demolition waste, including environmental restoration	55,980	107,397	27,345	77,859	28,635	29,538
Municipal waste	22,979	20,919	8,298	9,528	14,681	11,391
Wastewater and water treatment waste	3,045	3,074	2,626	2,765	419	309
Natural gas purification and oil refining waste	1,658	3,231	354	1,703	1,304	1,528
Remaining waste	8,443	7,024	3,543	3,492	4,900	3,532
Total	**92,105**	**141,645**	**42,166**	**95,347**	**49,939**	**46,298**
Hazardous waste						
Natural gas purification and oil refining waste	33,596	14,256	2,317	4,933	31,279	9,323
Liquid fuel and oil waste	12,211	8,351	4,944	3,848	7,267	4,503
Chemical process waste	7,606	4,362	1,828	2,312	5,778	2,050
Construction and demolition waste, including environmental restoration	1,716	23,515	184	16,651	1,532	6,864
Remaining waste	5,652	12,894	2,411	4,031	3,241	8,863
Total	**60,781**	**63,378**	**11,684**	**31,775**	**49,097**	**31,603**

(1) In 2021, "Waste diverted from disposal" includes incineration with energy recovery. In 2022 this waste treatment method is considered as waste directed to disposal.

The composition of the waste managed by Repsol is divided into the categories defined in the European List of Wastes (LoW). In 2022, the Company's main non-hazardous waste derives from construction, decommissioning and environmental restoration activities, of which 49% have been recovered (recycled or reused). As for hazardous waste, the main waste comes from oil refining and natural gas purification activities, having recovered 7%.

In 2022, the amount of non-hazardous waste managed is reduced by 35% compared to 2021, when there was an increase due to extraordinary activities (earthwork for the biofuel project in Cartagena or the incident contingency in Puertollano). The amount of hazardous waste managed remains stable in 2022, mainly due to the extraordinary generation of waste due to the spill contingency in Peru and an increase in production and shutdowns for scheduled maintenance in Refining.

The overall waste recovery through reuse or recycling is at 35%, reducing the figure reached the previous year (62% in 2021) due to changes in the profile of the waste generated and their geographical location, which has resulted in a greater challenge for recovery.

[306-4/11.5.5] Waste diverted from disposal due to recovery activities

	Managed at facilities (t)	Managed offsite (t)	Total (t)	Managed at facilities (t)	Managed offsite (t)	Total (t)
Non-hazardous waste	**2022**	**2022**	**2022**	**2021**	**2021**	**2021**
Prepared for reuse	34	651	**685**	41	2,218	**2,259**
Recycled	613	40,867	**41,480**	369	83,133	**83,502**
Other recovery treatment (1)			—	192	9,394	**9,586**
Total	**647**	**41,518**	**42,165**	**602**	**94,745**	**95,347**
Hazardous waste						
Prepared for reuse	10	1,648	**1,658**	9	1,855	**1,864**
Recycled	55	9,971	**10,026**	7	21,383	**21,390**
Other recovery treatment (1)	—	—	—	36	8,485	**8,521**
Total	**65**	**11,619**	**11,684**	**52**	**31,723**	**31,775**

(1) In 2021, “Other recovery operations” includes incineration with energy recovery and composting. In 2022 this incineration method is considered as waste directed to disposal and composting is included in recycled waste."

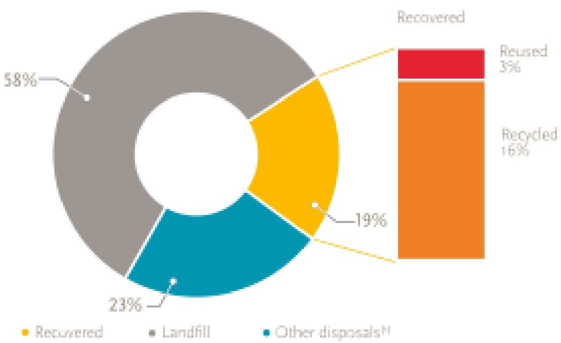
[306-5/11.5.6] Waste directed to disposal

	Managed at facilities (t)	Managed offsite (t)	Total (t)	Managed at facilities (t)	Managed offsite (t)	Total (t)
Non-hazardous waste	**2022**	**2022**	**2022**	**2021**	**2021**	**2021**
Incineration (with energy recovery)	—	529	**529**	—	—	—
Incineration (without energy recovery)	34	28	**62**	—	—	—
Transfer to landfill	59	37,652	**37,711**	17	33,289	**33,306**
Other disposal treatments (1)	198	11,440	**11,638**	209	12,783	**12,992**
Total	**291**	**49,649**	**49,940**	**226**	**46,072**	**46,298**
Hazardous waste						
Incineration (with energy recovery)	99	640	**739**	—	—	—
Incineration (without energy recovery)	25	467	**492**	—	—	—
Transfer to landfill	—	35,240	**35,240**	—	14,368	**14,368**
Other disposal treatments (1)	41	12,586	**12,627**	13	17,222	**17,235**
Total	**165**	**48,933**	**49,098**	**13**	**31,590**	**31,603**

(1) In 2021, 'Other disposal operations' includes waste treated by incineration without energy recovery.

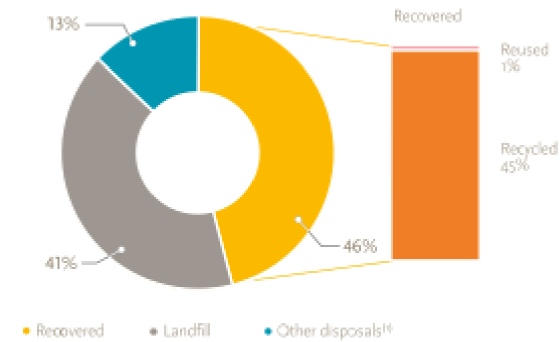
The following charts show the actions carried out in 2022 for each category.

Hazardous waste management



(*) Other disposals include incineration with or without energy recovery and other disposal treatments

Non-hazardous waste management



(*) Other disposals include incineration with or without energy recovery and other disposal treatments

	Hazardous waste (t)		Non-hazardous waste (t)	
Activity	**2022**	**2021**	**2022**	**2021**
E&P	10,006	16,040	22,615	19,325
Refining	36,257	30,411	46,848	96,764
Chemicals	9,853	11,329	13,095	17,516
Mobility	4,319	5,296	5,811	5,613
Lubricants, Aviation, Asphalts and Specialized Products	163	142	476	505
LPG	51	22	908	1,382
Low Carbon Generation	44	44	169	281
Other	88	93	2,183	259
Total	**60,781**	**63,377**	**92,105**	**141,645**

[EM-RM-150a.1] [RT-CH-150a.1]

Hazardous waste generated, percentage recycled

	2022		2021	
Total hazardous waste (t) and percentage recycled	**tons**	**%**	**tons**	**%**
Refining & Marketing	40,790	20	35,871	54
Chemicals	9,853	17	11,329	21

[306-3/11.5.4] Amount of drilling waste (drilling mud and cuttings)

The Oil & Gas industry typically generates waste such as scale and sludge resulting from cleaning process equipment, drilling waste or tailings (oil sands washing waste).

Repsol does not operate any oil sands asset. Drilling waste data, including mud and cuttings, are excluded from the data indicated in the previous section, since they are classified according to the type of lubricating fluid, following IOGP standards.

Drilling waste generated (t)	2022	2021
Water-based cuttings and fluids	34,076	43,790
Non-water-based cuttings and fluids	111,060	24,795

Management of waste from drilling operations (cuttings and fluids) is controlled by the Company's internal norms known as Environmental Performance Practices (EPP). These requirements establish a set of standards that must be followed in Upstream activities and that are applicable to all geographical areas in which the company operates and regardless each country's specific legislation.

Unconventional drilling activity grew significantly at E&P North America in 2022, resulting in increased mud and cuttings wastes associated with this activity.

Biodiversity

[304-1/11.4.2] Operational sites owned, leased, managed in, 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) makes available to the companies that are a part of it information related to the distribution of the species listed in the IUCN Red List of Threatened Species and the protected natural areas recorded on the World Database on Protected Areas (WDPA). All this information is obtained and analyzed through the IBAT tool (Integrated Biodiversity Assessment Tool), and allows its use as another layer of information to make decisions throughout the life cycle of the projects.

In the analysis of the protected areas, we considered all the operating centers of Repsol's businesses except activities with a high geographical dispersion (service stations, for example) and temporary activities.

:

Type of operation	Geographical location	Location in respect of the protected area	Surface area within the protected area (ha)	Type of protection
Upstream - 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	12,676	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)
	United States	Partly within protected area	542	Private Protected Area, Wetlands Reserve Program, Protected Waterway, State Forest, Local Conservation Area
Low-carbon generation	Spain	Within protected area	3.48	National Park, Site of Community Importance (SCI), Special Protection Area for Birds (SPA), Regional Park
		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)
Corporation - Offices	Spain	Within protected area	1.52	Regional Park, Site of Community Importance (SCI)

Compared to 2021, there are significant changes in this indicator, but only for E&P activity in the United States. The surface partially within the protected area is reduced due to changes in the areas of the operated blocks. In general, however, operations within or adjacent to protected areas are unchanged compared to 2021

[304-2/11.4.3] Significant impacts of activities, products, and services on biodiversity

Operations and activities within the energy industry can affect the natural and social environments where they take place. The following table contains the potential impacts that they may have on biodiversity as a result of the Company's operations.

	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.	Potential impact	Potential impact	Potential impact
	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.	High potential impact	Unlikely or low potential impact	Potential impact
	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.	Unlikely or low potential impact	Potential impact	Unlikely or low potential impact
EMISSIONS	**Noise and vibrations**	Noise and vibrations caused by processes can disturb local wildlife.	High potential impact	Potential impact	Potential impact
	Light	The light emitted by our activities can generate a visual impact at night.	Unlikely or low potential impact	Potential impact	Unlikely or low potential impact
	Dust	Dust emitted can generate impacts when it lands on vegetation, while also disturbing local fauna in the vicinity of the facilities.	High potential impact	Unlikely or low potential impact	Potential impact
	Exhaust/ combustion emissions (GHG, NOx, SOx, PM, VOC)	Exhaust emissions associated with the operation of the fuel-burning equipment can impact local air quality and also climate change on a global scale.	Potential impact	High potential impact	Potential impact
	Fugitive emissions and venting	Unplanned fugitive emissions and venting can impact local air quality and also climate change on a global scale.	Unlikely or low potential impact	Potential impact	Unlikely or low potential impact
	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.	Unlikely or low potential impact	Potential impact	Unlikely or low potential impact
DISCHARGES	**Wastewater, gray water and food waste**	The discharge of treated wastewater may cause changes in the quality of available water.	Potential impact	Potential impact	Potential impact
WASTE	**Hazardous waste**	Waste can lead to contamination of soil and groundwater/surface water, possibly impacting the ecosystems and habitats of certain species.	Potential impact	High potential impact	High potential impact
	Non-hazardous waste	Contamination of soil and groundwater/surface water, possibly impacting the ecosystems and habitats of certain species.	Potential impact	Potential impact	Potential impact
ACCIDENTAL EVENTS	**Spills**	Accidental events such as spills can lead to contamination of soil and groundwater/surface water, possibly impacting the ecosystems and habitats of certain species.	Unlikely or low potential impact	Potential impact	Unlikely or low potential impact
	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.	Unlikely or low potential impact	Unlikely or low potential impact	Unlikely or low potential impact
	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.	Unlikely or low potential impact	Unlikely or low potential impact	Unlikely or low potential impact

High potential impact | Potential impact | Unlikely or low potential impact

[304-3/11.4.4] Habitats protected or restored

Restoration is the third option in the mitigation hierarchy. It consists of helping the recovery of an ecosystem that has been degraded, damaged or destroyed. The requirements that must be implemented in accordance with good industry practices are established in the Company's internal regulations.

The following table includes activities or projects for the protection, restoration or other biodiversity management actions initiated in 2022 or earlier and continued this year.

In all cases, independent and competent legal bodies have overseen the standards and methodologies used.

Diversity and the types of restoration actions undertaken in 2022 are similar to those implemented in 2021, as all centers operated by the Company are included in the scope.

Habitats protected or restored

Location	Activity	
Canada	E&P	In 2022, restoration work was undertaken in forests, agricultural areas and meadows in 11 locations (wells and related facilities). The restoration of 24.15 ha was completed following the 2019 Alberta soil and groundwater remediation guidelines, among others. In all cases, 100% of the habitat was finally restored. All actions were approved by the competent legal authority.
Colombia	E&P	In 2022, a partial restoration of 7.03 ha of gallery forest was carried out, recovering the soil on surfaces with slopes greater than 15%, and densifying the canopy coverage of the Quebrada Pelagallina forest that supplies water to the village aqueduct of Canoes La Vaga. It was carried out in accordance with environmental licensing requirements in collaboration with the local City Council, although it is still pending approval by the Colombian National Environmental Licensing Authority.
Indonesia	E&P	In 2022, reforestation maintenance work was carried out on 22.88 ha of peatswamp forest, which included replacing plants, fertilizing activities, and soil management. These works are a continuation of those carried out in 2021 where more than 14,300 seedlings were planted, with a density of 625 seedlings per hectare. A 96% survival rate was achieved in both years, although the target rates were 95% and 55% for 2021 and 2022, respectively. The works were carried out in areas adjacent to the Berbak Sembilang National Park, habitat of different endangered species such as the Sumatran tiger (*Panthera tigris sumatrae*). Restoration was considered complete, and was approved by the Republic of Indonesia's Ministry of Environment and Forestry.
Peru	E&P	In 2022, together with Ecoashaninka Community Organization, several actions were carried out (Construction of ridges, manual loosening of the land, direct seeding, natural regeneration, underpinning, foliar fertilization, implementation of bird perches, construction of water evacuation canals, weed control and thinning) for the partial restoration of 11.12 ha of sparse primary Pacal forest and semi-dense primary Pacal forest, on the Mapi platform and the Mashira platform. All actions were approved by the Peruvian Ministry of the Environment.
Spain	Low Carbon Generation	Creation of a permanent meadow by means of an agroforestry mosaic on 7 hectares of the Valdesolar photovoltaic plant, giving rise to the creation of new ecological niches to promote biodiversity, as well as the improvement of ecological connectivity around the plant.
Spain	Low Carbon Generation	In 2022, 23 ha were densified by planting 800 holm oaks for the regeneration of a feeding ground for cranes at the Los Berciales estate (Monterrubio de la Serena, Badajoz). It was complemented with the increase in the availability of food during the winter.
Spain	Low Carbon Generation	The following management measures were implemented in the Kappa photovoltaic project (Manzanares, Madrid) to improve the habitat for birdlife: Installation of a structure for 30 nests. Installation of 3 platforms for owls. Installation of 12 cairns (4 with owl nests).
Spain	Low Carbon Generation	In 2022, different measures were implemented to increase the establishment of birdlife in the surroundings of the Valdesolar photovoltaic plant. Among them, it is important to mention the installation of 25 cairns (plant/stone), two dovecotes and two multi-refuges for bats. Moreover, five naturalized water points were created at the same plant to improve habitat conditions for amphibian populations and other fauna in the project environment, for which population control has been established.

Other biodiversity management measures

Location	Activity	Description of the protection or restoration action and its aims
Bolivia	E&P	Improved knowledge of the entomofauna in the Caipipendi area, with special focus on Coleoptera, Hymenoptera, Lepidoptera and Odonata species, given their ecological interest, their role as bioindicators, their conservation status and threats.
Canada	E&P	Biodiversity Training: 5 members from the Safety and Environment team of the Canadian Business Unit attended a course on basic principles of biodiversity management, incorporating the latest trends in its assessment (Align, BISI, TNFD, etc.) and tools and indicators for management and reporting.
Indonesia	E&P	Collaboration in managing the presence of the Sumatran tiger outside the restored area, which had had a deadly impact on local populations. Work was done together with local authorities and wood companies to install camera trap that made it possible to know the condition of the forest and the availability of prey for felines. A tiger footprint tracking program, as well as a reforestation area safety program, were established. No trace of any additional tigers has been found since June 2022.
Spain	Hydroelectric Plants	Covering of a section of the Aller River canal of the La Paraya Hydroelectric Plant (Asturias) to mitigate its possible barrier effect and maintain the continuity of the habitat, reducing the risk of animals falling. Approximately 280 meters of canal have been covered.
Spain	Hydroelectric Plants	Rescue of fish specimens from the canals of the Arenas and Camarmeña Hydroelectric Plants (Asturias). This activity is carried out annually and in the presence of rangers from the Picos de Europa National Park and the corresponding Ministries of Castilla y León and Asturias. This activity was carried out in 2022, taking advantage of the emptying of the canals to carry out maintenance activities.
Spain	Hydroelectric Plants	Monitoring of the ecological status/potential of reservoirs and rivers downstream of the hydroelectric plants. The purpose of these campaigns is to provide monitoring so as to prevent any effects on these ecosystems that are directly related to the activity of hydroelectric energy production.
Spain	Low Carbon Generation	Adaptation of 1 power line identified as a conflict by the Aragón Department of Biodiversity. It involves 17 supports along 2.9 km of power lines of a 15Kv line, with the aim of reducing the accident rate of birds due to the electrocution of specimens.
Spain	Low Carbon Generation	Blade painting in position RO2-1 of the Romerales II wind farm (Aragón), with the aim of reducing the mortality of birds due to collisions with wind turbines.

[304-4/11.4.5] 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 know the species that are potentially distributed in the area of influence of the operations. Repsol uses the information provided by Proteus to determine the threatened species included in the IUCN Red List of Threatened Species. All this information is obtained and analyzed through the IBAT tool (Integrated Biodiversity Assessment Tool). The following table shows the number of species based on the extinction risk category and with a potential distribution in the areas of influence of the Company's assets.

Classification	Number of species
Critically endangered (CR)	115
Endangered (EN)	318
Vulnerable (VU)	691
Near threatened (NT)	745

In 2021, we reported 114 critically endangered, 287 endangered, 673 vulnerable and 742 near threatened species. In 2022, the values for this indicator increased slightly for two of the categories, due to the updating of the IUCN Red List of Threatened Species database and the inclusion of new operations within the scope of the indicator; however, this increase is not really significant. In the analysis of the species, we included all the operating centers of Repsol's businesses except activities with a high geographical scattering (gas stations, for example) and activities of a temporary nature:

On the other hand, 35% (44% in 2021) of proven reserves and 19% (36% in 2021) of probable reserves operated by Repsol belong to blocks located within protected areas. The variations with respect to the 2021 figures are mainly due to a reduction in reserves located within protected areas due to changes in the portfolio of operated blocks.

People

Employment[2]

The energy transition and the circular economy are driving the emergence of new professions and new paradigms. Repsol responds to this in an active way, committing to the incorporation of hydrogen into the business and thus promoting projects of this vector and in the United States with new renewable energy businesses for electricity production.

Overall employee figures	2022	2021
Number of employees *(headcounts)*[(1)]	23,810	24,134
Average age	43.3	43.4

(1) Refers to employees at the companies in which Repsol establishes policies and guidelines relating to people management, excluding the managed companies Societat Catalana de Petrolis, S.A. and Klikin Deals Spain S.L, that represent 1.4% of the total workforce.

In 2022, some employees have left the Company: Russia, 8 employees; Ecuador, 383 employees; Malaysia, 345 employees; and Greece, 1 employee. In Canada, the workforce was reduced by 16% (69 people) due to the effectof the sale of the Chauvi/Duvernay asset and with it the presence in this country.

Repsol has a diverse human team of 79 different nationalities that works in 29 different countries. Detailed information related to employees is shown below.

Nationalities by country [(1)]	2022	2021
Algeria	10	12
Belgium	1	1
Bolivia	4	4
Brazil	9	10
Canada	18	18
Colombia	3	2
USA	22	23
Spain	57	57
France	3	3
Guyana	2	1
Indonesia	6	7
Libya	8	7
Luxembourg	2	1
Mexico	6	6
Norway	8	9
Netherlands	5	6
Peru	7	7
Portugal	11	11
United Kingdom	6	7
Singapur	4	5
Switzerland	1	2
Trinidad and Tobago	1	1
Venezuela	2	—

(1) Countries that have the greatest number of nationalities (excluding those of their own country). In certain countries, labor law does not require companies to request certain personal information from employees (nationality). As is the case in the United States and Canada.

Number of employees by country

Country	2022	2021	Country	2022	2021
Germany	2	4	Libya	52	50
Algeria	59	57	Luxembourg	9	6
Belgium	2	1	Morocco	1	1
Bolivia	199	202	Mexico	156	167
Brazil	108	103	Noruega	210	254
Canada	361	430	Netherlands	8	9
Colombia	41	39	Peru	3,068	3,012
Chile	2	1	Portugal	1,435	1,338
USA	629	565	United Kingdom	11	11
Spain	17,171	16,848	Singapur	26	25
France	19	21	Switzerland	3	4
Guyana	2	1	Trinidad and Tobago	9	8
Indonesia	86	94	Venezuela	132	133
Italy	4	5	Vietnam	5	8

[2] All data, unless otherwise specified, refers to employees at the companies in which Repsol establishes policies and guidelines relating to people management, excluding Societat Catalana de Petrolis, S.A., Energy Express, S.L. and Klikin Deals Spain, S.L., that represent 1.4% of the total workforce.

[2-7] Employees[3]

Information on employees	Africa						Asia					
	2022			2021			2022			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Number of employees	15	97	112	15	93	108	43	74	117	154	326	480
Number of permanent employees	15	95	110	15	91	106	41	69	110	137	294	431
Number of temporary employees	0	2	2	0	2	2	2	5	7	17	32	49
Number of full-time employees	15	97	112	15	93	108	43	74	117	154	326	480
Number of part-time employees	0	—	—	—	—	—	—	—	—	—	—	

	Europe						Latin America					
	2022			2021			2022			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Number of employees	7,191	11,683	18,874	6,892	11,610	18,502	1,810	1,751	3,561	1,806	2,076	3,882
Number of permanent employees	6,366	10,766	17,132	5,857	10,644	16,501	1,702	1,450	3,152	1,712	1,799	3,511
Number of temporary employees	825	917	1,742	1,035	966	2,001	108	301	409	94	277	371
Number of full-time employees	6,649	11,492	18,141	6,306	11,341	17,647	1,795	1,738	3,533	1,805	2,076	3,881
Number of part-time employees	542	191	733	586	269	855	15	13	28	1	—	1

	North America						Total					
	2022			2021			2022			2021		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Number of employees	376	770	1,146	370	792	1,162	9,435	14,375	23,810	9,237	14,897	24,134
Number of permanent employees	376	770	1,146	370	792	1,162	8,500	13,150	21,650	8,091	13,620	21,711
Number of temporary employees	0	—	—	—	—	—	935	1,225	2,160	1,146	1,277	2,423
Number of full-time employees	369	769	1,138	360	792	1,152	8,871	14,170	23,041	8,640	14,628	23,268
Number of part-time employees	7	1	8	10	—	10	564	205	769	597	269	866

(1) The number of permanent employees includes 24 employees with discontinued permanent contracts.

Average annual contracts by type of employment and contract [(1)]

	Temporary		Regular/permanent			
Professional classification	**Full-time**	**Part-time**	**Full-time**	**Part-time**	**Total 2022**	**Total 2021**
Executive	—	—	223.5	1.0	224.5	252.6
Manager	1.8	—	2,260.7	23.3	2,285.8	2,357.2
Professional/ Specialist	257.5	3.2	9,391.8	151.3	9,803.8	10,187.3
Administrative	36.1	0.8	904.3	20.3	961.5	1,066.6
Workers	1,618.3	117.7	8,259.6	219.7	10,215.3	9,776.7
Overall total 2022	**1,913.7**	**121.7**	**21,039.9**	**415.6**	**23,490.9**	—
Overall total 2021	**1,954.5**	**140.7**	**21,128.9**	**416.1**		**23,640.3**

[(1)] It is calculated as the sum of the average accumulated workforce grouped by professional category, gender, type of contract, work day (Full Time/Part Time).

[3] The People and Organization (HR) area does not have personal information from contractors/suppliers who collaborate with Repsol for confidentiality reasons. All contractors/suppliers are required to know and accept the Code of Ethics and Conduct for Suppliers at the time of signing the collaboration with Repsol.

Average annual contracts by gender and age range [1]

Professional classification	<30	30-50	>50	Total 2022	Total 2021
Executive	**—**	**76.9**	**147.6**	**224.5**	**252.6**
Men	—	57.0	121.8	178.8	199.8
Women	—	19.9	25.8	45.7	52.8
Manager	1.4	**1,381.0**	**903.4**	**2,285.8**	**2,357.2**
Men	0.7	855.7	664.7	1,521.1	1,593.4
Women	0.7	525.3	238.7	764.7	763.9
Professional/ Specialist	**494.4**	**6,935.2**	**2,374.2**	**9,803.8**	**10,187.3**
Men	284.5	4,243.5	1,736.6	6,264.6	6,592.4
Women	209.9	2,691.7	637.6	3,539.2	3,594.9
Administrative	**47.8**	**631.8**	**281.8**	**961.5**	**1,066.6**
Men	22.0	169.5	67.4	258.9	306.3
Women	25.8	462.3	214.4	702.6	760.3
Workers	**1,591.0**	**6,438.0**	**2,186.3**	**10,215.3**	**9,776.7**
Men	808.8	3,741.6	1,508.2	6,058.6	5,987.1
Women	782.2	2,696.4	678.1	4,156.7	3,789.6
Total general 2022	**2,134.6**	**15,462.9**	**5,893.3**	**23,490.9**	
Total general 2021	**2,030.2**	**15,876.5**	**5,733.6**	**—**	**23,640.3**

(1) To calculate this indicator, all existing contracts in the period were taken into account, including existing contracts, first hires and rehires.

[401-1/11.10.2] New employee hiring and staff turnover

Overall contracts and turnover	2022	2021 [6]
New employees	4,540	2,982
Total turnover rate [1]	21%	17%
Executive turnover rate [2]	10%	10%
Voluntary turnover rate [3]	8%	5%
Total turnover rate excluding[4] Points of Sale [5]	8%	8%
Voluntary turnover rate excluding[4] Points of Sale [5]	3%	3%
Number of dismissals	315	215

(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.
(4) Corresponds to the number of departures (total and voluntary) of employees minus departures at service stations, divided by the total number of employees at year-end minus employees at service stations.
(5) Companies with service stations have been excluded: Campsared, Spain; Recosac, Peru; and Gespost, Portugal.
(6) The 2021 turnover data was recalculated to unify the company's departure criteria.

In 2022, the company hired 4,540 people, which represents 19% of the total and an increase of 52% compared to 2021 (2,982 employees). This increase was a result of the Company's entry in new businesses and maintenance in traditional businesses.

As shown in the data, a high percentage of voluntary turnover is concentrated in points of sale (Service Stations), specifically in the companies Campsared Spain, 506 people; Recosac Peru, 703 people; and Gespost, Portugal, 122 people. This is a consequence of high turnover in the retail sector.

Number and percentage of new hires [1]

		<30				30-50				>50				TOTAL			
Region		**2022**		**2021**		**2022**		**2021**		**2022**		**2021**		**2022**		**2021**	
		Nº	**%**	**Nº**	**%**	**Nº**	**%**	**Nº**	**%**	**Nº**	**%**	**Nº**	**%**	**Nº**	**%**	**Nº**	**%**
Africa	Women	—	—	1	100	1	8	—	—	—	—	—	—	1	7	1	7
	Men	2	33	3	100	—	—	1	2	—	—	—	—	2	2	4	4
	Total	**2**	**29**	**4**	**100**	**1**	**1**	**1**	**1**	**—**	**—**	**—**	**—**	**3**	**3**	**5**	**5**
Asia	Women	1	25	1	8	3	9	9	8	—	—	1	5	4	9	11	7
	Men	—	—	4	29	9	13	22	9	—	—	1	2	9	12	27	8
	Total	**1**	**20**	**5**	**19**	**12**	**12**	**31**	**8**	**—**	**—**	**2**	**3**	**13**	**11**	**38**	**8**
Europe	Women	626	105	496	94	883	17	605	12	124	8	85	6	1,633	23	1,186	17
	Men	818	101	478	70	739	10	435	6	136	4	109	3	1,693	14	1,022	9
	Total	**1,444**	**102**	**974**	**81**	**1,622**	**13**	**1,040**	**8**	**260**	**5**	**194**	**4**	**3,326**	**18**	**2,208**	**12**
Latin America	Women	307	67	152	33	218	17	96	8	—	—	1	1	525	29	249	14
	Men	284	77	199	52	177	16	114	9	1	0.36	4	1	462	26	317	15
	Total	**591**	**71**	**351**	**41**	**395**	**17**	**210**	**8**	**1**	**0.27**	**5**	**1**	**987**	**28**	**566**	**15**
North	Women	9	36	24	75	42	18	34	15	13	11	3	3	64	17	61	16
	Men	21	43	25	41	102	20	66	12	24	12	13	7	147	19	104	13
	Total	**30**	**41**	**49**	**53**	**144**	**19**	**100**	**13**	**37**	**12**	**16**	**5**	**211**	**18**	**165**	**14**
Total	Women	943	87	674	65	1,147	17	744	11	137	8	90	5	2,227	24	1,508	16
	Men	1,125	91	709	62	1,027	11	638	7	161	4	127	3	2,313	16	1,474	10
TOTAL	**Total**	**2,068**	**89**	**1,383**	**64**	**2,174**	**14**	**1,382**	**9**	**298**	**5**	**217**	**4**	**4,540**	**19**	**2,982**	**12**

(1) Calculated as the number of new hires over to total employees as of December 2022. 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 data of % higher than 100% are due to the reactivation of the temporary hires analyzed. For more information, see [401-1/11.10.2] New employee hiring and staff turnover

Voluntary employee turnover [1]

		<30				30-50				>50				TOTAL			
Region		**2022**		**2021**		**2022**		**2021**		**2022**		**2021**		**2022**		**2021**	
		Nº	**%**	**Nº**	**%**	**Nº**	**%**	**Nº**	**%**	**Nº**	**%**	**Nº**	**%**	**Nº**	**%**	**Nº**	**%**
Africa	Women	—	—	—	—	1	8	—	—	—	—	1	50	1	7	1	7
	Men	—	—	—	—	—	—	4	3	—	—	1	4	—	—	5	5
	Total	**—**	**—**	**—**	**—**	**1**	**1**	**4**	**5**	**—**	**—**	**2**	**7**	**1**	**1**	**6**	**6**
Asia	Women	1	25	—	—	1	3	23	19	—	—	—	—	2	5	23	15
	Men	—	—	2	15	11	16	34	13	1	17	5	9	12	16	41	13
	Total	**1**	**20**	**2**	**8**	**12**	**12**	**57**	**15**	**1**	**8**	**5**	**6**	**14**	**12**	**64**	**13**
Europe	Women	145	24	103	20	225	4	169	3	45	3	19	1	415	6	291	4
	Men	173	21	103	15	244	3	159	2	86	2	31	1	503	4	293	3
	Total	**318**	**23**	**206**	**17**	**469**	**4**	**328**	**3**	**131**	**3**	**50**	**1**	**918**	**5**	**584**	**3**
Latin America	Women	231	50	156	34	197	16	110	9	1	1	2	2	429	24	268	15
	Men	197	53	145	38	125	11	94	7	8	3	12	3	330	19	251	12
	Total	**428**	**52**	**301**	**36**	**322**	**14**	**204**	**8**	**9**	**2**	**14**	**3**	**759**	**21**	**519**	**13**
North	Women	6	24	5	16	25	11	19	8	5	4	9	8	36	10	33	9
	Men	14	29	5	8	62	12	36	7	8	4	10	5	84	11	51	6
	Total	**20**	**27**	**10**	**11**	**87**	**12**	**55**	**7**	**13**	**4**	**19**	**6**	**120**	**10**	**84**	**7**
Total	Women	383	35	264	25	449	7	321	5	51	3	31	2	883	9	616	7
	Men	384	31	255	22	442	5	327	3	103	3	59	1	929	6	641	4
TOTAL	**Total**	**767**	**33**	**519**	**24**	**891**	**6**	**648**	**4**	**154**	**3**	**90**	**2**	**1,812**	**8**	**1,257**	**5**

(1)The 2021 turnover data has been recalculated to reunify the company's exit criteria.

Total employee turnover (1)

Region		<30				30-50				>50				TOTAL			
		2022		2021		2022		2021		2022		2021		2022		2021	
		Nº	%	Nº	%	Nº	%	Nº	%	Nº	%	Nº	%	Nº	%	Nº	%
Africa	Women	—	—	—	—	3	25	—	—	—	—	1	50	3	20	1	7
	Men	—	—	—	—	—	—	4	6	—	—	3	11	—	—	7	8
	Total	**—**	**—**	**—**	**—**	**3**	**4**	**4**	**5**	**—**	**—**	**4**	**13**	**3**	**3**	**8**	**7**
Asia	Women	1	25	1	8	5	15	39	33	1	17	—	—	7	16	40	26
	Men	—	—	5	36	16	24	48	19	2	33	5	9	18	24	58	18
	Total	**1**	**20**	**6**	**23**	**21**	**21**	**87**	**23**	**3**	**25**	**5**	**6**	**25**	**21**	**98**	**20**
Europe	Women	604	101	488	93	955	19	764	15	281	18	222	16	1,840	26	1,474	21
	Men	690	85	477	70	737	10	599	8	557	16	565	16	1,984	17	1,641	14
	Total	**1,294**	**92**	**965**	**80**	**1,692**	**14**	**1,363**	**11**	**838**	**17**	**787**	**16**	**3,824**	**20**	**3,115**	**17**
Latin America	Women	257	56	169	36	224	18	125	10	13	13	11	12	494	27	305	17
	Men	241	65	162	42	170	15	131	10	62	22	45	12	473	27	338	16
	Total	**498**	**60**	**331**	**39**	**394**	**17**	**256**	**10**	**75**	**20**	**56**	**12**	**967**	**27**	**643**	**17**
North	Women	7	28	7	22	38	16	38	17	17	15	25	23	62	16	70	19
	Men	15	31	13	21	126	24	64	12	34	17	48	25	175	23	125	16
	Total	**22**	**30**	**20**	**22**	**164**	**22**	**102**	**13**	**51**	**16**	**73**	**24**	**237**	**21**	**195**	**17**
Total	Women	869	80	665	64	1,225	19	966	15	312	18	259	16	2,406	26	1,890	20
	Men	946	76	657	58	1,049	11	846	9	655	16	666	16	2,650	18	2,169	15
TOTAL	**Total**	**1,815**	**78**	**1,322**	**61**	**2,274**	**14**	**1,812**	**11**	**967**	**17**	**925**	**16**	**5,056**	**21**	**4,059**	**17**

(1) The 2021 turnover data has been recalculated to reunify the company's exit criteria.
This is calculated as the turnover of employees out of the total number of employees at 31.12.2022.

Number of dismissals (1)

	<30		30-50		>50		TOTAL	
	2022	2021	2022	2021	2022	2021	2022	2021
Men	**21**	**8**	**97**	**60**	**100**	**69**	**218**	**137**
Executive	—		—	—	2	3	2	3
Manager	—		6	12	16	23	22	35
Professional/ Specialist	2	5	41	35	35	20	78	60
Administrative	—	—	1	—	3	—	4	—
Workers	19	3	49	13	44	23	112	39
Women	**12**	**2**	**51**	**50**	**34**	**26**	**97**	**78**
Executive	—	—	—	—	1	—	1	—
Manager	—	—	2	6	4	3	6	9
Professional/ Specialist	1	—	14	22	15	4	30	26
Administrative	—	—	6	5	1	10	7	15
Workers	11	2	29	17	13	9	53	28
Total	**33**	**10**	**148**	**110**	**134**	**95**	**315**	**215**

(1) The 2021 turnover data has been recalculated to reunify the company's exit criteria.

Personnel expenses, remuneration and benefits

In 2022, the average cost per employee was 78.7 thousand euros[4] (69.8 thousand in 2021), growth mainly due to the improvement in salary conditions. Special benefit costs were 98.46 million euros[5] (118.3 million euros in 2021), of which 65% took the form of healthcare and pension fund contributions. In 2022, social security payments amounted to 277 million euros (258 million euros in 2021) and the overall investment in training totaled 12.1 million euros (8.4 million euros in 2021).

As regards renumeration, in accordance with Law 11/2018 and the new requirements in Spain under RDL 6/2019, RD 901/2020 and RD 902/2020, employee remuneration is analyzed on an annual basis, including the adjusted salary gap in each country with significant operations, to determine the factors that underpin the differences in salary between men and women, such as professional level, type of work day, seniority, business, etc.

[4] Corresponds to personnel expenses over the average accumulated workforce managed. Personnel expenses include social contributions and other items and excludes severance pay, director remuneration and travel expenses.
[5] Expense corresponding to employees of the managed workforce (Includes Societat Catalana de Petrolis S.A.)

[2-21] Annual total compensation ratio

There have been no substantial changes with respect to the previous year. In general terms, the differences with respect to the previous year are due to staff turnover.

	2022			2021		
Country[1]	Total annual compensation of the highest paid individual [2][3] / average total annual compensation of all employees	Total annual compensation of the highest paid individual [2][3]) / median total annual compensation of all employees	Percentage increase in total annual compensation of the highest paid individual / Percentage increase in median total annual compensation of all employees	Total annual compensation of the highest paid individual [2][3] / average total annual compensation of all employees	Total annual compensation of the highest paid individual [2][3] / median total annual compensation of all employees	Percentage increase in total annual compensation of the highest paid individual / Percentage increase in median total annual compensation of all [4] employees
Spain	13.53	13.65	0.46	14.21	14.32	—
Peru	15.59	51.20	1.70	15.53	47.23	—
Portugal	7.40	8.48	2.30	6.87	7.81	(0.98)
United States	4.17	4.82	0.32	4.45	5.29	—
Canada	2.64	2.79	0.46	2.82	3.01	—
Bolivia	3.23	3.52	0.96	3.24	3.53	—

(1) The data include the most representative countries in terms of revenues and headcount. Information on the Group's senior management worldwide is not included. This information is available in note 29 to the consolidated financial statements. The CEO's remuneration is described in section 6 of the Annual Report on Director Remuneration for 2022.
(2) The highest-paid individual was identified without taking into account senior management, expatriate staff from other origins and employees who departed prior to December 31 of the year in question.
(3) Total remuneration received by employees on a cash basis..

[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 salary / national salary	
Country[1][3]	2022	2021	2022	2021	2022	2021
Spain	1,166.70	1,125.83	1,598.66	1,421.80	1.37	1.26
Peru	1,195.83	1,085.00	1,195.83	1,085.00	1.00	1.00
United States	1,256.67	1,256.67	3,553.33	3,250.00	2.83	2.59
Canada	2,600.00	2,600.00	4,833.33	3,824.27	1.86	1.47
Portugal	822.50	775.83	845.83	799.17	1.03	1.03
Bolivia	2,437.50	2,344.33	13,520.00	13,000.00	5.55	5.55

(1) The data include the most representative countries in terms of revenues and headcount.
(2) The Repsol minimum salary reflected in the table includes only base wages and fixed allowances, excluding other remuneration such as variable bonuses, incentives and remuneration in kind.
(3) The figures for all countries are expressed considering 12 payments.

In accordance with Repsol's equal opportunities policy, wages are established in relation to a position, so there is no need to include segmentation by gender.

Repsol's fixed minimum wages are equal to or higher than the local minimum wage in all countries, and higher when total remuneration is considered, with a notable improvement in certain geographies compared to 2021.

[401-2/11.10.3] Benefits provided to full-time employees that are not provided to temporary or part-time employees

In Spain, the Master Agreement and, in particular, the various collective bargaining agreements contain information on employee benefits in terms of eligibility and scope criteria. There are no differences in social benefits for temporary and permanent employees, except for loans and study aid, which are only allocated to permanent employees in those companies that offer them. The benefits and their eligibility and scope criteria are set down in applicable collective agreements or internal manuals, are applied consistently in each country.

In general, Repsol offers the following benefits: pension fund, life insurance, medical insurance, disability assistance, cover for disability, parental leave, study aid, food allowances, share- purchase programs, and loans and subsidized interest.

[405-2/11.11.6] Ratio of basic salary and remuneration of women to men

Ratio of basic salary and remuneration of women to men[1][2]

	2022					2021				
Country	**Executive[3]**	**Manager**	**Professional / Specialist**	**Administrative**	**Workers**	**Executive[3]**	**Manager**	**Professional / Specialis**	**Administrative**	**Workers**
Spain	0.74	0.95	0.94	1.01	0.64	0.84	0.94	0.94	0.99	0.64
Peru	-	1.01	0.90	0.91	0.56	NS	0.96	0.87	0.94	0.60
Portugal	-	0.93	0.84	1.26	0.60	-	0.98	0.82	1.17	0.57
United States	-	0.84	0.82	-	-	-	0.88	0.83	NS	-
Canada	-	0.92	0.82	-	-	-	0.97	0.83	NS	NS
Bolivia	-	NS	0.97	-	-	-	1.05	0.99		-

(1) The data reported include the most representative countries in terms of revenues and headcount.
(2) No ratios are given in categories with non-representative female or male workforces (fewer than five), as these are considered not statistically significant (N.S.). (-) is shown where there are no employees of either gender.
(3) Includes all executives except the CEO..

There were no significant changes with respect to 2021. In the case of the manual workers in Spain, Peru and Portugal, the ratios that result from grouping the businesses with their differing salary conditions show greater differences than each company or business when analyzed separately. The gaps by business for this group (manual) never exceed 0.78, 0.8 and 0.85 in Peru, Portugal and Spain, respectively.

Average compensation and gender gap

The following shows the ratio of women's average compensation to that of men, and data on the compensation gap. The required data were prepared using the criteria and segmentations of the indicators in the GRI standard and following the requirements of Spanish Royal Legislative Decree 11/2018.

The data reported include the most representative countries in terms of revenues and headcount.

The variations in remuneration measured in 2022 compared to 2021 are mainly due to the company's effort to improve the remuneration of its employees in all countries, the natural movements of the workforce, and the linking of remuneration to results, especially variable remuneration. Moreover, the values shown in the tables are affected by the exchange rate to euros, with a significant impact in all countries with a currency other than € (Peru, Bolivia, the United States and Canada) (see the table of 2022 and 2021 exchange rates).

Average compensation by occupational category (1 (2) (3)

	Average compensation 2022									
Occupational category	**Executives (2)**		**Manager**		**Professional/ Specialist**		**Administrative staff**		**Workers**	
Country	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**
Spain	239,523	341,067	101,085	106,690	54,087	60,940	42,945	43,489	23,750	40,839
Peru	-	249,143	101,689	124,294	33,734	42,341	10,801	11,457	5,341	10,590
Portugal	-	IC	85,779	92,633	34,410	44,889	40,162	32,761	14,283	31,057
United States	-	504,106	223,400	269,785	117,358	146,136	64,694	-	-	106,576
Canada	IC	-	156,287	175,418	88,080	110,522	59,251	-	-	110,552
Bolivia	-	-	171,088	158,773	75,113	80,945	IC	-	-	52,143

	Average compensation 2021									
Occupational category	**Executives (2)**		**Manager**		**Professional/ Specialist**		**Administrative staff**		**Workers**	
Country	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**
Spain	244,585	303,156	87,359	92,054	48,932	55,278	40,873	41,839	22,493	38,137
Peru	IC	193,477	68,844	76,283	23,694	29,918	7,725	8,609	3,748	7,349
Portugal	-	IC	82,939	85,571	32,773	43,330	34,329	30,593	12,974	28,244
United States	-	394,873	187,402	213,044	94,052	114,983	54,579	IC	-	90,029
Canada	IC	-	135,677	142,733	72,924	89,170	52,142	84,287	IC	90,431
Bolivia	-	-	133,672	127,220	61,405	66,068	IC	-	-	42,441

(1) All cash remuneration received by employees, accounted for on a cash basis and stated in euros. Excludes employees on international assignment, partial retirees and employees who left before December 31 of the year in question.
(2) Includes senior management and other executives except the CEO, whose remuneration is disclosed in Note 29 to the consolidated Financial Statements, in detail and in itemized form, for both his executive and Board functions.
(3) Remuneration is not disclosed for those categories that contain fewer than three female or male employees because the information is considered confidential (CI). Where there is no employee in either gender, (-) is shown.).

Compensation broken down by age range[1][2][3]

Age	<30 years				30-50 years				>50 years			
Country	Women		Men		Women		Men		Women		Men	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Spain	26,749	26,181	33,628	31,119	46,100	42,723	57,549	52,159	50,811	46,177	68,549	62,041
Peru	7,745	5,661	12,966	10,223	14,381	9,815	33,385	22,638	26,792	28,222	46,510	35,330
Portugal	18,711	16,912	25,515	22,519	24,757	21,722	38,032	34,410	32,203	31,266	55,185	51,973
United States	91,403	78,178	110,388	85,888	133,641	109,516	166,240	136,145	138,938	114,346	220,608	170,009
Canada	IC	55,219	113,019	84,411	96,622	78,864	122,788	96,545	111,930	92,663	127,598	106,434
Bolivia	29,448	26,921	-	33,184	82,364	66,467	85,685	70,506	111,764	89,976	122,156	97,255

(1) All cash remuneration received by employees, accounted for on a cash basis and stated in euros. Excludes employees on international assignment, partial retirees and employees who left before December 31 of the year in question.
(2) Includes senior management and other executives except the CEO, whose remuneration is disclosed in Note 29 to the consolidated Financial Statements, in detail and in itemized form, for both his executive and Board functions.
(3) Remuneration is not disclosed for those categories that contain fewer than three female or male employees because the information is considered confidential (CI). Where there is no employee in either gender, (-) is shown.

Gender gap [1][3][5]

Occupational categoryl	Executives [2]		Manager		Professional/ Specialist		Administrative		Workers		Adjusted gap in the country[4]	
Country	Woman/Man		Woman/Man		Woman/Man		Woman/Man		Woman/Man		Woman/Man	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Spain	0.70	0.80	0.94	0.91	0.93	0.89	1.02	0.96	0.91	0.91	0.94	0.94
Peru	-	NS	0.96	0.92	0.89	0.86	0.92	0.91	0.80	0.74	0.98	0.97
Portugal	-	-	0.91	0.97	0.84	0.83	1.12	1.11	0.92	0.92	0.93	0.93
United States	-	-	0.83	0.89	0.80	0.82	-	NS	-	-	0.94	0.93
Canada	-	-	0.89	0.95	0.80	0.82	-	NS	-	NS	0.89	0.95
Bolivia	-	-	NS	1.07	0.94	0.94	-	-	-	-	1.03	0.99

(1) All cash remuneration received by employees, accounted for on a cash basis and stated in euros. Excludes employees on international assignment, partial retirees and employees who left before December 31 of the year in question.
(2) Includes senior management and other executives except the CEO, whose remuneration is disclosed in Note 29 to the consolidated Financial Statements, in detail and in itemized form, for both 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 for a more representative comparison of substantially similar situations, we relied on the following factors to calculate the adjusted wage gap: business/collective bargaining agreement concerned, occupational category and employee age. This adjusted wage gap has been 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 all the employees in these countries together, and without taking into account factors other than gender, the average pay of women compared to the average pay of men shows a gross pay gap of 0.69.
(5) No ratios are given in categories with non-representative female or male workforces (fewer than three), as these are considered not statistically significant (N.S.). (-) is shown where there are no employees of either gender,

Exchange rates to €

2022		2021	
0.9496	USD	0.8455	USD
0.2432	PES	0.2149	PES
0.7300	CAD	0.6746	CAD
0.1384	BOB	0.1232	BOB

The gender gap evolves favorably in 3 of the 6 countries. In the case of Canada, the differences compared to 2021 are mainly due to staff turnover, which has the greatest impact in countries with smaller populations.

Employment framework, health and safety at work

[2-30] Collective bargaining agreements

The Group's Framework Agreement, together with the collective bargaining agreements (eleven company collective bargaining agreements, six sectoral agreements and five company agreements), provide the basis for a framework of sustainability and trust underpinning the mutual interests of Company and employees.

As regards the legal representation of workers in Spain, in September 2022 Repsol had 802 workers' representatives at the 15 companies included in the Framework Agreement, belonging to 10 different trade union organizations, and of whom 31 additional representatives were outside the scope of that Framework Agreement.

Of the total number of employees that make up the Repsol Group, 79.66% of the workforce are covered by collective bargaining agreements.

Repsol has employees under collective bargaining agreements in Spain, Peru, Portugal, Brazil, Indonesia, France, Italy, Mexico and Norway. In 2022, of the employees in these countries, nearly 85.22% are covered by a collective bargaining agreement. The detail for each country is shown below:

Employees covered by collective bargaining agreements

Country	% Employees covered by collective bargaining agreements	
	2022	2021
Spain(1)	100%	100%
Brazil	87.96%	90.29%
Indonesia	83.72%	82.98%
Peru	13.85%	11.69%
Portugal	67.25%	65.17%
Mexico(2)	87.82%	N/A
Norway	38.10%	34.65%
France	100%	100%
Italy	100%	100%

(1) Although a few are governed by their individual contracts in some matters
(2) In Mexico an agreement was signed with a local union that covers all local employees, however, it does not apply to expatriate staff.

It is worth noting that Repsol has other work-life balance measures in place at the Group, such as additional days of vacation or paid and unpaid leave. In Spain, for example, employees can take unpaid leave for personal reasons or additional days of paid leave and vacation time. In Canada, the law provides for various kinds of unpaid leave, though Repsol still chooses to pay the workers part of their wages while on leave. In Peru, the company provides additional leave, such as for marriage, relocation or bereavement. And in Brazil, maternity and paternity leave days have been extended. Repsol also applies minimum standards of leave worldwide to ensure a proper work-life balance. These standards are more generous than the leave provided for by law and relate to maternity, breastfeeding, paternity, marriage or death of a family member.

With this philosophy, it works to encourage more efficient agenda management and digital disconnection. Repsol has the Group's Right to Disconnect Protocol, having been agreed with the workers' representatives, which establishes guidelines for limiting the use of technologies that guarantee respect for rest periods, leaves of absences and vacations.

Health and well-being

Repsol considers people's health to be an essential value in the development of all the Company's activities. To this end, it has a strategic framework for health and well-being from which different actions are deployed to achieve a healthy work environment.

[403-1/11.9.2] Occupational health and safety management system

The health management system has been integrated into all businesses and covers all company employees, across all activities and work centers. In relation to emergency medical care, this cover also extends to contractors.

Repsol complies with the legal requirements of each of the countries where it operates and with its own internal regulations. The best practices of the industry (IOGP, OSHAS) are also followed.

The industrial complexes in Spain and Sines (Portugal), Saint John LNG (Canada), Reggane (Algeria), Repsol Butano, RLESA, GESPEVESA, Repsol Electricity Generation, Repsol Combined Cycles Generation and Asset Management in the Madrid buildings, are all certified according to ISO 45000:1. Repsol S.A. is certified as an Empresa Saludable (Healthy Company).

The health management systems undergo regular external and internal audits in accordance with the legislation of each country and to earn and maintain the relevant certifications.

[403-3/11.9.4] Occupational health services

Health Services are available in all countries and their role is to identify working conditions that might affect health and propose corrective measures, while also promoting the general wellbeing of employees. To carry out this function, preventive medical examinations are carried out, emergency medical care and consultation is provided, and assessments by medical specialists are followed up when required. Furthermore, health-related prevention and promotion programs and activities are carried out.

In some countries the services are covered in part by the company's own employees (Bolivia, Spain, Peru and Venezuela). In all other countries they are entrusted to an external health services provider. All professionals who provide these services possess the necessary qualifications in accordance with the law in each country, and the type of activity to be performed: occupational health, emergency care, community health, etc. In all countries there is at least one in- house employee for the health and wellness function, who acts in coordination with the expert governance function of corporate medical services.

Medical centers may be on or offsite, depending on the type of activity and work center. At offshore and field sites and large industrial facilities, a medical center is available within the facility itself and provides care 24 hours a day, seven days a week. Certain office buildings, such as in Madrid, Lima, Lisbon, Santa Cruz de la Sierra, Puerto La Cruz, Mexico City, Stavanger and Yakarta have medical services on hand at the work center itself, which operate during all or part of working hours, depending on the number of employees at the center and the legal requirements in the country concerned. At the Sines industrial complex in Portugal, the services of an off-site medical professional are available for one hour a day to provide medical care to workers' families.

Health care services are offered during working hours and in some cases employees can also go outside of these hours. In the case of medical consultations, in addition to in-person care, access to telemedicine consultations is provided.

The confidentiality of medical information is protected through the use of software that complies with the data protection laws in force in the country or to Repsol's own standards, which comply with Spanish legislation but offer even higher levels of data protection. Only employees themselves have access to their health data.

The company receives information on suitability for the position and, if applicable, prevention recommendations for workstation or activity adaptations or support measures for emergency evacuation without stating the health reason for these recommendations. Aggregate epidemiological information from medical examinations and health campaigns is also provided to evaluate the performance of preventive and health promotion programs and make improvements to them.

Compliance with health data protection regulations is regularly audited internally. There may be external audits if the country's legislation so requires.

[403-4/11.9.5] Worker participation, consultation, and communication on occupational health and safety

The means of communication, participation and consultation are adapted to the characteristics of each business and work center. All manner of media are used to provide workers with information on health, prevention measures, campaigns and related activities: MyRepsolnet, e-mail, digital signage, newsletters, brochures, health services surveys, meetings, etc. The Workday Learning platform offers informative talks and health courses, so that employees can select the topics that interest them and access them when it best suits their time availability.

Medical services and occupational health representatives are available to employees to respond to suggestions, requests and any type of communication they may wish to raise.

Workers receive information on risk assessments for their job positions.

Health and safety committees, with company and employee representation, also exist and have constitution, powers and operation that are regulated by the applicable legislation in each country:

Country	Committees
Algelia	Health and Safety Committee at the Algiers offices. Quarterly meetings. Employee Health and Safety Committee based in Madrid and the Algiers office. Quarterly meetings.
Bolivia	Occupational Health and Safety Mixed Committee. Monthly meetings.
Canada	Health and Safety Committees at the three work centers of Calgary, Edson and Chauvin. Monthly meetings.
Colombia	Joint Committee on Occupational Health and Safety (COPASST) Monthly meetings. Labor Coexistence Committee (CCL). Quarterly meetings.
Spain	Health and Safety Committees at the company and work center level. Quarterly meetings. Health and Safety Committee of the Framework Agreement. Quarterly meetings.
Mexico	Health and Safety Mixed Committee. Quarterly meetings.
Norway	Work Environment Committee. Quarterly meetings. The Rehabilitation Subcommittee is within it.
Peru	Health and Safety Committees of the companies RELAPASAA, RECOSAC and REPEXSA. Monthly meetings.
Portugal	Occupational Health and Safety Committee, at the Sines center. Monthly meetings.
Venezuela	Occupational Health and Safety Committee. Monthly meetings.

[403-5/11.9.6] Worker training on occupational health and safety

With regards to health and safety training, Repsol continued with its employee development and awareness programs in this post-pandemic phase. The online Occupational Risk Prevention course (50h) completed by 74 employees, which corresponds to the certification indicated in Royal Decree 39/1997, is worth noting. In the Industrial Complexes, multiple operations and prevention programs were carried out in a continuous and diverse manner with the aim of reducing the risks of accidents. This is reflected in the 54% increase compared to the previous year, with a total of 254,145 hours of safety training. Moreover, at Service Stations in Spain, the entire workforce (more than 4,000 employees) was trained in Safety Simulation, Tanker Truck Unloading and a Basic Course on Safety and Environment (S&E) at Service Stations and chemical agents.

[403-6/11.9.7] Promotion of worker health

At the beginning of the year, prevention and health promotion activities are planned for the entire Company, based on the strategic health and well-being framework.

Activities are organized by the Health and Well-being Area with covers all employees, and they are recorded and can be accessed on the Stream/www.repsol.com YouTube channel to be viewed at the employee's convenience. In 2022, special emphasis was placed on activities related to emotional health.

In 2021, Repsol focused once again on the need to vaccinate against influenza and it also helped vaccinate against COVID in countries where the health authorities allowed it, such as Bolivia, Venezuela and the Cartagena refinery (Spain).

As in previous years, vaccination is carried out against other diseases such as hepatitis A and B, diphtheria, tetanus, measles, rubella, mumps and yellow fever.

Awareness, information and prevention campaigns against various forms of cancers (colon, breast, prostate) are also carried out worldwide.

Highlight initiatives by country:

- Bolivia: Information sessions on snakebites,heat stroke, breast cancer. Nutrition workshop. Basic first aid recommendations.
- Brazil: talks on different health topics, ergonomics advice, consultation with a nutritionist, offered by an external provider.
- Canada: Drug awareness course. External provider platform with wellness resources.
- Colombia: employees affiliated with an external provider of health promotion activities, being able to access family medicine, psychology and psychiatry services. Ergonomics workshops and active breaks. Cardiovascular risk prevention.
- Spain: psychological support and physiotherapy for all employees through the Conciliation Services. Colon and prostate cancer prevention campaigns. Assessment of psychosocial risks complemented with a self-reported health scale. Emotional management workshops. Inclusion of determining vitamin D in people over 45 years of age in the medical examination analysis. Cardiovascular risk prevention. Back care and ergonomics workshops.
- Indonesia: talks on fatigue, stress, ergonomics, health care in teleworking.
- Mexico: Ergonomic orientation workshops. Ultrasound and mammography campaign. Talk on diabetes with glycemia control. Talk on preventing sexually transmitted diseases with HIV testing.
- Norway: healthy lifestyle screening. Physiotherapy service.
- Peru: Ergonomics workshops including active breaks, prevention of communicable diseases. Tips for stress and anxiety. Nutrition services through health insurance provider.
- Portugal: psychological support program for employees, cardiovascular risk prevention, addictive substance consumption prevention, workshops on musculoskeletal disorders, prevention and treatment of high blood pressure.
- Trinidad and Tobago: Financial assistance for employees to help them keep in shape. First aid talk.
- Singapore: financial assistance to employees for services or courses related to health and physical activity.
- United States: Advice on nutrition, physical activity, psychological, social and community well-being, menu planning, fitness videos through an external provider. Assistance program for employees who request psychological and legal advice, as well as support and conciliation services.
- Venezuela: Talks on digital disconnection and mental health, post-COVID syndrome, anti-inflammatory diet and heart care.

[RT-CH-320a.2] Efforts to assess, control, and reduce employee and contractor exposure to long-term (chronic) health risks

Repsol runs a specific risk assessment for each job position to assess the physical, chemical, ergonomic and/or biological hazards to which employees may be subjected. Psychosocial risks are also assessed. As a result of the assessments, preventive recommendations are made, such as changing chemical products, improving processes and/or work procedures, using personal protective equipment, information and training for employees in occupational risk prevention.

The risks are reassessed periodically and preventive measures are monitored.

In addition, all potential hazards at the Company's facilities are communicated to service contractors. These hazards are included in the risk assessment and measurements in relation to the work that those companies carry out on Repsol facilities.

As for chemical risks, monitoring is carried out at both European level (ECHA, REACH, etc.) and national level for all substances that might pose a risk to health, both now and in the long term, so that they can be taken into account at both exposure and design level. For this purpose, an assessment of potential exposure sites is carried out, along with a specific measurements — including those relating to design specifications — and modifications at local level if necessary.

The aim is to ensure that health risks are always below half of the limit values, both now and in the reviews normally planned over the next two to four years. Therefore, the Company ensures that these substances always below the exposure limit values or otherwise there is no exposure to them at all.

[403-10/11.9.11] Work-related ill health

In 2022, five occupational diseases were reported, three in men and two in women. Two cases are infectious diseases, another two cases are musculoskeletal diseases and one case is a dermatological disease. All the cases were medically assessed and the recommended preventive measures were adopted.

Occupational diseases are reported according to applicable legislation in each country in relation to occupational diseases, requesting in the different countries a medical certificate confirming the information offered with regard to this indicator.

Actions related to the risks that can cause work-related ill health are indicated in section RT-CH-320a.2.

Health information on contractor personnel is not available due to legal requirements governing the protection of health-related data.

In 2022, 1,685,369 hours of absenteeism were recorded, with an increase of 6.57% compared to last year (1,803,791 hours in 2021) due to the health situation that is still ongoing. At the Company's discretion, hours of absenteeism exclude incidents caused by occupational accidents or professional illnesses. This year, data from Colombia and Libya have also been included as part of the perimeter, meaning that 99.15% of the total number of employees has been covered.

Talent development

Repsol has in place a talent development model based on a generic skills 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 training programs for leadership development, reskilling or upskilling.

Accordingly, in 2022, the total investment in training increased by 3.7 million euros, which represents an increase of 27% per employee.

General training data

	2022	2021
Investment per employee[1] (€)	514.0	354.0
Total investment in training (€ M)	12.1	8.4
Training hours per employee[1]	30.6	24.0

(1) Data obtained from the average accumulated workforce.

[404-1/11.10.6] Average hours of training per year per employee

Average training hours per year by person and by gender [1]

Category	Hours of training/year	Total 2022	Total 2021
Executives[2]	Hours of training/year	8,091	9,071
	Person	36	36
	Women	59	36
	Men	30	36
Manager	Hours of training/year	73,310	59,218
	Person	32	25
	Women	35	26
	Men	31	25
Professional/ Specialist	Hours of training/year	326,491	274,760
	Person	33	27
	Women	30	27
	Men	35	27
Administrative staff	Hours of training/year	19,529	25,044
	Person	20	23
	Women	20	20
	Men	22	31
Workers	Hours of training/year	290,428	192,972
	Person	28	20
	Women	15	10
	Men	38	26
Total	Hours of training/year	717,849	561,065
	Person	31	26
	Women	23	24
	Men	35	29

(1) Data obtained from the average accumulated workforce.(2) Includes governing bodies.

[404-2/11.7.3/11.10.7] Programs for upgrading employee skills and transition assistance programs; [403-5] Worker training on occupational health and safety; and [EM-EP-320a.1] Average hours of training in health, safety, and emergency response

Area	Subject
General	In 2022, within the framework of principles of action and ethics defined in Repsol, new training is made available to achieve a higher level of understanding of the expected behaviors, carried out by around 22,000 employees, with a score by the employees of 3.4 vs 4 and NPS 32. In terms of Cybersecurity, an interactive learning experience is made available to the entire company to raise awareness about the culture of cybersecurity, carried out by more than 16,000 employees with a score of 3.2 vs 4. NPS 15. The Company's Strategic Plan includes Digitalization as a key vector in people development. For this reason, the Data School programs continue, with 870 people participating in online courses, receiving an average score of 3.5 vs 4. From the point of view of Safety and Environment, training was undertaking for Incident Investigation, Occupational Risk Prevention, and Evacuation and Emergencies at the Company's headquarters. The online Occupational Risk Prevention course (50h) completed by 74 employees within the Company's industrial complexes, is worth noting. Continuing with the Strategic Plan in the area of Leadership, the LEAD program was completed with around 1400 leaders from all over the world. This program received two recognized awards. For the segment of area leaders, high-impact programs were offered to take on greater responsibilities. For the segment of future leaders, the Learn&Lead program develops management and leadership skills, in which more than 200 Senior Professionals delved into Economic-Financial content, New Ways of Working, Digitization and Leadership, with a 100% virtual format and in two languages.
Health, Safety and Environment	The Company continues to work on leadership in safety and promote aspects that strengthen the safety culture, by specifically adapting the Safety Leap program for the Industrial area aimed at technical personnel working at the operational divisions, a program carried out by more than 200 employees.
Master Programs	The challenge of redefining the Industrial and Maintenance Management master programs is posed both at the level of methodology and updating the content of the energy value chain, promoting a modular, flexible and practical structure that establishes different specialization pathways. Moreover, in September a new edition of the Master's degree in Instrumentation and Control was launched.
Upstream	Repsol continues to respond to strategic challenges such as the energy transition and reskilling through training for the so-called Green Exploration (related to training on hydrogen, on CO2 capture, storage and use, and on geothermal energy), Data Driven, and Upskilling with a comprehensive plan and the incorporation of close to one hundred courses in the internal catalog that respond to 80% of the more than 5,000 identified technical training needs. Furthermore, process standardization is developed, with programs related to One Repsol Way, such as the Operating Manual, the Engagement program, and the Learn & Lead program, which have been extended to the entire Upstream organization.
Industrial Transformation and Circular Economy Division	The Company continues to work on leadership in safety and promote aspects that strengthen the safety culture, by specifically adapting the Safety Leap program to the Industrial area aimed at technical personnel working at the operational divisions, a program carried out by more than 200 employees. Training in the Preventive Observations process, keys to dialogue and learning, was deployed with more than 30 editions and 1,859 participants. Moreover, various training programs were carried out which respond to the needs for risk analysis, root causes, work permits, transport of dangerous goods and protection of strategic infrastructures. The development of hydrogen as an energy vector was another focus of 2022, developing a program on the hydrogen value chain, renewable energy storage and its relevance in the energy transition.
Customers and Low-Carbon Generation	The Multiskilling project was consolidated, which includes development actions, on-the-job experience and a training plan for the sales force, increasing the range of training options in this regard. A program based on customer experience and knowledge of the company's products and services was developed for all Customer personnel, carried out by more than 2,370 employees, with a score of 3.4 vs 4 and an NPS 50. The University of Deusto program, aimed at sales personnel, continued and around 60 people passed through it, with a score of 3.4 vs. 4 and NPS 25. Awareness of the energy transition was promoted with a program for Service Station personnel through which more than 1,500 people have passed, with a score of 3.8 vs 4 and an NPS 74. A program on electricity and gas trading was developed, through which more than 50 employees have passed, with a score of 3.9 vs. 4 and an NPS 88. This year, special focus was placed on the digitalization and transformation of the sales network, with two programs, the first aimed at promoting digital customer contracting through Solred, carried out by around 80 employees, (score of 3.4 vs. 4 and an NPS 31), and the second aimed at improving customer management with Salesforce, carried out by 170 employees, (score of 3.6 vs 4. and an NPS 60). Repsol also focuses on its commercial channels in line with the Company's strategy, highlighting the program aimed at hospitality schools in Spain, (score of 3.6 vs 4 and an NPS 62, awarded by Brandon Hall), and the commercial management program aimed at managers of distribution agencies and taught by the Pontifical University of Salamanca.

[404-3] Percentage of employees receiving regular performance and career development reviews

Performance and career development reviews at Repsol

		2022	2021
Category	**Gender**	**%**	**%**
Executives	Women	96%	87%
	Men	94%	92%
	Total	**94%**	**91%**
Manager	Women	97%	95%
	Men	98%	92%
	Total	**98%**	**93%**
Professional/Specialist	Women	88%	85%
	Men	88%	82%
	Total	**88%**	**83%**
Administrative staf	Women	83%	82%
	Men	75%	74%
	Total	**81%**	**80%**
Manual	Women	93%	96%
	Men	81%	80%
	Total	**86%**	**87%**
Total	Women	91%	91%
	Men	86%	82%
	Total	**88%**	**85%**

The changes compared to 2021 are largely down to the decision to exclude (from the final assessment milestone) all employees at locations where operations are in the process of being closed down.

Data for 2022 include information related to the companies RELAPASA and RECOSAC, which was introduced for the first time in 2021.

Diversity and equal opportunities

Repsol has an Equal Opportunity Plan in place with Repsol group companies in Spain whose goal is to improve the occupational position of women in terms of their employment and career (see the section 6.5 People). With a view to strengthening Repsol's commitments to equality, the following initiatives are of particular note:

- First company in the energy sector in Spain to belong to the Bloomberg's Gender-Equality Index 2022, also being one of the companies to improve its scores the most compared to the previous year.
- Renewal of the "Equality at the Company" certification, which is awarded to companies that show a special commitment to applying equality policies.
- Other actions that are carried out include joining the ClosinGap cluster, whose goal is to analyze the opportunity cost of the gender gap; the REPSOL Digital Girls initiative, which has already developed its third edition, and whose goal is to awaken STEM vocations in girls and young people in the Technovation Girls Challenge program; being the first company in the sector to promote the Puntos Violeta initiative to raise awareness and involve society in the fight against gender violence; making female talent visible by disclosing actions of women entrepreneurs, on the days of women and girls in science and other related events.

To expand the space for inclusion and strengthen the inclusion of people belonging to the LGBTI+ community, the Proud At Repsol group takes part in various projects and working groups to increase its impact and be a benchmark in this realm. Internally, communication actions were carried out in committees and business and area meetings, in addition to internal awareness actions (LGBTI elements and symbols, campaign showing diverse families, LGBTI international round table, etc.) that have been accompanied by external repercussions.

Furthermore, the commitment to the inclusion of people with disabilities is embodied in the accessibility to work centers. The central offices are 100% accessible. Following the study conducted in 2018 with the aim of diagnosing the level of accessibility of the environment, services and management — a new project for Campus Accessibility, which is still being implemented — was designed for 2019-2021.

[405-1/11.11.5] Diversity of governance bodies and employees

Number of employees by category, age and gender

Category		2022 <30	2022 30-50	2022 >50	2021 <30	2021 30-50	2021 >50
Executive	Women	—	20	25	—	25	22
	Men	—	57	118	—	58	127
	Total	—	77	143	—	83	149
	% M	%	26%	17%	—	30%	15%
Manager	Women	—	530	228	—	524	222
	Men	2	855	644	2	907	639
	Total	2	1,385	872	2	1,431	861
	% M	0%	38%	26%	—	37%	26%
Professional/	Women	247	2,763	631	246	2,844	586
	Men	353	4,303	1,703	312	4,625	1,777
	Total	600	7,066	2,334	558	7,469	2,363
	% M	41%	39%	27%	44%	38%	25%
Administrative	Women	25	468	207	41	499	209
	Men	28	174	63	25	206	73
	Total	53	642	270	66	705	282
	% M	47%	73%	77%	62%	71%	74%
Workers	Women	814	2,800	677	750	2,660	609
	Men	857	3,774	1,444	798	3,827	1,521
	Total	1,671	6,574	2,121	1,548	6,487	2,130
	% M	49%	43%	32%	48%	41%	29%
Total	**Women**	**1,086**	**6,581**	**1,768**	**1,037**	**6,552**	**1,648**
	Men	**1,240**	**9,163**	**3,972**	**1,137**	**9,623**	**4,137**
	Total	**2,326**	**15,744**	**5,740**	**2,174**	**16,175**	**5,785**
	% M	**47%**	**42%**	**31%**	**48%**	**41%**	**28%**

[202-2/11.11.2/11.14.3] Proportion of senior management hired from the local community

Country	% of executives, managers and technical managers from the local community (1) 2022	2021
Algelia	5.26%	6.25%
Bolivia	87.18%	89.47%
Brazil	67.65%	67.65%
Canada	54.41%	61.11%
United States	17.35%	17.32%
Spain	89.18%	88.26%
Indonesia	56.52%	53.85%
Libya	31.25%	31.25%
Mexico	58.62%	67.86%
Norway	70.97%	67.44%
Peru	84.54%	86.79%
Portugal	94.37%	92.86%
Venezuela	93.75%	100.00%
Vietnam	100.00%	66.67%

(1) Includes executives and managers 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.

[401-3/11.10.4/11.11.3] Parental leave

The figures of this indicator are based on the number of employees across the entire Group.

Every single employee is entitled to parental leave. All Group employees, no matter where they work, are entitled to parental leave, whether under the laws of their country, by virtue of a local collective bargaining agreement, or global work-life balance minimum standards that are applied across all Group companies to enhance or supplement local regulation. .

Return to work		2022	2021
Total number of employees who took leave	Women	288	349
	Men	402	450
	Total	**690**	**799**
Total number of employees who returned to work after ending leave	Women	275	314
	Men	384	437
	Total	**659**	**751**
Return to work rate (1)	Women	95.5%	90.0%
	Men	95.5%	97.1%
	Total	**95.5%**	**94.0%**

Retention		2022	2021
Total number of employees who retained their job 12 months after returning	Women	303	270
	Men	415	438
	Total	**718**	**708**
Retention rate(2)	Women	96.5%	93.4
	Men	95.0%	95.6
	Total	**95.6%**	**94.5**

(1) Number of employees returning to work after maternity or paternity leave/ Number of employees due to return after leave.
(2) Number of employees who remained in the same job 12 months after returning from maternity or paternity leave / Number of employees returning after ending leave the previous year.

Human Rights and community relations

Risks, opportunities and due diligence

Management approach

[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.

In accordance with Repsol's Human Rights and Community Relations Policy introduced in 2008, the company respects internationally recognized human rights. These rights encompass those set forth in the International Bill of Human Rights and the principles on the rights established 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 (No. 111). Repsol mandates respect for employees' human rights to extend compliance with this policy throughout the value chain[6].

Repsol also recognizes and respects the unique nature of indigenous, tribal, aboriginal and native peoples and their rights, in accordance with current legislation and ILO Convention 169, whether or not it forms part of the legislation of a given country.

This includes 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 purpose of seeking understanding or contributing to reaching consent on the project and the possible mitigation measures proposed

Working in a conflict zone requires the use of 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 the context of operations.
- Foster training in respect for Human Rights for better social performance throughout the value chain, focusing on partners and contractors.
- Support for S&E culture to ensure the safety of employees and operations.
- Compliance with Repsol's highest ethics and anti-bribery and corruption (ABC) standards and requirements.
- Strengthening our social license by building our social performance capacity.

Repsol works to the highest human rights and security standards in all its operations, with special attention to areas of conflict. Stakeholder identification is key to human rights management, in conjunction with risk assessment and training of security contractors. Repsol is currently operating in Libya, where it leads a consortium of companies that work alongside the National Oil Company at two assets. In Libya, the Company places its 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.

Repsol's goal is to build strong relationships with communities within the areas 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 Chapter 6.4.3 – Respect for human rights and community relations of this report, as adapted to the specific rights of these peoples

[EM-EP-210b.1] [RT-CH-210a.1] Discussion of process to manage risks and opportunities associated with community rights and interests

The Company has an organization, procedures and systems in place so as to reasonably manage the social, environmental, cultural and economic risks related to the management of human rights of communities in the settings in which it operates. This risk management constitutes an integral component of the Company's decision-making, at the level of corporate governance bodies and in business management. Human rights risks are integrated with corporate management as part of the Integrated Risk Management System (SGIR in Spanish), both in the management of strategic risks (reputation and image) and operational risks (Code of Ethics and Conduct).

[6] For more information, see Appendix V, Sustainability indicators – Human rights and community relations – Indicators 407-1, 408-1, 409-1.

The due diligence processes applied by Repsol to assess impacts arising from start-up of operations are set out in Chapter 6.5.3 – Respect for human rights and community relations of this report and in the corresponding part of Appendix Vb. Further information on Sustainability (includes Non-Financial Statement) - Human Rights, as adapted to the specific rights of indigenous peoples.

The Company applies the 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 reparation measures for environmental, social and health impacts consider the needs and priorities of stakeholders, and are not limited to direct monetary compensation.

In the case of the Social Management Plan for the incident at Terminal 2 of the La Pampilla refinery, a remediation phase is being developed which mainly aims to reach individual compensation agreements with groups affected by the spill. The agreements are based on the income that the affected people stopped receiving when they were unable to carry out their working activities and on the degree to which each family was affected.

The Company has different processes, procedures and practices 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.

Continuing with the example of Peru, in 2022 and as an action included in the Social Management Plan for the incident, a human rights impact assessment was carried out for the five districts affected by the spill: Ventanilla, Santa Rosa, Ancón, Aucallama and Chancay. As the basis of this analysis, Repsol created a social baseline from:

- A documentary analysis of public and internal information related to the affected communities before and after the incident.
- Field work to study the affected communities and interviews with their representatives.

Next, impacts on the human rights of individuals and groups in the five districts affected by the spill and the degree to which they were affected were identified. Mitigation measures and social development projects associated with the social impacts generated in the communities were defined. Impact identification and assessment and the conclusions of the study were shared with the affected communities for their knowledge, feedback and validation.

In 2022, social impact studies were also undertaken for the Jiloca and Cinca clusters (both are part of the Delta II Project) and one for all Repsol hydroelectric plants, facilities that have been operating for years in northern Spain.

Furthermore, the Eagle Ford Business Unit began working on a social impact study in preparation for the drilling activity planned for the third quarter of 2023 in Kenedy, Texas (USA).

Additional examples of environmental impact prevention and mitigation are set out in Chapter 6.2 – Environment of this report.

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, the Company's activity has a positive impact through wealth creation in its sphere of influence, via local employment and supplier development. The context determines the scope and specific form of the investment[7].

[7] For further information and examples of social investment projects, see indicators 203-1 and 203-2.

Indirect economic impacts

[203-1/11.14.4] Infrastructure investments and services supported and [203-2/11.14.5] Significant indirect economic impacts

We identify and strengthen positive impacts and shared value in regions where Repsol is present as a result of a consensus with communities.

The context determines the scope and specific form of the investment, so we offer a number of examples.

Country	Project	SDGs
Mexico	**Partnerships for projects in the marine environment** Women-operated oyster farm: Repsol, in a partnership with the local government and the Buena Vista women's cooperative, provided an initial investment for an oyster farm in Laguna Madre in the State of Tamaulipas and thus be able to sell them locally. Coral reef restoration project: Repsol is restoring 3 hectares of reef at the Veracruz Reef System National Park, in coordination with the National Commission of Protected Natural Areas. An increase in the number of healthy, genetically diverse coral colonies will be achieved, rehabilitating their structure and ecological functions.	5 Gender equality 14 Life below water 17 Partnerships for the goals
Bolivia	**Communal micro-irrigation in Cumandaroty** The micro-irrigation project for the Cumandaroty community has been achieved thanks to the Community Relations Agreement signed with the authorities of the communities neighboring the operations. Repsol provides the necessary materials to carry out the project and the project beneficiaries themselves will provide the manpower to implement it.	8 Decent work and economic growth 10 Reduced inequalities
Canada (Saint John LNG)	**Support programs for disadvantaged youth and youth with disabilities** The Saint John LNG regasification plant provides financial support to the Sistema NB Program, which offers disadvantaged youth intensive and ongoing education on a musical instrument. It also collaborates with Shining Horizons to support their equine therapy program for youth with disabilities.	1 No poverty
Venezuela	**Fish and macroinvertebrate identification and inventory at Campo Perla** The Funindes-USB community of marine biologists carried out an exhaustive process of fish and macroinvertebrate identification and inventory at Campo Perla. The results of the records help give continuity to marine biodiversity studies that were previously carried out in the Gulf of Venezuela.	4 Quality education 14 Life below water
Peru (La Pampilla Refinery)	**Extension of the Ángeles D-1 Program to municipalities affected by IT2** The main purpose of the D1-Repsol Movement is to contribute to social inclusion through dance, and to prevent risk behaviors among the youth in conditions of structural vulnerability. This program was carried out every year in Ventanilla, but this year cultural spaces have been inaugurated in Ancón and Chancay, and invitation has been extended in both spaces to the districts affected by IT2: Ancón, Chancay, Santa Rosa and Aucallama.	3 Good health and well-being 4 Quality education 10 Reduced inequalities
Colombia	**Continuation of the Agroemprende Cacao project** This initiative, which began in 2019 with the support of the Canadian Embassy, aims to continue improving the quality of life of more than 1,000 cocoa producers in 11 municipalities in the department of Meta through a cooperative approach, a vision of sustainable development and greater empowerment of women.	5 Gender equality 8 Decent work and economic growth 10 Reduced inequalities
Canada	**Women's Emergency Center** Support for the Hinton Women's Emergency Shelter, which is a local emergency safe house for women fleeing domestic violence in the region. During engagement actions with community in 2022, the significant increase in domestic violence due to the effects of the pandemic was highlighted.	5 Gender equality 10 Reduced inequalities
United States	**Mitigation of urban heat islands through community cooling and the reduction of air pollution** This project aims to contribute greater climate equity by planting trees in an underprivileged neighborhood that is at the highest risk of suffering the negative effects of urban heat islands. Restoration includes planting almost 500 mature native trees and delivering 500 seedbeds to establish a linear forest in the neighborhood.	11 Sustainable cities and communities 13 Climate action 15 Life on land
Guyana	**Support for the Rupununi young indigenous communities** Repsol, through the Rotary Club of Demerara, donated bicycles, helmets, and accessories to 3 indigenous villages in Region 8, Potaro-Siparuni in Guyana, so that the children can attend school.	4 Quality education 10 Reduced inequalities

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 (€M)

	2022	2021
Repsol	10.14	8.70
Repsol Foundation	10.90	10.57
Total	**21.04**	**19.27**

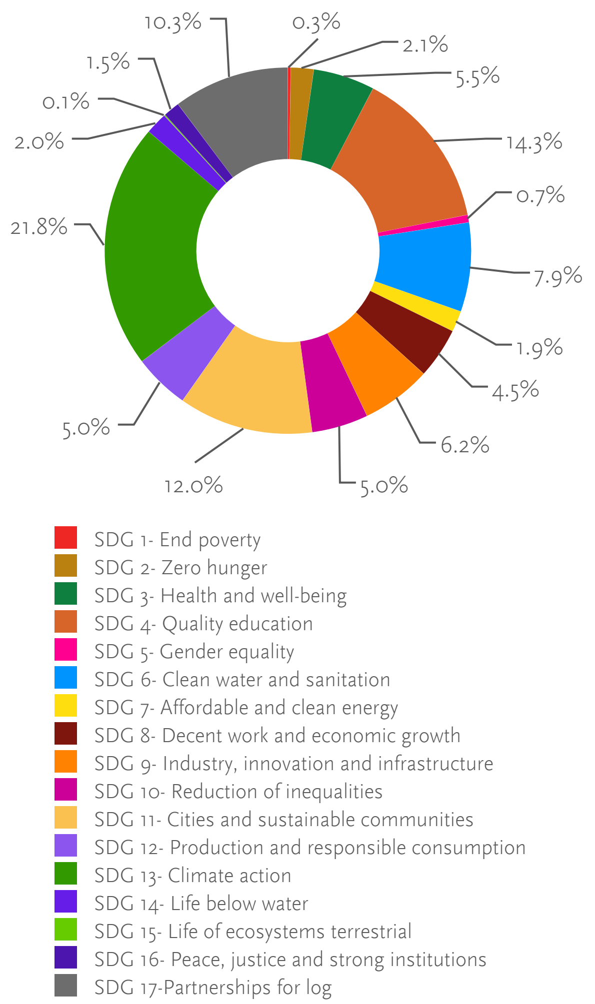
Voluntary social investment by type of contribution (€M)

	2022	2021
Contribution in cash	15.18	12.94
Contributions in time	0.15	0.60
Contributions in kind	0.13	0.40
Management costs	5.58	5.34
Total	**21.04**	**19.27**

Voluntary social investment by country (€M)

	2022	2021
Algeria	—	0.02
Bolivia	0.48	0.46
Brazil	1.43	1.07
Canada	0.25	0.32
Colombia	0.16	—
Spain	12.28	11.98
Guyana	0.05	0.05
Libya	2.35	1.70
Mexico	0.13	—
Norway	0.51	0.33
Peru	2.11	1.58
Portugal	0.14	0.16
United States	0.10	0.12
Venezuela	1.07	0.05
Total	**21.04**	**19.27**

Contribution of voluntary social investment to the SDGs



Obligatory 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 hydrocarbon company, institution or government agency) to whom we deliver the amount due.

Mandatory social investment in 2022 amounted to 28.01 million euros (13.7 million euros in 2021), which was made in:

Mandatory social investment by country (€M)

	2022	2021
Bolivia	0.05	0.02
Brazil	16.88	6.61
Indonesia	0.08	0.15
Mexico	0.22	—
United States	10.77	6.79
Venezuela	—	0.12
Total	**28.01**	**13.69**

Mandatory social investment is made pursuant to contractual obligations and is usually linked to the volume of activity carried out. In 2022, mandatory social investment increased by more than 100% compared to 2021 for different reasons. In the United States, for example, it increased mainly due to the reactivation of the drilling campaign (54 additional wells) in Marcellus (USA) and the increase in gas prices this year. In Brazil, mandatory social investment also increased significantly due to the increase in international oil and gas prices.

Human rights

Training of employees in human rights policies or procedures

Repsol promotes a culture of respect for human rights among its employees. In 2021, the new online course on human rights was made available to all employees, 100% accessible to anyone who is visually or hearing impaired and based on the United Nations Guiding Principles on Business and Human Rights.

One of the actions carried out in 2022 based on the initiatives of the Human Rights Expert Group was this course on human rights, published on the website and open to all, with a focus on the Company's suppliers and contractors.

In 2022, the course Superando barreras / Overcoming Barriers was delivered to 410 people (193 in 2021), equivalent to 410 hours (193 in 2021).

[406-1/11.11.7] Incidents of discrimination and corrective actions taken[8]

In 2022, 25 pieces of correspondence were received through the Ethics and Compliance Channel and the Harassment Protocol mailbox of the Repsol Group Equality Plan, of which 21 resulted in an investigation, 6 of which are still ongoing. At the end of the year, no cases of harassment had been reported which, after the investigations carried out, was proven to be a violation of the code of ethics and compliance, a conflict between colleagues, or dismissed. As in 2021, no cases of discrimination, corruption, or violation of human rights were proven.

[407-1], [408-1], [409-1] Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk, or at significant risk for incidents of child, forced or mandatory labor

In accordance with the Company's Code of Ethics and Conduct, which 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, the Company is committed to abiding by internationally recognized human rights while also complying with local legal requirements. 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, including matters such as freedom of association and collective bargaining, and forced or child labor.

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-201a.2] Percentage of proven and probable reserves in or near indigenous land

In 2022, 28.1% of the Company's 1P reserves (proven) (32.5% in 2021) and 27.9% of its 2P reserves (proven and probable) (31.7% in 2021) are located in areas where indigenous communities are present. The reduction with respect to the previous year is due to the cessation of operations following the sale of assets in Algeria (Tin Fouye Tabankort).

[11.17.3] Operations where indigenous communities are present or affected by activities and where specific engagement strategies are in place

Repsol conducts its activity in six countries: Bolivia (4 operations), Canada (3 operations), Indonesia (2 operations), Peru (1 operation), Guyana (1 operation), United States (1 operation) that are taking place within or adjacent to the land of indigenous communities.

All of these operations have at least one of the following elements: public consultation and consultation plans; reference studies; social impact evaluations and action plans; relocation plans, community development plans; grievance mechanisms; and other documents from community information centers. 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.

[8] 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 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	Participation strategy
Bolivia	**Guaraní** present in the areas of Cambeiti, Huacaya, Mamoré and Margarita, and **Quechua** communities in Mamoré.	Process of prior consultation for environmental license in new projects and ongoing 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 communal and community leaders. Operational level formal grievance mechanisms in place. Social investment projects carried out with communities and in conjunction with municipalities of Huacaya and Entre Rios.
Canada	27 indigenous communities in the operating areas of Greater Edson, Duvernay South and British Columbia.	Management plans are in place for the communities in the three operating areas, including plans for local development, impact assessments, risk identification and mitigation measures managed through stakeholder engagement plans for the area, consultation processes to report activities in Alberta in accordance with regulatory requirements, as well as social investment projects focused on promoting economic development, education and the preservation of culture, heritage and language. In 2022, these plans include the indigenous communities that could be potentially impacted by the recovery activities. In addition, there are specific consultation processes in effect in accordance with regulatory requirements for First Nations and Métis peoples.
United States	Indigenous community, Jicarilla Apache Nation, in the operating area of the Jicarilla 1 and 2 renewable projects.	The Jicarilla solar energy project is located on Jicarilla Apache Nation land in the state of New Mexico. Prior to Repsol's acquisition, the necessary legal steps were taken with the Jicarilla Apache Nation to approve the project. The Bureau of Indian Affairs (BIA) issued a Finding of No Significant Impact of the project, while the Tribal Historic Preservation Office issued a letter of agreement and a notice of compliance with the National Historic Preservation Act.
Guyana	**Amerindian** community indirectly influence by the Company's activity in the Kanuku block (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	**Maluku** and **Suku anak dalam** communities in the areas of Aru and South East Jambi, respectively.	Development programs have been designed with the participation of the community and the Government of Indonesia.
Peru	**Machiguenga**, **Caquinte** and **Ashaninka** communities in the area of Block 57	Operations being carried out are covered during all stages of the community relationship through participation strategies, which are deployed in accordance with the Community Relations Plan under social impact management programs (community monitoring and citizen surveillance; 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, Caquinte, Asháninka). The socio-economic situation of each community and stakeholder group was also considered.

Local communities

[413-2] Operations with significant actual and potential negative impacts on local communities

Activity	Potential impacts identified
Downstream Industrial complexes and Low Carbon Generation	Smells, noise, gas emissions into the atmosphere, dust, visual impacts, social fracture, discharges and spills.
E&P Onshore	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 non-local manpower to carry out the exploration work. Migratory movements toward operations that may cause the overuse of local services.
E&P Offshore	Temporary change in fishing routes to accommodate the presence of boats and other equipment related to oil and gas operations. Change over time in fishing sector income due to the installation of equipment and facilities for offshore exploration purposes. Economic activity related to tourism. Hiring of non-local manpower to carry out the exploration work.

[GRI 11.7.4 y 11.7.5] Decommissioned sites, decommissioned structures left on site

At the end of a facility's useful life and in accordance with applicable regulations, obligations and commitments, the Company draws up decommissioning 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 serious accident scenarios that may occur during decommissioning are identified and evaluated, including those that may arise from interference with assets in operation. For each scenario identified, measures are implemented that seek to preferably eliminate or minimize these dangers, and when this not possible, control and/or mitigate them, so that the risks to health and the environment are tolerable.

In 2022, 5 service stations were decommissioned in Spain (with another 4 in the process of being decommissioned), and the thermal plants in Escucha, Puertollano and Tarragona are in the process of being decommissioned.

We must also highlight the asset recovery project at the Puertollano plant thanks to a circular economy framework contract with SURUS. At the E&P business, work was carried out in 2022 to decommission three assets: the Boyui X2 well in Margarita, Bolivia and the Mapi and Mashira wells of Block 57 in Peru. It should be noted that within the framework of the plan to definitively abandon the BUY X2 well in Bolivia, the facilities, accesses and esplanades of the exploratory well will be adapted into a productive unit for raising cattle, benefiting several families in the area. At Block 57, we continue to implement the Ecological Restoration Plan, carried out under an agreement with the ECO-ASHÁNINKA indigenous organization at the Mapi and Mashira wells, performing revegetation monitoring work and implementing the social investment plan provided for in the exit strategy.

[EM-EP-210b.2] Number and duration of non-technical delays

In 2022, three (3) shutdowns were reported for non-technical reasons in Libya with a total delay of 60 days. The main reasons were the force majeure circumstances declared by the National Oil Company for 55 days and the 5 days of protest from one of the communities in the area of influence of the operations. The number and duration of shutdowns increased compared to 2021, when there was only 1 shutdown lasting 10 days.

Safe Operation

[403-2] Hazard identification, risk assessment and incident investigation

At each stage of the life cycle of the project, asset or activity, measures are adopted that aim to understand the environment, identify hazards and analyze risks.

The risk reduction measures are defined according to the design criteria, and in the following order:

- Completely eliminate hazards.
- Replace the substances used by other less hazardous ones.
- Decrease the amount of hazardous substances stored, used or generated.
- Modify the technical and management processes in other intrinsically safe ones.
- Isolate dangerous processes or activities, minimizing risks with optimal distribution.

Likewise, businesses are responsible for ensuring the implementation of prevention and protection measures, which contribute to:

- A safe workplace: controlling workplace hazards.
- Safe activities: controlling interactions between the employee, the activity or process, and the workplace.
- Safe employees: enabling employees to anticipate and recognize hazards, communicate them to the chain of command, and participate in improvement initiatives.

Moreover, Repsol has Basic Safety Rules to promote a safe work environment that helps prevent situations with the greatest risk in its activities.
Experts in both the methodologies and the activities analyzed participate in all hazard identification and risk management processes. There is training at both the corporate and business level available to all employees.

Psychosocial risk assessments are also carried out, using recognized methods and ensuring the anonymous, voluntary participation of all employees, which make it possible to know the psychosocial aspects (related to the structure and content of work) that can have an effect on employees' health, as well as establish preventive measures when appropriate.

The operating sites have several programs for observing and communicating hazards and risks and unsafe conditions (for example, Planned Observation Programs) which can be reported anonymously through various tools, thus ensuring confidentiality at all times. These observations are analyzed at the corresponding levels for action.

Repsol has implemented a Stop Work Authority policy at all its centers. This policy is supported by a culture in which all employees understand their responsibility to stop an activity or task when they consider that the associated risks are not properly controlled.

Repsol has an incident management process that is summarized in the following figure, recording the entire process in the Synergi Life tool.

[403-7] Prevention and mitigation of impacts on the health and safety of workers directly linked to business relations

Repsol's approach in this regard is included in the Health and Safety Policy. The following are some of the principles included in it and directly linked to the indicator:

- Comply with the legal requirements in force in each place, as well as the established internal regulations, which are prepared considering legislative trends and international standards, as well as other commitments that the organization signs with its stakeholders.
- Provide a healthy and safe work environment, in which everyone collaborates in a process of ongoing improvement to promote and protect employee health and well-being.
- Involve employees, contractors and other stakeholders in the ongoing improvement and in defining health and safety management programs and systems.
- Repsol will promote and extend the principles and commitments set forth in this policy to its employees and, to the extent possible, to its contractors, partners and collaborators.

In addition, the Commercial Relations with Third Parties Policy includes the following among its commitments:

a. Demand the highest levels of ethics and transparency in the selection, negotiation and formalization processes of any relationship with a third party, and act and demand that action be taken during these processes in accordance with the law and in line with Repsol's values and the guidelines, policies and standards on ethics and conduct, safety, the environment, respect for human rights and sustainability.

b. Transfer to their counterparts the commitment to observe ethical, safety, environmental and social guidelines in their relations with third parties in accordance with those promoted by Repsol.

c. Systematically assess the behavior and performance of the counterparties with which the Company establishes a relationship, identifying both risk situations that may require corrective actions, termination or that involve the suspension of the relationship, as well as those partners, customers, suppliers or contractors who, due to their capacity for innovation, collaboration, commitment, reliability or other reasons, represent a competitive advantage for Repsol.

On the other hand, Repsol has defined the requirements and responsibilities to ensure adequate risk management during the design and supply of products, as well as those associated with the manufacture, handling, sale and final use of the products that may affect the health of people, facilities and the environment.

The classification of the hazards of substances and mixtures is carried out following the criteria of the Globally Harmonized System (recommended by the United Nations) and European regulation 1272/2008 CLP. The prevention and mitigation of potential impacts is carried out based on this classification and the expected uses throughout the life cycle and packaging.

[403-9] Work-related injuries

Work-related injuries

Personal safety indicators		2022	2021
Total	Total fatalities	3	—
	Fatal Accident Rate (FAR) (1)	0.04	—
	Number of high-consequence injuries	4	2
	Total rate of high-consequence injuries (2)	0.05	0.02
	Total recordable work-related injuries	134	77
	Total Recordable Injury Rate (TRIR) (3)	1.59	0.89
	Number of hours worked	84,197,368	86,067,609
Own employees	Total fatalities	—	—
	Fatal Accident Rate (FAR) (1)	—	—
	Number of high-consequence injuries	1	1
	Total rate of high-consequence injuries (2)	0.02	0.02
	Total recordable work-related injuries	45	33
	Total Recordable Injury Rate (TRIR) (3)	1.01	0.74
	Severity index (4)	0.034	0.025
	Number of hours worked	44,519,853	44,703,013
Contractor staff	Total fatalities	3	—
	Fatal Accident Rate (FAR) (1)	0.08	—
	Number of high-consequence injuries	3	1
	Total rate of high-consequence injuries (2)	0.08	0.02
	Total recordable work-related injuries	89	44
	Total recordable Injury Rate (TRIR) (3)	2.24	1.06
	Number of hours worked	39,677,515	41,364,596.00

(1) Number of fatalities during the year, for every million hours worked.
(2) Number of high-consequence accidents during the year, not including fatalities, for every million hours worked.
(3) Total number of cases with personal consequences (fatalities, with days lost, medical treatment and restricted work) 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 for every thousand hours worked.

Work-related injuries

Personal safety indicators by gender		2022 Men	2022 Women	2021 Men	2021 Women
Total	Total fatalities	3	—	—	—
	Number of high-consequence injuries	4	—	2	—
	Total recordable work-related injuries	107	27	68	9
Own employees	Total fatalities	—	—	—	—
	Number of high-consequence injuries	1	—	1	—
	Total recordable work-related injuries	28	17	25	8
	Severity index	0.046	0.015	0.031	0.015
	Total Recordable Injury Rate (TRIR)	1.04	0.96	0.91	0.47
Contractor staff	Total fatalities	3	—	—	—
	Number of high-consequence injuries	3	—	1	—
	Total recordable work-related injuries	79	10	43	1

The most frequent injuries were dislocations, sprains, contusions, fractures and superficial injuries (cuts).

At Repsol, when analyzing an incident, all potential sources of damage or harm are identified and categorized by types of event and by "cause of injury", in the case of personal injury. For each accident scenario, the inquiry also analyzes the specific context in which it occurred and all root causes that may have contributed to the harm, identifying technical, human or organizational shortcomings (human and organizational factors). The actions must act on all root causes identified.

In 2022, the hazards that caused high-consequence injuries belong to the categories of entrapment and blows against objects.

The Company's S&E Risk Management Standard incorporates measures to control and reduce risk, in line with the hierarchy and design philosophy, and promotes taking preventive action.

The actions, whether they are proactive actions or incidents, are classified according to their criticality in terms of potential role in avoiding harm. All improvement actions identified have to be specific, achievable, measurable, attainable, relevant and time-bound. Their effectiveness must be validated and organizational learning and sustained change must be facilitated. .

[EM-EP-320 a.1], [EM-RM-320a.1] and [RT-CH-320a.1] Total Recordable Injury Rate and Fatal Accident Rate for E&P, Refining & Marketing, and Chemicals

Personal safety indicators	2022 E&P	2022 Refining & Marketing (3)	2022 Chemicals	2021 E&P	2021 Refining & Marketing (3)	2021 Chemicals
Total Recordable Injury Rate (TRIR) (1)	0.48	0.25	0.47	0.15	0.18	0.11
Fatal Accident Rate (FAR) (2)	—	0.01	—	—	—	—

(1) Total Recordable Injury Rate (TRIR): total number of cases with personal consequences (fatalities, with days lost, medical treatment and restricted work) accumulated during the year, for every 200,000 hours worked. Includes company employees and contractor staff.
(2) Fatal Accident Rate (FAR): number of fatalities during the year, for every 200,000 hours worked. Includes company employees and contractor staff.
(3) The 2021 indicators have been recalculated for every 200,000 hours.

[EM-EP-540 a.1] Tier 1 Frequency Rate

Tier 1 Frequency Rate (1)	2022	2021
E&P	0.03	0.02

(1) Number of Tier 1 process safety accidents for every 200,000 process hours worked. The 2021 indicator has been recalculated for every 200,000 hours.

[EM-RM-540 a.1] and [RT-CH-540 a.1] Tier 1 and Tier 2 Frequency Rate

	2022 Refining & Marketing	2022 Chemicals	2021 (3) Refining & Marketing	2021 (3) Chemicals
Tier 1 FR (1)	0.02	—	0.02	0.03
Tier 2 FR (2)	0.02	—	0.01	—
Tier 1 Number		—		1
Tier 2 Number		—		—

(1) Tier 1 Frequency Rate (Tier 1 FR): Number of Tier 1 process safety accidents for every 200,000 process hours worked.
(2) Tier 2 Frequency Rate (Tier 2 FR): Number of Tier 2 process safety accidents for every 200,000 process hours worked.
(3) The 2021 indicators have been recalculated for every 200,000 hours.

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 areas, since payment of taxes in accordance with the current legal framework has a major impact on countries' development and progress.

Moreover, transparency on tax strategy and policy has recently gained immense significance among stakeholders. Aware of this challenge, Repsol has embraced the most rigorous international standards when it comes to tax disclosure, including those under GRI 207.

To graphically illustrate the Repsol Group's degree of compliance with the aforementioned commitments, the following table provides a summarized reconciliation between the B-Team[9] principles endorsed by Repsol and the requirements under the GRI 207 global standard. Evidence is also provided regarding the practical implementation of each requirement, organized according to the seven responsible tax principles of the B-Team:

Responsible tax policy

RESPONSIBLE TAX PRINCIPLES	APPLICATION AND EVIDENCE OF COMPLIANCE	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 is published 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, within the letter and spirit of the law, and making payment in due time in the countries where Repsol creates 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 built into the SGIR (see Appendix IV), with medium/low tolerance. • Monthly review of compliance with tax obligations. • Internal procedure for setting transfer prices in line with the creation of value and the principle of full competition. • 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(1) 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 Tax Transparency Report to the Spanish tax authorities. • Voluntary participation in the ETACA(2) of the European Union, continuing with the ICAP(3) of the OECD. • Participation in the CONFIA(4) cooperative program in Brazil and in programs from other	GRI 207-3
5 Seeking and accepting tax incentives Promotion of guarantees to ensure transparency and consistency 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 contracts and their tax incentives. • Describing the main impacts that the application of incentives have on the effective tax rate in the countries where Repsol operates (CbCR).	GRI 207-2
6 Supporting an effective tax system(5) Dialog with governments, business groups and civil society to support the development of an effective tax system.	• First non-mining energy company part of the EITI(6) to sign the beneficial ownership transparency agreement. • Collaboration with international organizations (OECD, UN or 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 and the EU 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) Repsol maintains cooperative relations with the main tax administrations in the countries where it pays tax (Brazil, Canada, Spain, United States, Netherlands, Portugal, United Kingdom, Singapore, etc.) and participates at different forums to promote transparent collaboration with the mutual objective of facilitating and improving the application of the taxation system, increasing tax certainty and reducing litigation. For more information, see www.repsol.com.
(2) European Trust and Cooperation Approach: program sponsored by the European Commission aimed at facilitating tax compliance by companies, based on increasing cooperation, transparency and trust between taxpayers and authorities through the supervision of tax risks in terms of transfer prices of multinational groups. The tax authorities of Spain, the Netherlands, Luxembourg, Portugal and Germany all currently supervise Repsol and it is expected to cover financial years 2019 and 2020.
(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 transfer prices and permanent establishments. The first ICAP program (pilot) covered financial year 2016 and lasted until 2018. The authorities of Canada, Spain, the United States, the Netherlands and the United Kingdom supervised Repsol.
(4) CONFIA: Cooperative relations program developed by the Brazilian tax authorities. It aims to foster a culture of responsible tax compliance. (5) Repsol is a member of several subcommittees created by the UN's Committee of Experts on International Cooperation in Tax Matters. It also sits on the Tax Committee of the OECD's Business and Industry Advisory Committee (BIAC).
(6) Extractive Industries Transparency Initiative: initiative 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.

[9] Group of companies that seek to promote sustainable development and, especially, responsible taxation and good governance in tax matters. For more information, see www.bteam.org

Table summarizing compliance with GRI 207

GRI 207	Requirements	Evidence of compliance by the Repsol Group
GRI 207-1 Tax approach		
Balance in tax compliance, business activities, ethical, social and sustainable development expectations	a.i) Tax strategy	Repsol has a tax strategy in place, which was approved 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/content/dam/repsol-corporate/es/sostenibilidad/documentos-sostenibilidad/politica-fiscal-corporativa-extend.pdf
	a.ii) Body tasked with reviewing the tax strategy	Repsol's tax strategy is reviewed by the Board of Directors at least annually. The Board also oversees compliance and the key aspects of tax matters and risks. In 2022, the Tax Policy was ratified by the Executive Committee without submitting a proposal for modifications to the Board of Directors as it is considered current.
	a.iii) Approach to regulatory compliance	In 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. Repsol ensures stringent respect for the regulatory and jurisdictional framework in force in the different States, with the defense of its legitimate interests, through legally available resources and actions, in cases where it considers that certain initiatives raise doubts about their compliance with the Law.
	a.iv) Link between 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. Repsol seeks to be publicly recognized as a company of integrity and fiscal responsibility. Tax decisions are adopted responsibly in accordance with a reasonable interpretation of tax regulations, and are aligned with the economic activity of the various 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 (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 also the report "Presence in non-cooperative jurisdictions and disputed territories" on the corporate website 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 where they are informed, among other issues, of the content of the Voluntary Fiscal Transparency Report, of the incidence of tax risks, of the mechanisms for their management and control, of the Group's presence in tax havens and of initiatives related to fiscal transparency. For further information, please refer to the Audit and Control Committee's Annual Report, which is made available to shareholders ahead of the General Shareholders' Meeting.
	a.ii) How the tax approach is integrated into the organization	The orderly management of Repsol's tax affairs is conducted within a performance framework (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 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 comprising policies, rules (general and specific), internal procedures and controls, 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. 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 Financial and Tax department (DCEF), the tax units of each country and/or business handle tax management on a decentralized basis 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 in 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 oversight	Tax risk management at Repsol is embedded in the global policy of the Integrated Risk Management System (SGIR in Spanish) and is reflected in the existence of processes, systems and internal controls (ICFR, Compliance Plan, key controls, etc.). A cornerstone of the SGIR 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. The Corporate Financial and Tax department (DCEF) is responsible for managing the Group's tax risks, as the body responsible for tax compliance. In the context of the SGIR, the DCEF monitors tax risks through preparation and updating of a risk map, which comprises identification, analysis, valuation, verification and reporting stages. To mitigate tax compliance risks, Repsol has implemented standardized and documented processes that regulate essential aspects of tax compliance. These processes identify the people and 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. One of the main functions of the Audit and Control Committee is to support the Board of Directors in its oversight duties. Its remit includes the periodic review of the effectiveness of internal control systems, internal audit and risk management systems, including tax risks, the procedure for the monitoring and periodic evaluation of the Internal Control over Financial Reporting System (ICFR) and of the effective implementation of the strategy and management of tax risks, and submitting operations that carry special risks to the Board for approval. Likewise, the rules and procedures are reviewed by the Corporate 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 Appendix IV: Risks.
	b) Description of channels for reporting tax-related concerns	Any employee or third party may report any possible breach of the Code of Ethics and Conduct or the Crime Prevention Model, including any potentially unethical or illegal conduct that might affect the integrity of the organization in relation to taxation. Any such matters may be communicated in an absolutely confidential and anonymous manner through the whistleblower channel permanently managed by an independent third-party and set up for this purpose.
	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 responsible tax principles, which have been compared to another B-Team company in a peer-review process, the requirements under 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 independent experts. According to the evaluation of these experts, Repsol's tax control framework achieves a high level of convergence and compliance with the criteria set out in international standards and the requirements of the UNE 19602 – Tax Compliance standard. Finally, as mentioned earlier, the Board is informed of the implementation of the Group's tax policy and strategy. For further information, see the Good Tax Practices Self-Assessment report available at https://www.repsol.com/es/sostenibilidad/fiscalidad-responsable/estrategia-fiscal/index.cshtml
GRI 207-3. Cooperative relations and advocacy		
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, it 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 EU's ETACA pilot program aimed at facilitating tax compliance by companies on the basis of a relationship of greater cooperation, transparency and mutual trust in line with 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, the CONFIA program in Brazil and through similar formulas to the Compliance Assurance Process (CAP) in the United States.
	a.ii) Advocacy of public policy on taxation	Many of the laws and regulations on tax transparency and fiscal responsibility currently 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, the EU or the Platform for Collaboration in Tax Matters (UN, OECD, IMF and World Bank). Through engagement in these discussions (usually at the invitation of the corresponding organization), Repsol has had the opportunity to present its views on key issues in the current environment, such as the global minimum tax (OECD and EU), European legislation on energy taxation or the carbon border adjustment, among other regulatory projects. 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 Cooperative Relations report available at 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. Cooperative relations and advocacy		
	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 Haz) 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 the Company's tax contribution in the countries in which it is 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. Thus, organizations of renowned international prestige, such as Norges Bank, the Observatory on Corporate Social Responsibility, Transparency International Spain, OXFAM, Fundación Haz and the prize awarded at the end of 2022 by VBDO in recognition of the most tax-transparent company among those in the EU, have confirmed the high degree of compliance by Repsol with the accountability commitments undertaken in its Tax Policy.
GRI 207-4. Country-by-country reporting		
Presentation of financial, economic and tax information for each jurisdiction in which Repsol operates.		The latest published report provides the 2021 data, as presented to the Spanish tax authorities in 2022 for automatic sharing with other tax authorities. The publication of this report represents advance compliance with European legislation (Directive (EU) 2021/2101) by Repsol. The report includes additional information to aid an understanding of Repsol's presence, performance and tax contribution in each country, which exceeds the scope of the Directive. The data included in the country-by-country report follow the OECD standards. Furthermore, to comply with the requirements of GRI 207-4, in Appendix 3 to the public country-by-country report Repsol discloses and itemizes the income received in each tax jurisdiction facing related parties in other tax jurisdictions. For further information, see the country by country report at www.repsol.com/es/sostenibilidad/fiscalidad-responsable/index.cshtml

Presence in non-cooperative jurisdictions

Repsol's tax policy prohibits the use of opaque or contrived structures that hide or reduce the transparency of our activities. Therefore, the 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[10] and European Union[11] regulations, and those included by the OECD in its list of non-cooperative jurisdictions in terms of transparency and exchange of information.

Only three Repsol Group companies have a presence in non-cooperative jurisdictions, and their results and earnings are relatively immaterial. One is engaged in hydrocarbon upstream activities in Trinidad and Tobago and the other two, currently dormant, were active in the hydrocarbon upstream business and the reinsurance business in the past.

Repsol Group in non-cooperative jurisdictions

Company	Jurisdiction	Holding	Status	Total Income (€M)	Profit or loss before tax (€M)	Rate income tax rate	Income tax accrued (€M)
Greenstone Assurance Ltd.(1)	Bermuda	100%	Dormant	-	-	0%	-
Repsol Angostura, Ltd.(2)	Trinidad and Tobago	100%	Dormant	-	-	55%	-
Repsol Exploración Tobago, S.A. (Spanish company with a branch in Trinidad and Tobago)(3)	Trinidad and Tobago	100%	Active	3	(1)	55%	-

(1) Insurance company the current purpose of which is limited to liquidating risks undertaken in the past. In "run off" situation.
(2) Company that provided, with its local staff, technical and support services to other Group entities in Trinidad and Tobago. Company in the process of liquidation.
(3) Spanish company with a branch in Trinidad and Tobago that conducts hydrocarbon upstream activities in the country.

Some non-governmental organizations concerned with responsible business practices also draw up their own lists of tax havens under different criteria and objectives. Repsol has selected some of these lists because of their public visibility or representativeness, and it has termed the countries included there "controversial territories". In an exercise of enhanced transparency, Repsol also identifies its companies and activities in those territories and publishes detailed information on www.repsol.com.

[10] In Spain, the list of tax havens contained in RD 1080/1991 of July 5.
[11] In the European Union, the list of non-cooperative jurisdictions on matters relating to tax drawn up by the Economic and Financial Affairs Council (ECOFIN) of the European Union.

Responsible tax policy

Profit/(loss) generated and taxes effectively paid in 2022, by country (1)

	Tax paid		Tax burden			Taxes collected				Profit (2)	
Million euros	**2022**	2021	**TOTAL**	Income tax	Other income taxes (3)	**TOTAL**	VAT	HT (4)	Other	**2022**	2021
Spain	11,923	8,167	1,672	783	889	10,251	4,554	5,236	461	1,544	863
Portugal	1,164	1,090	126	98	28	1,038	383	634	21	8	148
Norway	317	(174)	303	290	13	14	(3)	—	17	161	127
France	14	9	3	3	—	11	11	—	—	—	—
The Netherlands	9	3	13	13	—	(4)	(4)	—	—	99	3
Italy	2	45	2	2	—	—	—	—	—	—	24
Germany	—	1	—	—	—	—	—	—	—	1	1
Luxembourg	—	1	—	—	—	—	—	—	—	380	163
Switzerland	—		—	—	—	—	—	—	—	—	—
Irland	—	—	—	—	—	—	—	—	—	—	—
Bulgaria	—	—	—	—	—	—	—	—	—	1	—
Andorra	—	—	—	—	—	—	—	—	—	1	—
Finland	—	—	—	—	—	—	—	—	—	—	—
Greece	(1)	(1)	—	—	—	(1)	(1)	—	—	—	(8)
United Kingdom	(31)	13	(41)	(90)	49	10	(11)	—	21	273	(24)
Europe	**13,397**	**9,155**	**2,078**	**1,099**	**979**	**11,319**	**4,929**	**5,870**	**520**	**2,468**	**1,297**
Peru	1,424	780	467	262	205	957	669	267	21	292	243
Brazil	458	254	452	138	314	6	3	—	3	393	503
Trinidad and Tobago	248	66	265	125	140	(17)	(18)	—	1	186	(24)
Bolivia	89	43	12	1	11	77	23	—	54	(70)	(51)
Colombia	62	24	34	33	1	28	22	—	6	90	27
Venezuela	14	66	11	3	8	3	2	—	1	132	94
Guyana	—	—	—	—	—	—	—	—	—	(44)	—
Chile	—	1	—	—	—	—	—	—	—	(7)	(9)
Ecuador	—	4	—	—	—	—	—	—	—	87	5
Barbados	—	1	—	—	—	—	—	—	—	(29)	—
Bermudas	—	—	—	—	—	—	—	—	—	—	(23)
Latam and Caribbean	**2,295**	**1,239**	**1,241**	**562**	**679**	**1,054**	**701**	**267**	**86**	**1,030**	**766**
Indonesia	239	180	228	227	1	11	5	—	6	(24)	137
Singapore	—	70	1	1	—	(1)	(1)	—	—	4	11
Vietnam	—	34	—	—	—	—	—	—	—	(9)	20
Russia	—	17	—	—	—	—	—	—	—	—	(52)
Malaysia	—	(1)	—	—	—	—	—	—	—	(5)	(22)
Australia	—	—	—	—	—	—	—	—	—	(1)	(1)
Iraq	—	—	—	—	—	—	—	—	—	(2)	(1)
East Timor	—	—	—	—	—	—	—	—	—	(11)	—
Asia y Oceania	**239**	**299**	**229**	**228**	**1**	**10**	**4**	**—**	**6**	**(48)**	**91**
United States	185	99	159	16	143	26	—	—	26	458	181
Canada	126	62	65	—	65	61	41	—	20	97	(166)
Mexico	26	46	43	18	25	(17)	(25)	—	8	(125)	(22)
North America	**337**	**207**	**267**	**34**	**233**	**70**	**16**	**—**	**54**	**430**	**(7)**
Libya	681	71	679	623	56	2	—	—	2	295	138
Algeria	53	483	50	49	1	3	—	—	3	76	213
Morocco	—	—	—	—	—	—	—	—	—	—	—
Angola	—	—	—	—	—	—	—	—	—	—	—
Sierra Leone	—	—	—	—	—	—	—	—	—	—	—
Tunisia	—	—	—	—	—	—	—	—	—	—	—
Africa	**734**	**554**	**729**	**672**	**57**	**5**	**—**	**—**	**5**	**371**	**351**
TOTAL	**17,002**	**11,454**	**4,544**	**2,595**	**1,949**	**12,458**	**5,650**	**6,137**	**671**	**4,251**	**2,498**

Information prepared in accordance with the Group's reporting model, as described in Note 5 – Segment information of the 2022 consolidated Financial Statements.
(1) The amount includes returns from previous years totaling 152 million euros in 2022, and 254 million euros in 2021.
(2) Net profit after tax and minority interests, including the profit of joint ventures and other companies operationally managed as such, in addition to income from discontinued operations.
(3) Includes production taxes, local taxes, social contributions, non-tax public asset benefit on fuels, etc.
(4) Hydrocarbon tax. Includes income through logistics operators when the Company is ultimately responsible for payment.

Number and percentage of employees who have received training regarding anti-corruption measures by region [1]

	Governing bodies		Executives		Managers		Profesional/ Specialist		Administrative staff		Manual workers	
Country	**No.**	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**
Africa			2	100 %	33	100 %	75	95 %	1	100 %		
Asia			2	67 %	27	82 %	89	86 %	2	100 %		
Europe	7	78 %	173	88 %	1,695	94 %	7,481	90 %	661	88 %	7,693	66 %
North America			13	72 %	211	91 %	1,233	88 %	241	89 %	2,099	81 %
Latin America			12	92 %	280	91 %	625	77 %	22	82 %	137	61 %
Total 2022	**7**	**78 %**	**202**	**87 %**	**2,246**	**93 %**	**9,503**	**88 %**	**927**	**88 %**	**9,929**	**69 %**
Total 2021	**8**	**73 %**	**217**	**89 %**	**2,178**	**86 %**	**9,581**	**86 %**	**1,010**	**87 %**	**8,764**	**67 %**

(1) Data obtained from the maximum accumulated average workforce.

Ethics and Compliance

Anti-corruption

[205-2] Communication and training about 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 program 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.
- Anti-Corruption Policy microlearning, aimed at all employees, using visual and interactive resources to highlight key elements for enhanced acquisition of learning objectives.
- Crime Prevention Model, aimed at managers responsible for controls or persons whose function may be involved in any non-compliance with the model.
- Anti-money laundering and counter terrorist financing (available to employees in Peru).
- Anti-Bribery & Corruption Awareness, Training 2020 (available for Asia Pacific employees).

[EM-EP-210a.1] Percentage of proved and probable reserves in or near areas of conflict and [EM-EP-510a.1] Percentage of proved and probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index

1P (proven) and 2P (proven and probable) reserves (%)

	2022		2021	
	1 P	2 P	1 P	2 P
% reserves in conflict zones	5.0	5.2	5.2	5.8
% reserves in countries ranked in the bottom 20 of the Corruption Perception Index	20.0	17.5	20.5	18.7

Payments to governments

[GRI 11.21.8] Volume of oil and gas purchased from the state

The volume of crude oil and refined products purchased from state companies such as PMI Comercio Internacional S.A. de C.V. or State Oil Marketing Organization amounted to 15 Mt in 2022 for a value of €9.76 billion.

Public policy

[415-1] Contributions to political parties and/or representatives

In 2022 (as in 2021), Repsol made no contributions to political parties and/or representatives, meaning, therefore, that there was no breach of the Code of Ethics and Conduct.

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 federal level and in Canada at federal and provincial level (Alberta).

● *For more information and for links to the official lobby registration pages, see www.repsol.com.*

Regulatory compliance[12,13,14]

[206-1] Legal actions for unfair competition and monopolistic practices and against free competition. Lawsuits due to anti-competitive practices (number of cases brought)

Lawsuits (1) due to anti-competitive practices (number of cases brought)

	2022	2021
Cases filed	—	—

(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 2022.

[416-2] Incidents of non-compliance concerning the health and safety impacts of products and services

The number of lawsuits or administrative proceedings ending in 2022 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 zero.

Supply chain and customers

Management of the supply chain and its impacts where the company operates

[308-2] Negative environmental impacts in the supply chain and measures taken

We conducted 3,702 assessments (3,010 in 2021) on environmental issues regarding 878 suppliers (1,125 in 2021). In 29 evaluations, corresponding to 17 suppliers, the environmental performance score was below 5 out of 10 (compared with 12 assessments on 10 suppliers in 2021). Negative scores are related to logistics contracts and equipment installation, cleaning, business services and maintenance, among others. As in 2021, after these negative assessments, improvements were agreed with 100% of the suppliers affected. We have not terminated any supplier relationship for environmental reasons.

[414-2] Negative social impacts in the supply chain and measures taken

We conducted 3,702 assessments (3,010 in 2021) on social issues regarding 878 suppliers (1,125 in 2021). We found 112 assessments (41 in 2021) corresponding to 46 suppliers (30 in 2021) with a performance score in social aspects below 5 out of 10. As in 2021, negative assessments largely concerned the Code of Ethics and Conduct and human rights aspects. As in the previous year, after these negative assessments, improvements were agreed with 100% of the suppliers. As in 2021, no supplier relationships were terminated due to social concerns (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 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 business has implemented 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.

The procedure is supported by a new digital tool used to manage the safety documents of products supplied, manufactured and sold from a single point quickly and easily.

Current legislation is often what determines product hazardousness and it is crucial to monitor regulatory changes. Repsol has tools with which it continuously monitors changes to legislation. Once a change that impacts the product portfolio is detected, said impact is assessed and possible actions are decided.

[12] The information corresponds to companies operated and controlled by Repsol.
[13] Only litigation relating to matters raised by competition authorities is reported. Litigation with private entities or individuals is not reported.
[14] Litigation is reported only to the extent that a final decision or ruling has been delivered within the reporting period.

At the Polyolefins business, several key projects are underway to replace substances that could be a concern for humans and the environment. Phthalates, coming from the catalytic system, have been removed from the entire range of food applications and only remain in some grades intended for extra-high impact technical parts, and not food. To remove it from these grades, alternatives are being sought in a pilot plant.

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. A range of plant stearates has already been assessed and approved, and they have been changed in the entire range of polypropylenes, although some in polyethylene are still pending. Several lines of work are also underway in this field to assess the behavior of materials and reduce the impact on health and the environment: generation and content of NIAS (Non-Intentionally Added Substances), organic volatiles, products generated by secondary reactions in the reactor, etc.

Furthermore, we have also approved a new additive in the process to replace the current one in which we have detected properties that are harmful for human health.

Work has already been carried out in one of the two plants that used it, which has allowed it to be replaced. The necessary works in the second plant are expected to be completed before the end of 2022.

Economic performance

[201-1] Economic value generated and distributed and [201-4] Financial assistance received from government

Item (€M)	Reference in the 2022 Consolidated Financial Statements	2022	2021
Direct economic value generated		**77,901**	**51,145**
Sales	Section "Sales" of the consolidated income statement.	74,828	49,480
Income from services rendered and other operating income	Under "Income from services rendered and other income" and the corresponding part of the heading "Other operating income" in Note 19.8.	1,850	1,272
Finance income	Note 21.	157	82
Net income from companies accounted for using the equity method	Under "Income from companies accounted for using the equity method".	989	301
Gains on disposal of fixed assets	Under "Gains/(losses) from disposal of assets" in the consolidated income statement.	77	10
Economic value distributed		**(69,646)**	**(47,957)**
Suppliers and contractors:		(57,058)	(37,290)
Procurements and supplies	Under "Procurements" and "Supplies" in the consolidated income statement excluding excise taxes for €5,823 million and €5,216 million euros in 2022 and 2021, respectively.	(51,174)	(33,001)
Transport	Under "Transport" in the consolidated income statement.	(1,781)	(1,103)
Training providers		(12)	(8)
Other operating expenses	Corresponds to the heading "Other operating expenses" in Note 19.8, excluding "Taxes" (included under "Public Administration" below).	(4,092)	(3,178)
Employees	Under "Personnel expenses" in the consolidated income statement, excluding training costs.	(1,955)	(1,794)
Public administration	Income tax – Note 22; Other taxes – Note 19.8; Excise taxes on hydrocarbons – Note 19.1; Tax effect of financial expenses on hybrid bonds – Note 22.	(9,230)	(7,522)
Shareholders	Note 6.3.	(910)	(886)
Financial community	Under "Interest paid" in the consolidated cash flow statement and hybrid bonds (Note 24).	(444)	(432)
Investments in communities		(49)	(33)
Economic value retained		**8,255**	**3,188**

Note: The comparative information for 2021 has been modified for comparison purposes and to reflect the change in presentation of the headings "Other operating income" and "Other operating expenses" of the consolidated income statement (see footnote to the consolidated income statement and Note 19.8 to the 2022 consolidated financial statements), in order to exclude the impact of the measurement of trade derivatives from the calculation of the indicator.

In addition, financial aid was received from government agencies in the amount of 21 million euros in 2022 and 15 million euros in 2021, respectively.

c) GRI Index

GRI Indicators

GRI Standard	Indicator description	Reference in the Management Report, Reports or online	Ref no. for the GRI Standard	Notes
	GRI 2: General contents			
2-1	Organization details	Consolidated Financial Statements 2022 – Note 1. About these Financial Statements Section 2.2. Repsol around the world Section 5. Performance of our businesses Consolidated Financial Statements 2022 – Note 1. About these Financial Statements Consolidated Financial Statements 2022 – Note 6. Total equity		
2-2	Entities included in sustainability reporting	About this report- Report information		
2-3	Reporting period, frequency and contact point	Year 2022 Address any questions, queries, suggestions, or other related matters through the Shareholder Office, whose telephone number is 900 100 100 or by email to infoaccionistas@repsol.com or to repsolteescucha@repsol.com.		
2-4	Update of information	No relevant adjustments in the period		
2-5	External assurance	Verification report on non-financial information		
2-6	Activities, value chain and other business relationships	Section 2.1. Value chain and business segments Section 5.1. Upstream Section 5.2. Industrial Section 5.3. Commercial and Renewables Consolidated Financial Statements 2022 – Note 2. Operating result Section 6.8 – Supply chain and customers		(2)
2-7	Employees	Section 6.4 People Appendix V: Further information on sustainability – Sustainability indicators - People		
2-8	Non-employee workers	Section 6.4 People Appendix V: Further information on sustainability – Sustainability indicators - People		
2-9	Governance structure and composition	Section 2.4. Corporate Governance Appendix VI: 2022 Annual Corporate Governance Report – B.2 The Company's ownership structure Appendix VI: 2022 Annual Corporate Governance Report - B.3.1 Composition of the Board of Directors Appendix VI: 2022 Annual Corporate Governance Report - B.4 Committees of the Board of Directors		
2-10	Appointing and selecting the highest governance body	Policy to ensure diversity in the Board of Directors and for the selection of board members (www.repsol.com Sustainability - Policies) Appendix VI: 2022 Annual Corporate Governance Report - B.3.1 Composition of the Board of Directors		
2-11	Chair of the highest governance body	Section 2.4. Corporate governance Appendix V: Further information on sustainability - Sustainability indicators - Corporate governance Appendix VI: 2022 Annual Corporate Governance Report - B.3.1 Composition of the Board of Directors		
2-12	Highest governance body's role in overseeing the management of impacts	Regulations of the Board of Directors - Article 5 www.repsol.com, Investors and shareholders - Corporate governance - Board of Directors Appendix VI: 2021 Annual Corporate Governance Report – B.8.1. Control and risk management systems Appendix VI. 2021 Annual Corporate Governance Report – B.8.2. Internal control and risks management systems related to the financial reporting process (ICSFR)		
2-13	Delegation of responsibility for managing impacts	Section 2.4. Corporate Governance Section 6.1.1 Climate change governance		
2-14	Highest governance body's role in sustainability reporting	Appendix VI: 2022 Annual Corporate Governance Report - B.4 Committees of the Board of Directors		
2-15	Conflicts of interest	Appendix VI: 2022 Annual Corporate Governance Report – B.6 Related-party and intragroup transactions – Mechanisms for detecting, determining and resolving conflicts of interest		
2-16	Notifying critical concerns	Appendix VI. 2022 Annual Corporate Governance Report - A.4. Interaction with investors		
2-17	Collective knowledge of the highest governance body	Appendix VI. 2022 Annual Corporate Governance Report - B.3.2. Competencies of the Board of Directors		

GRI Standard	Indicator description	Reference in the Management Report, Reports or online	Ref no. for the GRI Standard	Notes
2-18	Evaluating the highest governance body's performance	Section 2.4 Corporate Governance Regulations of the Board of Directors - Article 11 www.repsol.com, Investors and shareholders - Corporate governance - Board of Directors Appendix VI: 2022 Annual Corporate Governance Report – B.3.4 Function of the Board of Directors – Assessment of the Board of Directors Articles of Association -Article 45 quater		
2-19	Remuneration policies	Appendix VI: 2022 Annual Corporate Governance Report – B.4.4 Remuneration Committee Appendix VI: 2022 Annual Corporate Governance Report - B.5 Remuneration of directors and senior management Appendix VII: 2022 Annual Report on the Remuneration of Directors Policy on Director Remuneration, 2021-2023 (www.repsol.com - Investors and shareholders - Corporate governance - Remuneration of Board of Directors) 2022 Consolidated Financial Statements - Note 27. Obligations to employees (in relation to retirement benefits) and Note 28. Remuneration of members of the Board		
2-20	Process for determining remuneration	2022 Consolidated Financial Statements – Note 28. Remuneration of members of the Board of Directors and executive personnel Appendix VI: 2022 Annual Corporate Governance Report – B.4 Committees of the Board of Directors – Remuneration Committee - B.4.4 Appendix VII: 2022 Annual Report on the Remuneration of Directors Appendix V: Further information on sustainability - Sustainability indicators - Corporate governance		
2-21	Annual total compensation ratio	Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - People – Remuneration and benefits		
2-22	Statement on sustainable development strategy	Message from the Chairman Message from the Chief Executive Officer		
2-23	Commitments and policies	Section 6.1 Climate change - Risks and opportunities Section 6.2 Environment Section 6.5.1 Safety management system Section 7.4 Risks Appendix IV: Risks		
2-24	Inclusion of commitments and policies			
2-25	Processes to remedy negative impacts			
2-26	Mechanisms for requesting advice and raising concerns	Repsol ethics and compliance channel. (ethicscompliancechannel.repsol.com) Section 6.8. Ethics and Compliance		
2-27	Compliance with laws and regulations	2022 Consolidated Financial Statements - Note 16.2, Lawsuits and Note 22.4, Government and legal proceedings with tax implications		
2-28	Membership associations	www.repsol.com (Sustainability - Sustainability strategy - Reports, indicators and alliances)		
2-29	Approach to stakeholder engagement	Appendix V: Further information on sustainability - Materiality and stakeholder engagement Appendix V: Further information on sustainability - Materiality and stakeholder engagement Further information on www.repsol.com (Sustainability - Sustainability strategy - Our model)		
2-30	Collective bargaining agreements	Appendix V: Further information on Sustainability - Sustainability indicators - People - Employment framework, health and safety at work		

GRI 3 Material Topics

GRI Standard	Indicator description	Reference in the Management Report, Reports or online	Ref no. for the GRI Standard	Notes
3-1	Process for determining material topics	Appendix V: Further information on sustainability - Materiality and stakeholder engagement		
3-2	List of material topics	Appendix V: Further information on sustainability (includes Non-Financial Statement) - Materiality and stakeholder engagement Changes in material topics and their coverage are included in the materiality matrix.		
3-3	Management of material topics	See references in GRI 3 Management approach	**GRI 11**	
Energy transition strategy and sustainable technologies **Adaptation to climate change: environmental management and natural disasters protocol**				
GRI 201	Economic Performance (2016)			
3-3	Management approach	Section 6.1.3 Risks and opportunities 2022 Consolidated report on payments to governments for hydrocarbon upstream activities Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Economic performance	11.2.1	
201-2	Financial implications and other risks and opportunities due to climate change	Section 6.1.3 Risks and opportunities Section 6.1.2 Strategy	11.2.2	
GRI 302	Energy (2016)			
3-3	Management approach	Section 6.1.4 Metrics and targets Section 5.2 Industrial Section 5.3 Commercial and Renewables Section 6.2.4 Circular Economy Section 6.3 Technology and Innovation	11.1.1	
302-1	Energy consumption within the organization	Section 6.1.4 – Metrics and targets	11.1.2	(5)
302-2	Energy consumption outside of the organization	Section 6.1.4 – Metrics and targets	11.1.3	
302-3	Energy intensity	Section 6.1.4 –Metrics and targets	11.1.4	(5)
302-4	Reduction of energy consumption	Section 6.1.4 – Metrics and targets		(5)
302-5	Reductions in energy requirements of products and services	Section 5.2 Industrial Section 5.3 Commercial and Renewables Section 6.2.4 Circular Economy Section 6.3 Technology and Innovation		
GRI 305	Emissions (2016)			
3-3	Management approach	Section 6.1. Climate change Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Environment - Non-GHG emissions	11.1.1	
305-1	Direct GHG emissions (scope 1)	Section 6.1.4 – Metrics and targets	11.1.5	(5)
305-2	Indirect GHG emissions when generating energy (scope 2)	Section 6.1.4 – Metrics and targets	11.1.6	(5)
305-3	Other indirect GHG emissions (scope 3)	Section 6.1.4 – Metrics and targets. Scope 3 emissions report	11.1.7	(9)
305-4	GHG emissions intensity	Section 6.1.4 – Metrics and targets	11.1.8	(5)
305-5	GHG emission reduction	Section 6.1.4 – Metrics and targets	11.2.3	(5)
305-6	Emissions of ozone-depleting substances (ODS)	Repsol does not manufacture or market substances classified as "ozone depleting substances (ODS)", nor does its activity generate these substances as by-products. The presence of ODS substances is limited to some firefighting or refrigeration system equipment installed in the past, and the level of ODS emissions is estimated to be very low. Repsol is currently in the process of developing an inventory of equipment/potential sources of ODS emissions. It is estimated that this project will be completed in early 2024.		
GRI 11	Oil and Gas (2021)			
11.2.4	Development of public policies on climate change	Section 6.1.2 Strategy - Incentive mechanisms for decarbonization		
Integrity				
GRI 205	Anti-corruption			

GRI Standard	Indicator description	Reference in the Management Report, Reports or online	Ref no. for the GRI Standard	Notes
3-3	Management approach	Section 6.8. Ethics and compliance – Fight against corruption and bribery Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Ethics and compliance - Fight against corruption	11.20.1	
205-1	Operations assessed for corruption-related risks	Section 6.8. Ethics and compliance – Code of Ethics and Conduct	11.20.2	
205-2	Communication and training on anti-corruption policies and procedures	Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Ethics and compliance - Fight against corruption	11.20.3	
205-3	Confirmed corruption cases and measures taken	Section 6.8. Ethics and compliance – Code of Ethics and Conduct	11.20.4	(10)
GRI 415	Public Policy (2016)y			
3-3	Management approach	Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Ethics and compliance - Public policy	11.22.1	
415-1	Political contributions	Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Ethics and compliance - Public policy	11.22.2	
GRI 11	Oil and Gas (2021)			
11.20.5	Approach to contract transparency	Not applicable. Applies to governments or state entities.		
Circular economy and waste management				
GRI 301	Materials (2016)			
3-3	Management approach	Section 5.2.1 Refining Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Environment - Non-GHG emissions		
301-1	Materials used by weight or volume	Section 5.2.1. Refining		(4)
301-2	Recycled input materials	Repsol does not have common and homogeneous reporting criteria. To date, recycled inputs with different origins are used in the manufacturing processes of products from some of the company's businesses. Repsol is currently working on the integration and homogenization of this information.		
301-3	Reused products and packaging materials	Repsol does not have common and homogeneous criteria for obtaining this information in the different assets, industrial complexes, factories, business units and corporate areas. Repsol encourages the internal and external reuse of products and packaging materials and is working on the integration and homogenization of this information.		
GRI 306	Effluents and waste (2016)			
306-3	Significant spills	Section 6.5.3 Spill management 2022 Consolidated Financial Statements - Note 20.3: Environmental risks - spill in Peru	11.8.2	
GRI 306	Waste (2020)			
3-3	Management approach	Section 6.2 Environment Section 6.2.4 Circular economy Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Waste management	11.5.1	
306-1	Waste generation and significant waste-related impacts	Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Waste management	11.5.2	
306-2	Management of significant waste-related impacts	Section 6.2.4 Circular economy Section 6.7.1 Supply chain	11.5.3	
306-3	Waste generated	Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Waste management	11.5.4	
306-4	Waste diverted from disposal	Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Waste management	11.5.5	
306-5	Waste directed to disposal	Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Waste management	11.5.6	
Labor rights and employee satisfaction				
GRI 2	**General contents**			
2-7	Employees	Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – People - Employment		(1)
2-21	Annual total compensation ratio	Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - People – Personnel expenses, remuneration, and benefits		

GRI Standard	Indicator description	Reference in the Management Report, Reports or online	Ref no. for the GRI Standard	Notes
2-30	Collective bargaining agreements	Section 6.4.2 People management - Social dialog Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - People - Employment framework, health and safety at work		
GRI 201	Economic Performance (2016)			
201-3	Defined benefit plan obligations and other retirement plans	2022 Consolidated Financial Statements – Note 27 Obligations to employees		
GRI 401	Employment (2016)			
3-3	Management approach	Section 6.4.2 People management Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – People - Employment	11.10.1	
401-1	New employee hires and employee turnover	Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – People - Employment	11.10.2	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - People – Personnel expenses, renumeration, and benefits	11.10.3	
401-3	Parental leave	Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - People - Diversity and equal opportunities	11.10.4	
GRI 402	Labor/ Management Relations			
3-3	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.	11.10.1	
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.	11.7.2, 11.10.5	
Sustainable financing				
GRI 201	Economic Performance (2016)			
201-1	Direct economic value generated and distributed	Appendix V: Further information on sustainability (includes Non-Financial Statement) - Economic performance	11.14.2, 11.21.2	(3)
201-2	Financial implications and other risks and opportunities due to climate change	Section 6.1.2. Strategy Section 6.1.3. Risks and opportunities 2022 Consolidated Financial Statements – Note 3.5.2	11.2.2	(6)
201-4	Financial assistance received from government	Appendix V: Further information on sustainability (includes Non-Financial Statement) - Economic performance	11.21.3	
Social commitment and community relations				
GRI 203	Economic impacts (2016)			
3-3	Management approach	Section 6.5.3 Respect for human rights and community relations – Economic impact on communities and shared value Section 6.7.1 Supply chain – Indirect economic impact Appendix V. Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Human Rights and community relations - Indirect economic impacts	11.14.1	
203-1	Infrastructure investments and services supported	Section 6.4.3 Respect for human rights and community relations – Economic impact on communities and shared value Section 6.7.1 Supply chain – Indirect economic impact Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Human rights and community relations - Indirect economic impacts	11.14.4	
203-2	Significant indirect economic impacts	Section 6.4.3 Respect for human rights and community relations – Economic impact on communities and shared value Section 6.6 Responsible tax policy Section 6.7.1 Supply chain – Indirect economic impact Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Human rights and community relations - Indirect economic impacts	11.14.5	
GRI 413	Local Communities (2016)			
3-3	Management approach	Section 6.4.3 Respect for human rights and community relations Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Human rights and community relations - Local communities	11.15.1	
413-1	Operations with local community engagement, impact assessments, and development programs	Section 6.4.3 Respect for human rights and community relations – Due diligence management model	11.15.2	

GRI Standard	Indicator description	Reference in the Management Report, Reports or online	Ref no. for the GRI Standard	Notes
413-2	Operations with significant actual and potential negative impacts on local communities	Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Human rights and community relations - Local communities	11.15.3	
GRI 11	Oil and Gas (2021)			
11.7.4	Dismantled sites	Appendix V: Further information on sustainability – Sustainability indicators - Human rights and community relations – Local communities		
11.7.5	Dismantled structures that have remained on site and reasons for this	Appendix V: Further information on sustainability – Sustainability indicators - Human rights and community relations – Local communities		
11.7.6	Monetary value of financial forecasts for closure and renovation	2022 Consolidated Financial Statements. Note 15 Provisions		
11.15.4	Number and types of claims from local communities	Apartado 6.4.3. Derechos humanos y relaciones con la comunidad - Mecanismos de reclamación		
11.16.2	Locations of operations that have caused resettlement and description of how the sites were affected and how they were restored	As was the case in 2021, there were no cases of involuntary resettlements this year as a result of the activities of the organization.		
Air quality				
GRI 305	Emissions (2016)			
305-7	Nitrogen oxides (NO_X), sulfur oxides (SO_X), and other significant air emissions	Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Environment - Non-GHG emissions	11.3.2	
Human rights				
GRI 410	Security Practices			
3-3	Management approach	Section 6.4.3 Respect for human rights and community relations – Security and human rights	11.18.1	
410-1	Security personnel trained in human rights policies or procedures	Section 6.4.3 Respect for human rights and community relations – Security and human rights	11.18.2	
GRI 411	Rights of Indigenous Peoples (2016)			
3-3	Management approach	Section 6.543 Respect for human rights and community relations Appendix V: Further information on sustainability (includes Non-Financial Statement) - Human rights and community relations - Human rights	11.17.1	
411-1	Incidents of violations involving rights of indigenous peoples	As was the case in 2021, in 2022 there were no incidents related to violations of indigenous people's rights reported to the Company's whistleblower channel.	11.17.2	(12)
GRI 412	Human Rights Assessment (2016)			
3-3	Management approach	Section 6.4.3 Respect for human rights and community relations – Due diligence management model Section 6.7.1 Supply chain Appendix V. Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Human Rights and Community Relations - Human rights		
412-1	Operations that have been subject to human rights reviews or impact assessments	Section 6.4.3 Respect for human rights and community relations – Due diligence management model		
412-2	Employee training on human rights policies or procedures	Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Human rights and community relations - Human rights		
GRI 11	Oil and Gas (2021)			
11.17.3	Locations where there are indigenous peoples affected by the organization	Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Human rights and community relations - Local communities		
11.17.4	Participation by indigenous peoples in processes of free, prior, and informed consent (FPIC)	Section 6.4.3 Respect for human rights and community relations – Due diligence management model		
Just transition with communities				
3-3	Management approach for just transition with communities	Section 6.4.1 People-centered just transitions Section 6.4.3 Respect for human rights and community relations Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Human rights and community relations - Local communities	11.2.1	
Health and the prevention of work-related accidents				
GRI 403	Occupational health & safety			

GRI Standard	Indicator description	Reference in the Management Report, Reports or online	Ref no. for the GRI Standard	Notes
3-3	Management approach	Section 6.5 Safe Operations Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - People - Employment framework, health and safety at work	11.9.1	
403-1	Occupational health and safety management system	Section 6.5.1 – Safety management system	11.9.2	
403-2	Hazard identification, risk assessment, and incident investigation	Section 6.5.4 Personnel accident rate Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Safe operation	11.9.3	
403-3	Occupational health services	Appendix V. Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - People - Employment framework, health and safety at work	11.9.4	
403-4	Worker participation, consultation, and communication on occupational health and safety	Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - People - Employment framework, health and safety at work	11.9.5	(11)
403-5	Worker training on occupational health and safety	Section 6.5.5 Safety culture Appendix V: Appendix V. Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators - People - Talent development	11.9.6	
403-6	Promotion of worker health	Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - People - Employment framework, health and safety at work	11.9.7	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Section 6.5.1 Safety management system Section 6.7.2 Responsible customer management – Safety across the product life cycle Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Safe operation	11.9.8	
403-8	Workers covered by an occupational health and safety management system	Section 6.5.1 Safety management system	11.9.9	
403-9	Work-related injuries	Section 6.5.4 Personnel accident rate Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Safe operation	11.9.10	
11.8.3	Number of level 1 and level 2 safety incidents	Section 6.5.2. Process safety		
Water quality and management				
GRI 303	Water and effluents (2018)			
3-3	Management approach	Section 6.2.3 Water Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Environment - Water	11.6.1	
303-1	Interactions with water as a shared resource	Section 6.2.3 – Water	11.6.2	
303-2	Management of water discharge-related impacts	Section 6.2.3 – Water	11.6.3	
303-3	Water withdrawal	Section 6.2.3 Water Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Environment - Water	11.6.4	
303-4	Water discharge	Section 6.2.3 Water Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Environment - Water	11.6.5	
303-5	Water consumption	Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Environment - Water	11.6.6	
Biodiversity and ecosystems				
GRI 304	Biodiversity (2016)			
3-3	Management approach	Section 6.2.2 Natural capital and biodiversity – Biodiversity protection and conservation in all our activities Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Environment - Biodiversity	11.4.1	
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Environment - Biodiversity	11.4.2	(7)

GRI Standard	Indicator description	Reference in the Management Report, Reports or online	Ref no. for the GRI Standard	Notes
304-2	Significant impacts of activities, products, and services on biodiversity	Section 6.2.2 Natural capital and biodiversity – Biodiversity protection and conservation in all our activities Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Environment - Biodiversity	11.4.3	(8)
304-3	Habitats protected or restored	Section 6.2.2 Natural capital and biodiversity – Biodiversity protection and conservation in all our activities Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Environment - Biodiversity	11.4.4	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Environment - Biodiversity	11.4.5	
Customer satisfaction and safety				
GR 416	Customer Health and Safety (2016)			
3-3	Management approach	Section 6.7.2 Responsible customer management – Safety across the product life cycle Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Ethics and compliance - Regulatory compliance		
416-1	Assessment of the health and safety impacts of product and service categories	Section 6.7.2 Responsible customer management – Safety across the product life cycle Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Supply chain and customers - Responsible customer management	11.3.3	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Ethics and compliance - Regulatory compliance		
GR 418	Customer Privacy (2016)			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Section 6.7.2. Responsible management of customers		
Transparent relationship with the Government				
GRI 201	Economic Performance (2016)			
201-4	Financial assistance received from government	Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Economic performance	11.21.3	
GRI 207	Tax policy			
207-1	Approach to tax	Section 6.6 Responsible tax policy Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Responsible tax policy	11.21.4	
207-2	Tax governance, control, and risk management	Section 6.6 Responsible tax policy Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Responsible tax policy	11.21.5	
207-3	Stakeholder engagement and management of concerns related to tax	Section 6.6 Responsible tax policy Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Responsible tax policy	11.21.6	
207-4	Country-by-country reporting	Section 6.6 Responsible tax policy Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Responsible tax policy	11.21.7	
GRI 11	Oil and Gas (2021)			
11.21.8	Oil and gas purchased from the State	Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Payments to governments		
Diversity and equal opportunities				
GRI 202	Market Presence (2016)			
3-3	Management approach	Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – People - Employment Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - People – Expenses, remuneration, and benefits	11.11.1, 11.14.1	
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - People – Expenses, remuneration, and benefits		
202-2	Proportion of senior management hired from the local community	Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – People - Employment	11.11.2, 11.14.3	

GRI Standard	Indicator description	Reference in the Management Report, Reports or online	Ref no. for the GRI Standard	Notes
GRI 405	Diversity and equal opportunities			
3-3	Management approach	Section 6.4.2 People management Section 6.9 Ethics and compliance – Code of Ethics and Conduct Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Human rights and community relations - Human rights	11.11.1	
405-1	Diversity of governance bodies and employees	Section 2.4 Corporate governance Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - People - Diversity and equal opportunities	11.11.5	
405-2	Ratio of basic salary and remuneration of women to men	Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - People – Expenses, renumeration, and benefits	11.11.6	
GRI 406	Non-discrimination			
3-3	Management approach	Section 6.4.2 People management Section 6.8 Ethics and compliance – Code of Ethics and Conduct Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Human rights and community relations - Human rights		
406-1	Incidents of discrimination and corrective actions taken	Section 6.8. Ethics and compliance – Code of Ethics and Conduct Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Human rights and community relations - Human rights	11.11.7	
Sustainable supply chain				
GRI 204	Procurement Practices (2016)			
3-3	Management approach	Section 5.1. Upstream Section 6.7.1 – Supply chain – Indirect economic impact		
204-1	Proportion of spending on local suppliers	Section 6.7.1 – Supply chain – Indirect economic impact		(2)
GRI 407	Environmental assessment of			
3-3	Management approach	Section 6.7.1 Supply chain – Environmental and social assessment of suppliers Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Supply chain and customers		
308-1	New suppliers that were screened using environmental criteria	Section 6.7.1 Supply chain – Environmental and social assessment of suppliers		
308-2	Negative environmental impacts in the supply chain and actions taken	Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Supply chain and customers		
GRI 407	Freedom of association and collective bargaining			
3-3	Management approach	Section 6.7 – Supply chain and customers Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Human rights and community relations - Human rights	11.13.1	
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Section 6.7 – Supply chain and customers Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Human rights and community relations - Human rights	11.13.2	(6)
GRI 408	Child Labor			
3-3	Management approach	Section 6.7 – Supply chain and customers Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Human rights and community relations - Human rights		
408-1	Operations and suppliers at significant risk for incidents of child labor	Section 6.7 – Supply chain and customers Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Human rights and community relations - Human rights		(6)
GRI 409	Forced or Compulsory Labor			
3-3	Management approach	Section 6.7 – Supply chain and customers Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Human rights and community relations - Human rights		

GRI Standard	Indicator description	Reference in the Management Report, Reports or online	Ref no. for the GRI Standard	Notes
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Section 6.8 – Supply chain and customers Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Human rights and community relations - Human rights	11.12.2	(6)
GRI 412	Human Rights Assessment			
3-3	Management approach	Section 6.4.3 Respect for human rights and community relations – Due diligence management model Section 6.7.1 Supply chain Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - 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 5. Performance of our businesses - Sustainability performance (by business) Section 6.4.3 Respect for human rights and community relations – Due diligence management model Section 6.7.1 Supply chain		
GRI 414	Supplier Social Assessment			
103	Management approach	Section 6.7.1 Supply chain – Environmental and social assessment of suppliers Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Supply chain and product safety	11.10.1, 11.12.1	
414-1	New suppliers that were screened using social criteria	Section 6.7.1 Supply chain – Environmental and social assessment of suppliers	11.10.8, 11.12.3	
414-2	Negative social impacts in the supply chain and actions taken	Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Supply chain and product safety	11.10.9	
Regulatory compliance				
GRI 206	Unfair Competition (2016)			
3-3	Management approach	Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Ethics and compliance - Regulatory compliance		
206-1	Legal actions related to unfair competition and monopolistic practices and against free competition	Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Ethics and compliance - Regulatory compliance		(13)
Physical security faced with third parties				
GRI 410	Security Practices			
3-3	Management approach	Section 6.4.3 Respect for human rights and community relations – Security and human rights	11.18.1	
410-1	Security personnel trained in human rights policies or procedures	Section 6.4.3 Respect for human rights and community relations – Security and human rights	11.18.2	
Talent attraction, retention, and developmento				
GRI 404	Training and Education (2016)			
3-3	Management approach	Section 6.4.2 People management Appendix V: Appendix V. Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators - People - Talent development	11.10.1,11.11.1,11.7.1	
404-1	Average hours of training per year per employee	Appendix V. Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - People – Training and development	11.10.6, 11.11.4	
404-2	Programs for upgrading employee skills and transition assistance programs	Appendix V: Appendix V. Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators - People - Talent development	11.7.3, 11.10.7	
404-3	Percentage of employees receiving regular performance and career development reviews	Appendix V: Appendix V. Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators - People - Talent development		

(1) Information reported only for own personnel.
(2) Information on the supply chain refers exclusively to purchases worth more than €1 million made by the corporate purchasing and procurement department, and excludes purchases of crude oil, gas and materials.
(3) The referenced report on payments to governments 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 refunds 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 are subject to change once the audits of the emissions at each site and asset under ISO 14064 have been conducted.
(6) Qualitative information is disclosed.
(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 in Upstream, nor the fixed asset and investee categories.
(10) Sanctions or warnings stemming from breaches of the Code of Ethics are reported.
(11) Information on the representation of employees on existing safety and health committees is reported.
(12) Incidents related to violations of rights of indigenous peoples received through the Company's whistleblower channel are reported.
(13) Only lawsuits exceeding €5 million are reported.

d) Statement of non-financial information

The table set out below presents the non-financial and diversity information requirements established by Law 11/2018 (of 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 online	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.	2-6	Section 2.4. Corporate Governance Section 2.1. Value chain and businesses Section 2.2 Repsol around the world Section 2.5 Strategy Section 5. Performance of our businesses Section 7. Outlook Consolidated Financial Statements 2022 – Note 20.2 Sensitivities	
b) Policies	3-3	Section 6. Sustainability – Sustainability model	
c) Policy outcomes. KPIs	3-3	About this report Section 6. Sustainability – Sustainability model Section 6.2 Environment Appendix V: Further information on sustainability (includes Non-Financial Statement)	
d) Risks over the short term, medium term, and long term	102-15, 205-1, 413-1, 407-1, 408-1, 409-1	Section 2.4. Corporate Governance Section 6.1. Energy transition and climate change Section 6.2. Environment Section 6.4.2. – Respect for human rights and community relations – Due diligence management model Section 6.5 Safe operations Section 6.7 Supply chain and customers Section 6.8 Ethics and compliance Section 7.5 – Russia's invasion of Ukraine and other risks Appendix IV. Risks Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Climate change	
e) KPIs		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	3-3, 2-23, 201-2, 307-1, 308-1, 308-2	Section 2.4. Corporate Governance Section 6.1.3. Risks and opportunities Section 6.2. Environment Section 6.5. Safe operations Section 6.7.1. Supply chain – Environmental and social assessment of suppliers Section 7.5. Russia's invasion of Ukraine Appendix IV. Risks Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Ethics and compliance - Compliance Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Supply chain and customers	Information on resources in place to foresee and anticipate environmental risks and provisions is disclosed in Note 29.1 of the 2022 Consolidated Financial Statements. Information on environmental guarantees is disclosed in Note 25.2 of the 2022 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	3-3, 305-5, 305-7	Section 6.1. Energy transition and climate change Section 6.1.4. Metrics and targets Section 6.2.1 Air quality Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Environment - Non-GHG emissions	Light pollution is not reported on as it is not considered a material issue (see Materiality Matrix, Appendix 5.a)
c) Circular economy and waste prevention and management	3-3, 306-1, 306-2, 306-3, 306-4, 306-5	Section 6.2.4 Circular economy Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Environment – Effluents and waste	The actions taken to combat food waste are not reported on as this is not considered a material issue (see Materiality Matrix, Appendix 5.a)
d) Sustainable use of resources			
• The water consumption and water supply according to local limitations	3-3, 303-3, 303-4, 303-5	Section 6.2.2. Water Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Environment - Water	

Contents	GRI Standards	Reference in Management Report, Reports or online	Comments
• Consumption of raw materials and measures taken to improve the efficiency of their use	3-3, 301-1, 301-2	Section 5.2.1. Refining Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Environment - Non-GHG emissions	The improved efficiency in the use of raw materials is not reported on as it is not considered a material issue (see Materiality Matrix, appendix 5.a)
• Direct and indirect consumption of energy, measures taken to improve energy efficiency and the use of renewable energies.	3-3, 302-1, 302-2, 302-3, 302-4, 302-5	Section 6.1.4. Metrics and targets Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - 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	3-3, 305-1, 305-2, 305-3, 305-4, 305-5, 305-7, 201-2	Section 2.5. Strategy Section 6.1. Energy transition and climate change Section 7.5. Russia's invasion of Ukraine and other risks Appendix IV. Risks Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Climate change - Energy efficiency and climate change	
f) Protection of biodiversity	3-3, 304-1, 304-2, 304-3, 304-4	Section 6.2.2. Natural capital and biodiversity - Biodiversity protection and conservation in all our activities Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Environment - Biodiversity	
2. Social and personnel matters			
a) Employment			
• Total number and distribution of employees by gender, age, country and professional classification	3-3, 2-7, 405-1	Section 2.4. Corporate Governance Section 6.4.2. People management Appendix V. Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators – People - Employment Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - People - Diversity and equal opportunities	
• Total number and distribution of employment contract types	2-7	Section 6.4.2. People management Appendix V. Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators – People - Employment	
• Average annual number of contracts, temporary contracts and part-time contracts by gender, age and professional classification	2-7, 405-1	Section 2.4. Corporate Governance Section 6.4.2. People management Appendix V. Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators – People - Employment Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - People - Diversity and equal opportunities	
• Number of dismissals by gender, age, country and professional classification	401-1	Appendix V. Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators – People - Employment	
• Average remunerations and their development broken down by gender, age and professional classification or equal value	405-2, 2-21	Section 6.4.2. People management Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - People – Remuneration and benefits	
• Salary gap, remuneration of equal or average jobs in society	405-2	Section 6.4.2. People management Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - 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	3-3, 2-19, 2-20	Appendix VI. Annual Corporate Governance Report 2022 – B.4.4. Compensation Committee Appendix VI. Annual Corporate Governance Report 2022 - B.5 Remuneration of directors and senior management Appendix VII. Annual Report on the Remuneration of Directors 2022. 2021-2023 Director Remuneration Policy (www.repsol.com [Shareholders and investors - Corporate governance - Board of Directors Remuneration]) Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Environment - Corporate governance Consolidated Financial Statements 2022 – Note 28. Remuneration of the members of the Board of Directors and key management personnel	Remuneration of members of the Board of Directors and executive personnel is included in note 28 to the 2022 Consolidated Financial Statements.
• Implementation of labor right to disconnect policies	3-3	Section 6.4.2. People management	
• Employees with disabilities	405-1	Section 2.4. Corporate Governance Section 6.4.2. People management Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - People - Diversity and equal opportunities	

Contents	GRI Standards	Reference in Management Report, Reports or online	Comments
b) Organization of work • Number of hours of absenteeism • Work-life balance measures	3-3, 401-3	Section 6.4.2. People management Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - People - Diversity and equal opportunities Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - People - Employment framework, health and safety at work	
c) Health and safety: • Frequency and severity of occupational accidents, by gender • Occupational diseases	3-3, 403-1, 403-2, 403-3, 403-6, 403-7, 403-8, 403-9, 403-10	Section 6.5. Safe operations Section 6.5.4. Personnel accident rate Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - People - Employment framework, health and safety at work Appendix V. Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators – Safe operation	
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	3-3, 2-30, 407-1, 403-4	Section 6.7. Supply chain and customers Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - People - Employment framework, health and safety at work Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Human Rights and Community Relations - Human rights	
e) Training	3-3, 403-5, 404-1, 404-2	Section 6.5.2. People management - Anticipatory talent management Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - People – Talent development	
f) Universal accessibility for disabled persons	3-3	Section 6.4.2. People management Appendix V. Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators – People - Employment	
g) Equality	3-3	Section 6.4.2. People management Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - 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	3-3, 2-26, 412-1, 412-2, 412-3, 410-1, 406-1, 407-1, 408-1, 409-1	About this report Section 5. Performance of our businesses – Sustainability performance (by business) Section 6.4.3. Respect for human rights and community relations – Due diligence management model Section 6.4.3. Respect for human rights and community relations – Grievance and remediation mechanisms Section 6.7. Supply chain and customers Section 6.8. Ethics and compliance Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Human Rights and Community Relations - Human rights Code of Ethics and Conduct (www.repsol.com [Sustainability – Ethics and transparency]) Repsol ethics and compliance channel (ethicscompliancechannel.repsol.com)	
4. Corruption and bribery			
• Measures taken to prevent corruption and bribery	3-3, 2-26, 205-1, 205-2, 205-3	About this report Section 6.8. Ethics and compliance Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Ethics and compliance - Fight against corruption Code of Ethics and Conduct (www.repsol.com [Sustainability – Ethics and transparency]) Repsol ethics and compliance channel (ethicscompliancechannel.repsol.com)	
• Measures to combat money laundering	205-2	Section 6.8. Ethics and compliance – Fight against corruption Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Ethics and compliance - Fight against corruption	
• Contributions to foundations and non-profit entities	413-1	Section 6.4.2. Respect for human rights and community relations – Economic impact on communities and shared value	
5. Society			

Contents	GRI Standards	Reference in Management Report, Reports or online	Comments
a) The company's commitment to sustainable development	3-3, 2-28, 2-29, 202-1, 202-2, 203-1, 203-2, 204-1, 411-1, 413-1, 413-2	Section 6.4.2. Respect for human rights and community relations – Economic impact on communities and shared value Section 6.4.2. – Respect for human rights and community relations – Due diligence management model Section 6.6. Responsible tax policy Section 6.7.1. Supply chain and – Indirect economic impact Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Materiality and stakeholder engagement Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - People – Remuneration and benefits Appendix V. Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators – People - Employment Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Human Rights and Community Relations - Indirect economic effects Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - 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	3-3, 102-9, 308-1, 308-2, 414-1, 414-2	Section 6.7. Supply chain and customers Section 6.7.1. Supply chain – Environmental and social assessment of suppliers Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Supply chain and customers	
c) Consumers: • Measures to protect the health and safety of consumers • Grievance systems, complaints received and outcome	3-3, 416-1, 416-2, 418-1	Section 6.7.2. Responsible customer management – Safety across the product life cycle Section 6.7.2 – Responsible customer management – Management of customer claims Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Ethics and compliance - Compliance	
d) Tax information			
• Profits obtained country by country Tax on profits paid	3-3, 201-1, 207	Section 6.6. Responsible tax policy Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Environment - Economic performance Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Environment - Responsible tax policy	
• Public grants received	201-4	Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Environment - Economic performance	
6. Other significant information			
a) Other information on the Company's profile	2-1,2-6,2-22	Message from the chairman Message from the CEO Section 1. 2022 Overview Section 2.1. Value chain and businesses Section 2.2. Repsol around the world Section 2.5. Strategy Section 2.3. Corporate structure Section 5. Performance of our businesses Section 6.1.2. Risks and opportunities Section 6.7.1. Supply chain Section 7.5. Russia's invasion of Ukraine Appendix IV. Risks Consolidated Financial Statements 2022 – Note 1. About these Financial Statements Consolidated Financial Statements 2022 – Note 2. About Repsol	
b) Corporate Governance	2-9,2-10,2-11,2-12, 2-13,2-14,2-15,2-16, 2-17,2-18,2-20,	Section 2.4. Corporate Governance Section 6. Sustainability – Sustainability model Section 6.1.1. Climate change governance Appendix VI. Annual Corporate Governance Report 2022 Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Environment - Corporate governance	
c) Stakeholder engagement	2-29	Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Materiality and stakeholder engagement More information www.repsol.com (Sustainability – Sustainability Strategy	
d) Other useful information on the preparation of the document	2-3,2-4,, 201-3, 206-1, 306-1, 306-3, 401-3, 402-1, 404-3, 415-1, 419-1, GRI11	Appendix Vc. GRI Index	
Sustainable Finance Taxonomy		Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainable Finance Taxonomy	

e) Sustainable Finance Taxonomy

On June 18, 2020, the European Parliament enacted Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (framework also known as Sustainable Finance Taxonomy[1]) as an instrument to reach the goal of achieving a climate-neutral European Union in 2050.

This taxonomy, which came into force in 2021, establishes a series of economic activities ("eligible" activities) that are included in 13 macro-sectors.

However, for an activity classified as "eligible" to be considered as environmentally sustainable because it is “aligned” to the taxonomy, it must make a substantial contribution to at least one of the environmental objectives defined to date by the EU[2] (climate change mitigation and adaptation), it must not significantly harm the other environmental objectives (sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems), and it must also comply with a minimum number of social safeguards.

Repsol has defined a work process involving all the Company's businesses, thus enabling it to carry out the exercise of classifying its activities as "eligible" or "aligned" in accordance with the criteria set out in the European taxonomy (see the next section, "Alignment determination process"). To accomplish this, multidisciplinary technical teams have been set up to determine what activities could be classified as "eligible" or "aligned." Once the classification for each activity was established, the economic teams obtained the information from the economic indicators (KPI for turnover, capex, and opex[3]) defined by the Delegated Regulation, whose amounts were extracted from the economic-financial systems of each business. In the last stage of consolidation and review, the proportion of each indicator on the IFRS-EU consolidated magnitude was calculated, ensuring the integrity and sole allocation of the economic indicators reported in accordance with the breakdown criteria defined.[4]

This information is reached by the System of Internal Control over Financial Reporting (ICFR) and non-financial ICnFR (see Appendix IV), as well as the verification of the external auditor (PwC).

Alignment determination process

The process of determining the alignment of the activities identified as "eligible" by the Sustainable Finance Taxonomy starts with the verification of compliance with the criteria of having a substantial contribution to the mitigation of climate change (see the table on the next page). Once the activities that meet the requirements are identified, compliance with the criteria of not causing significant harm (hereinafter, "DNSH") is validated with respect to the different environmental objectives (adaptation to climate change, water resources, pollution, circular economy, and biodiversity). Finally, the appropriate checks are carried out to determine that Repsol complies with the so-called “minimum safeguards” (OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, and the International Bill of Human Rights).

Compliance with the criterion of making a substantial contribution to the mitigation of climate change

The Taxonomy establishes different types of substantial contribution criteria. Thus, the activities identified by Repsol can be classified as follows (which are specific for each activity):

- Activities that meet the substantial contribution criteria by nature.
- Activities that must exceed an established threshold of GHG emissions savings throughout their life cycle when compared to the conventional process or generate GHG emissions below a certain threshold.
- Activities that must exceed a certain energy density threshold.
- Activities that must comply with the applicable regulations.

The following table summarizes the degree of compliance with the criterion of making a substantial contribution to climate change mitigation for each of the activities identified:

[1] In conjunction with the Delegated Regulations implementing Regulation (EU) 2020/852 relating to technical and economic requirements.
[2] Pending the rest of the objectives development: (i) sustainable use and protection of water and marine resources, (ii) transition to a circular economy, (iii) pollution prevention and control, and (iv) protection and restoration of biodiversity and ecosystems.
[3] Turnover: "sales" and "income from services rendered and other income" headings of the IFRS-EU profit and loss account. Capex: movements in operating investments for the period (organic or through business combinations) under the headings "tangible fixed assets" and "intangible fixed assets" on the IFRS-EU balance sheet. Opex: this is calculated with the expenses needed to guarantee the continuous and efficient operation of the assets included in the subheadings "maintenance and conservation" (which includes expenses incurred in building renovation measures), "leasing expenses," and "research and development expenses" of the heading "other operating income/expenses" of the IFRS-EU profit and loss account.
[4] Criteria established by Delegated Regulation (EU) 2021/2178 and Delegated Regulation (EU) 2022/1214.

Eligible activities: compliance with the substantial contribution criterion.

	Nature of the activity	GHG emissions savings	GHG emissions generation	Energy density threshold	Regulatory compliance
3.10. Manufacture of hydrogen [1]		✓			
3.14. Manufacture of organic basic chemicals [2]			✗		
3.17. Manufacture of plastics in primary form (polyols and recycled polyolefins) [3]			✓		
3.17. Manufacture of plastics in primary form (rest of polyols and polyolefins) [4]			✗		
4.1. Electricity generation using solar photovoltaic technology [5]	✓				
4.3. Electricity generation from wind power (6)	✓				
4.5. Generation of electricity from hydroelectric power [7]	✓		✓	✓	
4.10. Storage of electricity (8)	✓				
4.13. Manufacture of biogas and biofuels for use in transport and of bioliquids [9]		✓			
4.29. Electricity generation from fossil gaseous fuels (10)			✗		
4.30. High-efficiency co-generation of heat/cool and power from fossil gaseous fuels [11]			✗		
5.12. Underground permanent geological storage of CO_2 (12)					✓
6.15. Infrastructure enabling low-carbon road transport and public transport [13]	✓				
7.6. Installation, maintenance, and repair of renewable energy technologies [14]	✓				
9.2. Research, development and innovation for direct capture of CO_2 [15]	✓				

[1] This includes projects for the development, construction, and operation of electrolytic hydrogen manufacturing plants at the different industrial facilities belonging to the Company, contributing to the fulfillment of the strategy of producing 0.5 GW of renewable hydrogen in 2025 and 1.9 GWe in 2030 to reduce emissions from industrial facilities.
[2] This includes the production of monomers such as ethylene, propylene, benzene, and butadiene in the steam cracking process, as well as propylene oxide, styrene, and glycols in the intermediates business. Due to the Company's high level of integration, the vast majority of these raw materials are used to manufacture Repsol's petroleum products and the rest are sold. With respect to the glycols produced by the Company, although not explicitly included in the description of the activity 3.14. established by the taxonomy, they also constitute an intermediate product used to obtain other compounds that are eligible according to said taxonomy.
[3] This activity includes new recycled polyol and polyolefin products stemming from mechanical recycling, as well as chemical recycling projects that also reduce the carbon footprint. In terms of the recycling line, the Company has a recycling target set at 20% of polyolefin sales in 2030.
[4] Repsol's petroleum chemistry is focused on plastics manufacturing and includes polyols and polyolefins. Regarding polyolefins, there are a wide variety of products: low-density polyethylene, high-density polyethylene, metallocene linear low density polyethylene, polypropylene, and EVA/EVA copolymers. With respect to polyols, they include polyether polyols for flexible, rigid, and CASE applications, as well as polymeric polyols.
[5] This includes projects for the development, construction, and operation of solar parks for the generation of electricity from solar photovoltaic technology.
[6] This includes projects for the development, construction, and operation of wind farms for the generation of electricity from wind energy.
[7] This includes projects for the operation of hydroelectric power plants for the generation of electricity.
[8] This includes the development, construction, and operation of pumped-storage hydroelectricity plants.
[9] This includes projects for the development and construction of advanced biofuels such as hydrobiodiesel, biojet, bionaphtha, and biopropane for planes, ships, trucks, and cars.
[10] This includes the operation of combined cycle power plants for the generation of electricity from gaseous fossil fuels.
[11] This includes the operation of the cogeneration systems located in the industrial facilities for the generation of electricity and heat from gaseous fossil fuels.
[12] Projects in the exploratory phase or in the initial phases of development for the permanent geological storage of CO_2, including transport from the capture point. This includes both the dimensioning and characterization of possible geological repositories, as well as the associated initial engineering.
[13] This includes the installation of electrical charging points at different facilities: service stations, LPG factories, refineries, chemical facilities, etc.
[14] This includes the installation of solar panels at different facilities: service stations, LPG factories, refineries, chemical complexes, etc. as well as at third parties, through initiatives like Solmatch.
[15] Research, development, and innovation for the direct capture of CO_2 from the atmosphere for its introduction into refinery processes for the manufacture of carbon negative products.

Compliance with DNSH criteria

The Company has evaluated compliance with each of the DNSH criteria for all the activities that meet the substantial contribution criteria.

- *Adaptation to climate change*. Repsol has developed a semi-quantitative methodology to analyze in detail the physical risks of climate change at existing facilities, and especially at new facilities that have been added to the Company's portfolio. To carry out this long-term analysis, the global warming scenarios described by the Intergovernmental Panel on Climate Change (IPCC) were considered (RCP 8.5, RCP 4.5, and RCP 2.6), taking into account the years 2030, 2040, and 2050. At the moment, the physical risk analysis work shows a low impact in general due to the engineering design bases of these facilities and the mitigation measures implemented. ● *For more information, see section 6.1.3.*
- *Sustainable use and protection of water and marine resources*. The Company has environmental impact studies (which include assessments of impact on the water environment) and reports on the ecological, chemical, and physical state of the water -- all of which guarantees that the ecological quality of water flows aligns with the Water Framework Directive that the DNSH criteria makes reference of.
- *Transition to a circular economy*. Repsol has approved a new environmental policy that establishes specific commitments in terms of the circular economy: promoting the application of the principles of the circular economy and optimizing the use of natural resources and raw materials, including energy and water resources. In addition, since 2019 the Group has had a framework contract with the company Surus for the application of circular economy principles to all the assets that are no longer used by the Company. Repsol participates in international consortia that promote circular economy principles. What's more, the circular economy commitments are applied in each project through the contracting of suppliers that have express commitments to withdraw and reuse equipment and components.
- *Pollution prevention and control*. Repsol has specific reports on the implementation of the Best Available Techniques (BAT) and on compliance with the emissions/discharge limits associated therewith. Likewise, the Company complies with the applicable European regulations regarding the presence of dangerous substances in equipment and products (REACH and ROHS, among others).
- *Protection and restoration of biodiversity*. The Company has environmental impact studies and reports on the mitigation and compensation measures adopted in the affected terrestrial ecosystems, guaranteeing compliance with the DNSH principles in this area.

Compliance with minimum social safeguards

Repsol complies with the most demanding and relevant international standards in this area[5]: the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights (including the principles and rights established in the eight fundamental conventions identified in the International Labor Organization Declaration on Fundamental Principles and Rights at Work), and the International Bill of Human Rights.

- *Human rights* (includes labor rights). Since 2008, Repsol has had a Human Rights and Community Relations Policy that complies with the aforementioned international standards. In addition, it has a human rights due diligence model for the management of internal processes. The due diligence model is applied throughout all stages of the life cycle of the assets, from analysis to abandonment, and is based on the main international standards. These actions are combined with engagement strategies aimed at local communities and other stakeholders in all operating projects. ●*For more information, see section 6.5.3 Respect for human rights and community relations.*
- *Corruption and bribery*. The Company's Integrity Policy is the reference framework for action in aspects related to both corruption and fraud. In addition, there is a comprehensive compliance management model that contributes to reinforcing a global culture of compliance and to improving identification, monitoring, and support in the management of compliance risks including corruption. Repsol has training programs and response mechanisms for events that could represent breaches of the Code of Ethics and Conduct or suspected or confirmed criminal offenses within the scope of the Repsol Crime Prevention Model. ●*For more information, see section 6.8 Ethics and compliance.*
- *Tax policy*. Repsol is committed to complying with the best practices of responsible taxation and tax governance through voluntary adherence to internationally accepted principles, guidelines, and recommendations (B-Team, GRI 207, and the OECD standard for tax risk control). ●*For more information, see section 6.6 Responsible tax policy, and Appendix V.*
- *Fair competition*. Repsol is committed to complying with anti-trust regulations in all its spheres of action and in all countries in which it operates. This commitment is a core element of Repsol's Code of Ethics and Conduct. In addition, specific risk assessments are carried out in terms of competition, and the Company has measures to prevent or mitigate the risks. Additionally, specific training and awareness activities have been developed in this regard. ●*For more information, see section 6.8 Ethics and compliance.*

[5] The company does not have final sentences convicting it in matters of human rights (including labor rights), corruption, tax evasion, and/or competition.

Economic indicators

Below is the result of the three KPIs is shown by economic activity and in terms of their eligibility and alignment with the Sustainable Finance Taxonomy.

The information has been reported in accordance with the templates included in Appendix II of Commission Delegated Regulation (EU) 2021/2178, dated July 6, 2021.

Turnover

Economic activities	Code [2]	Absolute turnover (€M)	Proportion of turnover (%)	Substantial contribution criteria [1]: Climate change mitigation (%)	Climate change adaptation (%)	Water and marine resources (%)	Circular economy (%)	Pollution (%)	Biodiversity and ecosystems (%)	DNSH criteria ('Does Not Significantly Harm'): Climate change mitigation (Y/N)	Climate change adaptation(Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards (Y/N)	Taxonomy-aligned proportion of turnover 2022	Taxonomy-aligned proportion of turnover 2021	Category (E: enablig activity)	Category (T: transitional activity)
A. Taxonomy-eligible activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Manufacture of hydrogen	3.10.	–	–%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	–%	N/A		
Manufacture of plastics in primary form	3.17.	8	0.0%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.0%	N/A		T
Electricity generation using solar photovoltaic technology	4.1.	65	0.1%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.1%	N/A		
Electricity generation from wind power	4.3.	35	0.0%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.0%	N/A		
Generation of electricity from hydroelectric power	4.5.	46	0.1%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.1%	N/A		
Storage of electricity	4.10.	111	0.1%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.1%	N/A	E	
Manufacture of biogas and biofuels for use in transport and of bioliquids	4.13.	–	–%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	–%	N/A		
Underground permanent geological storage of CO_2	5.12.	–	–%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	–%	N/A		
Infrastructure enabling low-carbon road transport and public transport	6.15.	2	0.0%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.0%	N/A	E	
Installation, maintenance, and repair of renewable energy technologies	7.6.	–	–%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	–%	N/A	E	
Research, development and innovation for direct air capture of CO_2	9.2.	–	–%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	–%	N/A	E	
Total A.1.		**267**	**0.4%**	**100%**	**0%**	**N/A**	**N/A**	**N/A**	**N/A**								**0.4%**	**N/A**		
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Manufacture of basic chemical products	3.14.	769	1%														N/A	N/A		
Manufacture of plastics in primary form	3.17.	3,777	5%														N/A	N/A		
Generation of electricity from hydroelectric power	4.5.	8	0.0%														N/A	N/A		
Production of biogas and biofuels for the transport and production of bioliquids	4.13.	–	–%														N/A	N/A		
Generation of electricity from gaseous fossil fuels	4.29.	719	1%														N/A	N/A		
High efficiency cogeneration of heat/cold and electricity from gaseous fossil fuels	4.30.	285	0%														N/A	N/A		
Total A.2.		**5,558**	**7%**														**–%**	**–%**		
Total (A.1+A.2)		**5,825**	**8%**														**0.4%**	**N/A**		
B. Taxonomy-non-eligible activities																				
Turnover of Taxonomy-non-eligible activities (B)		**69,328**	**92%**																	
TOTAL (A+B)		**75,153**	**100%**																	

(1) Only the climate objectives have been included for the substantial contribution analysis, since they are the only ones approved at the date of this report's publication.
(2) The code assigned to each of the economic activities is the one included in Appendix I of Delegated Regulation (EU) 2021/2178.

Capex

				Substantial contribution criteria [1]						DNSH criteria ('Does Not Significantly Harm')										
Economic activities	**Code [2]**	**Absolute CapEx (€M)**	**Proportion of CapEx (%)**	**Climate change mitigation (%)**	**Adaptation to climate change (%)**	**Water and marine resources (%)**	**Circular economy (%)**	**Pollution (%)**	**Biodiversity and ecosystems (%)**	**Climate change mitigation (Y/N)**	**Adaptation to climate change (Y/N)**	**Water and marine resources (Y/N)**	**Circular economy (Y/N)**	**Pollution (Y/N)**	**Biodiversity and ecosystems (Y/N)**	**Minimum safeguards (Y/N)**	**Taxonomy-aligned proportion of CapEx 2022**	**Taxonomy-aligned proportion of CapEx 2021**	**Category (E: enablig activity)**	**Category (T: transitional activity)**
A. Taxonomy-eligible activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Manufacture of hydrogen	3.10.	5	0.1%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.1%	N/A		
Manufacture of plastics in primary form	3.17.	11	0.3%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.3%	N/A		T
Electricity generation using solar photovoltaic technology	4.1.	455	12%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	12%	N/A		
Electricity generation from wind power	4.3.	203	5%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	5%	N/A		
Generation of electricity from hydroelectric power	4.5.	1	0.0%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.0%	N/A		
Storage of electricity	4.10.	10	0.2%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.2%	N/A	E	
Manufacture of biogas and biofuels for use in transport and of bioliquids	4.13.	99	3%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	3%	N/A		
Underground permanent geological storage of CO_2	5.12.	1	0.0%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.0%	N/A		
Infrastructure enabling low-carbon road transport and public transport	6.15.	23	1%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	1%	N/A	E	
Installation, maintenance, and repair of renewable energy technologies	7.6.	8	0.2%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.2%	N/A	E	
Research, development and innovation for direct air capture of CO_2	9.2.	0	0.0%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.0%	N/A	E	
Total A.1.		**816**	**21%**	**100%**	**0%**	**N/A**	**N/A**	**N/A**	**N/A**								**21%**	**N/A**		
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Manufacture of basic chemical products	3.14.	234	6%														N/A	N/A		
Manufacture of plastics in primary form	3.17.	70	2%														N/A	N/A		
Generation of electricity from hydroelectric power	4.5.	–	0%														N/A	N/A		
Production of biogas and biofuels for the transport and production of bioliquids	4.13.	3	0%														N/A	N/A		
Generation of electricity from gaseous fossil fuels	4.29.	15	0%														N/A	N/A		
High efficiency cogeneration of heat/cold and electricity from gaseous fossil fuels	4.30.	10	0%														N/A	N/A		
Total A.2.		**333**	**9%**														**N/A**	**–%**		
Total (A.1+A.2)		**1,149**	**30%**														**21%**	**N/A**		
B. Taxonomy-non-eligible activities																				
CapEx of Taxonomy-non-eligible activities (B)		**2,709**	**70%**																	
TOTAL (A+B)		**3,858**	**100%**																	

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(2) The code assigned to each of the economic activities is the one included in Appendix I of Delegated Regulation (EU) 2021/2178.

Opex

Economic activities	Code [2]	Absolute OpEx (€M)	Proportion of OpEx (%)	Substantial contribution criteria [1]: Climate change mitigation (%)	Substantial contribution criteria [1]: Adaptation to climate change (%)	Substantial contribution criteria [1]: Water and marine resources (%)	Substantial contribution criteria [1]: Circular economy (%)	Substantial contribution criteria [1]: Pollution (%)	Substantial contribution criteria [1]: Biodiversity and ecosystems (%)	DNSH criteria ('Does Not Significantly Harm'): Climate change mitigation (Y/N)	DNSH criteria: Adaptation to climate change (Y/N)	DNSH criteria: Water and marine resources (Y/N)	DNSH criteria: Circular economy (Y/N)	DNSH criteria: Pollution (Y/N)	DNSH criteria: Biodiversity and ecosystems (Y/N)	Minimum safeguards (Y/N)	Taxonomy-aligned proportion of OpEx 2022	Taxonomy-aligned proportion of OpEx 2021	Category (E: enablig activity)	Category (T: transitional activity)
A. Taxonomy-eligible activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Manufacture of hydrogen	3.10.	0	–%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.0%	N/A		
Manufacture of plastics in primary form	3.17.	0.1	0%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.0%	N/A		T
Electricity generation using solar photovoltaic technology	4.1.	1	0%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.3%	N/A		
Electricity generation from wind power	4.3.	4	1%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	1%	N/A		
Generation of electricity from hydroelectric power	4.5.	1	0%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.3%	N/A		
Storage of electricity	4.10.	1	0%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.3%	N/A	E	
Manufacture of biogas and biofuels for use in transport and of bioliquids	4.13.	0	–%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	–%	N/A		
Underground permanent geological storage of CO2	5.12.	0	0%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.0%	N/A		
Infrastructure enabling low-carbon road transport and public transport	6.15.	1	0%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.1%	N/A	E	
Installation, maintenance, and repair of renewable energy technologies	7.6.	0.2	0%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	0.0%	N/A	E	
Research, development and innovation for direct air capture of CO2	9.2.	0	–%	100%	0%	N/A	N/A	N/A	N/A		Y	Y	Y	Y	Y	Y	–%	N/A	E	
Total A.1.		**8**	**2%**	**100%**	**0%**	**N/A**	**N/A**	**N/A**	**N/A**								**2%**	**N/A**		
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Manufacture of basic chemical products	3.14.	20	4%														N/A	N/A		
Manufacture of plastics in primary form	3.17.	52	11%														N/A	N/A		
Generation of electricity from hydroelectric power	4.5.	0	—%														N/A	N/A		
Production of biogas and biofuels for the transport and production of bioliquids	4.13.	0	—%														N/A	N/A		
Generation of electricity from gaseous fossil fuels	4.29.	5	1%														N/A	N/A		
High efficiency cogeneration of heat/cold and electricity from gaseous fossil fuels	4.30.	9	2%														N/A	N/A		
Total A.2.		**86**	**17%**														**N/A**	**–%**		
Total (A.1+A.2)		**94**	**19%**														**2%**	**N/A**		
B. Taxonomy-non-eligible activities																				
OpEx of Taxonomy-non-eligible activities (B)		**398**	**81%**																	
TOTAL (A+B)		**492**	**100%**																	

(1) Only the climate objectives have been included for the substantial contribution analysis, since they are the only ones approved at the date of this report's publication.
(2) The code assigned to each of the economic activities is the one included in Appendix I of Delegated Regulation (EU) 2021/2178.

In view of the previous templates, in 2022, eligible turnover amounted to €5,825 million (8%), of which €267 million (0.4%) was considered environmentally sustainable according to the Taxonomy. This was mainly to turnover from the generation and storage of energy from renewable sources. The income eligibility KPI for the year 2021 was 10%. The inter-annual variation is explained by the increase on the non elegible business (Upstream and Refining), offset by the turnover of the activities related to fossil gas (non elegible activities in 2021).

In 2022, eligible capex amounted to €1,149 million (30%), of which €816 million (21%) was considered environmentally sustainable according to the Taxonomy. Likewise, the capex eligibility KPI for the year 2021 was 28%; which is in line with the amount from the year 2022.

Lastly, in 2022, eligible opex amounted to €94 million (19%), of which €8 million (2%) was considered environmentally sustainable according to the Taxonomy. The eligibility percentage remains in line with that of last year, which was 18%.

Other relevant information

Repsol through joint ventures consolidated by the equity method in the Group's financial statements (see Note 13 to the Consolidated Financial Statements), additionally participates in the following activities:

- Electricity generation using solar photovoltaic technology and electricity generation from wind power (aligned), through Repsol's participation in Chile. In 2022, the invested capex amounts to €40 million and the income to €16 million.
- Manufacture of biogas and biofuels for use in transport and of bioliquids. This activity is carried out through participation in Ecoplanta Molecular Recycling Solutions, first plant in Spain for the recovery of non-recyclable urban solid waste into circular methanol that will be used to manufacture new materials and advanced biofuels. In 2022, the invested capex amounts to €16 million.
- Manufacture of plastics in primary form (eligible), including the manufacture of synthetic rubber solutions and emulsions and chemicals for rubber. This activity is carried out through a 50% alliance with the Mexican group KUO. Income from this activity in 2022 amounted to €515 million and capex to €23 million.
- Manufacture of hydrogen, carried out through Sun2hy, a project developed by Repsol and Enagás (50% participation each) which allows the direct transformation of solar energy into hydrogen through a photoelectrocatalysis plant (PEC technology).
- Installation, maintenance, and repair of renewable energy technologies (eligible) through Solar360, joint venture with Telefónica for the development of the photovoltaic self-consumption business.

It should be noted that the investment planned for low-carbon technologies and businesses[6], in accordance with 2021-2025 Strategic Plan, represents 35% of total investments in the 2021-2025 period (for more information, see section 6.1.2 Strategy - Allocation of capital). Additionally, the Company is working to define investment valuation criteria to ensure a gradual alignment of its activity with the requirements of the Sustainable Finance Taxonomy.

Information on activities related to fossil gas

The information in this section meets the public disclosure requirements listed in Delegated Regulation (EU) 2022/1214, of March 9, 2022. The templates below only include information related to fossil gas activities that Repsol carries out which meet the objective of making a substantial contribution to climate change mitigation. For this reason, information on activities 4.31 (fossil gas) and 4.26, 4.27, and 4.28 (nuclear energy) has not been included.

Specific templates on activities related to fossil gas

Row	Template 1: Fossil gas related activities	Turnover	CapEx	OpEx
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES	YES	YES
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES	YES	YES
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO	NO	NO

[6] Its definition covers low-carbon technologies and businesses corresponding to: energy efficiency, renewable electricity generation, production and marketing of biofuels, renewable hydrogen, synthetic fuels, CCUS, renewable electricity marketing, distributed generation and other value-added services such as electric mobility.

Template 2 Taxonomy-aligned economic activities (denominator)

Row	Economic activities	Climate change mitigation (CCM)					
		Turnover	%	CapEx	%	OpEx	%
4.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI.	719	1 %	15	— %	5	1 %
5.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI.	285	— %	10	— %	9	2 %
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI.**	**74,149**	**99 %**	**3,833**	**99 %**	**478**	**97 %**
8.	**Total applicable KPI**	**75,153**	**100 %**	**3,858**	**100 %**	**492**	**100 %**

Template 3 Economic activities that align with the taxonomy (numerator)

Row	Economic activities	Climate change mitigation (CCM)					
		Turnover	%	CapEx	%	OpEx	%
4.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI.	0	— %	0	— %	0	— %
5.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI.	0	— %	0	— %	0	— %
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI.**	**267**	**100 %**	**816**	**100 %**	**8**	**100 %**
8.	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI.**	**267**	**100 %**	**816**	**100 %**	**8**	**100 %**

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities

Row	Economic activities	Climate change mitigation (CCM)					
		Turnover	%	CapEx	%	OpEx	%
4.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI.	719	13 %	15	5 %	5	6 %
5.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI.	285	5 %	10	3 %	9	10 %
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI.**	**4,554**	**82 %**	**308**	**92 %**	**72**	**84 %**
8.	**Total amount and proportion of taxonomy eligible but not taxonomy- aligned economic activities in the denominator of the applicable KPI.**	**5,558**	**100 %**	**333**	**100 %**	**86**	**100 %**

Template 5 Taxonomy non-eligible economic activities

Row	Economic activities	Climate change mitigation (CCM)					
		Turnover	%	CapEx	%	OpEx	%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI.	0	— %	0	— %	0	— %
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	— %	0	— %	0	— %
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI.**	**69,328**	**100 %**	**2,709**	**100 %**	**398**	**100 %**
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI.**	**69,328**	**100 %**	**2,709**	**100 %**	**398**	**100 %**

f) SASB Indicators

SASB Indicator	Description of the indicator	Reference in Integrated Management Report, Reports or website	GRI Standard
	Climate change & energy transition		
EM-EP-110a.1. EM-RM-110a.1 RT-CH-110a.2	Direct GHG emissions (scope 1), percentage covered under emissions-limiting regulations	Section 6.1.4. Metrics and targets – Direct and indirect consumptions	305-1 (Partial) 201-2
EM-EP-110a.2	Direct GHG emissions (scope 1) from: (1) flared hydrocarbons, (2) other combustion, (3) process emissions, (4) other vented emissions, and (5) fugitive emissions	Section 6.1.4. Metrics and targets	11.1.1 (Partial)
EM-EP-110a.3 EM-RM-110a.2 RT-CH-110a.2	Description of long-term and short-term strategy or plan to manage direct GHG emissions (scope 1), emissions reduction targets, and an analysis of performance against those targets	Section 6.1.2. Strategy Section 6.1.3. Risks and opportunities Section 6.1.4. Metrics and objectives – Targets for the transition	201-2,305-5
RT-CH-130a.1	(1) Total energy consumed (2) Percentage of electricity consumed from the grid (3) Percentage of renewable electricity consumed (4) Total self-generated energy	Section 6.1.4. Metrics and targets – Direct and indirect emissions and indirect consumption	302-1 (Partial)
EM-EP-420a.4	Analysis of how price and demand for hydrocarbons and/or climate regulation influence the capital expenditure strategy for the exploration, acquisition, and development of assets	Section 6.1.2. Strategy	
EM-EP-420a.3	Amount invested in renewable energy, revenue generated by renewable energy sales	Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Climate Change - Energy efficiency and climate change Appendix V. Additional information on Sustainability (includes Non Financial Statement) - Sustainable Finance Taxonomy	11.2.2 (Partial)
EM-RM-410a.1	Percentage of Renewable Volume Obligation (RVO) met through: (1) production of renewable fuels (2) Purchase of "differentiated" renewable identification numbers (RIN	Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Climate Change - Energy efficiency and climate change	
RT-CH-410a.1	Revenues from products designed for resource efficiency in their use phase	In 2022, Repsol has earned 209 million euros in applications that contribute, in their use, to improve energy efficiency (applications for the automotive, batteries, photovoltaic panels and construction - pipelines	302-5
	Air quality		
EM-EP-120a.1 EM-RM-120a.1 RT-CH-120a.1	Emissions to the air from the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) volatile organic compounds (VOCs), and (4) particulate matter (PM10), H2S (RM), HAP (CH)	Section 6.2.1. Air quality Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - 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 6.2.3. Water – Water risk analysis and management	
EM-EP-140a.1 RT-CH-140a.1	(1) Total freshwater withdrawn (2) Total freshwater consumed (3) Percentage of each in regions with a high level of water stress	Section 6.2.3. Water – Interactions with water as a shared resource Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Environment - Water	303-3,303-5
EM-RM-140a.1	(1) Total freshwater withdrawn (2) Reused water percentage (2) Percentage of water withdrawn in regions with a high level of water stress	Section 6.2.3. Water – Interactions with water as a shared resource Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Environment - Water	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 V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Environment - Waste	11.6.5 (Partial)
EM-EP-140a.3.	Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	100%, via FracFocus web	
EM-RM-140a.2 RT-CH-140a.2	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Regulatory compliance	2-27 (Partial)
	Hazardous Waste Management		
EM-RM-150a.1 RT-CH-150a.1	Hazardous waste generated, percentage recycled	Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Environment - Waste	306-2
	Safety & Environmental Stewardship of Chemicals		
RT-CH-410b.2	Strategy to (1) manage hazardous chemicals and (2) develop alternatives with reduced human or environmental impact	Appendix V. Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators - Supply chain and customers – Responsible management of our customers	

SASB Indicator	Description of the indicator	Reference in Integrated Management Report, Reports or website	GRI Standard
	Biodiversity impacts		
EM-EP-160a.1	Description of environmental management policies and practices for the Company's active sites	Section 6.2.2. – Natural capital and biodiversity – Biodiversity protection and conservation in all activities	3-3
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 V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - 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 V. Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators - Ethics and compliance	
EM-EP-210a.2.	Percentage of (1) proved and (2) probable reserves in or near indigenous land	Appendix V. Additional information on Sustainability (includes Non-Financial Statement)- Sustainability indicators - Human Rights and Community Relations - Human rights	11.17.3 (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 V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Human Rights and Community Relations - Risks, opportunities and due diligence	3-3 (Partial)
	Community relations		
EM-EP-210b.1 RT-CH-210a.1	Discussion of process to manage risks and opportunities associated with community rights and interests	Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators -,Human Rights and Community Relations - Risks, opportunities and due diligence	203-1 (Partial) 413-1 (Partial)
EM-EP-210b.2.	Number and duration of non-technical delays	Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Human Rights and Community Relations - Local communities	
	Occupational health & safety		
EM-EP-320a.1. EM-RM-320a.1 RT-CH-320a.1	(1) Total recordable incident rate (TRIR) (2) Fatality rate (3) Frequency rate for events with the potential to cause environmental or human damage or interruptions to operations (NMFR) (Upstream, R&M) (4) Average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees (Upstream)	Section 6.5.4. Personnel accident rate Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - People - Training and development	403-5 (Partial) 403-9 (Partial)
EM-EP-320a.2. EM-RM-320a.2	Discussion of management systems used to integrate a culture of safety	Section 6.5.6 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 6.5.3 Process safety	11.8.3
RT-CH-540a.1	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	Section 6.5.3 Process safety	11.8.3 (Partial)
EM-EP-540a.2	Description of management systems used to identify and mitigate catastrophic and tail-end risks	Section 6.5.7. Emergency and crisis management	
RT-CH-320a.2.	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - People - Health and well-being	
	Business 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 V. Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators - 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 6.8. Ethics and compliance - Fight against corruption and bribery	3-3 (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 2.5. Strategy Section 6.1. Energy transition and climate change Section 7.5. Russia's invasion of Ukraine Appendix IV: Risks	
	Activity metrics		
EM-EP-000.A	Production of: (1) crude oil, (2) natural gas, (3) synthetic crude, and (4) synthetic gas	Section 5.1. Upstream	
EM-RM-000.A	Crude oil and other refined raw materials	Section 5.2. Industrial	301-1
EM-RM-000.B	Refining operating capacity	Section 5.2. Industrial	
RT-CH-000.A	Production by business segment	Section 5.2. Industrial	

f) TCFD Index

TCFD Framework	Reference in Integrated Management Report, Reports or website
Governance	
a) Describe the board's oversight of climate-related risks and opportunities,	Section 6.1.1. Governance
b) Describe management's role in assessing and managing climate-related risks and opportunities.	Section 6.1.1. Governance.
Strategy	
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Section 6.1.3 Risks and opportunities.
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Section 6.1.2. Strategy. - Reference energy scenarios -Repsol's Pathway to net zero emissions: 2030 strategy and 2030-2050 projections - Allocation of capital
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Section 6.1.2. Strategy. - Reference energy scenarios -Resilience to the financial risks of climate change
Risk Management	
a) Describe the organization's processes for identifying and assessing climate-related risks.	Section 6.1.3 Risks and opportunities.
b) Describe the organization's processes for managing climate-related risks.	Section 6.1.3 Risks and opportunities.
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Section 6.1.3 Risks and opportunities.
Metrics and Targets	
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Section 6.1.2 Strategy Mechanisms to incentivize decarbonization 6.1.3 Risks and opportunities
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	Section 6.1.4. Metrics and Targets.
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Section 6.1.4. Metrics and Targets.

TCFD Metrics Index (1)

Category	Indicator	Reference in the Management Report or elsewhere
GHG Emissions	Net Scope 1, 2, and 3 emissions Energy consumption Energy intensity and emissions CO2 emissions, Emissions trading (EU ETS) Emissions reduction targets	Section 6.1.4. Metrics and targets
Transition Risks	Upstream operations' contribution to the Group total Industrial's contribution to the Group total Commercial and Renewable Operations' contribution to the Group total Group's net CO2 expense	Section 4. Financial performance and shareholder remuneration Section 5. Performance of our businesses Consolidated Financial Statements 2022. Note 3
Physical risks	GRI 303-3 Water withdrawal by source in water stress areas GRI303-4 Water discharge in water stress areas	Appendix V. Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators – Environment – Water
Climate-related opportunities	Resilience of the strategy Risks and opportunities	Section 6.1.2. Strategy Section 6.1.3. Risks and opportunities
Capital distribution	% CAPEX and capital employed in low carbon businesses	Section 6.1.2. Strategy
Internal carbon price	Internal carbon price evolution, UE and rest of the world	Section 6.1.2. Strategy
Remuneration	Variable remuneration linked to energy transition targets compliance	Section 6.1.1. Governance

(1) The metrics index has been calculated following the TCFD guidelines in its Guidance on Metrics, Targets, and Transition Plans, published in October 2021.

h) WEF Indicators

Items and metrics	Description of items/ metrics	Reference in the Management Report, reports, or online	GRI Indicator / Law 11/2018
	MAIN INDICATORS		
	PRINCIPLES OF GOVERNANCE		
	Purpose of governance		
Establishment of purpose	The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental, and social issues. Corporate purpose should create value for all stakeholders, including shareholders	Code of Ethics and Conduct (www.repsol.com [Sustainability – Ethics and transparency]) Section 6.8. Ethics and compliance About this report	GRI 2-9
	Quality of governance body		
Governance body composition	Statement from senior decision-makers	Code of Ethics and Conduct (www.repsol.com [Sustainability – Ethics and transparency]) Section 6.8. Ethics and compliance About this report	GRI 2-9 GRI 405-1a
	Commitment to stakeholders		
Material issues impacting stakeholders	A list of the topics that are material to key stakeholders and the company, how the topics were identified, and how the stakeholders were involved.	Section 6. Sustainability – Sustainability model Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Materiality and stakeholder engagement	GRI 2-29 GRI 3-3
	Ethical behavior		
Anti-corruption	1. Total percentage of governance body members, employees and business partners who have received training on the organization's anti-corruption policies and procedures, broken down by region. a) Total number and nature of incidents of corruption confirmed during the current year, but related to previous years. b) Total number and nature of incidents of corruption confirmed during the current year, related to this year. 2. Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption.	Section 6.8. Ethics and compliance – Code of Ethics and Conduct Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Ethics and compliance - Fight against corruption	GRI 205-2 GRI 205-3
Protected ethics advice and reporting mechanisms	A description of internal and external mechanisms for: 1. Seeking advice about ethical and lawful behavior and organizational integrity; and 2. Reporting concerns about unethical or unlawful behavior and lack of organizational integrity	Repsol ethics and compliance channel (ethicscompliancechannel.repsol.com) Section 6.8. Ethics and compliance	GRI 2-26
	Risk and opportunity oversight		
Integration of risks and opportunities in business processes	Integrating risk and opportunity into business process Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the response to those changes. These opportunities and risks should integrate material economic, environmental, and social issues, including climate change and data management.	Section 2.5. Strategy Section 6.1.3. Risks and opportunities Section 7.5. Russia's invasion of Ukraine Appendix IV: Risks	GRI 102-15
	PLANET		
	Climate change		
Greenhouse gas (GHG) emissions	For all relevant greenhouse gases (e.g. carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tonnes of carbon dioxide equivalent (tCO2e) GHG Protocol Scope 1 and Scope 2 emissions. Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate.	Section 6.1.4. Metrics and targets	GRI 305-1 GRI 305-2 GRI 305-3

Items and metrics	Description of items/ metrics	Reference in the Management Report, reports, or online	GRI Indicator / Law 11/2018
TCFD implementation	Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most three years for full implementation. Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well below 2°C above preindustrial levels and pursue efforts to limit warming to 1.5°C – and to achieve net-zero emissions before 2050.	Section 6. Sustainability Appendix Vg. TCFD Index	
	Nature loss		
Land use and ecological sensitivity	Report the number and area (in hectares) of sites owned, leased or managed in or adjacent to protected areas and/or key biodiversity areas (KBA).	Appendix V. Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators – Environment – Biodiversity	GRI 304-1
	Freshwater availability		
Water consumption and withdrawal in water-stressed areas	Report, for operations considered material: megaliters of water withdrawn, megaliters of water consumed, and the percentage of each in regions with high or extremely high baseline water stress, according to WRI Aqueduct water risk atlas tool. Estimate and report the same information for the full value chain (upstream and downstream) where appropriate.	Section 6.2.3. Water Appendix V. Additional information on Sustainability (includes Non-Financial Statement)– Sustainability indicators – Environment – Water In general, in the energy sector the water withdrawn is not included in the products and, therefore, applying the GRI formula set out in indicator 303-5 (water consumed = water withdrawn - water discharged) does not reliably reflect how the Company manages its water consumption. Work is in progress to improve the interpretation of this indicator in the Group's activities so that it may be included in future reports.	GRI 303-3 GRI 303-5
		PEOPLE	
	Dignity and equality		
Diversity and inclusion	Percentage of employees per employee category, by age group, gender and other indicators of diversity (e.g. ethnicity).	Section 6.4.1. Human capital Section 2.4. Corporate Governance Appendix V. Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators – People – Diversity and equal opportunities	GRI 405-1b
Pay equality (%)	**Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men, minor to major ethnic groups, and other relevant equality areas.**	Appendix V. Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators – People - Remuneration and benefits	GRI 405-2
Wage level (%)	Ratio of standard entry level wage by gender compared to local minimum wage. Ratio of the annual total compensation of the CEO to the average of the annual total compensation of all employees, except the CEO.	Appendix V. Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators – People - Remuneration and benefits	GRI 202-1
Risk for incidents of child, forced or compulsory labor	An explanation of the operations and suppliers considered to pose a significant risk for instances of child labor, forced, or compulsory labor. Such risks could emerge in relation to: a) type of operation (such as manufacturing plant) and type of supplier; and b) countries or geographic areas with operations and suppliers considered at risk.	Section 6.7. Supply chain and customers Appendix V. Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Respect for Human Rights and Community Relations - Human rights	GRI 408-1b GRI 409-1
	Health and well-being		
Health and safety (%)	The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries; main types of work-related injury; and the number of hours worked. An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided for employees and workers.	Section 6.5.4. Personnel accident rate Appendix V. Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators – Safe operations Appendix V. Additional information on Sustainability (includes Non-Financial Statement)- Sustainability indicators - People - Employment framework, health and safety at work	GRI 403-9a&b GRI 403-6a
	Knowledge for the future		
Training provided (#, $)	Average hours of training per person that the organization's employees have undertaken during the reporting period, by gender and employee category (total number of hours of training provided to employees divided by the number of employees). Average training and development expenditure per full time employee (total cost of training provided to employees divided by the number of employees).	Appendix V. Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators – People - Talent development	GRI 404-1

Items and metrics	Description of items/ metrics	Reference in the Management Report, reports, or online	GRI Indicator / Law 11/2018
		PROSPERITY	
	Employment and wealth generation		
Absolute number and rate of employment	1. Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region. 2. Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region.	Appendix V. Additional information on Sustainability (includes Non-Financial Statement)– Sustainability indicators – People - Employment	GRI 401-1a&b
Economic contribution	1. Direct economic value generated and distributed (EVG&D), on an accruals basis, covering the basic components for the organization's global operations, ideally split out by: – Revenues – Operating costs – Employee wages and benefits – Payments to providers of capital – Payments to government – Community investment 2. Financial assistance received from the government: total monetary value of financial assistance received by the organization from any government during the reporting period.	Appendix V. Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators – Economic performance	GRI 201-1 GRI 201-4
Financial investment contribution	1. Total capital expenditures (CapEx) minus depreciation, supported by narrative to describe the company's investment strategy. 2. Share buybacks plus dividend payments, supported by narrative to describe the company's strategy for returns of capital to shareholders.	2022 Consolidated Financial Statements – Note 7.3. Dividends and shareholder returns, 12. Intangible assets and 13. Tangible fixed assets Section 2.5. Strategy Section 4.4. Shareholder remuneration Section 7.2. Outlook for our businesses	
	Innovation of better products and services		
R&D investment	Expenses related to research and development	Section 6.3. Technology and innovation	
	Community and social vitality		
Tax paid	The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category of taxes.	Section 6.6. Responsible tax policy Appendix V. Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators – Responsible tax policy	GRI 201-1 Law 11/2018
		ADDITIONAL INDICATORS	
		PRINCIPLES OF GOVERNANCE	
	Purpose of governance		
Establishment of purpose	The stated purpose of the company, how that purpose integrates into company strategies, policies, and objectives	Code of Ethics and Conduct (www.repsol.com [Sustainability – Ethics and transparency]) Section 6.8. Ethics and compliance About this report	GRI 2-24
	Quality of governance body		
Remuneration	1. How the performance criteria of the remuneration policies relate to the objectives of the highest governance body and senior management in economic, environmental, and social terms, in relation to the stated purpose, strategy, and long-term value of the company. 2. Remuneration policies for the highest governance body and senior executives for the following types of remuneration: – Fixed and variable compensation, including performance-based compensation, stock-based compensation, bonuses, and deferred or vested shares. – Hiring bonuses or hiring incentives. – Severance pay. – Reimbursement. – Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives and all other employees	Appendix VI: Annual Corporate Governance Report 2022- – B.4.4 Remuneration Committee Appendix VI: Annual Corporate Governance Report 2022- B.5 Remuneration of Directors and Senior Management Appendix VII: Annual Report on the Remuneration of Directors 2022- on the Remuneration of Directors Policy on Director Remuneration, 2021-2023 (www.repsol.com - Investors and shareholders - Corporate governance - Board of Directors)	GRI 2-19
	Ethical behavior		
Alignment of the strategy and policies with the different stakeholders	The significant issues around which the company's participation in public policy development and lobbying are focused, the company's strategy in relation to these areas of interest, and any differences between lobbying positions and purpose, stated policies, objectives, and/or other public positions.	Appendix V: Additional information on Sustainability (includes Non-Financial Statement) - Sustainability indicators - Ethics and compliance - Public policy	GRI 415

Items and metrics	Description of items/ metrics	Reference in the Management Report, reports, or online	GRI Indicator / Law 11/2018
		PLANET	
	Climate change		
Target GHG emissions aligned with the Paris Agreement	Define and describe progress made against GHG emissions targets using the SBT approach, in line with the goals of the Paris Agreement: limit global warming to below 2°C higher than preindustrial levels and pursue efforts to limit warming to 1.5°C. This should include defining a date before 2050 when net zero GHG emissions will be achieved, as well as intermediate reduction targets based on an SBT approach. If an alternative approach is taken, specify the methodology used to calculate the targets and the basis on which the Paris Agreement targets are met.	Section 6.1.4 – Metrics and targets	GRI 305-5
	Emissions		
Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Report (if material) throughout the value chain: nitrogen oxides (NOx), sulfur oxides (SOx), particles and other significant air emissions. Wherever possible, estimate the proportion of emissions that occur in or adjacent to urban/ densely populated areas.	Appendix V: Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators - Environment – Non-GHG emissions	GRI 305-7
		PEOPLE	
	Dignity and equality		
Annual total compensation ratio	1. Average pay gap in terms of the base salary and remuneration of relevant full-time employees based on gender (female vs. male) and diversity indicators (e.g., BAME vs. non-BAME) at company level or by significant location of operations. 2. Ratios between the organization's highest-paid individual in each country of significant operations to the average compensation for all employees in the same country (not counting the highest-paid individual).	Appendix V: Additional information on Sustainability (includes Non-Financial Statement) – People – Remuneration and benefits	GRI 2-21
	Employment and wealth generation		
Infrastructure and service investments	Qualitative information to describe the following components: 1. Degree of development of significant infrastructure investments and supported services. 2. Current or anticipated impacts on local communities and economies, including positive and negative impacts as applicable. 3. Whether these investments and services are commercial commitments, paid in kind, or pro bono.	Section 6.4.2. Respect for human rights and community relations – Economic impact on communities and shared value Section 6.7.1 – Supply chain – Indirect economic impact Appendix V: Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators - Human rights and community relations – Indirect economic impacts	GRI 203-1
Significant indirect economic impacts	1. Examples of significant identified indirect economic impacts of the organization, including positive and negative impacts. 2. Significance of the indirect economic impacts in the context of external benchmarks and stakeholder priorities (e.g. national and international standards, protocols, policy agendas)	Section 6.4.2. Respect for human rights and community relations – Economic impact on communities and shared value Section 6.6 – Responsible tax policy Section 6.7.1 – Supply chain – Indirect economic impact Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - Human rights and community relations - Indirect economic impacts	GRI 203-2
		PROSPERITY	
	Innovation of better products and services		
Social value generated (%)	Percentage of revenue from products and services designed to deliver specific social benefits or to address specific sustainability challenges	Section 6.3. Technology and innovation	
	Community and social vitality		
Taxes paid by country	Total taxes paid and, if filed, additional taxes sent in, by country (for significant locations)	Section 6.6. Responsible tax policy Appendix V. Additional information on Sustainability (includes Non-Financial Statement) – Sustainability indicators – Responsible tax policy	GRI 201-1

i) Principal Adverse Impacts (PAI)

Items and metrics	Description of items / metrics	Reference in the Management Report, reports, or online	GRI Indicator / Law 11/2018
CLIMATE AND ENVIRONMENTAL INDICATORS			
	Greenhouse gas (GHG) emissions		
Greenhouse gas (GHG) emissions	Scope 1, Scope 2, Scope 3 GHG emissions and total GHG emissions	Section 6.1.4 Metrics and targets	GRI 305-1 GRI 305-2 GRI 305-3
Carbon footprint	Carbon footprint	Section 6.1.4 Metrics and targets	GRI 305-1 GRI 305-2 GRI 305-3
Investee company GHG intensity	Investee company GHG intensity	Section 6.1.4 Metrics and targets	GRI 305-1 GRI 305-2 GRI 305-3
Exposure to companies active in the fossil fuel sector	Percentage of investments in solid fossil fuel sectors		
Percentage of non-renewable energy consumption and production	Percentage of non-renewable energy consumption and non-renewable energy production at investee companies from non-renewable energy sources versus renewable energy sources, expressed as a percentage of total energy sources	2021 CDP (www.repsol.com - Sustainability - Reports, indicators, and alliances)	
Intensity of energy consumption by sector with a high impact on the climate	Energy consumption in GWh per million euros of revenue from investee companies, by sector with a high impact on the climate	Section 6.1.4 Metrics and targets	GRI 302-1
	Biodiversity		
Activities that negatively affect sensitive areas from the biodiversity point of view	Percentage of investments in investee companies with sites/operations located in or near sensitive areas from the biodiversity point of view, where the activities of said investee companies negatively affect those areas	Appendix V: Further information on sustainability – Sustainability indicators - Environment – Biodiversity	
	Water		
Water discharge	Tons of water discharges generated by investee companies per million euros invested, expressed as a weighted average	Section 6.2.3 Water Appendix V: Further information on sustainability (includes Non-Financial Statement) – Sustainability indicators – Environment - Water	GRI 303-4
	Waste		
Hazardous and radioactive waste ratio	Tons of hazardous and radioactive waste generated by investee companies per million euros invested, expressed as a weighted average	Section 6.2.4 Circular economy Section 6.7.1 Supply chain	GRI 306-2
SOCIAL AND LABOR ISSUES, RESPECT FOR HUMAN RIGHTS, FIGHT AGAINST CORRUPTION AND BRIBERY			
	Social and labor issues		
Violations of the principles of the United Nations Global Compact and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.	Percentage of investments in investee companies that have been involved in violations of the principles of the United Nations Global Compact or the OECD Guidelines for Multinational Enterprises.	Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainable Finance Taxonomy	
Lack of compliance processes and mechanisms to monitor compliance with the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises	Percentage of investments in investee companies that lack policies to monitor compliance with the principles of the United Nations Global Compact or the OECD Guidelines for Multinational Enterprises, or mechanisms to manage complaints or claims to deal with violations of the principles of the United Nations Global Compact or the OECD Guidelines for Multinational Companies.	Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainable Finance Taxonomy	
Wage differences between men and women	Average salary gap not adjusted for gender at investee companies	Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - People – Remuneration and benefits	GRI 405-2
Gender diversity on the Board	Average ratio of female/male board members in investee companies, expressed as a percentage of total board members	Section 2.4 Corporate governance Appendix V: Further information on sustainability (includes Non-Financial Statement) - Sustainability indicators - People - Diversity and equal opportunities	GRI 405-1
Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons, and biological weapons)	Number of convictions and fines for violation of anti-corruption and anti-bribery laws by investee companies	Not applicable	

Appendix VI. IAnnual Corporate Governance Report

The 2022 Corporate Governance Report is included as an appendix and forms an integral part of this report, as required under Article 538 of the Spanish Companies Act (*Ley de Sociedades de Capital*).

Appendix VII. Annual Report on the Remuneration of Directors

The 2022 Report on the Remuneration of Directors is included as an appendix and forms an integral part of this report, as required under Article 538 of the Spanish Companies Act (*Ley de Sociedades de Capital*).

Financial Statements
Repsol Group 2022

Management Report

Information on the Group's business, results, financial situation and sustainability, together with the main risks and uncertainties facing the Group.

Annual Financial Statements

Information on equity and financial position at December 31, in addition to profit and loss, changes in equity and cash flows for the period

Public Periodic Information (CNMV filing)

Statistical financial information drawn up using CNMV templates, which can be downloaded and viewed (allowing for comparisions with other issuers) at CNMV.es.

Fourth Quarter 2022 Results

Information on results (prepared under the Group's reporting model) and financial position during the fourth quarter (and summary information for 2022 as a whole)

Annual Corporate Governance Report

Information on the Company's corporate governance structure and practices

Annual Report on the Remuneration of Directors

Detailed information on the application of the Board remuneration policy

Information on hydrocarbon upstream activities

Information on acreage, exploration and development activities, proven net reserves, future cash flows, production, results and investment

Report on payments to public administrations for hydrocarbon upstream activities

Information on payments made to Public Administrations as a result of Extraction operations by country, by project and by public administration

Audit and Control Committee Report on the independence of the external auditor[1]

Opinion of the Audit and Control Committee on the independence of the Auditor and assessment of the provision of non-audit services

Activities report of the Audit and Control Committee[1]

Composition and main activities of the Audit and Control Committee

Sustainability Committee's Activities Report[1]

Composition ans main activities of the Sustainability Committee

[1] Published along with the announcement of the Shareholder Annual Meeting.

Repsol, S.A. and investees comprising the Repsol Group

Independent verification report
Statement of Non-Financial Information
31 December 2022

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 of Repsol, S.A.:

Pursuant to article 49 of the Code of Commerce, we have verified, with the scope of a limited assurance engagement, the Consolidated Statement of Non-Financial Information ("SNFI") for the year ended 31 December 2022 of Repsol, S.A. (Parent company) and subsidiaries (hereinafter "Repsol" or the Group) which forms part of the accompanying Repsol's Consolidated Management Report attached.

The content of the consolidated management report includes information additional to that required by current mercantile legislation in relation to non-financial information, which has not been covered by our verification work. In this respect, our work was limited solely to verifying the information identified in tables: c) "GRI Index" and d) "Statement of non-financial information" of Appendix V. "Additional information on Sustainability (includes Non-Financial Statement)" included in the accompanying Consolidated Management Report.

Responsibility of the directors of the Parent company

The preparation of the SNFI included in Repsol's consolidated management report and the content thereof, are the responsibility of the directors of Repsol, S.A. The SNFI has been drawn up in accordance with the provisions of current mercantile legislation and in accordance with the criteria of the Sustainability Reporting Standards of the Global Reporting Initiative ("GRI Standards") and Oil & Gas Industry Supplement as per the details provided for each matter in the tables: c) "GRI Index" and d) "Statement of non-financial information" of Appendix V. "Additional information on Sustainability (includes Non-Financial Statement)" of the Consolidated Management Report.

This responsibility also includes the design, implementation and maintenance of the internal control considered necessary to allow the SNFI to be free of 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 SNFI is obtained.

Our independence and quality management

We have complied with the independence requirements and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code") which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

PricewaterhouseCoopers Auditores, S.L., Torre PwC, Pº de la Castellana 259 B, 28046 Madrid, España
Tel.: +34 915 684 400 / +34 902 021 111, Fax: +34 915 685 400, www.pwc.es

R. M. Madrid, hoja 87.250-1, folio 75, tomo 9.267, libro 8.054, sección 3ª
Inscrita en el R.O.A.C. con el número S0242 - CIF: B-79 031290

Our firm applies current international quality standards and maintains, consequently, a quality system that includes policies and procedures related to compliance with ethical requirements, professional standards and applicable legal and regulatory provisions.

The engagement team consisted of professionals specialising in non-financial information reviews, specifically in information on economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in a limited assurance independent report based on the work we have performed. We carried out our work in accordance with the requirements laid down in 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 in the Guidelines for verification engagements of the Statement of Non-Financial Information 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 nature and timing of execution, and are less extensive, than those carried out in a reasonable assurance engagement and accordingly, the assurance provided is also lower.

Our work consisted of posing questions to management as well as to the various units of Repsol that were involved in the preparation of the SNFI, of the review of the processes for compiling and validating the information presented in the SNFI, and in the application of certain analytical procedures and review procedures on a sample basis, as described below:

- Meetings with the Repsol, S.A. personnel to understand the business model, policies and management approaches applied, principal risks relating to these matters and to obtain the information required for the external review.

- Analysis of the scope, relevance and integrity of the content of the SNFI for the year 2022, based on the materiality analysis carried out by Repsol and described in section a) "Materiality and stakeholder engagement" of Appendix V. "Additional information on Sustainability (includes Non-Financial Statement)" of the Consolidated Management Report, taking into account the content required by current mercantile legislation.

- Analysis of the procedures used to compile and validate the information presented in the SNFI for the year 2022.

- Review of information relating to risks, policies and management approaches applied in relation to material matters presented in the SNFI for the year 2022.

- Verification, by means of sample testing, of the information relating to the content of the SNFI for the year 2022 and that it was adequately compiled using data provided by the sources of the information.

- Obtaining a management representation letter from the directors and management of the Parent company.

Conclusion

Based on the procedures performed in our verification and the evidence we have obtained, nothing has come to our attention that causes us to believe that the SNFI of Repsol, S.A. and its subsidiaries, for the year ended 31 December 2022 has not been prepared, in all material respects, in accordance with the provisions of current mercantile legislation and in accordance with the criteria of GRI and Oil & Gas as per the details provided for each matter in the tables: c) "GRI Index" and d) "Statement of non-financial information" of Appendix V. "Additional information on Sustainability (includes Non-Financial Statement)" of the consolidated management report.

Emphasis of matter

The Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 relating to the establishment of a framework to facilitate sustainable investments establishes the obligation to disclose information on the manner and extent to which the company's activities are associated with economic activities aligned in relation to the objectives of climate change mitigation and adaptation to climate change for the first time for the year 2022, in addition to the information referring to eligible activities required in the year 2021. Consequently, comparative alignment information has not been included in the accompanying SNFI. On the other hand, to the extent that the information referring to eligible activities in the year 2021 was not required with the same level of detail as in the year 2022, detailed information regarding eligibility is not strictly comparable either in the accompanying SNFI.

Additionally, it should be noted that Repsol's directors have incorporated information on the criteria that, in their opinion, best allow compliance with the aforementioned obligations and that are defined in note e) "Sustainable Finance Taxonomy" of Appendix V. "Additional information on Sustainability (Includes Non-Financial Statement)" of the accompanying SNFI. Our conclusion has not been modified in relation to this matter.

Use and distribution

This report has been drawn up in response to the requirement established in current Spanish mercantile legislation and therefore may not be suitable for other purposes and jurisdictions.

PricewaterhouseCoopers Auditores, S.L.

Pablo Bascones Ilundáin

16 February 2023

2022

REPSOL S.A.

Annual Corporate Governance Report

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

The Repsol Commitment
Net Zero Emissions
by 2050

REPSOL

DETAILS OF ISSUER

Dated end of year: 31/12/2022

Tax Registration Numer: A-78375725

Name: Repsol, S.A.

Registered office: C/Méndez Álvaro, 44, Madrid

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A. Executive Summary

1. Presentation by the Chairman of the Board of Directors

Dear Shareholders,

Our good governance practices aim to ensure that both the company's management model and the decisions of the Board of Directors and its Committees are geared towards preserving the long-term interests of our stakeholders and ensuring the Group's sustainability. Our corporate governance system is constantly being reviewed and improved, incorporating the main recommendations of international markets and the latest trends, as well as regulatory developments in this area. In this regard, Repsol maintains an active dialogue on environmental, social and governance (ESG) matters with institutional investors, proxy advisors and other stakeholders in order to learn first-hand their opinion and position on these matters and also to explain the company's practices.

In 2022, as part of this dialogue with our shareholders, Repsol submitted its Energy Transition Strategy to the advisory vote of the General Shareholders' Meeting, being one of the first companies to do so. This strategy was widely supported and Repsol continues to closely monitor the expectations and positioning of its shareholders with respect to this and other issues.

Likewise, with regard to the composition of the Board of Directors, the appointment of Mr. Iván Martén Uliarte has increased the plurality and diversity of opinions and competencies, while reinforcing the management body with highly qualified profiles that provide valuable knowledge and experience for the exercise of its functions.

In addition, throughout 2022, the Board of Directors and its Committees continued to work on overseeing the most important issues for the company and on taking decisions on relevant matters, such as monitoring the commitments of the Strategic Plan and the action plans for energy transition or the impacts of the Russian invasion of Ukraine and the actions carried out in this regard.

During this year, we will continue working on the continuous improvement of our Corporate Governance system, by means of ongoing dialogue and engagement with our stakeholders under our principles of efficiency, respect, anticipation and value creation, making them participants in Repsol's future.

Finally, on behalf of the entire Board of Directors, I would like to express our deep gratitude to the company's employees for their commitment, dedication and enthusiasm, and to all of our shareholders for their trust and support.

Antonio Brufau Niubó

Chairman of the Board of Directors

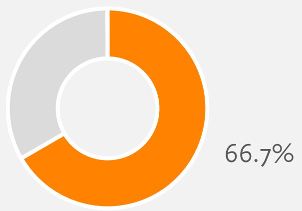
2. At a glance

Board of Directors

33.3% Women on the Board

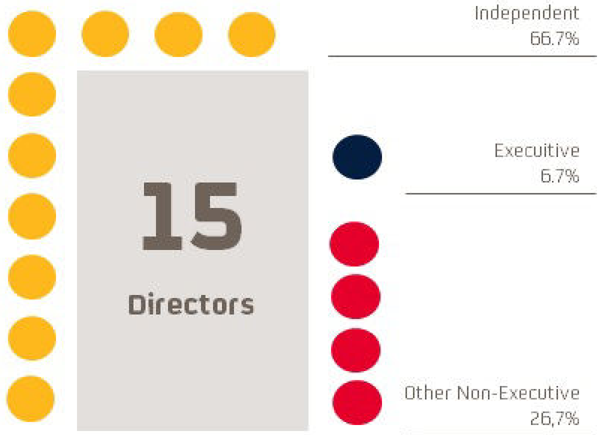
100% Attendance by the members of the Board

Majority of Independent Directors



Board Composition

- 10 Independent
- 1 Executive
- 4 Other Non-Executive
- Chairman – Other Non-Executive



Separation of position of Chairman and Chief Executive Officer

14 Fourteen meetings in 2022

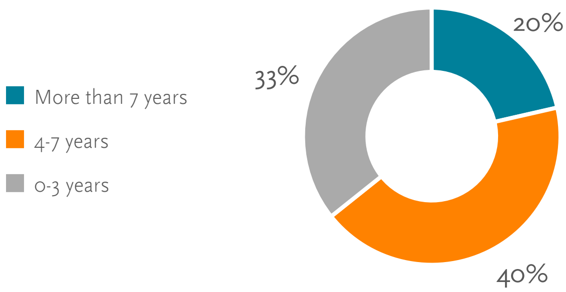
13.3% International Directors

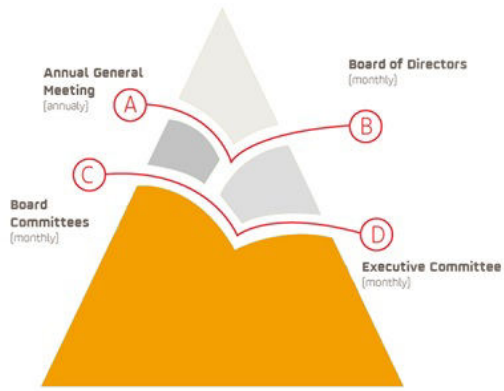
6.5 years Average term of office

Board of Directors´ skills

Top Management	87%	Risk management	100%	Technology	47%
Energy sector knowledge	87%	Strategy	87%	University and investigation	73%
International experience	93%	Institutional experience and Public Sector	87%	Commercial / Retail	33%
Financing and accounting	80%	Legal and corporate governance	80%	Sustainability	73%

Years of service of Directors[1]





[1] The seniority analysis includes only external directors, including the Chairman (14 directors).

Separated roles and responsibilities



Chairman of the Board of Directors
Mr. Antonio Brufau

The Chairman has overall responsibility for the effective functioning of the Board of Directors.

Chief Executive Officer (CEO)
Mr. Josu Jon Imaz

The CEO is the chief executive and responsible for the management of the business and the Company and as such has all the functions of the Board of Directors delegated to him, except those that cannot be delegated pursuant to law or the Articles of Association.

Lead Independent Director
Mr. Mariano Marzo

The Lead Independent Director is responsible for coordinating, gathering and echoing the opinions of the External Directors. He heads the Board in the absence of the Chairman and Vice-Chairman and may call a meeting of the Board. He is also in charge of liaising with investors and shareholders to ascertain their views, particularly in relation to the corporate governance of the Company.

Our Independents Directors

Ms. Aurora Catá Sala

Appointed in 2021.

Ms. Arantza Estefanía Larrañaga

Appointed in 2019.

Ms. Carmina Ganyet i Cirera

Appointed in 2018 and reelected last time in 2022.

Ms. Teresa García-Milá Lloveras

Appointed in 2019.

Mr. Manuel Manrique Cecilia

Appointed in 2013 and reelected last time in 2022.

Mr. Iván Martén Uliarte

Appointed in 2022.

Mr. Ignacio Martín San Vicente

Appointed in 2018 and reelected last time in 2022.

Mr. Mariano Marzo Carpio

Appointed in 2017 and reelected last time in 2021.

Ms. Isabel Torremocha Ferrezuelo

Appointed in 2017 and reelected last time in 2021.

Mr. J. Robinson West

Appointed in 2015 and reelected last time in 2019.

Board Committees

Delegate Committee

Chairman: External Director

9 Meetings in 2022

9 Members	11.1% Executives	55.6% Independents	33.3% Other external	100% Personal attendance

Audit and Control Committee

Chairwoman: Independent Director

9 Meetings in 2022

4 Members	100% Independents	97.8% Personal attendance

Nomination Committee

Chairwoman: Independent Director

11 Meetings in 2022

3 Members	66.7% Independents	33.3% Other external	100% Personal attendance

Compensation Committee

Chairwoman: Independent Director

5 Meetings in 2022

3 Members	66.7% Independents	33.3% Other external	100% Personal attendance

Sustainability Committee

Chairman: Independent Director

5 Meetings in 2022

4 Members	75% Independents	25% Other external	100% Personal attendance

Our Corporate Governance

Effective commitment to our shareholders:

- General meetings accessible to all shareholders.
- High participation through remote means.
- Possibility of attending and exercising rights through telematic means.
- Streaming of the General Shareholders' Meeting.
- Commitment to the quality of information.
- Transparency of remuneration with performance metrics aligned with shareholder interests and sustainability.

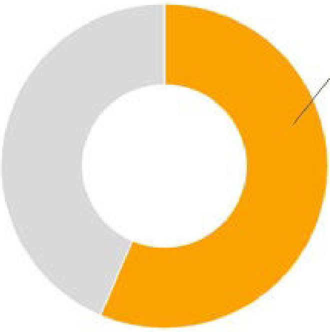
Effective Board of Directors:

- Majority of independent directors.
- Balanced, qualified and diverse composition.
- Separate and complementary roles of Chairman, Chief Executive Officer and Lead Independent Director.
- Best practices of the Good Governance Code of listed companies integrated into our internal regulations.

Shareholders have a relevant role in the decision-making process

General shareholders meeting

May 6, 2022



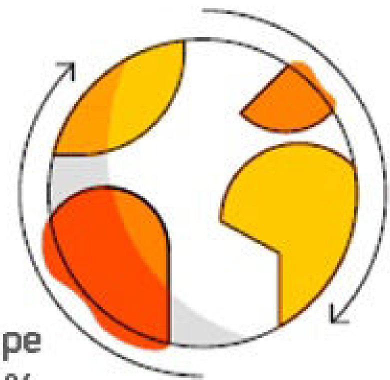
53.1%

Shareholders in attendance represented 53.1% of the Company´s share capital.

All proposals submitted were **approved** **18**

Approval of all proposals with an average of **97.2%** of votes in favor of the concurrent capital. **97.2%**

Institutional Investors[2]



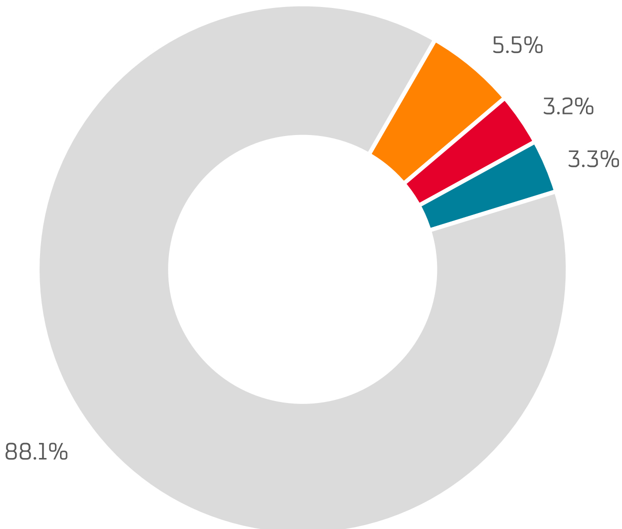
Europe
58.1%

U.S.A.
33%

Other countries
8.9%

Shareholder composition

Percentage of voting rights[3]



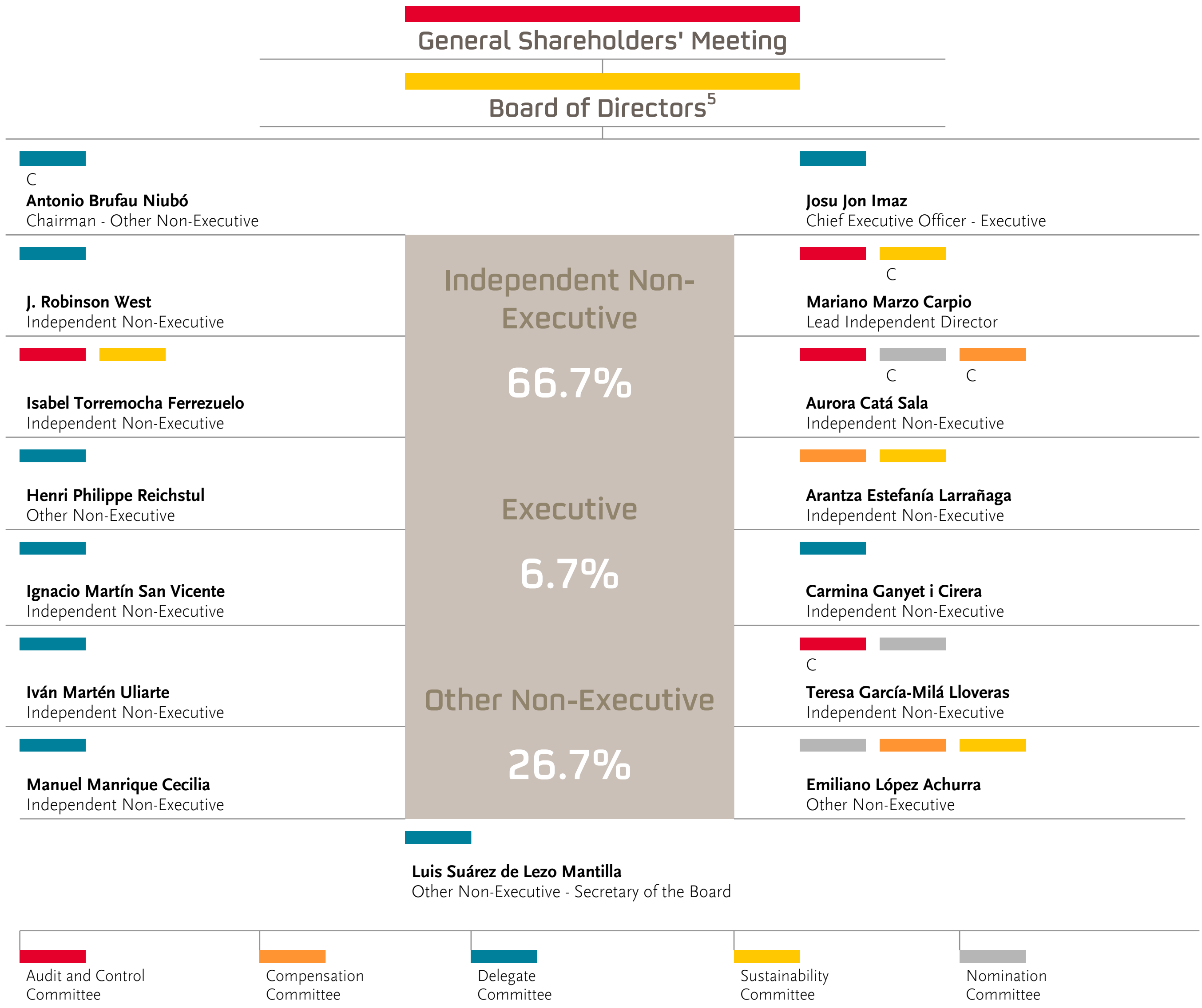
- Blackrock Inc.
- Amundi, S.A.
- Norges Bank
- Free float

[2] Identified shareholding obtained by the ShID as of December 2022.
[3] For the calculation of the shareholder composition, data as of December 31, 2022 has been taken into account.

3. The Board of Directors

The Company's corporate governance system, established in accordance with the best national and international standards of reference, guides the functioning of the Board of Directors.

Repsol's Board of Directors has the necessary size and structure to achieve an efficient and participative operation, taking into account the structure of its share capital, as well as the geographical distribution and complexity of its businesses. Its composition has been defined based on criteria of complementarity, balance and diversity of knowledge, professional experience, nationality and gender[4].



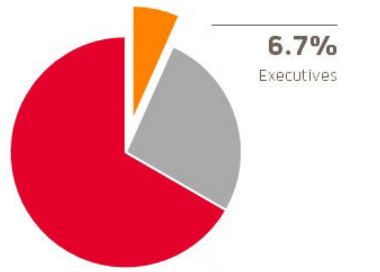
C. Chairman of the Committee.

No shareholder with proportional representation rights has requested representation on the Board of Directors.

[4] For more information on the composition of the Board of Directors, please see section "B. REGULATORY INFORMATION – 3. Repsol's governance body" of this Report.
[5] Composition at the date of formulation of this document.

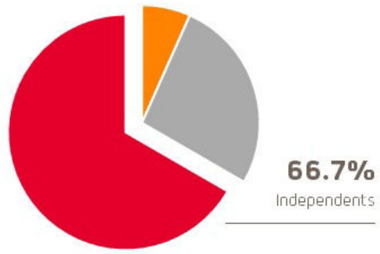
Executive Directors

Name or corporate name of director	Position in the company's organization chart
Mr. Josu Jon Imaz	Chief Executive Officer



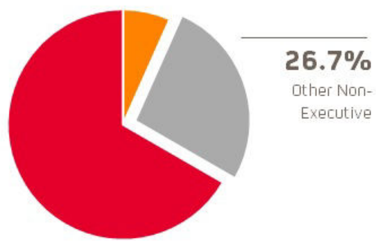
Independent Directors

Name or corporate name of director
Ms. Aurora Catá Sala
Ms. Arantza Estefanía Larrañaga
Ms. Carmina Ganyet i Cirera
Ms. Teresa García-Milá Lloveras
Mr. Manuel Manrique Cecilia
Mr. Iván Martén Uliarte
Mr. Ignacio Martín San Vicente
Mr. Mariano Marzo Carpio
Ms. Isabel Torremocha Ferrezuelo
Mr. J. Robinson West



Other Non-Executive Directors

Name or corporate name of director	Company, officer or shareholder with whom the relationship is maintained
Mr. Antonio Brufau Niubó (1)	Repsol, S.A.
Mr. Emiliano López Achurra (2)	Repsol, S.A.
Mr. Henri Philippe Reichstul (3)	Repsol, S.A.
Mr. Luis Suárez de Lezo Mantilla (4)	Repsol, S.A.



(1) Mr. Brufau was the Chairman and CEO of Repsol until April 30, 2015 and, therefore, cannot be considered an Independent Director. He also cannot be classified as a Proprietary Director, given that he does not have a significant stake and has not been appointed as a result of being a shareholder or representing shareholders of the Company.
(2) Mr. López Achurra was Executive Chairman of Petronor until April 2019, and, therefore, cannot be considered an Independent Director. He also cannot be classified as a Proprietary Director, given that he does not have a significant stake and has not been appointed as a result of being a shareholder or representing shareholders of the Company.
(3) Mr. Reichstul was an Independent Director from December 2005 to May 2017 and, therefore, cannot be considered an Independent Director. He also cannot be classified as a Proprietary Director, given that he does not have a significant stake and has not been appointed as a result of being a shareholder or representing shareholders of the Company.
(4) Mr. Suárez de Lezo was Executive Managing Director of Repsol until December 31, 2019 and, therefore, cannot be considered an Independent Director. He also cannot be classified as a Proprietary Director, given that he does not have a significant stake and has not been appointed as a result of being a shareholder or representing shareholders of the Company.

As established in the Company's Bylaws, the Board must be formed by a maximum number of sixteen (16) and a minimum of nine (9) Board Members. The General Shareholders' Meeting held on May 31, 2019 approved the number of members of the Board of Directors at fifteen (15) and this has been the number of Directors for most of the financial year, since the appointment of Mr. Martén in March 2022.

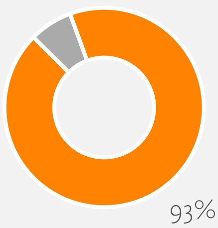
Key issues

Changes in the composition of the Board of Directors and its Committees

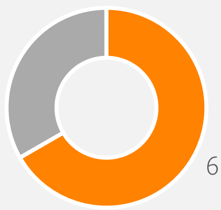
- Appointment, by co-optation, of Mr. Iván Martén Uliarte as Independent Director in the meeting of the Board of Directors held on March 30, 2022 and as member of the Delegate Committee on May 6, 2022.
- Appointment of Mr. Manuel Manrique Cecilia as Independent Director in the meeting of the Board of Directors held on June 29, 2022 after his resignation as Proprietary Director proposed by Sacyr, due to the fact that Sacyr had transferred its entire stake in the share capital of Repsol.
- Appointment of Ms. Carmina Ganyet as member of the Delegate Committee on May 6, 2022, who resigned from the Nomination, Compensation and Audit and Control Committees, of which she had been a member until then.
- Appointment of Mr. Emiliano López Achurra as member of the Remuneration Committee on May 6, 2022.
- Appointment of Mr. Mariano Marzo as member of the Audit and Control Committee on May 6, 2022, who resigned from the Nomination and Remuneration Committees, of which he had been a member until then.

Structure

Wide majority of Non-Executive Board Members



Majority of Independent Directors



- **The term of the position of Board Member is 4 years.**
- **Broad independence of the Committees**

Diversity

Nationality

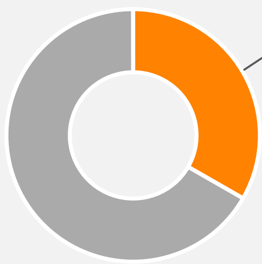
International representation on the Board of 13.3%:

1	U.S.A.	(Mr. J. Robinson West)
1	Brazil	(Mr. Henri Phillipe Reichstul)
13	Spain	

Other Directors also have extensive international experience (93%).

Gender

Presence of women on the Board:



Separation of the roles of Chairman and Chief Executive Officer

Since April 2014, the positions of Chairman of the Board of Directors and Chief Executive Officer of the company have been separated.

Mr. Antonio Brufau holds the position of Chairman of the Board of Directors and directs the operation of this body.

Mr. Josu Jon Imaz is the Chief Executive Officer and performs all executive functions.

The separation of functions ensures a balance of powers, promoting the independence and objectivity of the Board in its supervisory tasks.

4. Interaction with investors

Repsol is committed to following best practices in communication with investors, voluntarily incorporating the recommendations of shareholders, investors, proxy advisors and other stakeholders such as financial analysts, regulatory and supervisory bodies and credit rating agencies, among others.

To this end, the Company continuously evaluates the expectations of these stakeholders and maintains a permanent dialogue with them, reporting transparently and continuously on its financial, governance, environmental and social performance. The Board of Directors is regularly informed of the perception and expectations of the different stakeholders.

Likewise, the Repsol Group publishes on its website its Policy on communication and contacts with shareholders, investors and proxy advisors, and on the Dissemination of economic-financial, non-financial and corporate information, which defines and establishes the general principles and criteria governing the communication of economic-financial, non-financial and corporate information[6] through the channels considered appropriate, and specifically, contacts with shareholders, investors and proxy advisors, paying special attention to the points of view of those shareholders and major investors not represented on the Board of Directors.

The 2022 Communication Plan with the investor community recovered pre-pandemic levels of activity, resuming in-person activity and maintaining the virtual format as an efficient complement for dialogue with the market. On October 4, Repsol held its "ESG Day" sustainability event in London, led by the CEO, which updated investors on Repsol's progress towards decarbonization and the company's commitment to diversity.

Activity with institutional investors in 2022

506 investors contacted	15 conferences
11 roadshows	5 specialized events

Interaction with shareholders who own:

56% of the identified institutional shareholder

ESG investor and shareholder activity in 2022

144 investors contacted	6 conferences
6 roadshows	1 specialized events

Interaction with shareholders who own:

≃83% of ESG institutional shareholding

Currently, 37.1% of Repsol's institutional shareholders are aligned with ESG (Environmental, Social, and Governance) criteria. The company is a pioneer in Spain in two-way communication with ESG shareholders, which is highly valued by investors and other stakeholders. The result of this dialogue[7] as crystallized in numerous commitments, including the decision to submit the company's [8] climate strategy to a advisory vote[9], Repsol's participation in the pilot project to define a zero net emissions standard, and the commitment to increase transparency in the reporting of Scope 3 emissions (total sales and end user) in the next Integrated Management Report.

[6] https://www.repsol.com/content/dam/repsol-corporate/en_gb/sostenibilidad/policies/communication-information-disclosure-policy.pdf
[7] https://www.repsol.com/content/dam/repsol-corporate/en_gb/accionistas-e-inversores/pdfs/annual-esg-engagement-report-2021-2022.pdf
[8] https://www.repsol.com/content/dam/repsol-corporate/en_gb/accionistas-e-inversores/informes-jga/2022/resolution-proposals-agm-2022.pdf
[9] https://www.repsol.com/content/dam/repsol-corporate/en_gb/accionistas-e-inversores/informes-jga/2022/report-on-the-companys-energy-transition-strategy.pdf

Presence in the main ESG Ratings

MSCI

In 2022 Repsol has obtained an A rating (on a scale of AAA-CCC) in MSCI's ESG rating, considered one of the most relevant ESG analysts in the market.

Transition Pathway Initiative (TPI)

In 2022, TPI has rated Repsol for the fifth consecutive year at level 4, Strategic Assessment in its Management Quality analysis, which evaluates the quality of companies' greenhouse gas (GHG) emissions management, as well as the risks and opportunities in relation to the energy transition.

Sustainalytics

Sustainalytics, through its ESG risk rating, evaluates the ESG risk management of companies and rates them on a scale of 0-100 by risk level. In 2022 Repsol obtained a rating of 26.9/100 (0 being the best score), which places it within the Medium Risk Company range.

FTSE Russell

Repsol has obtained a score of 4/5 (5 being the best) in 2022. The company is in the 92nd percentile within the Oil&Gas sector. In governance, Repsol scores the maximum mark, taking into account indicators relating to anti-corruption and fiscal transparency, among others. In terms of environmental management and labor standards, Repsol is a benchmark in the sector.

Standard & Poors ESG Evaluation

Repsol has obtained in 2022 a score of 65/100 (0 being the worst and 100 the best) in the ESG rating evaluated by Standards & Poors. S&P highlights in its evaluation the fulfillment of Repsol's objectives in the energy transition strategy. The analyst values positively the use of the best technologies and the transition to a low-emissions portfolio through the sale of carbon-intensive assets. Additionally, gender diversity measures are valued as well as the monitoring of the safety metrics of its employees and contractors, in line with the best standards in the sector.

CDP Cambio Climático

Repsol has been participating in this questionnaire since 2006, ranking as one of the best companies in its sector. In 2022, Repsol has remained in the leadership band, with a score of A-. According to CDP, obtaining this rating is recognition of the integration of the management of risks and opportunities related to climate change in the company's management, as well as the formulation and implementation of energy transition plans to mitigate or capitalize on these risks and opportunities. To obtain an A- rating, organizations must show environmental leadership by disclosing actions on climate change, deforestation or water security.

Shareholder Community

In order to strengthen the Company's direct, two-way relationship with individual shareholders, Repsol has established the "Repsol in Action Community" channel, which the Company's shareholders can join on a voluntary basis.

Repsol's Shareholders' Advisory Committee

Likewise, since 2014 the Company has had a Shareholders' Advisory Committee, which was created with the aim of improving dialogue with them, and is part of the Repsol Group's Corporate Governance policy, as an initiative to promote and establish channels for a regular exchange of information with groups of shareholders. The Committee is made up of twelve (12) minority shareholders, the Chief Financial Officer (CFO), who is the Chairman, and the Director of Investor Relations, who is the Deputy Chair.

The shareholder members of the Committee have submitted different proposals to improve the relationship and communication with this group, which have been fully analyzed and implemented when deemed appropriate.

Information provided to the market

The Repsol Group has an Investor Relations Division, whose responsibilities include ensuring that the information provided by the Company to the market (financial analysts and institutional investors, among others) is transmitted fairly, symmetrically and in a timely manner, as well as, in accordance with the Repsol Group's Internal Code of Conduct in the Securities Market, that such information is truthful, clear, complete and, when required by the nature of the information, quantified, and cannot be misleading or confusing.

B. The Repsol Corporate Governance System

1. Regulatory framework

The external regulatory framework of reference and the Company's internal regulations regarding corporate governance are described below.

1.1. EXTERNAL REGULATORY FRAMEWORK

Revised Text of the Spanish Corporate Enterprises Act, approved by Legislative Royal Decree 1/2010, of July 2 (the "Corporate Enterprises Act")

This constitutes the fundamental rule that generally regulates the operation of capital companies in the Spanish legal system.
In relation to companies whose shares are admitted to trading on an official secondary market, Title XIV of the aforementioned Law, which regulates the special features applicable to this type of company with respect to the ordinary regime, is particularly noteworthy. Among them, in accordance with the provisions of Article 540 of the Corporate Enterprises Act, is the obligation to report to the National Securities Market Commission (the "CNMV") and publish, on an annual basis, a Corporate Governance Report (the "Annual Corporate Governance Report" or the "ACGR").

Circular 3/2021, of September 28, 21, of the National Securities Market Commission (the "Circular 3/2021").

This Annual Corporate Governance Report, corresponding to the financial year 2022, is prepared in accordance with the provisions of Article 540 of the Capital Companies Act, following the instructions set out in Circular 3/2021.
In accordance with the option offered by Circular 3/2021, Repsol has continued its commitment to the preparation of this report on the free format model, including the minimum content required by the regulations and the statistical appendix included in Circular 3/2021 itself. This Report therefore responds to Repsol's desire to continue to be at the forefront in the transparency of its corporate governance system, as well as to make it easier for shareholders to understand this information.
This ACGR was approved by unanimous vote by the Board of Directors at its meeting held on February 15, 2023.

Good Governance Code for Listed Companies, review by the CNMV on June 26, 2020 (the "GGC")

This is the reference framework in Spain for best practices in good governance. It is voluntary and follows the "comply or explain" principle.
As regards the structure of the CBGSC, it should be noted that it identifies 25 general principles that inspire and structure the 64 recommendations on each specific matter. On June 26, 2020, the CNMV approved a partial reform of the Code, modifying 20 of the 64 recommendations contained therein. In this regard, Repsol has adapted its practices and procedures to the modifications introduced in the CBSG recommendations.
Appendix I to this ACGR contains complete information on compliance with the recommendations of the CBSG, as well as the relevant explanations, where applicable.

1.2. INTERNAL REGULATORY FRAMEWORK

The complete and updated texts of the Company's internal regulations described below, as well as other information on corporate governance regarding the General Shareholders' Meetings, are available for consultation on the Company's corporate website (www.repsol.com), in the Shareholders and Investors, Corporate Governance section[10].

These regulations are reviewed periodically in order to incorporate the best corporate governance practices and to maintain the highest degree of information transparency in relation to the Company's shareholders and other stakeholders. In compliance with this commitment, in 2022 the Company has proceeded to update its corporate policies on Integrity, Risk Management, Finance and Sustainability.

This not only evidences compliance on the part of Repsol with applicable regulations, but also its intent to go beyond the inclusion of and adherence to recommendations, best practices and trends in corporate governance, both at a national and international level.

[10] https://www.repsol.com/en/shareholders-and-investors/corporate-governance/index.cshtml

Company Bylaws	• Basic regulations, approved at the General Shareholders Meeting, that govern the internal functioning of the Company and, among other matters, the rights and obligations of the shareholders and the structure, functioning and composition of the General Shareholders Meeting, the Board of Directors and its various Committees. • They have been modified on 3 occasions in fiscal year 2022 (May 9, October 26 and December 29).[11]
Regulations of the General Meeting	• Regulations, approved at the General Shareholders Meeting, which aims to regulate said body, establishing for such purpose the principles of its organization and operation and the rules governing its legal and bylaw-stipulated activities and supplementing the applicable rules established in current commercial legislation and in the Company Bylaws. • Approved on April 4, 2003 and last amended on March 26, 2021.
Board Regulations	• Regulation, approved by the Board of Directors, whose purpose is to regulate its structure, competencies and operation, as well as that of its Committees[(1)]. • Approved on December 19, 2007 and last amended on February 17, 2021. (1) The specific regulation of the Board Committees is contained in Articles 33, 34, 35, 36 and 37 of the Regulations of the Board of Directors.
Internal Code of Conduct in the Securities Market	• Regulation, approved by the Board of Directors, which aims to regulate the rules of conduct to be observed by the Board Members and employees in their actions related to the securities markets. • Approved on July 11, 2003 and last amended on November 23, 2022.
Ethics and Conduct Code	• Standard, approved by the Board of Directors, which aims to establish the framework of reference for the behaviors that Repsol expects from the people who make up the Company in their daily work. • Approved 26 November 2003 and last modified on 27 July 2016.
Corporate policies	• In addition to the aforementioned internal regulations, the Board of Directors has approved the following policies: ◦ Sustainability Policy. ◦ Risk Management Policy. ◦ Integrity Policy. ◦ Policy on Diversity in the composition of the Board of Directors and the Selection of Directors. ◦ Policy on Communication and contacts with shareholders, investors and proxy advisors, and on the dissemination of economic-financial, non-financial and corporate information. ◦ Tax Policy. ◦ Financial Policy.

[11] For further references to information on share capital, please refer to section "B. REPSOL'S CORPORATE GOVERNANCE SYSTEM - 2.1. Ownership structure" of this Report

2. Ownership structure of the Company

2.1. Ownership structure

Ownership structure

CAPITAL STOCK AT DECEMBER 31, 2022 **1,327,396,053 euros**

During fiscal year 2022 the amount of capital stock has been modified on the following occasions: :

May 9	Execution of the capital reduction through the redemption of treasury stock approved in item 7 of the General Shareholders' Meeting held on May 6, 2022.
October 26	Execution of the capital reduction through the redemption of treasury stock approved by the Board of Directors on July 27, pursuant to the resolution approved under item eight of the agenda of the General Shareholders' Meeting held on May 6, 2022.
December 29	Execution of the capital reduction through the redemption of treasury stock approved by the Board of Directors on October 26, pursuant to the resolution approved under item eight of the agenda of the General Shareholders' Meeting held on May 6, 2022.

As of December 31, 2022

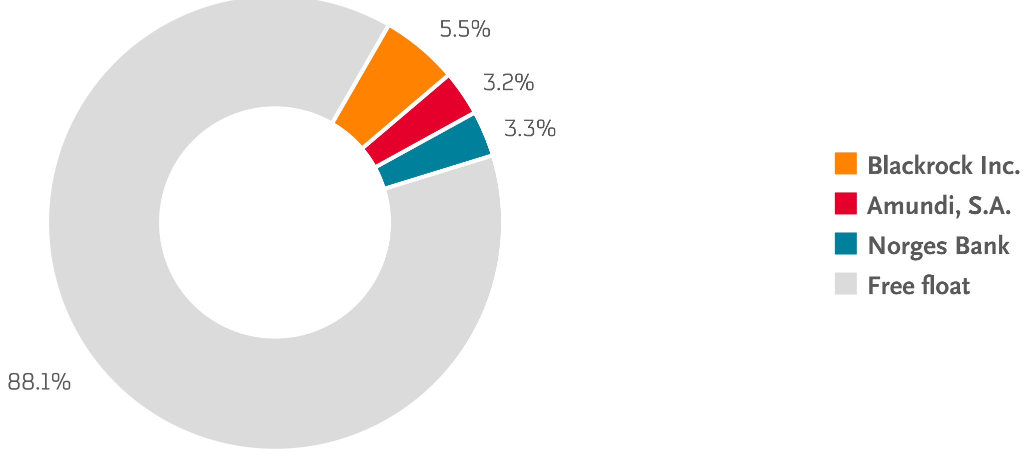
1,327,396,053
Shares
(Par value of shares 1€)

- Listed on the continuous market of the Spanish stock exchanges (Madrid, Barcelona, Bilbao and Valencia).
- Of the same class and series. There are no shares that are not representative of capital.
- There are no dual loyalty voting shares.
- Same voting and dividend rights.
- Represented by book entries.
- Fully subscribed and paid-up.
- Each share confers one vote at the General Meeting ("One share, one vote").

The shares of Repsol, S.A., represented by American Depositary Shares (the "ADSs"), are also traded on the OTCQX market in the United States.

Share capital

As of December 31, 2022, the capital stock is distributed as follows, with free float representing 88.1% of the total:



There is no individual or legal entity that exercises or may exercise control over the Company, as defined in Article 42 of the Commercial Code, for the purposes of Article 5 of the Securities Market Law.

Significant shareholdings

At December 31, 2022, the direct and indirect holders of significant shareholdings in Repsol, excluding the Directors, are as follows:

	% Voting rights attributed to shares		% Voting rights through financial instruments		% total
	Direct	Indirect	Direct	Indirect	
BLACKROCK INC. (1)	—	5.306	—	0.169	5.475
AMUNDI, S.A. (2)	—	3.203	—	—	3.203
NORGES BANK	3.244	—	0.006	—	3.250

(1) BlackRock, Inc. holds its interest through various controlled entities.
(2) Amundi, S.A. holds its interest through various controlled entities.

Breakdown of direct holders of indirect shareholdings

Indirect holder	Direct holder	% Voting rights attributed to shares	% Voting rights through financial instruments	% total
BLACKROCK INC.	CONTROLLED ENTITIES BLACKROCK	5.306	0.169	5.475
AMUNDI, S.A.	CONTROLLED ENTITIES AMUNDI	3.203	—	3.203

The information contained in this section includes the information available to the Company, as of December 31, 2022, submitted by the shareholders to the Company and to the National Securities Market Commission (CNMV).

Main changes in the shareholding structure in 2022

Name or corporate name of significant shareholder	Date of operation	Description of the operation
JPMORGAN CHASE & CO	06/01/22	5% of the capital stock has been exceeded
JPMORGAN CHASE & CO	21/01/22	5% of the capital stock has been reduced from
JPMORGAN CHASE & CO	24/01/22	5% of the capital stock has been exceeded
JPMORGAN CHASE & CO	26/01/22	5% of the capital stock has been reduced from
AMUNDI ASSET MANAGEMENT	14/02/22	3% of the capital stock has been reduced from
AMUNDI, S.A.	14/02/22	3% of the capital stock has been exceeded
JPMORGAN CHASE & CO	16/02/22	5% of the capital stock has been exceeded
JPMORGAN CHASE & CO	18/02/22	5% of the capital stock has been reduced from
SACYR, S.A.	07/03/22	3% of the capital stock has been reduced from
BANCO SANTANDER, S.A.	13/05/22	3% of the capital stock has been reduced from
JPMORGAN CHASE & CO	01/07/22	5% of the capital stock has been exceeded
THE GOLDMAN SACHS GROUP, INC.	12/07/22	5% of the capital stock has been exceeded
THE GOLDMAN SACHS GROUP, INC.	13/07/22	5% of the capital stock has been reduced from
JPMORGAN CHASE & CO	18/07/22	5% of the capital stock has been reduced from

Voting rights of the Company held by the Board of Directors

As of December 31, 2022, the total percentage of voting rights held by the Company's Directors amounts to **0.101%**.

Breakdown of individual items

	Number of shares		% Voting rights attributed to shares		% Voting rights through financial instruments		Total number of shares	% total	% Voting rights that can be transferred through financial instruments	
	Direct	Indirect	Direct	Indirect	Direct	Indirect			Direct	Indirect
Mr. Antonio Brufau Niubó	618,922	—	0.047	—	—	—	618,922	0.047	—	—
Mr. Josu Jon Imaz	610,769	—	0.046	—	—	—	610,769	0.046	—	—
Ms. Aurora Catá Sala	—	—	—	—	—	—	—	—	—	—
Ms. Arantza Estefanía Larrañaga	—	—	—	—	—	—	—	—	—	—
Ms. Carmina Ganyet Cirera	20	—	0.000	—	—	—	20	0.000	—	—
Ms. Teresa García-Milá Lloveras	2,328	—	0.000	—	—	—	2,328	0.000	—	—
Mr. Emiliano López Achurra	2,000	—	0.000	—	—	—	2,000	0.000	—	—
Mr. Manuel Manrique Cecilia	166	1,491	0.000	0.000	—	—	1,657	0.000	—	—
Mr. Iván Martén Uliarte	—	—	—	—	—	—	—	—	—	—
Mr. Ignacio Martín San Vicente	8,141	—	0.001	—	—	—	8,141	0.001	—	—
Mr. Mariano Marzo Carpio	—	—	—	—	—	—	—	—	—	—
Mr. Henri Philippe Reichstul	50	—	0.000	—	—	—	50	0.000	—	—
Ms. Isabel Torremocha Ferrezuelo	8,259	—	0.001	—	—	—	8,259	0.001	—	—
Mr. Luis Suárez de Lezo Mantilla	83,628	—	0.006	—	—	—	83,628	0.006	—	—
Mr. J. Robinson West	—	—	—	—	—	—	—	—	—	—

Breakdown of direct holders of indirect shareholdings (mentioned above)

	Direct holder	% Voting rights attributed to shares	% Voting rights through financial instruments	% total	% Voting rights that can be transferred through financial instruments
Mr. Manuel Manrique Cecilia	CYMOFAG, S.L.U.	0.00	—	0.00	—

Representation of significant shareholders on the Board of Directors

Following the transfer by Sacyr of its entire holding in the share capital of Repsol in June 2022, the Board of Directors of Repsol does not have any significant shareholder represented among its members.

The Company is not aware of the existence of any relationships of a family, commercial, contractual or corporate nature between the owners of significant shareholdings, nor of any relationships of this nature that are relevant or outside those deriving from the ordinary course of business between the owners of significant shareholdings and the Company.

Restrictions on the transferability of securities or voting rights and on the appointment of members of the management body

The exercise of the voting rights attached to the shares and the ability to appoint members of the Board of Directors may be affected by the following regulatory rules applicable to the Company:

Article 34 of Royal Decree-Law 6/2000, of June 23, 2000, on Urgent Measures to Intensify Competition in Markets for Goods and Services (the "Royal Decree-Law 6/2000").	Law 3/2013 of June 4, 2013, on the creation of the National Commission for Markets and Competition (the "Law 3/2013").
It establishes restrictions on voting rights and on the ability to directly or indirectly appoint members of the governing bodies of companies that have the status of main operator in the same market or sector, including, among others, the markets for the production and distribution of fuels, liquefied petroleum gases and natural gas, as well as the generation of electricity. The main operator is understood to be the entities that hold the five largest shares in the market in question. These limitations are specified in that natural or legal persons who, directly or indirectly, participate in the capital or voting rights of two or more companies that have the status of main operator in the same market or sector, or who themselves have the status of main operator in a market or sector, may not exercise voting rights in the same market or sector, may not exercise voting rights in a second company having the same status of principal operator in the same market or sector, in a shareholding of more than 3% of the total capital or in other securities conferring voting rights in that other company, nor may they directly or indirectly appoint members of the administrative bodies of that company. These prohibitions shall not apply in the case of parent companies that have the status of principal operator, with respect to their subsidiaries in which the same status is held, provided that such structure is imposed by the legal system or is the result of a mere redistribution of securities or assets between companies of the same group. Notwithstanding the foregoing, the National Markets and Competition Commission (the "CNMC") may authorize the exercise of the voting rights corresponding to the excess with respect to the shareholdings or the appointment of members of the administrative bodies, provided that this does not favor the exchange of strategic information between operators or imply a risk of coordination of their strategic behavior.	It establishes a control procedure for certain business operations in the energy sector, including the acquisition of shareholdings in companies engaged in oil refining, pipeline transportation and storage of oil products. All these facilities are also considered strategic assets. In particular, the acquisition of shares in the capital stock that grant a significant influence in the management of those companies that, directly or through controlled companies, carry out such activities must be reported to the CNMC, which will be competent to know about such operations in accordance with the provisions of the ninth additional provision of Law 3/2013, until the competent Ministry has the necessary means to exercise such competence. Such transactions may be subject to the imposition of conditions relating to the exercise of the activity of the affected companies or the acquirer, if the latter is not a national of the European Union or the European Economic Area and it is considered that there is a real and sufficiently serious threat of risks to the guarantee of hydrocarbon supply.

Article 7 bis of Law 19/2003, of July 4, 2003, on the legal regime governing the movement of capital and foreign economic transactions and on certain measures for the prevention of money laundering
It establishes that prior administrative authorization will be required for the acquisition of an interest equal to or greater than 10% of the share capital, or the acquisition of control of all or part of it, in Spanish companies in the energy infrastructure and energy supply sectors, among others, by residents of countries outside the European Union and the European Free Trade Association, and until December 31, 2022 will also apply to foreign direct investments in listed companies in Spain, or in unlisted companies if the value of the investment exceeds 500 million euros, by residents of countries outside the European Union and the European Free Trade Association.

In addition to the foregoing, Repsol's Bylaws, in line with recommendation number 1 of the Good Governance Code of Listed Companies, do not contain any limitation on the maximum number of votes that may be cast by a single shareholder, nor do they contain any other restrictions that could hinder the acquisition of a controlling interest in the market.

Likewise, it should be noted that in 2022 the Company did not resolve to take any measures to neutralize a takeover bid pursuant to Article 135 of the Securities Market Law.

Shareholders agreements

The Company has not been notified of any shareholders agreements that affect it, and no concerted actions have taken place between its shareholders.

Significant agreements affecting situations of change of control of the Company as a result of a takeover bid

The Company usually participates in the exploration and exploitation of hydrocarbons through consortiums or joint ventures with other oil companies, both public and private. In the contracts regulating the relations between the members of these consortiums, it is customary to grant the other members a right of first refusal in cases where any of them intends to directly transfer, either totally or partially, its participation; likewise, in some cases, this could also be applied in cases of indirect transfer, that is, when there is a change of control in one of the members.

Likewise, the regulations governing the oil and gas industry in various countries in which the Company operates require the prior authorization of the competent Administration for the total or partial transfer of research or exploration permits and exploitation concessions, as well as, on occasions, the change of control of the concessionaire entity or entities and especially of the one that holds the status of operator of the mining domain.

Treasury shares

At year-end 2022, the Company owns directly:

225,565	0.02%
Treasury shares (1)	**Voting rights**

(1) The Company's treasury stock position at year-end 2022 does not include the 50,000,000 shares of treasury stock that were redeemed in the capital reduction executed on December 29, 2022 (communicated on the same date to the CNMV through "other relevant information" No. 19810).

Significant variations during the year

Date of communication CNMV	total % of share capital (1)
3/11/2022	4.82
5/9/2022	7.15
6/2/2022	2.35
8/11/2022	2.59
9/8/2022	3.62
9/30/2022	4.65
10/27/2022	5.72
11/14/2022	6.72
11/15/2022	1.71
12/7/2022	2.72

(1) Percentage calculated on the capital stock in effect on the date of each notification.

Regarding treasury stock transactions, the Board of Directors is currently authorized to acquire shares of Repsol, directly or through subsidiaries, by virtue of the authorization approved by the Ordinary General Shareholders' Meeting of the Company held on May 6, 2022, under item 10 of the agenda, the resolution of which is transcribed below:

"First. To authorize the Board of Directors for the derivative acquisition of shares of Repsol, S.A., on one or several occasions, by purchase, exchange or any other type of onerous legal transaction, directly or through subsidiaries, up to a maximum number of shares which, added to those already held by Repsol, S.A. and any of its subsidiaries, does not exceed 10% of the Company's subscribed capital or the legal limit existing at any given time.

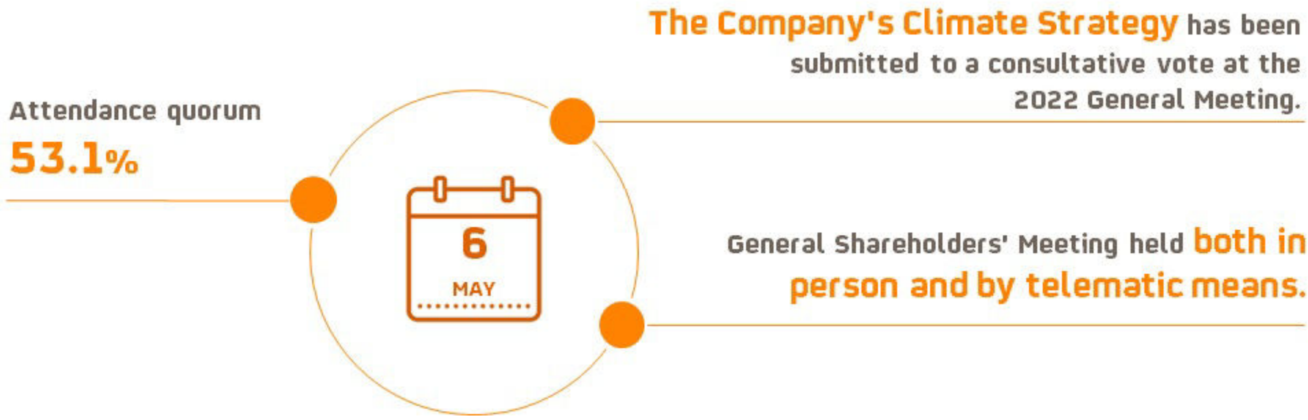
The shares will be acquired for a price or value of consideration that may not be less than the par value of the shares or exceed their market price. The authorization includes the acquisition of shares which, if applicable, are to be delivered to employees and directors of the Company or its Group, or as a consequence of the exercise of stock options held by them.

The authorization may be used to acquire treasury stock for other purposes or through other procedures that may be decided from time to time by the Board of Directors which, for such purpose, may also decide the form and procedure through which the transactions relating to the treasury stock are executed.

This authorization is subject to compliance with all other applicable legal requirements, shall have a duration of 5 years, counted from the date of this General Meeting, and leaves without effect, in the unused part, that agreed by the Ordinary General Meeting held on May 11, 2018, within the eighth item of the Agenda.

Second. Likewise, to authorize the Board of Directors so that it, in turn, may delegate (with the power of substitution when appropriate) in favor of the Delegate Committee and/or the Chief Executive Officer, pursuant to the provisions of Article 249bis.l) of the Capital Companies Act, all the delegated powers referred to in the first section of this resolution, and all of the above without prejudice to the powers of attorney that exist or may be conferred in relation to the contents of this resolution."

2.2. GENERAL SHAREHOLDERS MEETING



The General Shareholders' Meeting is the sovereign corporate body through which the shareholders' right to participate in the Company's decision-making is articulated. The basic principles of its organization and operation are regulated in the Company's Bylaws and in its own Regulations, which contain the rules governing its legal and statutory activity, and complete the applicable discipline established in current mercantile legislation and in the Company's Bylaws.

The General Shareholders' Meeting, duly called and constituted, shall decide by the majorities required in each case by Law, the Company Bylaws and the Regulations of the General Shareholders' Meeting on the matters within its competence and, in particular, on the following:

Powers of the General Shareholders' Meeting

- Approval of the Annual Financial Statements of Repsol and of the consolidated Annual Financial Statements of its group, of the management of the Board of Directors and of the proposed distribution of profits.
- Increase and reduction of capital, including the authorization to the Board of Directors to increase the share capital under the terms set forth in the Capital Companies Act and the limitation and suppression of pre-emptive subscription rights.
- Approval of the issuance of debentures and authorization to the Board of Directors to do so.
- Appointment and removal of Directors, as well as ratification or revocation of appointments by cooptation made by the Board itself.
- Acquisition, disposal or contribution to another company of essential operating assets of the Company.
- Transfer to subsidiaries of essential activities carried out up to that time by the Company itself, even if the Company retains full control of them.
- Approval, when required by law, of structural modifications and, in particular, the transformation, merger, spin-off, global assignment of assets and liabilities and the transfer of the registered office abroad.
- Approval of the policy on Directors' remuneration.
- Exemption of the Board Members, on a case-by-case basis, from the obligations derived from the duty of loyalty in the following cases:
  a. Authorization of the related-party transactions referred to in art. 22 bis of the Bylaws.
  b. Waiver of the prohibition to obtain advantages or remuneration from third parties, other than the Company and its Group, associated with the performance of their duties, except in the case of mere courtesy.
  c. Waiver of the obligation not to compete with the Company, in accordance with the provisions of Article 44 bis of the Company's Bylaws.
- Approval of transactions whose effect is equivalent to the liquidation of the Company.
- Authorization of the acquisition of treasury stock.
- Approval of the final liquidation balance sheet.
- Appointment and, as the case may be, removal of the Auditors.
- Approval of amendments to the by-laws.
- Dissolution of the Company.

On the other hand, the Company has not established any decisions that must be submitted to the approval of the General Shareholders' Meeting, other than those established by law, involving an acquisition, disposal or contribution to another company of essential assets or any other similar corporate transaction.

Quorums for constitution and voting

The valid constitution of the General Shareholders' Meeting is governed by the rules established in the Capital Companies Act.

However, with regard to the majorities required for the adoption of resolutions, the Company has established in its bylaws, in accordance with the legal authorization, a specially reinforced quorum, both at first and second call, of 75% of the voting capital in attendance at the General Shareholders' Meeting, for the valid adoption of the resolutions indicated below:

– Authorization of related-party transactions in the cases provided for in Article 22bis of the Company's Bylaws.
– Exemption of a Director from the non-competition obligation, in accordance with the provisions of Article 44bis of the Company's Bylaws.
– Amendment of Articles 22bis and 44bis of the Company's Bylaws, relating to related-party transactions and the prohibition of competition of the Directors.
– Amendment of section 3 of article 22 of the Company's Bylaws, which contains this particularly reinforced voting regime.
– Amendment of section 8 of article 13 of the Regulations of the General Shareholders' Meeting, which contains this specially reinforced voting regime.

The amendment of the Bylaws is governed by the following articles:

Article 21 of the Company's Bylaws

It determines that in order for the General Shareholders' Meeting, whether ordinary or extraordinary, to be able to validly resolve on any amendment thereto, the following shall be necessary:

First call: the concurrence of shareholders present or represented who hold at least 50% of the subscribed capital with voting rights.

Second call: the attendance of at least 25% of said capital.

Article 22 of the Company's Bylaws

It establishes that the valid adoption of the resolution to amend the Bylaws requires the following majorities:

If the capital present or represented exceeds 50% of the subscribed capital with voting rights, the favorable vote of the absolute majority will be sufficient, in such a way that the resolution will be understood to be adopted when the votes in favor exceed half of the votes corresponding to the shares present and represented at the Meeting. When, on second call, shareholders representing 25% or more of the subscribed capital with voting rights attend, without reaching 50%, the favorable vote of two thirds of the capital present or represented at the Meeting will be required.

However, and in accordance with what has already been stated above, a specialty is established with respect to the regime established in the Capital Companies Law for the amendment of articles 22bis ("Related-party transactions") and 44bis ("Prohibition of competition") of the Bylaws, as well as the amendment of the special rule itself (article 22.3). These amendments to the Bylaws require, for their valid approval, both at first and second call, the favorable vote of 75% of the voting capital in attendance at the General Shareholders' Meeting.

Right of attendance

Repsol pays special attention to facilitating attendance and participation in the General Shareholders' Meeting.

Key mechanisms to promote the right to attendance and participation:

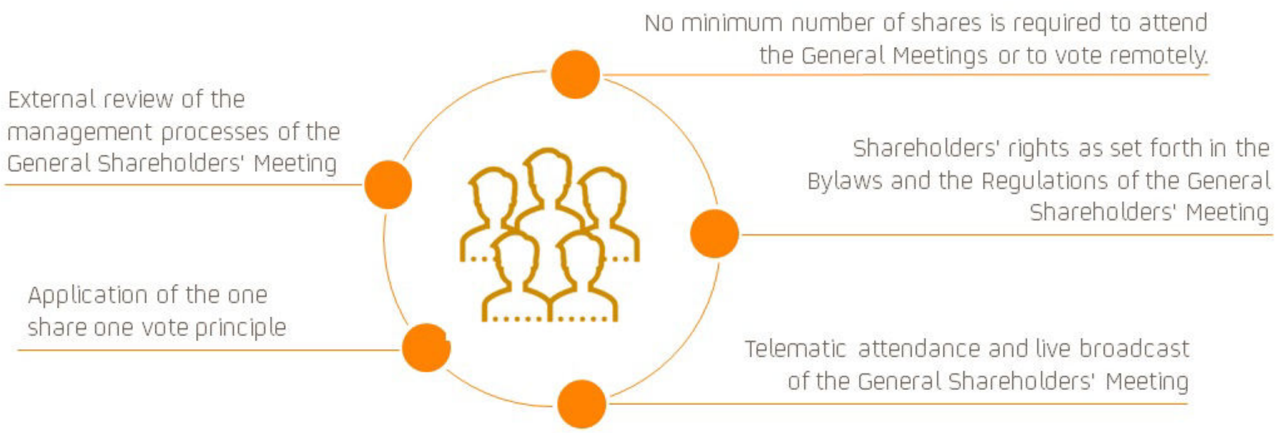
– Possibility of electronic voting and proxy voting at the General Shareholders' Meeting.
– Section on the corporate website with complete information on the General Shareholders' Meeting.
– Streaming of the General Shareholders' Meeting, with simultaneous translation into English and sign language.
– Shareholders' electronic forum.
– Telematic assistance, with the possibility of voting and sending questions.
– Shareholder Information Office.

In order to facilitate the shareholders' right to attend, the Board of Directors agreed that at the 2022 General Shareholders' Meeting, **attendance at the General Shareholders' Meeting could also be by telematic means.**

Shareholders who meet the following conditions may attend the General Meeting:

- To have their shares registered in the corresponding accounting registry five days prior to the date set for the Meeting.
- To have the corresponding attendance, proxy and remote voting card.

Furthermore, there is no statutory restriction establishing a minimum number of shares required to attend the General Meeting.



The attendance, proxy and remote voting cards shall be issued by the participating entity of Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (hereinafter, IBERCLEAR) that in each case corresponds, or by the Company itself.

The aforementioned cards may be exchanged on the day of the Meeting for other standardized documents issued by the Company for the purpose of registering attendance at the Meeting:

- facilitating the preparation of the attendance list;
- the exercise of voting rights, and
- other shareholder rights.

Proxy and voting by remote means of communication prior to the Meeting, and telematic attendance.

Shareholders with the right to attend may delegate or cast their vote on the proposals relating to the items on the agenda, prior to the Meeting, by means of remote communication, provided that the identity of the participants is duly guaranteed. Provided that the Board of Directors so resolves at the time of calling each General Meeting, as permitted by the state of the art and the conditions of security, opportunity and simplicity, the shareholders entitled to attend the General Meeting, or their representatives, may do so remotely by telematic means that duly guarantee the identity and legitimacy of the shareholder or his representative and allow the correct exercise of the shareholder's rights. Where appropriate, the Board of Directors shall indicate in the notice of the meeting the most appropriate means to enable attendance by telematic means at each General Shareholders' Meeting. Said means shall be published on the Company's website (articles 23 of the Company's Bylaws and 7 of the General Meeting Regulations).

Attendance data and main resolutions adopted at the 2022 General Shareholders' Meeting

On May 6, 2022, at 12:00 noon, the Ordinary General Shareholders' Meeting of Repsol, S.A. was held at the Palacio Municipal de Congresos Avenida de la Capital de España-Madrid, unnumbered, Campo de las Naciones, Madrid. The General Meeting was held on second call and was constituted with the attendance of a total of 810,219,555 shares, reaching a quorum of 53.1% of the share capital.[12]

[12] Total attendance is 810,219,555 shares, of which 82,334,492 belong to the Company's treasury stock.

Attendance data at the General Shareholders' Meetings

General Meeting Date	% of attendance in person[13]	% by proxy	% remote voting		Total
			Electronic voting	Others	
08/05/2020	7.941 %	39.314 %	0.049 %	0.953 %	48.257 %
Of which free float:	0.043 %	39.222 %	0.049 %	0.953 %	40.267 %
26/03/2021	7.948 %	42.876 %	0.070 %	0.201 %	51.094 %
Of which free float:	0.048 %	40.579 %	0.070 %	0.201 %	40.897 %
06/05/2022	2.564 %	49.763 %	0.091 %	0.628 %	53.046 %
Of which free float:	0.074 %	44.372 %	0.091 %	0.628 %	45.165 %

Right to information

Information and documentation on corporate governance and the latest general meetings are available on Repsol's corporate website, www.repsol.com, in the Shareholders and Investors section, Corporate Governance, at the following links:

https://www.repsol.com/en/shareholders-and-investors/corporate-governance/index.cshtml

https://www.repsol.com/en/shareholders-and-investors/corporate-governance/annual-general-meeting/index.cshtml

At the General Shareholders' Meeting held on May 6, 2022, the Chairman and Chief Executive Officer reported to the shareholders, among other matters, on: (i) the global energy context; (ii) progress in the energy transition; (iii) the macroeconomic environment; (iv) the most significant events of the year; (v) the results achieved by the Company; and (vi) its future prospects.

It was also highlighted that the Company had continued to adapt its procedures and internal regulations to the recommendations of the Good Governance Code approved by the CNMV and that, as of said date, all of the recommendations applicable to the Company had been complied with. All the proposals on the agenda of the 2022 Meeting were approved by a large majority of the shareholders. The voting results for each of the resolutions are shown below:

Attendance data and main resolutions adopted at the 2022 Annual General Meeting

Resolutions	Number of shares		% over the share capital attending
First. Review and approval, if appropriate, of the Annual Financial Statements and Management Report of Repsol, S.A. and the Consolidated Annual Financial Statements and Consolidated Management Report, for fiscal year ended 31 December 2021.	For	723,095,630	99.342
	Against	101,149	0.014
	Abstained	4,688,284	0.644
Second. Review and approval, if appropriate, of the proposal for the allocation of results in 2021.	For	727,148,425	99.899
	Against	494,920	0.068
	Abstained	241,718	0.033
Third. Review and approval, if appropriate, of the Statement of Non-Financial Information for fiscal year ended 31 December 2021.	For	726,896,523	99.864
	Against	124,887	0.017
	Abstained	863,653	0.119
Fourth. Review and approval, if appropriate, of the management of the Board of Directors of Repsol, S.A. during 2021.	For	706,691,479	97.088
	Against	12,664,973	1.740
	Abstained	8,528,611	1.172
Fifth. Appointment of the Accounts Auditor of Repsol, S.A. and its Consolidated Group for fiscal year 2022.	For	727,075,757	99.889
	Against	471,233	0.065
	Abstained	338,073	0.046
Sixth. Distribution of the fixed amount of 0.325 euros gross per share charged to free reserves. Delegation of powers to the Board of Directors or, by substitution, to the Delegated Committee or the Chief Executive Officer, to establish the terms of distribution for that which may go unforeseen by the General Meeting, to carry out the acts necessary for its execution and to issue as many public and private documents as may be required to fulfil the agreement.	For	727,207,313	99.907
	Against	117,005	0.016
	Abstained	560,745	0.077
Seventh. Approval of a share capital reduction for a maximum amount of 75,000,000 euros, through the redemption of a maximum of 75,000,000 of the Company's own shares. Delegation of powers to the Board of Directors or, as its replacement, to the Delegate Committee or the Chief Executive Officer, to set the other terms for the reduction in relation to everything not determined by the General Meeting, including, among other matters, the powers to redraft Articles 5 and 6 of the Company's Articles of Association, relating to share capital and shares respectively, and to request the delisting and cancellation of the accounting records of the shares that are being redeemed.	For	727,177,268	99.903
	Against	125,306	0.017
	Abstained	582,489	0.080

[13] Also includes telematic attendance.

Resolutions	Number of shares		% over the share capital attending
Eighth. Approval of a capital reduction for a maximum amount of 152,739,605 euros, equal to 10% of the share capital, through the redemption of a maximum of 152,739,605 own shares of the Company. Delegation of powers to the Board or, by substitution, to the Delegate Committee or the Chief Executive Officer, to resolve on the execution of the reduction, and to establish the other terms for the reduction in relation to all matters not determined by the shareholders at the General Meeting, including, among other matters, the powers to redraft articles 5 and 6 of the Company's Articles of Association, relating to share capital and shares, respectively, and to request the delisting and derecognition from the accounting records of the shares that are being redeemed.	For	727,178,446	99.903
	Against	123,631	0.017
	Abstained	582,986	0.080
Ninth. Delegation to the Board of Directors, within the provisions of article 297.1.b) of the Spanish Companies Act, of the power to resolve the increase of the capital stock, once or on several occasions and at any time within a period of five years, through monetary contributions, up to the nominal maximum amount of 763,698,026 euros, leaving without effect the second resolution approved by the General Shareholders' Meeting held on May 11, 2018 under the seventh point of the Agenda. Delegation of the powers to exclude the preemptive subscription rights in accordance with article 506 of the Spanish Companies Act.	For	661,716,599	90.909
	Against	65,812,323	9.042
	Abstained	356,141	0.049
Tenth. Authorization to the Board of Directors, with express power of delegation, for the derivative acquisition of shares of Repsol, S.A., directly or through subsidiaries, within a period of 5 years from the resolution of the Shareholders Meeting, leaving without effect, in the part not used, the authorization granted by the General Shareholders Meeting held on May 11, 2018 under point eighth on the Agenda.	For	708,469,604	97.333
	Against	18,341,268	2.520
	Abstained	1,074,191	0.148
Eleventh. Re-election as Director of Ms. María del Carmen Ganyet i Cirera.	For	707,866,656	97.250
	Against	19,441,843	2.671
	Abstained	576,564	0.079
Twelfth. Re-election as Director of Mr. Ignacio Martín San Vicente.	For	717,900,691	98.628
	Against	5,079,373	0.698
	Abstained	4,904,999	0.674
Thirteenth. Ratification of the appointment by co-optation and re-election as Director of Mr. Emiliano López Achurra.	For	701,158,443	96.328
	Against	21,686,954	2.979
	Abstained	5,039,666	0.692
Fourteenth. Ratification of the appointment by co-optation and re-election as Director of Mr. José Iván Martén Uliarte.	For	714,336,730	98.139
	Against	8,638,570	1.187
	Abstained	4,909,763	0.675
Fifteenth. Advisory vote on the Repsol, S.A. Annual Report on Directors´ Remuneration for 2021.	For	693,746,629	95.310
	Against	31,453,922	4.321
	Abstained	2,684,512	0.369
Sixteenth. Approval of three new additional cycles of the Long-Term Incentive Programme.	For	700,277,150	96.207
	Against	18,350,956	2.521
	Abstained	9,256,957	1.272
Seventeenth. Advisory vote on the Company's climate strategy.	For	604,164,760	83.003
	Against	105,254,954	14.460
	Abstained	18,465,349	2.537
Eighteenth. Delegation of powers to interpret, supplement, develop, execute, rectify and formalize the resolutions adopted by the General Shareholders' Meeting.	For	727,368,717	99.929
	Against	176,873	0.024
	Abstained	339,473	0.047

3. Repsol's governance body

3.1. Composition of the Board of Directors

According to the Company's Bylaws, the Board must consist of a maximum of sixteen (16) and a minimum of nine (9) Board Members. The Ordinary General Shareholders' Meeting held on May 31, 2019 approved the setting of the number of members of the Board of Directors at fifteen (15).

The composition of the Board of Directors, as of December 31, 2022, is as follows:

Director	Profile	Committees	First appointment	Last appointment	Selection procedure[14]	Date of birth
Mr. Antonio Brufau Niubó	Chairman - Other Non-executive	Delegate Committee (C)	07/23/1996	05/31/2019	AGM Resolution	03/12/1948
Mr. Josu Jon Imaz	Chief Executive Officer - Executive	Delegate Committee	04/30/2014	05/31/2019	AGM Resolution	09/06/1963
Ms. Aurora Catá Sala	Director - Independent Non-Executive	Audit and Control Committee; Nominating Committee (C); Compensation Committee (C)	03/26/2021	26/03/2021	AGM Resolution	13/06/1964
Ms. Arantza Estefanía Larrañaga	Director - Independent Non-Executive	Compensation Committee; Sustainability Committee	05/31/2019	05/31/2019	AGM Resolution	05/09/1963
Ms. Carmina Ganyet i Cirera	Director - Independent Non-Executive	Delegate Committee	05/11/2018	05/06/2022	AGM Resolution	04/08/1968
Ms. Teresa García-Milá Lloveras	Director - Independent Non-Executive	Audit and Control Committee (C); Nominating Committee	05/31/2019	05/31/2019	AGM Resolution	07/05/1955
Mr. Emiliano López Achurra	Director - Other Non-executive	Nominating Committee; Compensation Committee; Sustainability Committee	24/11/2021	05/06/2022	AGM Resolution	04/02/1956
Mr. Manuel Manrique Cecilia	Director - Independent Non-Executive	Delegate Committee	04/25/2013	29/06/2022	Cooptation	01/01/1954
Mr. Iván Martén Uliarte	Director - Independent Non-Executive	Delegate Committee	31/03/2022	05/06/2022	AGM Resolution	03/18/1959
Mr. Ignacio Martín San Vicente	Director - Independent Non-Executive	Delegate Committee	05/11/2018	05/06/2022	AGM Resolution	05/04/1955
Mr. Mariano Marzo Carpio	Director - Independent Non-Executive[15]	Audit and Control Committee; Sustainability Committee (C)	05/19/2017	26/03/2021	AGM Resolution	09/08/1951
Mr. Henri Philippe Reichstul	Director - Other Non-executive	Delegate Committee	10/30/2018	05/31/2019	AGM Resolution	04/12/1949
Ms. Isabel Torremocha Ferrezuelo	Director - Independent Non-Executive	Audit and Control Committee; Sustainability Committee	05/19/2017	26/03/2021	AGM Resolution	01/25/1964
Mr. J. Robinson West	Director - Independent Non-Executive	Delegate Committee	01/28/2015	05/31/2019	AGM Resolution	09/16/1946
Mr. Luis Suárez de Lezo Mantilla	Director Secretary - Other Non-Executive	Delegate Committee	02/02/2005	26/03/2021	AGM Resolution	01/25/1951

Committees of the Board of Directors

- Delegate Committee
- Compensation Committee
- Nominating Committee
- Audit and Control Committee
- Sustainability Committee
- C Chairman of the Committee

Resignations from the Board of Directors in 2022

On June 28, 2022, the Board of Directors took notice of the letter sent by Mr. Manrique to the members of the Board in which he communicated his resignation as Director, due to the fact that Sacyr, the shareholder that had proposed his appointment, had transferred its entire shareholding in the Company, all of this under the provisions of Article 16.2 of its Regulations and Recommendation 24 of the Code of Good Governance. The following day, the Board of Directors agreed to his appointment by co-option and his re-election as an External Independent Director.

[14] Where "AGM" means "Annual General Meeting".
[15] The Board of Directors on March 27, 2018 resolved to appoint Mr. Mariano Marzo as Lead Independent Director.

Our Board of Directors

MR. ANTONIO BRUFAU NIUBÓ

CHAIRMAN OF THE BOARD OF DIRECTORS

Non-Executive Director

Director of Repsol by resolution of the Board of Directors since 23 July 1996, subsequently ratified by the General Shareholders Meeting of 6 June 1997 and re-elected by the General Shareholders Meeting on 24 March 1999, 4 April 2003, 9 May 2007, 15 April 2011, 30 April 2015 and 31 May 2019.

Mr. Brufau has been Chairman of the Board of Directors of Repsol since 2004.

Background: Bachelor's degree in Economic Sciences from the Universidad de Barcelona. Honorary Doctorate from the Universidad Ramón Llull de Barcelona.

Experience: He commenced his professional career at Arthur Andersen, where he became Audit Director and Partner. In 1998, he joined the "La Caixa" Group as Deputy Chief Executive Officer, occupying the position of Chief Executive Officer between 1999 and 2004. He was also Chairman of the Gas Natural Group between 1997 and 2004.

Other relevant positions: Antonio Brufau is a member of the Business Action Council of the Spanish Confederation of Business Organisations (CEOE), member of the Spanish Executives Association and the Círculo de Economía business organisation, trustee of the private foundation Instituto Ildefons Cerdà, trustee of Spanish Confederation of Directors and Executives (CEDE), trustee of the Real Instituto Elcano think tank, trustee of the Foundation for Energy and Environmental Sustainability (FUNSEAM), trustee of COTEC (Foundation for Technological Innovation) and trustee of the Fundación Princesa de Girona. He is also the Chairman of Fundación Repsol.

Board committees to which he belongs: Chairman of the Delegate Committee.

MR. JOSU JON IMAZ

CHIEF EXECUTIVE OFFICER

Executive Director

Josu Jon Imaz was appointed CEO of Repsol following Board resolution dated 30 April 2014 and subsequently ratified and re-elected by the General Shareholders Meeting on 30 April 2015 and 31 May 2019.

Background: Josu Jon Imaz has a PhD in Chemical Sciences from the Universidad del País Vasco. He graduated from the Faculty of Chemical Sciences of San Sebastián winning the Award for Excellence in Academic Career. He was also a visiting researcher at the Harvard Kennedy School in the United States.

Experience: Josu Jon Imaz commenced his professional career in research — he was sent by the INASMET Research Centre to the French technological centre CETIM, in Nantes — and the promotion of industrial (Mondragón Group) and business projects connected to the world of energy. He also held various political responsibilities, notably including the Basque Country Department of Industry, Trade and Tourism in 1999 and the Executive Presidency of the Basque Nationalist Party, EAJ-PNV.

He joined Repsol as Chairman of its subsidiary Petronor in 2008, where he successfully managed the challenges of modernisation, sustainability and environmental relations. From 2010, he combined this position with that of Director of New Energies. In 2012, he joined Repsol's Management Committee and was appointed General Manager of the Industrial and New Energies Area, responsible, among other functions, for coordinating the activities of all the industrial complexes. He was also Vice-Chairman of Gas Natural SDG, S.A. from September 2016 to February 2018.

Since he was appointed CEO in 2014, he has led the Company's transformation process, today consolidated as a global multi-energy company, a major player in the electricity and gas market in Spain, leading the development of sustainable mobility solutions and operating one of the most efficient refining systems in Europe. Under his management, Repsol has accelerated the decarbonization process of its assets, becoming one of the leaders of the energy transition in Spain and the first company in its sector to commit to zero net emissions by 2050.

Other relevant positions: Member of Repsol's Executive Committee, trustee of Fundación Repsol and Chairman of Fundación Consejo España-EE.UU.

Board committees to which he belongs: Member of the Delegate Committee.

MS. AURORA CATÁ SALA

Independent Non-Executive Director

Ms. Catá was appointed Director of Repsol at the Shareholders' Meeting on March 26, 2021.

Background: She holds a bachelor's degree in Industrial Engineering from Universidad Politécnica de Cataluña as well as an MBA and a PADE from IESE. She also completed the Massachusetts Institute of Technology (MIT) Mentoring Program.

Experience: She began her professional career in the financial sector, first at Bank of America and later as CFO at Nissan Motor Ibérica, where she led important capital market operations. Subsequently, she took over the general management of RTVE in Catalonia and later held the position of CEO at Planeta 2010, a company encompassing the audiovisual businesses of the Group, which was fundamental in its growth and diversification strategy. After that, and having also been a founding partner of the start-up Content Arena, she became general manager of Audiovisual Media at Recoletos Grupo de Comunicación, where she managed the Group's audiovisual business.

Between 2008 and 2020, Ms. Catá was a partner at Seeliger y Conde, where she carried out consulting work related to the development of organizations based on the identifying internal talent, developing competitive compensation policies, designing succession plans, attracting talent, and making cultural changes to adapt to new business scenarios. She also served as Chairwoman of the Barcelona Global Association from 2020 to 2022.

Other relevant positions: She currently holds the position of Independent Director, Chairwoman of the Compensation Committee and Member of the Nomination Committee and the Risk Committee of Banco Sabadell. She is also an Independent Director, Chairwoman of the Nomination Committee of Atrys Health. Ms. Catá is also Vice Chair of America's Cup Events Barcelona (ACE Barcelona), member of the Executive Committee of the IESE Alumni Association, Trustee of the Cellnex Foundation and Trustee of CIDOB.

Board committees to which she belongs: Chairwoman of the Nomination Committee, Chairwoman of the Compensation Committee and member of the Audit and Control Committee.

MS. ARANTZA ESTEFANÍA LARRAÑAGA

Independent Non-Executive Director

Ms. Estefanía was appointed Director of Repsol by the General Shareholders Meeting of 31 May 2019.

Background: She graduated in Law with First Class Honours at the Universidad de Deusto winning the Award for Excellence in Academic Career.

Experience: From its foundation in 2000 until January 2019, she was Managing Partner of Uría Menéndez Abogados, S.L.P. in Bilbao. During those years, she performed various roles at the firm, notably including that of Director of the Practical Area of Procedural, Public, Arbitration and Criminal Law in Bilbao. Furthermore, she has been a member of Uría Menéndez's Board of Directors, Professional Practice Management Committee and Criminal Risk Prevention Committee.

She has earned recognised standing in the area of Commercial Law. She has been Secretary of the Board of Directors of several companies and entities and is currently the Secretary of the Board of Directors of Bilbao Exhibition Centre S.A. (International Trade Fair of Bilbao). She has been appointed on several occasions as Arbitrator by the Court of Arbitration of the Bilbao Chamber of Commerce to resolve commercial disputes.

Over more than thirty years, she has gained vast experience in the area of compliance and criminal risk prevention, as well as environment and security. In recent years, Ms. Estefanía has given multiple lectures with respect to the criminal liability and compliance of legal persons and she has also authored several publications.

Ms. Estefanía has been recognized on several occasions since 2013, by Best Lawyer in Spain as a leading lawyer in arbitration and mediation practices and as lawyer of the year in the procedural area.ecognized She also has teaching experience as adjunct lecturer of the Civil law Department of the Universidad de Deusto.

Other relevant positions: As of 27 July 2021, she became Director and Secretary of the Board of Directors of Repsol Industrial Transformation, S.L. (Single-member Company) and on 28 July 2021 she was appointed Director and Secretary of the Board of Repsol Customer Centric, S.L.

She was appointed independent director of Cie Automotive, S.A. on 29 April 2020 and member of its Audit Committee. Since 15 December 2021, she is also Chairman of the Nomination and Remuneration Committee, member of the Sustainability Committee and Coordinating Director. On 8 May 2020, she was appointed independent director of Global Dominion Access, S.A., being Chairman of its Audit Committee until 12 May 2021. Since that date, she is member of the Audit Committee and of the Sustainability Committee. Since May 2019, she has formed part of the group of experts of the Basque Country Economic and Social Council, the advisory body of the Basque Government and Parliament, chairing that body's Economic Commission from December 2019.

Board committees to which she belongs: Member of the Compensation Committee and member of the Sustainability Committee.

MS. CARMINA GANYET I CIRERA

Independent Non-Executive Director

Ms. Ganyet was appointed a director of Repsol by the General Shareholders' Meeting of May 11, 2018 and reappointed by the General Shareholders' Meeting on May 6, 2022.

Background: Ms. Ganyet is an Economic Sciences and Business Administration graduate from the Universitat Autònoma de Barcelona. In addition, she has completed postgraduate studies at ESADE business school.

Experience: She is a specialist in Corporate Finance, M&A and capital markets. She commenced her professional career at Arthur Andersen. In 1995, she was appointed head of Investment and Management Control of the Financial, Property and Insurance Group of Caixa Holding (currently Criteria). In 1999, she led Colonial's IPO and, in 2000, she was appointed CFO, joining its Management Committee. In January 2009, she was appointed Corporate General Manager. She is also member of its ESG Committee and Investment Committee.

During these years, she has led the international extension through the takeover bid for Société Foncière Lyonnaise (property company listed on the Paris stock exchange) and has led the financial restructuring of Colonial and executed several corporate transactions consolidating Colonial as one of the largest and leading pan-European office property companies. Moreover, Ms. Ganyet has teaching experience as a lecturer in the Faculty of Business Administration of the Universitat Ramon Llull.

She has been an independent director of Instituto Catalán de Finanzas (ICF) and SegurCaixa Adeslas and a proprietary director of SIIC de Paris. She has also received several awards and recognitions for her professional career.

Other relevant positions: She is currently Corporate General Manager of Inmobiliaria Colonial and is a member of its Management Committee and a member of the Board of Directors of Société Foncière Lyonnaise (SFL), holding the position of Chairwoman of its Audit Committee. She is a member of the Board of Directors of Círculo de Economía, member of the Diversity Advisory Board of Caixabank, member of the Board of Ethos Ramon Llull- Ética y Empresa, member of the Board of ULI-Barcelona, member of the Board of Directors Esade-Alumni, and member of the Executive Committee of Barcelona Global.

Board committees to which she belongs: Member of the Delegate Committee.

MS. TERESA GARCÍA-MILÁ LLOVERAS

Independent Non-Executive Director

Ms. García-Milá was appointed Director of Repsol by the General Shareholders Meeting of 31 May 2019.

Background: Ms. García-Milá has a bachelor's degree in Economic Sciences from the Universidad de Barcelona and a PhD in Economics from the University of Minnesota.

Experience: She commenced her professional career as interim tenured lecturer at the Department of Economics of the State University of New York and later at the Department of Economics of the Universitat Autònoma de Barcelona (UAB).

She has been a tenured lecturer and is currently a professor at the Department of Economics and Business of the Universidad Pompeu Fabra in Barcelona, where she has occupied several academic roles: Dean of the Faculty of Economic and Business Sciences, Vice-Chancellor of Science Policy, and Economics and Business Head of Department. Furthermore, among other positions, she has been a Director of Banco Sabadell, Enagás and Vueling, and Economics Coordinator of the National Assessment and Perspective Agency (ANEP).

Other relevant positions: She currently holds the position of Board Member at Repsol Renovables, S.A.

She is Director of the Barcelona School of Economics and a Professor of the Department of Economics and Business at the Universidad Pompeu Fabra in Barcelona.

She is also an honorary member of the Spanish Economics Association (of which she has been President), member of the Economic Affairs Advisory Board of the Ministry of Economic Affairs and Digital Transformation, member of the Management Board of the "Centre de Recerca en Economía Internacional" (CREI) research centre, and Vice-President of the board of trustees of the Institute for Political Economy and Governance (IPEG).

Ms. García-Mila is a regular speaker at workshops and conferences and has authored numerous publications on economic matters. She has received distinctions such as the "Distinguished Member" of the Catalonia Association of Economists and the "Narcís Monturiol" Medal of the Regional Government of Catalonia.

Board committees to which she belongs: Chairwoman of the Audit and Control Committee and Member of the Nomination Committee.

MR. EMILIANO LÓPEZ ACHURRA

Other Non-Executive Director

Mr. López Achurra was appointed Director of Repsol by cooptation by resolution of the Board of Directors on November 24, 2021 and ratified and appointed by the General Shareholders' Meeting on May 6, 2022.

Background: Mr. López Achurra holds an LLB from the Autonomous University of Barcelona and a Master's Degree in International Studies from the Paris Institute of Political Studies.

Experience: In 2003, he was appointed director of Gas Natural Fenosa, and in 2011, became chairman of IBIL, a company backed by the Basque government and Repsol to provide charging stations for electric vehicles in Spain. He was previously director of Caja de Ahorros Provincial de Gipuzkoa —Kutxa—, BBK Bank/Caja Sur, and Sareb. He was also a founding parner of the law firm IBK & LBR, specializing in Community law, infrastructure, energy, and the environment, as well as the consultancy firms CFI (Consultores de Financiación Internacional), DPA (Desarrollo y Protección Ambiental) and EF International Strategy. He also held the position of Chairman of the Tecnalia Corporation from 2016 until 2020.

Mr. López Achurra is Non-Executive Chairman of Petronor, a company of which he was Executive Chairman between May 2016 and April 2019, and in which he has promoted numerous projects related to energy transition and renewable hydrogen production.

Other relevant positions: Mr. López Achurra is Chairman of the Board of Directors of IBIL Gestor de Carga de Vehículo Eléctrico, S.A. and Alba Emission Free Energy, S.A. He is also a member of the Board of Directors of the Basque Institute of Competitiveness, where he has chaired the Energy Chair and has been closely involved in the development of the Iberian Gas Hub.

In his academic capacity as professor, he has given numerous conferences and seminars at the Universities of the Basque Country, Deusto, Vigo, and Santiago de Compostela, the Autonomous University of Barcelona, IESE, the Universities of Bordeaux and Pau, and the Autonomous Technological Institute of Mexico (ITAM), as well as the Basque Institute of Public Administration.

He is currently member of the Advisory Board for Science, Technology and Innovation in Spain, the Group of Experts defining the RIS3 Galicia strategy, and the Executive Committee of the Basque Innovation Agency. Mr. López Achurra is also a Trustee of the Real Instituto Elcano and the Novia Salcedo Foundation.

Board committees to which he belongs: Member of the Nomination Committee, Member of the Compensation Committee and Member of the Sustainability Committee.

MR. MANUEL MANRIQUE CECILIA

Independent Non-Executive Director

Mr. Manrique was appointed Director of Repsol following Board resolution dated 25 April 2013 and subsequently ratified and appointed by the General Shareholders Meeting on 31 May 2013 and re-elected by the General Shareholders Meeting on 19 May 2017 and on 26 March 2021 and re-elected by co-option by resolution of the Board of Directors on June 29, 2022.

Background: Mr. Manrique has a bachelor’s degree in Roads, Canals and Ports Engineering from the Escuela Técnica Superior de Madrid.

Experience: He commenced his professional career at Ferrovial. In 1987, he was part of the founding core of Sacyr, becoming its International Officer in the late-90s and Construction General Manager in 2001. In 2003, coinciding with the merger of Sacyr and Vallehermoso, Mr. Manrique was appointed Chairman and CEO of the construction division and Board member of the parent company of the new Sacyr Vallehermoso Group. In November 2004, he was appointed First Vice-Chairman and CEO of Sacyr Vallehermoso, S.A. and a member of the Group’s Executive Committee. Since October 2011, Mr. Manrique has also occupied the position of Chairman of the Board of Sacyr, S.A. (previously Sacyr Vallehermoso, S.A.). He has over 35 years’ professional experience in the sectors of construction, infrastructure concessions, services, equity, development and energy.

Other relevant positions: Director of other companies of the Sacyr Group and Chairman of the Sacyr Foundation.

Board committees to which he belongs: Member of the Delegate Committee.

MR. IVÁN MARTÉN ULIARTE

Independent Non-Executive Director

Mr. Martén was appointed director of Repsol by cooptation by resolution of the Board of Directors on March 30, 2022, and ratified and appointed at the Annual General Meeting on May 6, 2022.

Background: Mr. Martén Uliarte holds a PhD Summa Cum Laude in Economics and Business Administration from the Universidad Autónoma de Madrid (1985). His doctoral thesis was awarded the Fundación Universidad Empresa prize for the best doctoral thesis. He was also awarded the Extraordinary Undergraduate Prize in 1982.

Experience: Mr. Martén has more than thirty years of international experience in the energy and environmental sector, and has measured companies in the energy sector (oil, gas and green energy) in developing their strategic visions and implementing them in their organizations. He has also advised governments and regulators around the world on energy and sustainable development issues.

He joined Boston Consulting Group (BCG) in 1987, having worked in its London, Madrid and Dubai offices until his retirement in December 2018. From 2016 to 2018, he was vice chairman of energy at BCG, and prior to that, he held the position of global leader of the Energy practice for 9 years, having advised companies in the sector as well as governments and regulators on energy and sustainability issues. Additionally, he has been a director and member of the Audit Committee of Exolum (formerly Compañía Logística de Hidrocarburos CLH, S.A.) between January and December 2017, as well as a director of Nefinsa and a member of the global Board of Save The Children.

In 2013 he was included in the Top 25 most influential international consultants by Consulting magazine. He published a large number of journal articles on energy, sustainability and energy transition issues. For several years he was a regular columnist for The Experts section of the Wall Street Journal. He has also participated as an expert at the Ecological Transition Commission of the Spanish Congress of Deputies and has been a member of the Basque Parliament's Commission of Experts for Energy Transition. Mr. Martén is an internationally recognised panellist on energy, environmental and geopolitical issues in forums such as IEF (International Energy Forum) where he is a member of the Industry Advisory Board, WPC (World Petroleum Council), GECF (Gas Exporting Countries Forum), IGU (International Gas Union), and AMER (Asian Ministerial Energy Roundtable) among others.

Other relevant positions: Mr. Martén is currently chairman of Orkestra - Basque Institute of Competitiveness, independent Director of Tubacex, S.A. and member of its Strategy and Sustainability Committees, director of the renewable energy company ENSO and director of EVE (Ente Vasco de la Energía). In addition, he is senior fellow of ESADE Geo, member of the Board of Trustees of Aspen Institute Spain, University of Deusto and ESADE (where he is a member of its Strategy and Audit Committees), and member of the Board of the Tecnalia and CEIT technology centres.

In the field of energy transition, he is Chairman of the International Advisory Board of Tikehau's T2 Energy Transition Fund, member of the International Advisory Board of Innovation Fund Denmark and member of the Advisory Board of Women Avenir.

Board committees to which he belongs: Member of the Delegate Committee.

MR. IGNACIO MARTÍN SAN VICENTE

Independent Non-Executive Director

Mr. Martín was appointed as a director of Repsol by the General Shareholders' Meeting of May 11, 2018 and re-elected by the General Shareholders' Meeting on May 6, 2022.

Background: Mr. Martín holds a degree in Industrial Electrical Engineering from the University of Navarra.

Experience: He has developed his professional career in several companies, mainly in the industrial sector, such as GKN Automotive International, where he has exercised the positions of Chief Executive Officer, member of the global Executive Committee and CEO, the latter in the United States.

Mr. Martín has also been Deputy Chief Executive Officer and Vice-Chairman of Alcatel España and, after his return to the GKN Driveline Group, in 1999, he was appointed General Manager for Europe, which was GKN's most important region. In 2001, he joined the GSB Group as Executive Vice-President, where he led the merger with Corporación Industrial Egaña, giving rise to CIE Automotive, where he performed the role of CEO until 2012, when he joined Gamesa as Chairman and CEO, until its merger with Siemens Wind Power in May 2017.

Other relevant positions: He currently occupies the position of Director at Acerinox, S.A. and Repsol Renovables, S.A.

Board committees to which he belongs: Member of the Delegate Committee.

MR. MARIANO MARZO CARPIO

LEAD INDEPENDENT DIRECTOR

Independent Non-Executive Director

Mr. Marzo was appointed Director of Repsol by the General Shareholders Meeting of 19 May 2017 and re-elected by the General Shareholders Meeting on 26 March 2021.

Background: Bachelor's degree in Geology from the Universidad de Barcelona; PhD in Geological Sciences from the Universidad de Barcelona.

Experience: Mr. Marzo has worked in Europe, the United States, South America, the Middle East and North Africa and is a member of the American Association of Petroleum Geologists and the European Association of Petroleum Geoscientists & Engineers.

Furthermore, Mr. Marzo has participated in several advisory boards on energy matters of the central and autonomous community administrations, as well as other institutions, and he has maintained a continuous connection with the oil and gas industry, through the research applied to the exploration sector and the sedimentological characterization of fields.

Mr. Marzo has also formed part of the editorial boards of journals of great international prestige in the field of geology, such as Basin Research, Geology and Sedimentology, and he has published numerous works and worked vastly as a lecturer. His educational activity was rewarded with the "Distinction of the Universidad de Barcelona for the Best Scientific and Humanist Education Activities" in 2014.

Other relevant positions: Mr. Marzo is Professor in the Faculty of Earth Sciences of the Universidad de Barcelona (Department of Earth and Ocean Dynamics), where he has developed his teaching career as a researcher, academic, columnist and lecturer. Since 2019, he is Director of the Chair in "Energy Transition University of Barcelona-Repsol Foundation". Likewise, he is a member of the Advisory Board of Club Español de la Energía and was Director of Section 4 (Earth Sciences) of the "Reial Acadèmia de Ciències i Arts de Barcelona" where he is currently a numerary member.

Board committees to which he belongs: Chairman of the Sustainability Committee and Member of the Audit and Control Committee.

MR. HENRI PHILIPPE REICHSTUL

Other Non-Executive Director

Mr. Reichstul was appointed Director of Repsol by co-option in accordance with a resolution of the Board meeting held on 30 October 2018 and ratified and re-elected by the General Shareholders Meeting on 31 May 2019. Previously, he held this position from December 2005 to May 2017.

Background: Mr. Reichstul has a bachelor's degree in Economic Sciences from the São Paulo University and has completed postgraduate studies at Hertford College, Oxford.

Experiencia: He has been Secretary of the State Companies Budgets Office and Brazil's Vice-Minister for Planning. Between 1988 and 1999, he performed the role of Vice-Chairman and CEO of Banco Inter American Express, S.A. Between 1999 and 2001, he was Chairman of Petrolera Estatal Brasileña Petrobras.

Other relevant positions: He is a member of the Advisory Board of Lhoist do Brasil Ltda., Chairman and Member of the Supervisory Board of Fives Group, Member of the Board of Directors of TAM Linhas Aéreas, Vice-Chairman of the Board of Directors of Eneva, S.A. and Consultant of Ultrapar Participações, S.A.

Board committees to which he belongs: Member of the Delegate Committee.

MS. ISABEL TORREMOCHA FERREZUELO

Independent Non-Executive Director

Ms. Torremocha was appointed Director of Repsol by the General Shareholders Meeting of 19 May 2017 and re-elected by the General Shareholders Meeting on 26 March 2021.

Background: Graduate of Chemical Sciences from the Universidad Autónoma de Madrid. Postgraduate Specialisation in Plastics and Rubber course with the Spanish National Research Council (CSIC), Leadership Programme at ISD Business School, Management Development Programme at IESE Business School and Corporate Finance at IE Business School.

Experience: Ms. Torremocha commenced her professional career at Philips Iberia, joining Andersen Consulting (currently Accenture) in 1991, where she has developed her career in the Telecommunications, Media and High Technology sectors.

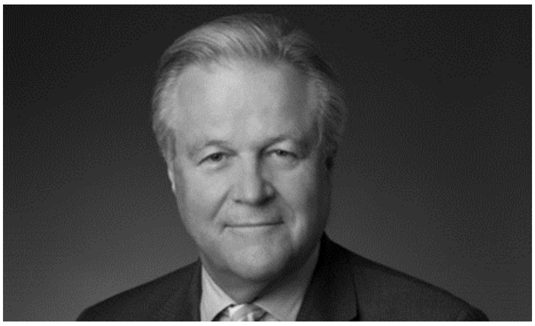
She has been Managing Director at Accenture and a Board member of Accenture España. During her last stage at Accenture, as Director of Transformation Opportunities, Ms. Torremocha has led the creation and development of opportunities related to strategic transformations in the areas of information technology, business process outsourcing and digital transformation in Spain, Portugal and Africa. Previously, she has also held international positions, the most relevant being that of Chief Operating Officer and member of the Executive Committee for Europe, Africa and Latin America, with responsibility for the implementation of the business strategy in these geographic areas. She was also responsible for diversity and equality in the Telecommunications, Media and High Tech division in Europe, Africa and Latin America, defining plans to accelerate the number of female professionals in management positions and in succession plans.

In addition, during the years 2018 and 2019 she was a collaborator and mentor in the Start-Ups accelerator "Atelier by ISEM" of the University of Navarra.

Between 2019 and 2022 she was also an independent director and a member of the Nomination and Compensation and Audit and Control Committees at Indra Sistemas, S.A.

Other relevant positions: She currently holds the positions of Director of Banco Santander España, trustee and Chairwoman of the Nomination Committee of the "Plan Internacional" Foundation, member of the Strategic Board of the CEIT Technology Center, member of the Institute of Directors and Administrators (ICA) and member of the Spanish Association of Directors (AED).

Board committees to which she belongs: Member of the Audit and Control Committee and member of the Sustainability Committee.



MR. J. ROBINSON WEST

Independent Non-Executive Director

Mr. West was appointed Director at Repsol by resolution of the Board of Directors on January 28th, 2015. His appointment was ratified and he was reelected at the Annual General Meeting on April 30th, 2015 and on May 31st, 2019.

Background: Graduate of the University of North Carolina Chapel Hill and Jurist Doctor from Temple University Law School in Philadelphia.

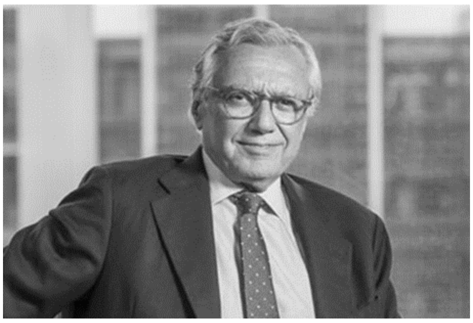
Previous experience: Mr. West is a renowned international expert in energy markets, especially areas related to oil & gas. In 1984 he founded PFC Energy, a company over which he presided until 2013.

Before founding PFC Energy, he held positions of responsibility in government with different administrations. During the Reagan administration, as an Assistant Secretary of the Interior, he developed and implemented the five-year leasing plan for the U.S. Outer Continental Shelf (OCS), the largest non-financial auction in the world at that time.

He served in the Ford administration as the Deputy Assistant Secretary of Defense for International Economic Affairs, for which he received the Secretary of Defense Medal for Outstanding Civilian Service.

Other relevant positions: He is currently the Managing Director of The Center for Energy Impact of the Boston Consulting Group and is also a Member of the National Petroleum Council, the Council on Foreign Relations, Chairman of the Board of Trustees of the German Marshall Fund of the United States, Chairman Emeritus of the United States Institute of Peace. He is also Chairman of the Wyeth Foundation for American Art and on the Board of Trustees of the National Gallery of Art in Washington DC.

Board committees to which he belongs: Member of the Delegate Committee.



MR. LUIS SUÁREZ DE LEZO MANTILLA

Other Non-Executive Director

Secretary of the Board of Directors

Mr. Luis Suárez de Lezo Mantilla was appointed Director of Repsol following Board resolution dated 2 February 2005 and subsequently ratified and appointed by the General Shareholders Meeting on 31 May 2005 and re-elected by the General Shareholders Meeting on 14 May 2009, 31 May 2013, 19 May 2017 and 26 March 2021.

Background: Mr. Suárez de Lezo holds a law degree from the Universidad Complutense and is a State Lawyer (on leave). He specializes in Commercial and Administrative Law.

Experience: He was a Director of Legal Matters at Campsa until the end of the oil monopoly and has worked as an independent professional, particularly in the energy sector.

In 2005, he was appointed Managing Director of Repsol, a position he held until December 2019, when his executive duties ended.

Furthermore, Mr. Suárez de Lezo was a member of the Board of Directors of Exolum (previously Compañía Logística de Hidrocarburos, CLH, S.A.) from 2005 to 2010 and of Naturgy Energy Group, S.A. from 2010 to 2018.

Other relevant positions: He is currently Secretary of the Board of Directors of Repsol, S.A. and Vice-Chairman of Fundación Repsol.

Board committees to which he belongs: Member of the Delegate Committee.

Presence in other entities

Pursuant to the provisions of the Regulations of the Board of Directors, the Company's Board Members may not sit on more than four Boards of Directors of other listed companies other than Repsol[16].

Directors who are also directors or managers, or representatives of directors who are legal entities, of other listed and unlisted companies, as well as other remunerated activities, are listed below.

Director name	Corporate name of the entity, whether listed or not	Profile	Remunerated YES/NO	Other remunerated activities
Aurora Catá Sala	Banco Sabadell, S.A.	Director	YES	Ms. Catá is an independent business consultant working for several companies.
	Altrys Health, S.A.	Director	YES	
Arantza Estefanía Larrañaga	CIE Automotive, S.A.	Director	YES	Ms. Estefanía is Chairwoman of the Economic Commission of the Economic and Social Council of the Basque Country.
	Global Dominion Access, S.A.	Director	YES	
	Bilbao Exhibition Centre, S.A.	Secretary of the Board of Directors	YES	
	Farlet, S.L.	Director and Secretary of the Board of Directors	YES	
Carmina Ganyet i Cirera	Inmobiliaria Colonial	Corporate General Manager	YES	Ms. Ganyet is a member of Caixabank's Diversity Advisory Board.
	Societe Fonciere Lyonnaise, S.A.	Director	YES	
Teresa García-Milá Lloveras	Sabadell Information Systems, S.A. Unipersonal (Sabis)	Chairwoman of the Board of Directors	YES	Ms. García-Milá is a professor of economics at Pompeu Fabra University, and holds the position of Director of the Barcelona School of Economics.
Manuel Manrique Cecilia	Sacyr, S.A.	Chairman and Chief Executive Officer	YES	—
	Sacyr Construcción, S.A.	Chairman of the Board of Directors	NO	
	Sacyr Concesiones, S.L.	Chairman of the Board of Directors	NO	
	Sacyr Servicios, S.A.	Director	NO	

[16] Pursuant to the provisions of Article 18 of the Regulations of the Board of Directors, for purposes of this rule: (a) all the Boards of companies that form part of the same group shall be computed as a single Board, as well as those of which the Director sits on as a proprietary director proposed by any company of that group, even if the shareholding in the capital of the company or its degree of control does not allow it to be considered as a member of the group; and (b) those Boards of patrimonial companies or companies that constitute vehicles or complements for the professional year of the Director himself, of his spouse or person with an analogous relationship of affection, or of his closest relatives, shall not be computed. Exceptionally, and for duly justified reasons, the Board may exempt the Director from this prohibition. Likewise, the Director must inform the Nomination Committee of his other professional obligations, as well as of any significant changes in his professional situation, and those affecting the nature or condition by virtue of which he was nominated as a Director.

Director name	Corporate name of the entity, whether listed or not	Profile	Remunerated YES/NO	Other remunerated activities
Iván Martén Uliarte	Tubacex, S.A.	Director	YES	Mr. Martén is Chairman of the International Advisory Board of the T2 Energy Transition Fund - Tikehau Capital.
	Energy Environment and Sustainability, S.L. (ENSO)	Director	YES	
Ignacio Martín San Vicente	Acerinox, S.A.	Director	YES	—
Mariano Marzo Carpio		—		Mr. Marzo is Emeritus Professor at the University of Barcelona, Member of the Board of AGBAR, columnist in different newspapers and occasional contributor to other written and online publications. He also participates as a lecturer or panelist in several events.
Henri Philippe Reichstul	Lhoist do Brasil Ltda.	Advisory Board Member	YES	Mr. Reichstul is a consultant at Ultrapar Participações, S.A.
	Fives Group	Chairman and Member of the Supervisory Board	YES	
	TAM Linhas Aéreas	Member of the Board of Directors	YES	
	Eneva, S.A.	Vice Chairman of the Board of Directors	YES	
Isabel Torremocha Ferrezuelo	Banco Santander España	Director	YES	—
J. Robinson West	The Center for Energy Impact of the Boston Consulting Group	General Manager	YES	—

Positions in other companies or entities of the Group:

Director name	Corporate name of the Group entity	Profile	Remunerated (YES/NO)	Executive Functions
Arantza Estefanía Larrañaga	Repsol Industrial Transformation, S.L. (Sole-Shareholder Company)	Director Secretary	NO	NO
	Repsol Customer Centric, S.L.	Director Secretary	YES	NO
Teresa García-Milá Lloveras	Repsol Renovables, S.A.	Director	NO	NO
Emiliano López Achurra	Petróleos del Norte,S.A.	Chairman	YES	NO
	Alba Emission Free Energy, S.A.	Chairman	NO	NO
	IBIL Gestor de Carga de Vehículo Eléctrico, S.A.	Chairman	NO	NO
Ignacio Martín San Vicente	Repsol Renovables, S.A.	Director	NO	NO

Promoting diversity

The Company has a Policy on diversity in the composition of the Board of Directors and the Selection of Directors[17], which was approved by the Board of Directors on December 16, 2015 and amended on February 17, 2021, in order to adapt it to the changes introduced in Article 529 bis of the Capital Companies Act -and in recommendations 14 and 15 of the CNMV's Good Governance Code for listed companies published on June 26, 2020-. Said Policy establishes the diversity criteria, in a broad sense, that must be complied with regarding the composition of the Board of Directors. In accordance with this policy, candidates for Board Members must be persons whose appointment favors the diversity of skills, knowledge, experience, nationalities, age and gender on the Board of Directors, so as to achieve a diverse and balanced composition of the Board as a whole, which enriches decision-making and contributes plural points of view to the discussion of the matters within its competence.

On the other hand, the Regulations of the Board of Directors expressly grant the Appointments Committee the duty to ensure that, when filling new vacancies or appointing new Board Members, the selection procedures do not suffer from implicit biases that could imply any discrimination, and that women who meet the professional profile sought are deliberately sought and included among the potential candidates, reporting to the Board on the initiatives adopted in this respect and the results thereof.

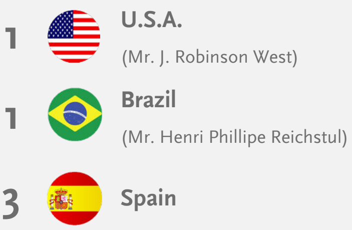
Likewise, Article 32 of the Company's Bylaws establishes that the General Shareholders' Meeting and the Board of Directors, using their powers of proposal to the Shareholders' Meeting and co-optation to fill vacancies, shall endeavor, in relation to the composition of the Board of Directors, to apply policies of professional, knowledge and experience, international and gender diversity.

[17] The Diversity Policy for the composition of the Board of Directors and the selection of directors is available on the corporate website.

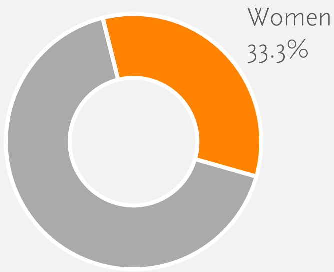
Thus, within the process of selecting new candidates, the Appointments Committee is responsible for ensuring that the diversity of the Board is guaranteed in order to guarantee effectiveness in the performance of its functions. Thus, in the selection of candidates, a combination of experiences and skills is sought to provide an environment on the Board where different perspectives are brought to the surface and the quality of decision-making is guaranteed.

In any case, before making the proposal for the appointment of an Independent Director, the Appointments Committee shall confirm that the candidate adequately complies with the requirements established for this purpose in the Law, the Company's Bylaws and the Regulations of the Board of Directors. In this way, within the selection process, it is sought that the candidates for the position of Director of the Company are honorable, suitable persons, who enjoy recognized prestige, possess the appropriate professional knowledge and experience for the performance of their duties and that they have the necessary availability for the performance of such duties. In particular, they must be professionals of integrity whose conduct and professional career are in line with the principles set out in the Repsol Group's Code of Ethics and Conduct and with the Company's vision and values.

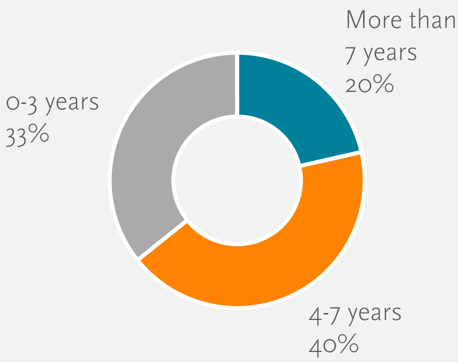
Nationality



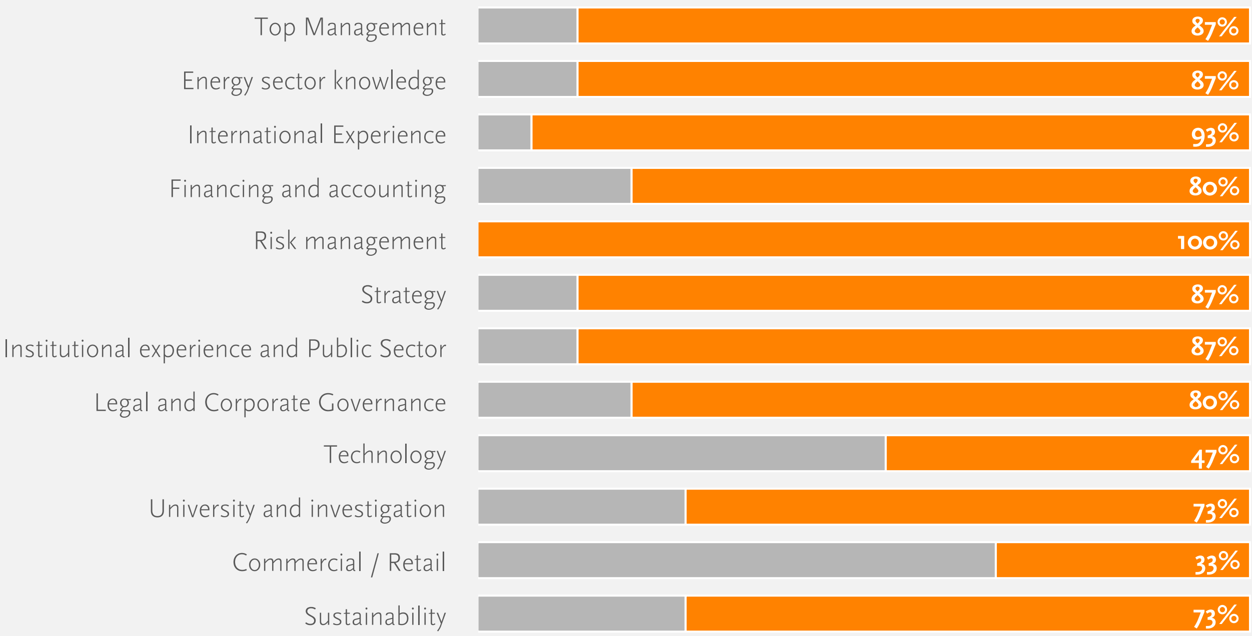
Gender



Term of office of Directors[18]



Areas of competence



[18] The seniority analysis includes only non-executive directors, including the Chairman (14 directors).

Equal opportunity and diversity

Women's presence on the Council in 2022

33.3%

Repsol as a company defends that generational, cultural, sexual and gender diversity and the integration of people with different abilities contribute to the generation of different and innovative ideas and perspectives, providing added value that allows benefiting from mutual learning based on the principle of equality and non-discrimination that governs all actions. With regard to gender diversity, the company has raised the presence of women on its Board of Directors year after year, from 20% in 2018 to 33.3% at the end of 2022. The presence of women on the Delegate Committee has also increased by 11% following the appointment of Ms. Carmina Ganyet as a member.

In 2020, the Company undertook the commitment to increase the number of female Directors to reach at least 40% of the total number of members of the Board of Directors. In this regard, for some months now, the Appointments Committee has been carrying out, with the support of a specialized external consultant, a process of active search and analysis of potential female candidates in order to propose, at the next General Shareholders' Meeting in 2023, the appointment of a woman as a Director and thus achieve the aforementioned objective and favor, in addition to gender diversity, the maximization of talent within the Board of Directors.

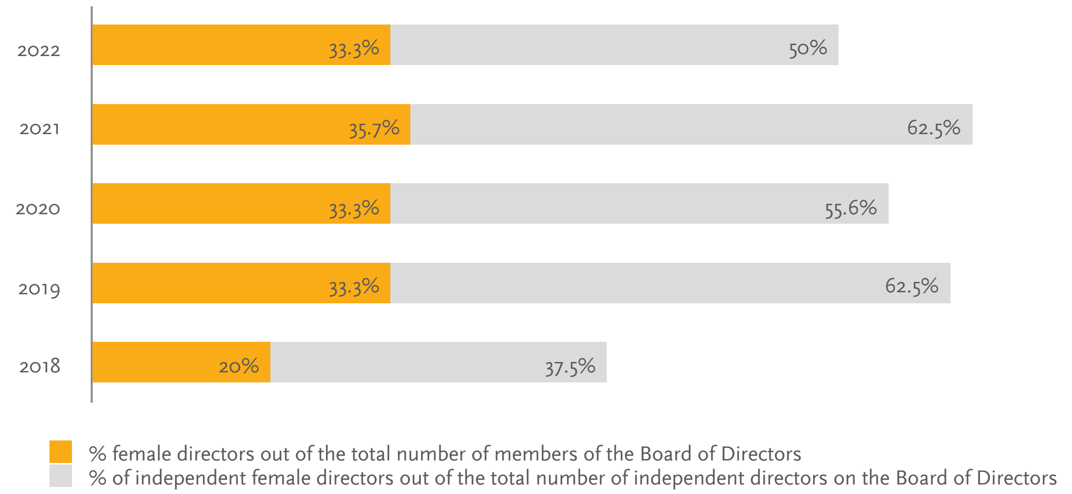
On the other hand, Repsol is also committed to achieving gender equality among its employees and works on this on a daily basis through various programs. In this regard, the company aims to reach 35% of women in leadership positions by 2025 -in 2022 it stands at 32.2%, 2.54% more than in 2021-. In addition, the percentage of women out of the total number of members of Senior Management stands at 16.7% in 2022.[19]

The following table shows the evolution of the presence of women on the Board and on the Board of Directors' Committees over the last five years:

	2022		2021		2020		2019		2018	
	N.	%	N.	%	N.	%	N.	%	N.	%
Board of Directors	5	33.3%	5	35.7%	5	33.3%	5	33.3%	3	20%
Delegate Committee	1	11%	—	—	—	—	—	—	—	—
Audit and Control Committee	3	75%	4	100%	4	100%	4	100%	3	60%
Nomination Committee	2	67%	3	60%	3	75%	3	75%	1	25%
Compensation Committee	2	67%	3	75%	2	50%	2	50%	1	25%
Sustainability Committee	2	50%	2	50%	2	50%	2	50%	—	—

With regard to the percentage of Independent Outside Directors, the category to which all female members of the Board belong, this figure has risen from 37.5% in 2018 to 50% in 2022.

Female Directors



[19] For more information on the composition of senior management, please see section "B. REPSOL'S CORPORATE GOVERNANCE SYSTEM - 5. Remuneration of Directors and Senior Management" of this Report.

Compliance with the Diversity Policy in the composition of the Board of Directors and Selection of Directors

Without prejudice to the right to proportional representation recognized in the Capital Companies Act, the process of selecting candidates for Director is based on a prior evaluation, carried out by the Appointments Committee, of the needs of the Repsol Group and the skills, knowledge and experience required on the Board in view of the nature and complexity of the businesses carried out by the Group, also considering the commitment assumed by the Board of Directors to promote an appropriate and diverse composition.

In compliance with the principles contained in the "Policy on Diversity in the Composition of the Board of Directors and Selection of Directors" (the "Policy"), the Nominating Committee conducted an analysis throughout the year of the structure, size and composition of the Board of Directors, as well as the skills, knowledge and experience required to perform its duties.

At the beginning of 2022, there was a vacancy on the Board of Directors as a result of the death of Mr. Rene Dahan in November 2021. With regard to this vacancy, the Appointments Committee carried out a prior analysis of the needs of the Repsol Group and the competencies and skills that were appropriate to include or reinforce at that time on the Board of Directors, analyzing several profiles from a list of possible candidates for the position of Director, following the guidelines established in the Policy. Likewise, the Appointments Committee has ensured that there was no discrimination for any reason and, in particular, for reasons of gender, age or disability.

By virtue of the foregoing, and after analyzing the different profiles presented and confirming their availability and compatibility of the position with their other professional obligations and evaluating their suitability to be a Director of Repsol in view of the needs of the Group and the challenges faced by the Company, the Appointments Committee agreed to propose to the Board of Directors the nomination by co-optation of Mr. Iván Martén Uliarte as Director, with the category of Independent, as agreed by this body on March 30. The General Shareholders' Meeting approved the ratification of his nomination by cooptation and his re-election as Board Member on May 6, 2022.

Likewise, last June 28, Mr. Manrique resigned as External Proprietary Director due to the exit of Sacyr from Repsol's capital, and the Board of Directors agreed, in the meeting held on June 29, his re-election and reclassification as "External Independent Director".

On the other hand, for some months now, the Appointments Committee has been carrying out, with the support of a specialized external consultant, a rigorous process of search and analysis of potential female candidates in order to propose, at the next General Shareholders' Meeting in 2023, the nomination of a woman as Director and thus reach the target of 40% representation of the total number of members of the Board of Directors.

Board Member Selection Process

The selection process for Board Members is governed by the Policy on Diversity in the Composition of the Board of Directors and the Selection of Board Members.

Selection, appointment and cessation process

1. Assessment and selection of candidates

The Nomination Committee is the body responsible for evaluating the skills, knowledge and experience required on the Board and for defining the functions and aptitudes required of the candidates to fill each vacancy, as well as the time and dedication necessary for the proper performance of their duties.

2. Appointment of Directors

Board members are appointed by the General Meeting, without prejudice to the right of the Board to nominate shareholders by co-optation to fill any vacancies that arise, up to the next General Meeting.

The proposals for the appointment, ratification or re-election of Directors that are submitted at the General Meeting, as well as appointments by the co-optation, will be approved by the Board: (i) upon proposal by the Nomination Committee in the case of Independent Directors, or (ii) subject to a report by the Nomination Committee in the case of other Directors.

Within its powers to submit proposals at the General Meeting or appointment by co-optation, the Board may not propose as candidates or appoint as Directors any persons affected by any of the incompatibilities or prohibitions established by law, the Company Bylaws or regulations or any persons, companies or entities with a permanent conflict of interests with the Company, including its competitors or their directors, executives or employees, or any persons related to or proposed by them.

In order to be considered for appointment, candidates must have recognized prestige and sufficient professional experience and expertise to perform their duties, in addition to meeting the requirements stipulated for the position by law and the Company Bylaws.

Furthermore, those persons indicated in Article 13.2 of the Board of Directors Regulations may not be nominated or appointed as Independent Directors. A Director who holds a stake in the Company may be appointed as an Independent Director, provided they meet all the conditions established in the Board of Directors Regulations and inapplicable legislation, and they do not hold a significant interest.

For the purpose of assessing the independence of the Directors, the Appointments Committee takes into account the provisions of the Corporate Enterprises Act, the Good Governance Code for Listed Companies, internal regulations (Policy on Diversity in the Composition of the Board of Directors and Selection of Directors and Article 13.2 of the Board of Directors Regulations), and the policies of the most significant shareholders and proxy advisors, and verifies that Independent Directors do not have any significant direct or indirect relationship with Repsol that could interfere with the independent performance of their duties and carries out the necessary materiality tests.

The Company Bylaws and the Board Regulations do not establish any age limit for Directors or set any additional limit regarding the term of office for Independent Directors other than that stipulated in applicable legislation. Likewise, no specific requirements are established to be elected as Chairman of the Board in addition to those established for the selection of Directors.

It should also be noted that in 2022, no Proprietary Directors were appointed at the request of shareholders with a stake of less than 3% in the share capital, and there were no formal requests for a place on the Board from shareholders whose stake is equal to or greater than that of others that had been appointed Proprietary Directors.

3. Re-election of Directors

Directors will hold office for a maximum of four years, after which they will be eligible for re-election for one or several periods of equal duration. Directors appointed by co-optation will hold office until the next General Meeting following their appointment, at which their appointment will be subject to ratification.

The Nomination Committee is responsible for assessing the quality of their work and dedication of the Directors proposed during their previous term in office.

4. Cessation

Directors will stand down from office upon expiry of the term for which they were appointed and in all the other cases where this is required by law, the Company Bylaws and the Board of Directors Regulations.

The Board of Directors will not propose the removal of any Independent Non-Executive Director before the end of the period for which they were appointed, except where just cause is found by the Board, based on a proposal from the Nomination Committee. In particular, such a proposal will be justified if the Director (i) has failed to discharge the duties inherent to their position; (ii) is in any of the situations described in Article 16.2 of the Board of Directors Regulations, which is reproduced in subsection "Resignation of Directors" below; or (iii) falls into any of the circumstances of incompatibility to be considered an Independent Non-Executive Director.

The removal of an Independent Non-Executive Director may also be proposed as a result of takeover bids, mergers or other similar corporate transactions which involve a change in the Company's capital structure, to the extent that such removal is necessary in order to establish a reasonable equilibrium between Proprietary Non-Executive Directors and Independent Non-Executive Directors based on the ratio of capital represented by the former to the rest of the capital.

Directors who give up their place before their tenure expires, through resignation or otherwise, should state their reasons in a letter to be sent to all other members of the Board of Directors.

Resignation of Directors

Directors must tender their resignation to the Board of Directors and, if the Board considers it appropriate, resign in the following cases:

a) When they are involved in any of the situations of incompatibility or prohibition established by law, the Company Bylaws or applicable regulations.

b) When they have been seriously reprimanded by the Nomination Committee or by the Audit and Control Committee for having breached their duties as Directors.

c) When, in the opinion of the Board, based on a report by the Nomination Committee:
   i. Their remaining on the Board could jeopardize the interests of the Company or adversely affect the functioning of the Board or the standing and reputation of the Company; or
   ii. When the reasons for their appointment no longer exist. Directors will find themselves in this position, particularly in the following cases:
      - Proprietary Non-Executive Directors, when the shareholder they represent or who proposed their appointment transfers its entire shareholding. They will also offer their resignation and, should the Board deem fit, step down from the Board, in the corresponding proportion, if the shareholder reduces its shareholding interest to a level requiring a reduction in the number of its Proprietary Non-Executive Directors.
      - Executive Directors, when they cease to hold the executive positions outside the Board with which their appointment as Director is associated.

Article 19 of the Board of Directors Regulations provides that Directors will notify the Board as soon as possible and keep it up to date on any situations in which they may be involved and that could harm the Company's name or reputation, to enable the Board to assess the circumstances, particularly in this regard.

3.2. Competencies of the Board of Directors

The Board of Directors of Repsol met on 14 occasions in fiscal year 2022. No non-attendance or attendance by proxy by any Director has been recorded.

Meetings of the Board and attendance of its members			
14	Number of meetings attended by at least 80% of the Board Members.	**14**	Number of meetings attended in person by all the Board Members (or by proxy with specific instructions).
100%	Attendance in person over the total number of votes during the fiscal year.	**100%**	Of votes cast with physical attendance (and proxies made with specific instructions) over the total votes cast during the fiscal year.
The Chairman of the Board of Directors attended all the meetings held during 2022.			

Attendance at meetings of the Board of Directors

Director	In person	By proxy	% of attendance in 2022
Antonio Brufau Niubó	14	—	100%
Josu Jon Imaz	14	—	100%
Aurora Catá Sala	14	—	100%
Arantza Estefanía Larrañaga	14	—	100%
Carmina Ganyet i Cirera	14	—	100%
Teresa García-Milá Lloveras	14	—	100%
Emiliano López Achurra	14	—	100%
Manuel Manrique Cecilia	14	—	100%
Iván Martén Uliarte (1)	11	—	100%
Ignacio Martín San Vicente	14	—	100%
Mariano Marzo Carpio	14	—	100%
Henri Philippe Reichstul	14	—	100%
Isabel Torremocha Ferrezuelo	14	—	100%
J. Robinson West	14	—	100%
Luis Suárez de Lezo Mantilla	14	—	100%

(1) Mr. Martén accepted his appointment as a Director following the meeting held on March 30, 2022.

Duties of Directors

The duties of the Directors are set forth in the Regulations of the Board of Directors. Article 17 of these Regulations establishes that the Directors, in the performance of their duties, shall act in good faith in the best interest of the Company, with the diligence of an orderly businessman and the loyalty of a faithful representative.

Articles 18 to 23 of the Regulations of the Board of Directors set forth the obligations of the Directors in compliance with their duties of diligence, loyalty, non-competition, use of information and corporate assets, and taking advantage of business opportunities, as well as the requirements established in relation to related party transactions that the Company carries out with Directors, with significant shareholders represented on the Board or with persons related to them.

Voting procedures

The adoption of resolutions by the Board of Directors requires the vote in favor of the majority of the Directors attending in person or by proxy, except in those cases indicated below.

Matters requiring a reinforced regime of majorities other than legal majorities

- The amendment of Articles 20 and 23 of the Regulations of the Board of Directors relating, respectively, to the non-competition obligation and related-party transactions requires the favorable vote of three-fourths of the members of the Board of Directors.

- The favorable vote of two-thirds of the members not involved in a conflict of interest is required to authorize Directors to provide advisory or representation services to companies competing with the Company, subject to a favorable report from the Nomination Committee. The favorable vote of two thirds of the members not involved in a conflict of interest is also required to waive the incompatibility due to conflict of interest in the context of a proposal to the Meeting or nomination by cooptation of candidates or Directors.

- The favorable vote of two thirds of the members not involved in a conflict of interest is required for the authorization of related-party transactions of the Company with Directors, significant shareholders represented on the Board or persons related thereto whose amount exceeds 5% of the Group's assets according to the last consolidated financial statements approved by the General Shareholders' Meeting, whose object is strategic assets of the Company, which involve the transfer of relevant technology of the Company or which are aimed at establishing strategic alliances and do not consist of mere agreements for action or execution of alliances already established. All of the above provided that the transaction is fair and efficient from the point of view of the Company's interest, that after having obtained the corresponding report from an independent expert of recognized prestige in the financial community on the reasonableness and adaptation to market conditions of the terms of the related transaction, the Nomination Committee has issued a favorable report and that reasons of opportunity make it advisable not to wait until the next General Shareholders' Meeting to obtain the authorization.

Without prejudice to the duty of the Board Members to attend the meetings of the bodies of which they form part or, failing this, if they are unable to attend the meetings to which they have been called for justified reasons, to instruct the Board Member who, as the case may be, will represent them, each member of the Board of Directors may confer his representation to another, without limiting the number of representations that each one may hold for the attendance to the Board. All of the foregoing shall be subject to the provisions of the Law.

The representation of absent Board Members may be conferred by any written means, being valid the letter or e-mail addressed to the Chairman or the Secretary of the Board.

3.3. Activities of the Board of Directors

The Board of Directors of Repsol is the organic representative of the Company and is responsible for directing and managing the business and interests of the Company, in all matters not reserved to the General Shareholders' Meeting. In particular, the Board of Directors is responsible for approving the Company's strategy and the organization required to put it into practice, as well as supervising and controlling that management meets the objectives set and respects the Company's corporate purpose and interests; approving acquisitions and disposals of those assets of the Company or its subsidiaries which, for whatever reason, and without prejudice to the intervention of the General Shareholders' Meeting when legally required, are particularly significant.

The specific rules relating to its powers, composition, term of office, call and quorum of the meetings, form of adoption of resolutions and distribution of positions within the Board are included in the Company's Bylaws (Articles 31 to 36) and in the Regulations of the Board of Directors.

Main activities in 2022

During fiscal year 2022, the Board has examined, discussed and issued proposals or reports on those matters reserved to its competence, among which the following are noteworthy:

- Preparation of Financial Statements and Management Report, both individual and consolidated, for 2021.
- Review of the quarterly financial information corresponding to the 1st and 3rd quarters of 2022.
- Approval of the 2021 Annual Financial Report and the Half-Yearly Financial Report for the 1st half of 2022.
- Information on the progress of the financial year (activity report, business performance and income statement).
- Annual Corporate Governance Report 2021.
- Matters related to compensation:
  - Annual Report on Directors' Remuneration for the financial year 2021.
  - Approval of the compensation of the Directors for their membership of the Board and its Committees, as well as, in the case of the Chief Executive Officer for the performance of his executive duties.
  - Approval of the settlement of the Long-Term Incentive 2018-2021 and the proposal for the Long-Term Incentive 2022-2025.
  - Proposal for three additional new cycles of the Long-Term Incentive Program.
  - 2023 Share Buyback Plan.
- Call of the 2022 General Shareholders' Meeting, preparation of the proposed resolutions and reports on such proposals and execution of the resolutions adopted.
- Annual Budget 2022 and monitoring thereof and the results of exploration activity 2021.
- Investments and operations of the Company reserved to the approval of the Board of Directors. In particular, the sale of a minority stake in Repsol Renovables and in the Exploration and Production business.
- Approval of certain transactions with significant shareholders.
- Monitoring of strategic commitments.
- Follow-up of the legal proceedings related to Cenyt's hiring.
- Decisions related to the issuance of financial instruments.
- Matters related to shareholder remuneration: proposals for capital reductions through cancellation of treasury stock; proposals for distribution of dividends from free reserves and distribution of additional interim dividends against the financial year's results.
- Report on meetings held with investors.
- Issues related to energy transition and technologies, such as:
  - New investment cycle in Corporate Venturing.
  - Critical minerals for the energy transition.
  - Report on Artificial Intelligence technologies.
  - Technologies and processes for the transformation of waste to low-emission products.
- Approval of Corporate Policies.
- Tax policy and main tax actions in 2021.
- Impacts of the Russian invasion of Ukraine and actions in Refining.
- Report on gas markets.
- Cybersecurity programs.
- Assessment of the Board and its Committees.
- Issues related to the composition of the Board of Directors and its Committees.
- Organizational evolution of Senior Management.
- Appointment and re-election of Trustees of the Fundación Repsol.
- Calendar of meetings of the Board of Directors and Delegate Committee for the year 2023.

In 2022, the Board of Directors has been regularly informed, directly and through the Audit and Control Committee, of the proceedings before the Central Examining Court of the National High Court in relation to the contracting of the company Centro Exclusivo de Negocios y Transacciones, S.L. (Cenyt).

By Order dated January 30, 2023, the Criminal Court of the Audiencia Nacional has confirmed the dismissal and filing of the proceedings with respect to Repsol, S.A., its Chairman, the Secretary Director and two former executives. The Court points out in these Orders that they are final and no appeal can be filed against them.

The Court concludes that there has been no unlawfulness or irregularity whatsoever in the conduct of the aforementioned individuals and recognizes, with respect to Repsol, the profound culture of regulatory compliance that prevailed in the Company and that, even before the introduction of specific mandatory legal provisions, it had a code of ethics and conduct and specific internal rules of due control for all its employees, executives and collaborators, at the level of the most advanced and demanding international standards.

3.4. Functioning of the Board of Directors

There is a working environment of open dialogue on the Board that enables Directors to freely express and adopt their positions.

The planning of the matters to be discussed at the meetings of the Board and the Committees is established prior to the beginning of each year by the Chairmen of the Board and the Committees, who encourage the participation of the Board Members in their definition.

Main responsibilities of the Chairman

Mr. Antonio Brufau Niubó, the Non-Executive Chairman of the Board of Directors, is the maximum authority responsible for the efficient functioning of this body and as such is responsible for carrying out the following specific duties:

- Call and chair the meetings of the Board of Directors and the Delegate Committee, setting their agenda and leading the discussions and debates, in order to ensure that all matters are given sufficient time for discussion, encouraging the active participation of Directors at the meetings.
- Ensure that the Board has effective decision-making processes, in particular in relation to proposals of greater scale;
- Ensure that prior to the meeting the Directors receive the appropriate information necessary to discuss the items on the agenda;
- Ensure that the Board committees are adequately structured and have appropriate rules of operation;
- Regularly view and agree on with each Director their training and development needs;
- Ensure that the actions of the Board and its Committees are assessed at least once a year, and take action based on the results of this assessment;
- Maintain regular communication with the chief executive, providing the appropriate support, and report to the Board of Directors on their activity and performance.
- Chair the General Shareholders Meeting, in accordance with applicable regulations.

Main responsibilities of the Chief Executive Officer

Mr. Josu Jon Imaz is the chief executive of the Company and is responsible for the management of the business and the direction of the Company and has been delegated all the functions of the Board of Directors, except for those that cannot be delegated by law or by the Company's bylaws.

Main responsibilities of the Lead Independent Director

Mr. Mariano Marzo Carpio was appointed Lead Independent Director following Board resolution dated 27 March 2018 at the proposal of the Appointments Committee. Article 28 of the Board of Directors Regulations attributes him the following functions:

Request that the Chairman of the Board of Directors call a Board meeting when he considers it appropriate.

- Request the inclusion of new points on the agenda of Board meetings, called or not, in the terms of article 9.3 of these Regulations.
- Coordinate, meet and transmit the opinions of the External Directors.
- Direct the regular appraisal of the Chairman of this body by the Board.
- Call and chair the meetings of the independent Directors he considers necessary or appropriate.
- Chair the Board of Directors meetings in the absence of the Chairman and Vice-Chairmen.
- Maintain contact with investors and shareholders to gauge their viewpoints to form an opinion on their concerns, in particular in relation to the Company's corporate governance.
- Coordinate the Chairman's succession plan.

Information provided to Directors

The Chairman, assisted by the Secretary to the Board, ensures that the Directors are provided with the information necessary, and sufficiently in advance, in order to effectively carry out their responsibilities and adequately prepare for the meetings.

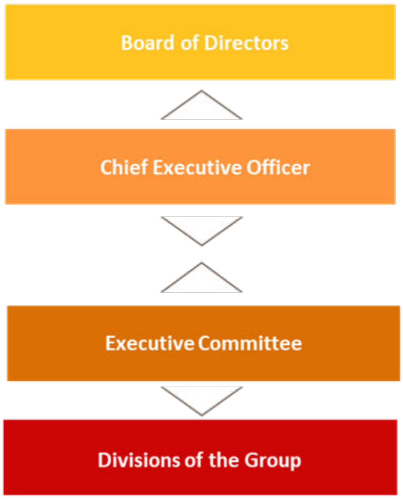
The call notices for Board and Committee meetings will be sent at least 48 hours prior to the meeting and include any documentation related to the agenda and minutes of the previous meeting. This information is accessible through the Director Portal, which is a specific computer application that facilitates the performance of the Directors' duties and the exercise of their right to information. This Portal includes the documentation and information deemed suitable for preparing the Board and Committee meetings in accordance with the agenda, including all presentations given, as well as any training materials aimed at Directors and any other information that may be of interest to them.

All Directors will also be provided with the minutes for all Committee meetings, which are also made available on the Director's Portal.

Directors have access to all the Company's services and may obtain, with the broadest possible powers, the information and advice they need to perform their functions. The right to information is channeled through the Chairman or the Secretary to the Board of Directors, who responds to Directors' requests and directly furnish them with the information, offering them access to appropriate sources or taking all necessary measures to answer questions.

Interaction of the Board of Directors with the Executive personnel

The Board of Directors maintains a direct and continuous relationship with the members of the Company's Senior Management. Key executives attend the meetings of the Board and its Committees to report on matters within their competence, as well as on any issue that may affect the Company's performance. However, when required to attend the meetings of the Board or its Committees, they remain only for those specific items on the agenda and for the time during which their presence is required.



Likewise, the Chairmen of the different Committees of the Board of Directors meet periodically with the heads of the different corporate and business areas with responsibility in their areas of competence.

Directors' training

Repsol offers training and continuous updating programs on matters that the Board Members have indicated are of interest to them. Among other matters, during the 2022 financial year, training and informative sessions were held on the following subjects, among others:

Board of Directors

- Energy transition and new technologies
- Impacts of the Russian invasion of Ukraine
- Gas markets
- Cybersecurity

Audit and Control Committee

- Internal Control over Non-Financial Information (CIINF)
- Aspects related to cybersecurity
- Emerging and climate change risks
- Risks inherent to the Company's activities
- Stock market functioning and price formation

Sustainability Committee

- Energy transition and climate change
- ESG (Environment, Social and Governance) Report on Ratings
- Sustainability risks
- Non-financial reporting frameworks
- Emission reduction and CO2 emission allowance issues
- Safety culture
- Community relations and human rights
- Natural capital and biodiversity
- Methodology for qualifying investments for alignment with the Energy Transition
- Company Scenarios 2030-2050

Likewise, the Company has an incorporation process for new Directors, so that they can quickly acquire sufficient knowledge of the Company and its corporate governance rules.

New Board Member Orientation Program

Documentation provided

- General information about the Company and its strategic plan.
- Presentation of the Company's governing bodies and organizational structure.
- Code of Ethics and Conduct.
- Bylaws.
- Regulations of the General Shareholders' Meeting.
- Regulations of the Board of Directors.
- Internal Rules of Conduct in the Securities Market.

Training sessions

- Operation of Repsol's main businesses and corporate areas: Exploration and Production, Industrial Transformation and Circular Economy, Client and Low Carbon Generation.
- Economic and energy environment.

Meetings of a specific nature

- Specific sessions with the different managers of the Company's business and corporate areas.
- Visits to the different facilities of the Company.

External advisory services

The Board Members have the power to propose to the Board of Directors the hiring, at the Company's expense, of legal, accounting, technical, financial, commercial or any other type of advisors that they consider necessary for the interests of the Company, in order to be assisted in the performance of their duties when dealing with specific problems of a certain importance and complexity related to the performance of their duties.

The proposal shall be communicated to the Chairman of the Company through the Secretary of the Board.

Assessment of the Board of Directors

Repsol is fully committed to the development of its corporate governance, adopting the best international practices applicable to it. With the aim of continuous improvement and in accordance with the provisions of Article 45 quater of the Bylaws and Article 11 of its Regulations, the Board of Directors annually evaluates the operation, quality and efficiency of its work and that of its Committees and, on the basis of the conclusions reached, draws up an action plan with the main areas of work. Furthermore, at least once every three years, the Board of Directors is assisted in the evaluation by an external consultant.

The Board of Directors has carried out the evaluation of its functioning in the 2022 financial year on the basis of questionnaires covering, among others, various issues related to its composition and that of its Committees, its organization and functioning and the performance of its responsibilities, as well as the performance of the Chairman of the Board of Directors, the Chief Executive Officer and the other Board Members. In the evaluation of the 2022 fiscal year, the Board Members are highly satisfied with the functioning and effectiveness of the Board and its Committees, as well as with the role played by the Chairman, the Chief Executive Officer and the Secretary of the Board.

The evaluation process was concluded with the approval of the conclusions report and action plan at the Board of Directors' meeting on January 25, 2023. With regard to these actions, it has been agreed to: (i) to continue to deepen the training of the Directors, especially in aspects related to the energy transition and the implementation of new technologies and processes in the Company, through sessions and reports of a monographic nature; and (ii) to continue to enhance the diversity of the Board of Directors and propose the nomination of an Independent Director in order to achieve the 40% representation target established in the "Policy of diversity in the composition of the Board of Directors and selection of Directors", reinforcing the skills, knowledge and experience that are considered a priority.

4. Committees of the Board of Directors

Without prejudice to the statutory capacity of the Board of Directors to create other Committees, the Company currently has a Delegate Committee, an Audit and Control Committee, a Nomination Committee, a Compensation Committee and a Sustainability Committee.

Regulation

The composition, operation and powers of the Committees of the Board of Directors are governed by the provisions of Articles 37 to 39bis of the Bylaws and Articles 32 to 37 of the Regulations of the Board of Directors.

Functioning

The aforementioned Committees shall be deemed to be validly constituted when half plus one of their members are present or represented at the meeting.

Their members shall resign when they cease to be Directors or when so resolved by the Board of Directors, which shall fill any vacancies that may arise as soon as possible.

The Committees shall meet as often as they are convened by their Chairman or at the request of the majority of their members.

For the best performance of their functions, the Committees may seek the advice of legal counsel and other external professionals, in which case the Secretary of the Board of Directors, at the request of the Chairman of the Committee, shall arrange for their engagement.

The Committees establish an annual calendar of meetings, as well as an Action Plan for each fiscal year.

4.1. Delegate Committee

Composition

In accordance with the Regulations of the Board of Directors, the Delegate Committee is composed of the Chairman of the Board of Directors and a maximum of eight Board Members belonging to the various existing categories. The appointment of the members of the Committee requires the favorable vote of two thirds of the Board Members. The Chairman and Secretary act as Chairman and Secretary of the Board of Directors.

The current composition of the Delegate Committee is as follows:

Antonio Brufau Niubó
Chairman - since 27/10/2004

J.Robinson West

Henri-Philippe Reichstull

Ignacio Martín San Vicente

Executive
11.1%

Independent Non-Executive
55.6%

9 directors

Other Non-Executive
33.3%

Josu Jon Imaz
Chief Executive Officer

Carmina Ganyet i Cirera

Manuel Manrique Cecilia

Iván Martén Uliarte

Luis Suárez de Lezo Mantilla
Secretary of the Board

Category of Directors

Executive

Independent Non-Executive

Other Non-Executive

Competences and activities in 2022

The Delegate Committee has been permanently delegated all the powers of the Board of Directors except those that cannot be legally delegated and those that cannot be delegated by the Regulations of the Board of Directors. Notwithstanding the foregoing, in those cases in which, in the opinion of the Chairman or three of the members of the Committee, the importance of the matter so advises, or when so required by the Regulations of the Board of Directors, the resolutions shall be submitted for ratification by the full Board. The same shall occur in relation to those matters that the Board has referred to the Delegate Committee for study, reserving the final decision on the same. In any other case, the resolutions adopted by the Delegate Committee shall be valid and binding without the need for subsequent ratification.

Number of meetings in 2022: 9

Main activities

- Approval of investment projects for amounts exceeding EUR 40 million.
- Analysis and monitoring of projects relevant to the Company.
- Assessment of the functioning of the Committee.

Attendance at Delegate Committee Meetings

Director	In person	By proxy	% personal attendance 2022
Mr. Antonio Brufau Niubó	9	—	100%
Mr. Josu Jon Imaz	9	—	100%
Ms. Carmina Ganyet i Cirera (1)	6	—	100%
Mr. Manuel Manrique Cecilia	9	—	100%
Mr. Iván Martén Uliarte (2)	6	—	100%
Mr. Ignacio Martín San Vicente	9	—	100%
Mr. Henri Philippe Reichstul	9	—	100%
Mr. J. Robinson West	9	—	100%
Mr. Luis Suárez de Lezo Mantilla	9	—	100%

(1) Ms. Ganyet was appointed member of the Delegate Committee on May 6, 2022.
(2) Mr. Martén was appointed member of the Delegate Committee on May 6, 2022.

4.2. Audit and Control Committee

This Committee was voluntarily set up on February 27, 1995, although was not mandatory for listed companies until 2002. It is an internal body for information and advisory purposes created by the Board of Directors, without executive functions, but with information, advisory and proposal powers within its area of activity.

The Committee prepares an annual Activities Report that includes all matters discussed by the Committee. This document is made available to shareholders on the corporate website at the time of the call notice for the Annual General Meeting.

Composition

In accordance with the Board of Directors Regulations, the Audit and Control Committee will consist exclusively, and no fewer than three, of Independent Non-Executive Directors. Its members are appointed by the Board of Directors for a period of four years, taking into account their expertise and experience in accounting, auditing and risk management, both financial and non-financial. Without prejudice to one or more re-elections, they will be relieved of their duties at the end of the term, when their tenure as a Director ceases, when they are no longer considered Independent, or when agreed by the Board of Directors, subject to a prior report by the Nomination Committee. The Chairman will be appointed from among its members and will hold office as such for a maximum of four years, after which they may not be re-elected until one year has passed, without prejudice to their continuation as a member of the Committee. The Secretary will be the Secretary to the Board of Directors.

The current composition of the Audit and Control Committee is as follows:

Teresa García-Milá Lloveras
Chairwoman - from 28/06/2022

Isabel Torremocha Ferrezuelo

4 directos

Independent Non-Executive 100%

Aurora Catá Sala

Mariano Marzo Carpio

The members of the Audit and Control Committee have knowledge and experience in accounting, auditing or risk management, as well as various other skills related to sustainability, the telecommunications sector, information technologies, finance, business economics, the energy sector, talent management or the stock market.

In accordance with the provisions of the Regulations of the Board of Directors, the Chairman of the Audit and Control Committee has experience in business or risk management and knowledge of accounting procedures and, in particular, Ms. Catá, Ms. García-Milá and Ms. Torremocha have been appointed on the basis of their knowledge and experience in accounting, auditing and risk management.

Competences and activities in 2022

The Audit and Control Committee supports the Board of Directors in its oversight duties by periodically reviewing the process of preparing economic-financial and non-financial information, the effectiveness of its internal controls and the independence of the Auditor, as well as reviewing compliance with all legal provisions and internal regulations applicable to the Company.

Likewise, the Committee is competent to make proposals on the appointment, re-election, removal and terms of engagement of the External Auditors, and supervises and reviews the information and internal control systems, ensuring the independence and effectiveness of the internal audit function. The Committee also analyzes, prior to their presentation to the Board of Directors, and with the necessary requirements to verify their correctness, reliability, sufficiency and clarity, the financial statements of the Company and its consolidated Group, as well as the other financial and non-financial information that the Company must make public due to its status as a listed company, reviews the relevant changes in the accounting principles used and ensures that the Board of Directors presents the accounts to the General Meeting without limitations or qualifications in the audit report.

Prior to each meeting held by the Audit Committee, the Chairman of the Committee has met with the Secretary of the Committee to provide the appropriate explanations on the matters to be discussed according to the corresponding agenda.

Numer of meetings in 2022: 9

Main activities

- Supervision and assessment of financial and non-financial information.
- Approval of the contracting of external auditor services, issuance of the report on the independence of the external auditor and proposed fees.
- Supervision of information systems and internal risk control.
- Supervision of the Company's tax policies.
- Supervision of the work of the Chief Compliance Officer and of the Ethics and Compliance Committee.
- Supervision of hydrocarbon reserve control.
- Supervision of discretionary treasury share transactions.
- Review of the Risk Map and reports on the management of emerging and climate change risks, regulatory risks specific to the Low Carbon Generation area.
- Review of the Cybersecurity Plan.
- Review of the reports and recommendations issued by Internal Audit.
- Analysis of communications received regarding accounting, internal controls over accounting and auditing.
- Report on compliance with obligations related to the securities market.
- Planning of meetings and calendar of the Audit and Control Committee for 2023.
- Evaluation of the functioning of the Committee.
- Update of the Corporate Risk Management, Integrity and Financial Policies.
- Report and analysis on the contracting circumstances of Cenyt.

Without prejudice to the functions described above, the Audit and Control Committee shall study any other matter submitted to it by the full Board of Directors, by the Delegate Committee or by the Chairman of the Board of Directors.

Attendance at Audit and Control Committee meetings

Director	In person	By proxy	% personal attendance 2022
Ms. Teresa García-Milá Lloveras	9	—	100%
Ms. Aurora Catá Sala (1)	8	1	89%
Ms. Carmina Ganyet i Cirera (2)	4	—	100%
Mr. Mariano Marzo Carpio (3)	5	—	100%
Ms. Isabel Torremocha Ferrezuelo	9	—	100%

(1) Due to other commitments assumed prior to the convening of the meeting of March 29, 2022, Ms. Catá attended the meeting represented by Ms. Torremocha. The documentation for the meeting was sent to her prior to the meeting, so Ms. Catá transmitted her considerations on the same and voting instructions prior to the meeting.
(2) Ms. Ganyet resigned as a member of the Audit and Control Committee on May 6, 2022.
(3) Mr. Marzo was appointed member of the Audit and Control Committee on May 6, 2022.

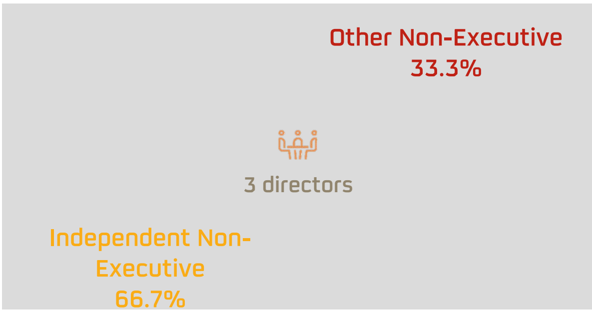
4.3. Nomination Committee

It is a body created by the Board of Directors with information, advisory and proposal-making powers within its scope of action.

Composition

In accordance with the applicable rules, the Nomination Committee is composed of a minimum of three External Directors, the majority of whom must be Independent. They are appointed by the Board of Directors, taking into account the knowledge, skills and experience of the Directors and the duties of the Committee, for a period of four years. Without prejudice to their possible re-election, they shall resign at the expiration of the term of their nomination, when they cease to be Directors or when so agreed by the Board of Directors, following a report from the Audit and Control Committee. The office of Chairman of this Committee shall be held by one of its members, who must be Independent, and that of Secretary by the Secretary of the Board of Directors.

The current composition of the Nomination Committee is as follows:



Aurora Catá Sala
Chairwoman - since 05/05/2022

Teresa García-Milá Lloveras

Emiliano López Achurra

Category of Directors

Independent Non-Executive

Other Non-Executive

Competences and activities in 2022

The duties of this Committee include, among others, proposing and reporting to the Board of Directors on the selection, nomination, re-election and removal of Directors, establishing a representation target for the least represented gender and preparing guidelines on how to achieve this target, reporting to the Board on compliance by its members with the principles of Corporate Governance or other obligations, related-party transactions and proposals for the appointment and removal of Senior Executives.

Number of meetings in 2022: 11

Main activities

- Analysis of the competencies and skills required on the Board of Directors, in accordance with the Group's needs.
- Proposals on the composition of the Board of Directors and its Committees.
- Selection process for the women Independent Director.
- Verification of the character attributed to the Board Members.
- Verification of compliance with the Diversity Policy in the composition of the Board of Directors and the Selection of Directors.
- Analysis, monitoring and reporting of related-party transactions.
- Organizational evolution of Senior Management.
- Report on talent management at Repsol.
- Planning the schedule of meetings and activities of the Nomination Committee for the 2023 financial year.
- Evaluation of the functioning of the Committee.

Attendance at meetings of the Nomination Committee

Director	In person	By proxy	% personal attendance 2022
Ms. Aurora Catá Sala	11	—	100%
Ms. Carmina Ganyet i Cirera (1)	6	—	100%
Ms. Teresa García-Milá Lloveras	11	—	100%
Mr. Emiliano López Achurra	11	—	100%
Mr. Mariano Marzo Carpio (2)	6	—	100%

(1) Ms. Ganyet resigned as a member of the Nomination Committee on May 6, 2022.
(2) Mr. Marzo resigned as a member of the Nomination Committee on May 6, 2022.

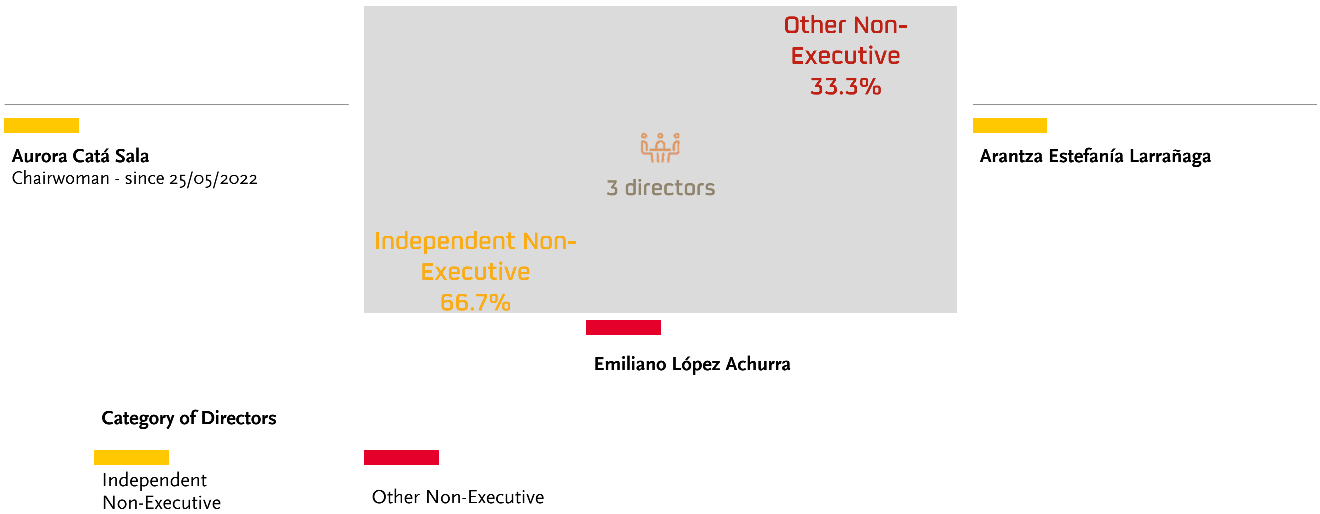
4.4. Compensation Committee

It is a body created by the Board of Directors with information, advisory and proposal-making powers within its scope of action.

Composition

The Compensation Committee is composed of a minimum of three External Directors, the majority of whom must be Independent. They are appointed by the Board of Directors, taking into account their knowledge, skills and experience and the duties of the Committee, for a period of 4 years. Without prejudice to their possible re-election, they shall resign at the expiration of the term of their nomination, when they cease to be Directors or when so agreed by the Board of Directors, following a report from the Audit and Control Committee. The office of Chairman of this Committee shall be held by one of its members, who must be Independent, and that of Secretary by the Secretary of the Board of Directors.

The current composition of the Compensation Committee is as follows:



Competences and activities in 2022

The functions of this Committee include, among others, proposing and reporting to the Board of Directors on the compensation policy for Directors and Senior Management and its application, including share-based compensation systems, on the basic conditions of the contracts of Senior Executives, to verify compliance with the remuneration policy established by the Company, to ensure that possible conflicts of interest do not prejudice the independence of the external advice provided to the Company, to verify the information on remuneration contained in the various corporate documents or to report on the use of information and corporate assets for private purposes.

Number of meetings in 2022: 5

Main activities

- Report on the settlement of the 2018-2021 long-term incentive plan and the proposal for the 2022-2025 long-term incentive plan.
- Proposal for remuneration for Board members and their committees for 2022, including that of the Chair of the Board.
- Proposal for additional remuneration of the Chief Executive Officer for performing executive duties.
- Verification of the directors' and senior directors' remuneration information included in the 2021 consolidated financial statements.
- Proposals and reports for the 2021 General Meeting related to:
  - 2021 Annual Directors Remuneration Report.
  - New Long-Term Incentive Program Cycles with partial allocation of performance shares.
- Report of the General Manager of Human Resources and Organization on the commitments assumed in the 2021-2025 Strategic Plan.
- Report on talent management at Repsol.
- Planning the Commission's calendar of meetings and activities for fiscal year 2023.
- Assessment of the functioning of the Committee.

Attendance at the Compensation Committee meetings

Director	In person	By proxy	% personal attendance 2022
Ms. Aurora Catá Sala	5	—	100%
Ms. Arantza Estefanía Larrañaga	5	—	100%
Ms. Carmina Ganyet i Cirera (1)	2	—	100%
Mr. Emiliano López Achurra (2)	3	—	100%
Mr. Mariano Marzo Carpio (3)	2	—	100%

(1) Ms. Ganyet resigned as a member of the Compensation Committee on May 6, 2022.
(2) Mr. López Achurra was appointed member of the Compensation Committee on May 6, 2022.
(3) Mr. Marzo resigned as a member of the Compensation Committee on May 6, 2022.

4.5. Sustainability Committee

This is an informative and consultative body created by the Board of Directors, without executive functions, with information, advisory and proposal-making powers within its scope of action.

Composition

The Committee is composed of a minimum of three Directors, exclusively External or Non-Executive Directors, the majority of whom are Independent External Directors. They are appointed by the Board of Directors, taking into account their knowledge, skills and experience and the duties of the Committee, for a period of four years. Without prejudice to one or more re-elections, they shall resign at the expiration of the aforementioned term, when they cease to be Directors or when so resolved by the Board of Directors, following a report from the Nomination Committee. One of its members shall act as Chairman of this Committee and the Secretary of the Board of Directors shall act as Secretary.

The current composition of the Sustainability Committee is as follows:

Mariano Marzo Carpio
Chairman - since 28/06/2017

Isabel Torremocha Ferrezuelo

Other Non-Executive
25%

4 directors

Independent Non-Executive
75%

Arantza Estefanía Larrañaga

Emiliano López Achurra

Category of Directors

Independent Non-Executive

Other Non-Executive

Competences and activities in 2022

Among other functions, this Committee is responsible for knowing and guiding the Group's policy, objectives and guidelines in the environmental, safety and Social Responsibility areas, analyzing and informing the Board of Directors about the expectations of the Company's different stakeholders and supervising the processes of relations with them, proposing to the Board of Directors the approval of a Sustainability Policy and reviewing and evaluating the non-financial risk management and control systems.

The Committee prepares an Activities Report, which includes all the matters dealt with by the Committee during the year, a document that is made available to shareholders on the corporate website at the time of the call of the Ordinary General Meeting.

Number of meetings in 2022: 5

Main activities

- Sustainability Risk Map.
- Greenhouse Gas Emissions Map.
- CO_2 emission rights.
- Monitoring of non-financial information: Management Report 2021.
- Oversight of the Company's sustainability strategy: proposal and monitoring of 2022 objectives; evaluation and closure of 2021 objectives.
- Global Sustainability Plan.
- Periodic analysis and monitoring of performance in:
  - Safety: accident rate, scorecard of indicators and safety and environmental strategy.
  - Community Relations and Human Rights.
  - Natural Capital and Biodiversity
- ESG (Environmental, Social and Governance) ratings reporting.
- Non-Financial Reporting Frameworks.
- Energy Transition and Climate Change activities.
- Strategic Environmental and Safety Projects
- Materiality Analysis 2022.
- Report on Repsol's participation in industry initiatives and associations.
- Plan to promote the Sustainable Development Goals (SDGs).
- Update of the Corporate Sustainability, Health and Safety and Environmental Policies.
- Planning the calendar of meetings and activities of the Committee for the year 2023.
- Assessment of the Committee's performance.

In addition, in all the meetings that the Commission has held during 2022, issues related to climate change have been reviewed.

Attendance at Sustainability Committee meetings

Director	In person	By proxy	% personal attendance 2022
Mr. Mariano Marzo Carpio	5	—	100%
Ms. Arantza Estefanía Larrañaga	5	—	100%
Mr. Emiliano López Achurra	5	—	100%
Ms. Isabel Torremocha Ferrezuelo	5	—	100%

5. Remuneration of Directors and Senior Management

11,673

Remuneration accrued in 2022 by the Board of Directors (thousands of euros)[20]

0

Amount of funds accumulated by former directors through long-term savings systems (thousands of euros)

123

Amount of funds accumulated by current directors for long-term savings systems with vested economic rights (thousands of euros)[21]

3,050

Amount of funds accumulated by current directors for long-term savings systems with non-consolidated economic rights (thousands of euros)

13,534

Total senior management compensation in 2022[22]

(thousands of euros)

Breakdown of members of Senior Management in 2022 who are not Executive Officers

Name	Category
Mr. Luis Cabra Dueñas	EMD Energy Transition, Technology, Institutional and Deputy to the CEO
Mr. Antonio Lorenzo Sierra	Chief Financial Officer (CFO)
Mr. Miguel Klingenberg Calvo	General Counsel
Mr. Juan Abascal Heredero	EMD Industrial Transformation and Circular Economy
Mr. Valero Marín Sastrón	EMD Client
Ms. Carmen Muñoz Pérez	EMD People and Organization
Mr. Francisco Gea Pascual del Riquelme	EMD Exploration and Production (as of September 1, 2022)
Mr. João Paulo Nogueira de Sousa Costeira	EMD Low Carbon Generation (as of September 1, 2022)
Mr. Tomás García Blanco[1]	EMD Deputy to the CEO for Special Projects
Mr. Marcos Fraga García[2]	D. Corporate Communications and Marketing and Chairman's Office (from February 17, 2022)
Mr. Arturo Gonzalo Aizpiri[3]	EMD Communication, Institutional Relations and Presidency (until February 16, 2022).
Ms. María Victoria Zingoni[4]	EMD Client and Low Carbon Generation (until September 30, 2022)
Ms. Isabel Moreno Salas[5]	D. Audit, Control and Risk

1. On September 1, 2022, he ceased to form part of the Executive Committee, but continues to report directly to the Chief Executive Officer, and therefore the amounts reported in this Report correspond to the entire fiscal year.
2. Although he does not form part of the Executive Committee, he reports directly to the Chief Executive Officer and therefore, for the purposes of this Report, he is considered to be Senior Management.
3. He resigned from the Company on February 16, 2022.
4. On September 1, 2022, she ceased to be a member of the Executive Committee, leaving the Company on September 30, 2022. Until that time, she reported directly to the Chief Executive Officer, so the amounts reported in this report correspond to the entire period she was active.
5. She is not a member of the Executive Committee, but is considered Senior Management for the purposes of this Report due to her status as internal auditor.c

[20] Includes the amount of the contribution to the Pension Plan of the employment system with vested economic rights of the Chief Executive Officer, which amounts to seven thousand euros. The amount of the contribution to the Executive Benefits Plan with non-consolidated economic rights of the Chief Executive Officer, amounting to 246 thousand euros, is included in the amount of funds accumulated by long-term savings systems with non-consolidated economic rights.

[21] The amount accumulated in long-term savings systems with vested economic rights is lower than reported in the financial year 2021 given that the annual return of the fund closed at -8.86%, while the maximum total annual contributions are 7 thousands of euros.

[22] The amount indicated under this heading includes the remuneration of all those executives who during 2022 have or have had direct dependence on the Board of Directors or the Chief Executive Officer and, in any case, the internal auditor, regardless of whether or not they belong to the Executive Committee of the Company. For this reason, the personnel reported as Senior Management does not coincide with those considered as such in the Annual Accounts, where Repsol considers only the members of the Executive Committee to be " senior management personnel". Additionally, the funds accumulated by the current members of Senior Management through long-term savings systems with vested and non-vested economic rights amount to 1,624 and 10,959 thousand euros respectively, of which 66 and 1,173 thousand euros have been contributed in the financial year 2022, in the period in which they have formed part of this Senior Management. The contributions to long-term savings systems with vested economic rights are also included in the amount corresponding to the total remuneration of Senior Management in 2022).

Termination benefits, guarantee or golden parachute clauses agreed between the Company and its directors, executives or employees

The Company has established a single legal status for management personnel, consisting of the nine General Managers and 206 other managers.

This legal status is set forth in the so-called Management Agreement, approved by the Board of Directors, which regulates the compensation regime applicable to the termination of the labor relationship, and which contemplates as causes for compensation those provided for in the legislation in force. In the case of the General Managers, these causes include their resignation as a consequence of the succession of the company or a significant change in the ownership of the company, resulting in a renewal of its governing bodies, or in the content and approach of its main activity.

The amount of severance indemnities for executives appointed prior to December 2012 is calculated on the basis of the age, seniority and salary of the executive. In the case of those appointed after this date, this amount is calculated based on the salary and seniority of the executive, within a range of between 12 and 24 monthly payments, or the legal amount if this is higher.

In the case of General Managers, compensation is established for the post-contractual non-competition commitment of one year's total compensation included in the 24 monthly indemnity payments. For other executives, an annuity of total or fixed compensation, depending on the length of service of the contract, is established in addition to their severance payment. The contracts of executives in some countries do not include a post-contractual non-competition commitment or do not provide for any compensation for this commitment.

For the Chief Executive Officer, a deferred economic compensation equivalent to two years of his annual fixed and variable remuneration -including the remuneration for non-competition- is provided for, which will be paid in the event of termination of the contract for reasons attributable to Repsol or by mutual agreement, if it is in the Company's interest.

6. Related party and intragroup transactions

Competent body and procedure for approval of related-party and intragroup transactions

The procedure and competent bodies for the approval of transactions with related parties and intra-group transactions are regulated in the Company's Bylaws, in the Regulations of the Board of Directors and in the internal rule "Commercial authorization of certain related party and intra-group transactions" (hereinafter, the "Rule"). Related transactions shall be assessed from the point of view of equal treatment and market conditions.

Related transactions of special relevance

In accordance with the provisions of Article 22 bis of the Bylaws, Article 23 of the Regulations of the Board of Directors and the Rule, transactions that the Company carries out, directly or indirectly, with Related Parties (i) that exceed 5% of the assets of the Repsol Group according to the latest consolidated financial statements approved by the General Shareholders' Meeting of Repsol, S. A.; (ii) that involve the transfer of relevant technology of the Repsol Group; or (iii) that involve the transfer of relevant technology of the Repsol Group; or (iv) that are aimed at establishing strategic alliances of the Repsol Group; or (v) that are aimed at establishing strategic alliances of the Repsol Group. A.; (ii) involving strategic assets of the Repsol Group; (iii) involving the transfer of relevant technology of the Repsol Group; or (iv) aimed at establishing strategic alliances, and not consisting of mere agreements for action or execution of alliances already established, may only be carried out if the following conditions are met:

a) that the transaction is fair and efficient from the point of view of the interests of the Repsol Group and, if applicable, of the shareholders other than the Related Party;

b) that, after having obtained the corresponding report from an independent expert of recognized prestige in the financial community on the reasonableness and adaptation to market conditions of the terms of the Related Party Transaction, the Nomination Committee shall issue a report assessing compliance with the requirement set forth in (a) above; and

c) that the General Shareholders' Meeting of Repsol, S.A. authorizes the Related Transaction with the favorable vote of 75% of the capital present and represented at the meeting. However, when there are reasons of opportunity that make it advisable not to wait until the next General Meeting is held, and provided that the value of the transaction does not exceed 10% of the assets, the transaction may be approved by the Board of Directors provided that (i) the report of the Nomination Committee referred to in (b) above is favorable to the transaction, and (ii) the resolution is adopted with the favorable vote of at least two thirds of the members of the Board of Directors who are not involved in a conflict of interest situation. In this case, the Board of Directors shall inform the next General Meeting of the terms and conditions of the transaction.

At the time of convening the General Shareholders' Meeting of Repsol, S.A. called to deliberate or be informed about the authorization of the Related Transaction, the Board of Directors shall make available to the shareholders the reports of the Nomination Committee and the independent expert provided for in letter (b) above and, if it deems appropriate, its own report in this regard.

Related Party Transactions other than those of Special Relevance

Related-Party Transactions other than the above will only require the authorization of the Board of Directors, following a report from the Nomination Committee.

In accordance with the provisions of the Capital Companies Act, the Board of Directors has delegated the approval of the Related-Party Transactions indicated below to the corresponding persons of the Repsol Group in accordance with the applicable internal regulations:

a. Related-party transactions with other Repsol Group companies that are carried out in the ordinary course of the Repsol Group's business and on an arm's length basis; and

b. Related-party transactions that: (i) are carried out under contracts whose terms and conditions are standardized and applied en masse to a large number of customers; (ii) are carried out at prices or rates generally established by the party acting as supplier of the goods or services in question; and (iii) the amount does not exceed 0.5% of the Repsol Group's net sales.

In this case, an internal information and periodic control process has been established to verify the fairness and transparency of such Related-Party Transactions and, where appropriate, compliance with the legal criteria applicable to the above exceptions, reporting to the Nomination Committee, which in turn reports to the Board of Directors.

Repsol shall proceed to publicly report, at the latest at the time they are entered into, on those related-party transactions that reach or exceed 5% of assets or 2.5% of annual turnover.

Intragroup Transactions

In accordance with the provisions of the Capital Companies Act and the Rule, in the event that the value or amount of the Intragroup Transaction, or the total amount of the set of transactions contemplated in a framework agreement or contract, is greater than 10% of the total assets of the company concerned, or when the transaction, by its very nature, is legally reserved to the competence of this body, the authorization must be granted by the general meeting of partners or shareholders of the corresponding Group company.

In the case of other Intragroup Transactions, the authorization must be granted by the Company's administrative body. Notwithstanding the foregoing, a formal delegation has been granted by the relevant management bodies to the corresponding persons of the Repsol Group in accordance with the applicable internal regulations, for those Intragroup Transactions that are carried out in the ordinary course of business, including those resulting from the execution of a framework agreement or contract, and concluded on an arm's length basis. For this purpose, an internal control process has been established to periodically verify compliance with the aforementioned requirements.

Finally, with regard to the general internal rules governing the abstention obligations of the Board Members, Article 19 of the Regulations of the Board of Directors establishes, among the basic obligations deriving from the duty of loyalty of the Board Members, The obligation to abstain from participating in the deliberation and voting of resolutions or decisions in which they or a related person has a direct or indirect conflict of interest, as well as the obligation to adopt the necessary measures to avoid incurring in situations in which their interests, whether on their own behalf or on behalf of others, may conflict with the corporate interest and with their duties to the Company.

Likewise, the Board Members must inform the Board of Directors, through its Chairman or Secretary, of any situation of direct or indirect conflict that they or persons related to them may have with the interests of the Company.

Operations carried out in 2022

During fiscal year 2022 the Company or its subsidiaries have not carried out any related-party or intragroup transactions that are significant due to their amount or relevant due to their subject matter that should be specifically reported in this Report in accordance with the provisions of Circular 3/2021 of the National Securities Market Commission (CNMV).

Likewise, the Company has not carried out any intra-group transactions with entities established in countries or territories that are considered tax havens.

Notwithstanding the foregoing and in accordance with accounting regulations, Note 26 of the Group's Consolidated Financial Statements 2022 provides information on income, expenses and other transactions recognized during the year, as well as debit and credit balances recorded at December 31 for transactions with related parties. Also, Notes 27 and 28 to the consolidated financial statements include information on the remuneration of the directors and executives of Repsol, S.A.

Mechanisms established to detect, determine and resolve possible conflicts of interest between the company and/or its group, and its directors, executives or significant shareholders or other related parties.

The Regulations of the Board of Directors require the Directors to adopt the necessary measures to avoid incurring in situations in which their interests, whether on their own behalf or on behalf of others, may conflict with the corporate interest and with their duties to the Company, to inform the Board of Directors, through its Chairman or Secretary, of any situation of direct or indirect conflict that they or persons related to them may have with the interest of the Company and, in the event of such conflict, to abstain from participating in the deliberation and voting of the corresponding resolutions.

In addition, Directors must inform the Nomination Committee of their other professional obligations and remunerated activities, whatever their nature, as well as of any significant changes in their professional situation, and any circumstance that may affect the nature or condition by virtue of which they were appointed as Directors. As a last resort, the Board Members must place their position at the disposal of the Board and formalize the corresponding resignation, if the Board deems it appropriate, when they are involved in any of the cases of incompatibility or prohibition provided for by law, the Company's bylaws or regulations. Likewise, the internal rule "Commercial authorization of certain related party and intra-group transactions" establishes the necessary authorizations for carrying out transactions with related parties and with certain group companies and the procedures for obtaining them. Finally, the Repsol Group's Code of Ethics and Conduct, which applies to the Company's directors and all Repsol employees, also defines and regulates the procedure for action in situations that may give rise to a potential conflict of interest. Likewise, the Repsol Group's Internal Code of Conduct in the Securities Market, with the same scope of application, includes the mechanisms for preventing and resolving conflicts of interest.

7. Financial reporting and audits

7.1. Required financial information

The individual and consolidated financial statements submitted to the Board of Directors for formulation are previously certified by the Chief Executive Officer and the Chief Financial Officer (CFO).

The Board of Directors has established mechanisms to prevent the individual and consolidated financial statements from being presented to the General Shareholders' Meeting with a qualified auditors' report. To this effect, and as previously indicated in section B.4.2., the Audit and Control Committee periodically reviews the process of preparing the economic and financial information, its internal controls and the independence of the External Auditor, and supervises the Internal Audit. To this end, the Committee receives regular information from the External Auditor on the audit plan and the results of its execution and verifies that the management team takes its recommendations into account. Likewise, at least once a year, it requires the External Auditor to assess the quality of the control systems over the Group's financial information. Likewise, the Committee shall be informed of any situations requiring adjustments that may be detected during the course of the external audit work and which are relevant, the assessment of which shall be at the discretion of the External Auditor who, in case of doubt, shall opt for communication, which shall be made, as soon as known, to the Chairman of the Committee. The Committee shall also be informed of the degree of compliance by the audited units with the corrective measures recommended by the Internal Audit and shall also be informed of any irregularities, anomalies or non-compliances, whenever relevant, detected by the Internal Audit in the course of its work.

To this end, the members of the Audit and Control Committee shall have the necessary dedication, capacity and experience to perform their duties, and its Chairman shall also have a background in business or risk management and knowledge of accounting procedures. Additionally, at least one of its members has the financial experience required by the regulatory bodies of the securities markets on which the Company's shares or securities are listed.

7.2. Accounts audit

External auditor

In 2017 PricewaterhouseCoopers Auditores, S.L. ("PwC") was appointed as the external auditor of the Company and its Consolidated Group for the 2018, 2019 and 2020 financial years, and was subsequently re-elected by the General Shareholders' Meetings of 2021 and 2022 for those same financial years. Consequently, 2022 is the fifth fiscal year audited by said firm.

Mechanisms to preserve the external auditor's independence

One of the functions of the Audit and Control Committee is to ensure the independence of the External Audit and, to this end:

a) Avoiding that the Auditors' warnings, opinions or recommendations may be conditioned, and

b) Supervise the incompatibility between the provision of auditing services and any other services, the limits on the concentration of the Auditor's business and, in general, the rest of the rules established to ensure its independence.

The Audit and Control Committee has established a procedure for prior approval of all services, whether audit or non-audit, provided by the External Auditor, whatever their scope, scope and nature. This procedure is regulated in an Internal Rule that must be complied with by the entire Repsol Group.

Likewise, the Committee must receive annually from the External Auditor written confirmation of its independence from the Company or entities directly or indirectly related to it, as well as information on additional services of any kind rendered and the corresponding fees received from these entities by the External Auditor, or by the persons or entities related to it in accordance with the provisions of current legislation.

The Committee shall issue annually, prior to the issuance of the audit report, a report expressing an opinion on the independence of the external auditor. This report shall contain, in any case, a reasoned assessment of the provision of services other than statutory auditing, individually considered and as a whole, in relation to the independence regime or to the audit regulations.

On the other hand, part of the meetings with the statutory auditor take place without the presence of the entity's management, so that specific issues arising from the reviews carried out can be discussed exclusively with them.

Other work for the Company carried out by the external auditor

The audit firm performs other non-audit work for the Company and/or its Group. The amount of the fees approved[23] for such work and the percentage that the latter represent of the total fees approved for the Company and/or its Group for the 2022 financial year are shown below::

	Company	Group companies	Total
Amount of other non-audit work[(1)] (thousands of euros)	974	603	1,577
Amount of non-audit work / Amount of audit work (in %)	27.0%	17.2%	22.2%

(1) This mainly includes the amount of non-audit services (review of the Internal Financial Reporting Control System, limited review of the consolidated financial statements as of June 30, verifications and certifications for partners and official bodies, reports for the issuance of bonds and other marketable securities -Comfort letter-, as well as the verification of the non-financial information of the consolidated Management Report).

Reservations or qualifications in the auditor's report

The audit report on the annual accounts for fiscal year 2022 has been presented by the External Auditor without qualification.

Number of consecutive fiscal years that the auditors have been performing the audit

	Separate	Consolidated
No. of consecutive years	5	5
No. of years audited by the current audit firm/No. of years that the Company or its Group has been audited (in %)	0.11%	0.12%

[23] Amounts approved by the Audit and Control Committee corresponding to fiscal year 2022.

8. Risk control and management

8.1. Risk Management and Control Systems

The information requested in sections E.1, E.2, E.3, E.4, E.5 and E.6 of Circular 3/2021 is included in "Appendix IV Risks" of the consolidated Management Report, of which this Annual Corporate Governance Report forms part as Appendix VI.

8.2. Systems of Internal Control over Financial Reporting (ICFR)

Control enviroment

Responsible bodies

Pursuant to the Bylaws, the Board of Directors of Repsol, S.A. is the body responsible for the governance, management and administration of the Company's business and interests in all matters not reserved to the General Shareholders' Meeting. It concentrates its activity on the general supervisory function and on the consideration of those matters of special importance for the Company.

The Regulations of the Board of Directors include the powers reserved to this body for its financial year, such as the preparation of the Annual Financial Statements and Management Report, both individual and consolidated, and their presentation to the General Shareholders' Meeting. The Board of Directors must formulate these documents in clear and precise terms. It must also ensure that they give a true and fair view of the net worth, financial position and results of the Company and the Group, in accordance with the provisions of the law. It also reserves the right to approve the risk control and management policy, including tax risks, the supervision of internal information and control systems, the determination of the Group's tax strategy, the definition of the corporate structure, and the approval of the financial information which, as a listed company, the Company must periodically disclose to the public.

The Board of Directors is also responsible for the approval of the Company's codes of ethics and conduct, the development of its own organization and operation and that of the Senior Management, as well as specific functions relating to the Company's activity in the securities markets.

The Board of Directors maintains a direct relationship with the members of the Company's Senior Management and with the Company's auditors, always respecting their independence.

Section B.3.1 of this Report contains information on the structure of the Board of Directors and its composition.

The Board of Directors has set up different Committees, such as the Audit and Control Committee, whose main function, as provided for in the Regulations of the Board of Directors, is to support this body in its supervisory duties, by periodically reviewing the process of preparing the economic-financial and non-financial information, the effectiveness of its executive controls and the independence of the External Auditor, as well as reviewing compliance with all applicable legal provisions and internal regulations.

The Audit and Control Committee is made up entirely of Independent External Board Members. All of them as a whole, and especially its Chairman, shall be appointed taking into account their knowledge and experience in accounting, auditing and risk management, both financial and non-financial. Likewise, some of them must have such financial experience as may be required by the regulatory bodies of the securities markets on which the Company's shares or securities are listed.

The structure and operation of this Committee are described in section B.4.2 of this Report, where express reference is made to the system for the nomination of the Chairman of this Committee.

Pursuant to the provisions of the Regulations of the Board of Directors in relation to the information and internal control systems, the Audit and Control Committee is responsible, among other duties, for periodically reviewing the effectiveness of the internal control systems, the internal audit and the risk management systems, including tax risks, so that the main risks are properly identified, managed and disclosed.

Likewise, in accordance with the aforementioned Regulations, the Audit and Control Committee is responsible for the following functions related to the process of preparing financial and non-financial information:

- Supervise and evaluate the process of preparation and presentation of the mandatory financial and non-financial information relating to the Company and the Group, as well as its integrity, compliance with regulatory requirements, the adequate delimitation of the scope of consolidation and the correct application of accounting principles.
- To analyze, prior to their presentation to the Board, and with the necessary requirements to verify their correctness, reliability, sufficiency and clarity, the Financial Statements of both the Company and its consolidated Group contained in the annual, half-yearly and quarterly reports, as well as the other financial and non-financial information that the Company, as a listed company, must periodically make public, having all the necessary information with the level of aggregation it deems appropriate, for which purpose it shall have the necessary support from the Group's executive management.
- Ensure that the Annual Financial Statements to be submitted to the Board of Directors for their formulation are certified in the terms required by the internal or external regulations applicable at any given time.

- Review all relevant changes concerning the accounting principles used and the presentation of the financial statements, and ensure that adequate publicity is given to them.
- Ensure that the Board of Directors presents the accounts to the General Shareholders' Meeting without limitations or qualifications in the Audit Report and that, in the exceptional cases in which there are qualifications, both the Chairman of the Committee and the auditors clearly explain to the shareholders the content and scope of the limitations or qualifications, making a summary of said opinion available to the shareholders at the time of publication of the notice of the meeting.
- Examine the draft codes of ethics and conduct and their reforms, prepared by the corresponding area of the Group, and issue its opinion prior to the proposals to be submitted to the corporate bodies.
- To supervise compliance with the internal Codes of Ethics and Conduct, ensuring that the corporate culture is aligned with its purpose and values, and to take special care to ensure compliance with the regulations applicable to conduct in the securities markets and to supervise the actions of the Company's Internal Transparency Committee.
- To supervise the sufficiency, adequacy and effective operation of the systems and procedures for recording and internal control in the measurement, valuation, classification and accounting of the Group's hydrocarbon reserves, so that their inclusion in the periodic financial information is in accordance at all times with the standards of the sector and with the applicable regulations.
- To ensure the independence and effectiveness of the Internal Audit function and that it has the appropriate training and means to perform its functions in the Group; to analyze and approve, if appropriate, the annual Internal Audit planning and to ascertain the degree of compliance by the audited units with the corrective measures recommended by the Internal Audit in previous actions. The Audit and Control Committee shall inform the Board of Directors of any situations that may represent a relevant risk for the Group.

Elements of the financial reporting process

- **Departments and/or mechanisms responsible for the design and review of the organizational structure and definition of lines of responsibility**

The Company's organizational structure establishes the configuration of the teams, their areas and levels of responsibility and the relationship between them. Each structure is represented in an organizational chart whose design and final approval corresponds to the General Management of People and Organization, according to the levels established in the internal regulations.

The General Directorate of People and Organization is also responsible for keeping the organizational structure updated in the people management system.

On the other hand, the internal regulations are configured as a management tool, whose main objectives are to reinforce control systems and ensure compliance with external and internal requirements; to provide action criteria that facilitate employees' understanding of their responsibilities; to measure risk management and control; and to contribute to a more agile and orderly execution of the company's activities.

The General Management of People and Organization is responsible for keeping the company's regulatory body up to date, through a process that ensures the participation of the affected areas in the preparation of the different regulatory documents, their consistency with the hierarchy and structure of the regulatory body and their approval at the appropriate level. It also ensures the internal dissemination of the regulations and their availability to all employees.

- **Code of Ethics and Conduct and the body responsible for oversight and compliance with it**

Repsol has a "Code of Ethics and Conduct", approved by the Board of Directors, following a favorable report from the Audit and Control Committee, the Sustainability Committee and the Ethics and Compliance Committee, which is applicable to all directors, executives and employees of the Repsol Group, regardless of the type of contract that determines their professional or employment relationship. Business partners - which include partners, non-operated joint ventures, contractors, suppliers and other collaborating companies - are an extension of Repsol and, for this reason, must act in accordance with the Company Code, as well as with any other applicable contractual provisions when they intervene on behalf of or in collaboration with Repsol. The Code establishes the minimum standards of conduct that should guide the behavior of all its recipients in the way they act during the development of their professional activity and the regime applicable in the event of non-compliance with it.

The Code includes, among other aspects, the basic principles of conduct and integrity, reliability of information and control of records, as well as the treatment of sensitive information and intellectual property, including specific obligations in the areas of human rights, relations with communities, the fight against bribery, corruption, money laundering and the commitment to carry out their activities in accordance with the legislation in force in all areas of activity and countries.

New employees are provided with a Welcome Plan to help them adapt quickly to the team. This Plan includes information on the essential regulations that all employees must know and respect from the moment they join, regardless of the area or business in which they are working or will be working, including direct access to each of them for consultation. The framework of these regulations is the "Code of Ethics and Conduct".

Likewise, communication actions and training courses on the "Code of Ethics and Conduct" are carried out among employees in order to reinforce their knowledge and proper compliance. In 2022, Repsol has developed a new mandatory global training on the

Code "Your conduct at stake", in an interactive and practical format aimed at all employees (including part-time employees as a novelty) and aimed at continuing to reinforce the culture of compliance and to measure the knowledge that employees have on certain issues. In addition, the "Los intachables" communication campaign was developed, with a total of seven actions involving senior management, including sketches, interviews, podcasts and references to ethics regulations. Moreover, in 2022, the voluntary network of compliance ambassadors was expanded to more than 100 people and three compliance days were held: one worldwide, with recognition of best practices in the field, and two local ones, in Mexico and Houston (USA).

The Ethics and Compliance Committee oversees the monitoring of and compliance with the Code and is responsible for resolving any communications it deems relevant, which are received through the channel.

In accordance with the provisions of the Regulations of the Ethics and Compliance Committee, it is multidisciplinary in nature and, as of the date of this report, is composed of the General Director of Legal Affairs, the General Director of People and Organization, the Corporate Director of Legal Services and Chief Compliance Officer, the Director of Audit, Control and Risks and the Director of Labor Relations, Labor Law Management and Occupational Safety.

The company has fourteen policies, which make up Repsol's regulatory body within the framework of the Code of Ethics and Conduct and define the public commitment and management fundamentals, establishing principles and guidelines for action for all Repsol employees with the purpose of fostering relationships, processes and decision-making in line with the company's values. As part of the recurring general process of reviewing and updating internal regulations, in 2022 the Company has revised the "Anti-Corruption Policy", changing its name to Integrity Policy, by expanding its content, including aspects linked not only to corruption but also to fraud, following the orientation of European regulations. This regulation includes Repsol's express position on the illegal conduct of corruption, fraud and conflicts of interest as an additional, more detailed approach than that contained in the Code of Ethics and Conduct.

Likewise, in the "Policy on Commercial Relationships with Third Parties", the company undertakes to ensure that the commercial or business relationships it enters into with partners, suppliers, contractors and clients are based on legality, ethical principles and Repsol's values.

In addition, Repsol has a "Tax Policy", mandatory for all employees and companies of the Group, which includes several commitments aimed at ensuring the management of tax matters through good tax practices and acting with transparency, including the payment of taxes in a responsible and efficient manner, the promotion of cooperative relations with governments, and the firm intention to work to avoid significant risks and unnecessary conflicts.

The policy of "Privacy and Personal Data Protection", whose goal is to guarantee the fundamental right to the protection of personal data of all individuals who relate to Repsol Group companies; ensuring respect for the right to honor and privacy in the treatment of different types of personal data.

In addition, the company also has an "Internal Code of Conduct of the Repsol Group in the Securities Market Area", approved by the Board of Directors, and previously reported favorably by the Audit and Control Committee, which develops aspects such as the rules of conduct in relation to the performance, These rules cover aspects such as the rules of conduct in relation to the performance, by persons subject to the Regulations, of transactions on securities and financial instruments issued by the Group that are traded in securities markets, the treatment and communication of privileged information, transactions on treasury stock, the prohibition of manipulation of quotations and the treatment and management of conflicts of interest. The Company has formally established mechanisms to promote the dissemination of and compliance with its precepts. For these purposes, in accordance with the provisions of said Regulations, the Audit and Control Committee is responsible for supervising the obligations established therein, and failure to comply with its provisions shall be considered as a labor misconduct, the seriousness of which shall be determined in the procedure to be followed in accordance with the provisions in force, without prejudice to the infraction that may be derived for contravening the securities market regulations and the civil or criminal liability that may be demanded from the offender.

Finally, within the scope of Spanish companies and in accordance with the Spanish regulatory framework on the criminal liability of legal entities, the Ethics and Compliance Committee acts as the Criminal Prevention Body for the purposes of the provisions of Article 31 bis section 2.2 of the Spanish Criminal Code. Repsol has internal regulations (Management of the Crime Prevention Model and Internal Investigations of the Ethics and Compliance Committee) with which it structures the prevention model and response mechanisms on events that could constitute breaches of the Code of Ethics and Conduct or indications of possible commission of criminal offenses reached in the Repsol Crime Prevention Model (CPM)[24] or on suspicions of non-compliance. In this context, the Ethics and Compliance Committee approves and monitors the annual plan for the updating and continuous improvement of the CPM, of which the following objectives and work carried out should be highlighted:

- Adaptation of the model (internal regulations and criminal risk matrices) to Organic Law 10/2022, of September 6, on the Comprehensive Guarantee of Sexual Freedom, which modifies various aspects of the Criminal Code, including the expansion of the catalog of crimes for which the legal entity may be liable (moral integrity, sexual harassment and development of discovery and disclosure of secrets).
- Digitalization of key compliance processes (risks, gifts and hospitality, and conflicts of interest).
- Review of the risk control framework (such as subsidy fraud and discovery and disclosure of secrets).

[24] Among the crimes included in the model is money laundering (crime no. 15). The Company also has a guide describing the general standards and requirements on money laundering and has models of compliance or prevention of money laundering and financing of terrorism of the parties obliged by local and specific regulations.

– Definition of a minimum standard of control for companies with limited size or activity.

The Company has internal standards and guidelines on due diligence with third parties, conflicts of interest, gifts and hospitality, social investment and relations with public officials. These rules are specifically focused on mitigating potential risks of corruption and fraud. Repsol also has a Criminal Prevention Manual to improve the company's understanding of criminal risks and the actions and behaviors expected of employees. It also has a global training plan that includes, among others, synchronous actions on the role of the leader, managers, administrators and representative of Repsol. Finally, there is an online course on the CPM for those responsible for the management of CPM controls and communication channels susceptible to receive communications related to it.

- **Ethics & Compliance Channel**

In accordance with the provisions of the Board of Directors Regulations, the Audit and Control Committee is responsible for establishing a mechanism that allows employees to confidentially and, if possible, anonymously report possible irregularities of potential importance, especially financial and accounting irregularities.

In this regard, the company has a communication channel, the "Repsol Ethics and Compliance Channel", which allows company employees and any third party to ask questions or report, among other issues, possible breaches of the Code of Ethics and Conduct and the Crime Prevention Model, anonymously and confidentially. It is managed by an independent company and is available 24 hours a day, 7 days a week, by telephone and online.

The Company has the Ethics and Compliance Committee's internal investigations policy, as well as a guide for investigators and channel managers on personal data protection and other regulations. This policy emphasizes that no retaliation is permitted against anyone who in good faith reports or alerts to a breach or raises questions about the code, internal rules or legislation. Nor against anyone who cooperates in an investigation. In particular, all of the above are guaranteed and the principles of impartiality, confidentiality, professionalism and independence are paramount.

- **Training and regular updating programs**

Training at Repsol is aimed at developing the professional skills necessary for the effective performance of the functions entrusted to them, complemented by others that encourage and support the professional progression of individuals. It is based on initiatives aimed at structuring knowledge, developing skills and fostering the commitment of people in the organization to the company's plans, culture and values throughout their professional career.

To this end, the Company has a wide range of training activities ranging from technical subjects, which are organized specifically for certain groups, to others of a transversal nature, of a managerial or safety awareness nature.

Through collaboration between Repsol's Training and Learning area and each of the Group's units, Repsol ensures the acquisition and updating of fundamental knowledge for the performance of the economic-administrative function, risk management and auditing and internal control. To this end, a plan is drawn up of the training needs to be covered both in the short and medium term and the corresponding annual plan is designed, identifying and paying attention not only to the training action best suited to each group, but also facilitating the monitoring of the degree of compliance with the established objectives. Within this planning, different actions are contemplated to disseminate the formalized Internal Control models, in particular the Internal Control over Financial Reporting System ('ICFR'), to the different areas and people involved in these models.

In order to meet these needs, both internal resources are used, with training actions designed and given by our own personnel with experience and references in their field, and the contracting of prestigious firms selected under quality and specialization criteria, as well as other resources such as conferences, lectures, forums, workshops and virtual libraries.

Risk assessment in financial reporting

Characteristics of the risk identification process, including error or fraud.

- **Risk identification process**

The Repsol Group has an integrated risk management process, as indicated in section 8.1 of this Report. This process establishes a homogeneous methodology for the identification and assessment of risks by the responsible areas in the organization. As a result of this process, the Repsol Group's Risk Map is drawn up, which includes financial reporting risks.

The identification of the main risks that could affect the objectives of the financial information related to the existence or occurrence, integrity, valuation and allocation, presentation and breakdown of operations, and with the rights and obligations that could generate a significant impact on the reliability of the Group's financial information, gives rise to the preparation of a Financial Reporting Risk Map, in which the following risks have been identified:

- Leak of confidential or privileged information.
- Regulatory change with impact on the financial statements.
- Valuations subject to complex analysis and estimates.

- Inadequate capture in time and form of transactions with an impact on the financial statements, as well as inadequate analysis and valuation of transactions through existing processes, manual means and systems.
- Fraud in the generation of regulated financial information.
- Failure to comply with economic and financial reporting requirements in due time and form.

The risk of fraud on financial reporting is analyzed specifically because it is a relevant element in the design, implementation and evaluation of the internal control model. Said analysis is developed taking into account, mainly, the references that, in relation to the consideration of fraud in the risk assessment, are contemplated in the COSO 2013 methodological framework, ("Assesses Fraud Risk" Principle 8) and in the AICPA (American Institute of Certified Public Accountants) framework in its document "Consideration of Fraud in a Financial Statement Audit", Section 316 (Standard Auditing Statement 99). As a result of this analysis, the following categories of causal factors of the risk of financial reporting fraud have been defined:

- Inadequate control environment.
- Intentional misstatement of the Financial Statements.
- Unavailability and lack of security in information systems
- Misappropriation of assets.

- **Scope and update**

The process of identifying and assessing the causal factors of financial reporting risks covers all financial reporting objectives relating to the existence or occurrence, completeness, valuation and allocation, presentation and disclosure of transactions, and rights and obligations, which could have a significant impact on the reliability of the financial information.

Each of the aforementioned risk categories is in turn made up of one or more specific risks, which are associated with the corresponding headings of the financial statements, with the respective processes and with the different companies of the Group.

Finally, for each and every one of the causal factors of the financial reporting risks, the impact that the same could cause is assessed, as well as its probability of occurrence. As a product of both magnitudes, the severity of each risk is determined.

The inventory of risks and their assessment in terms of impact and probability is reviewed annually in accordance with the Repsol Group's integrated risk management process, as indicated in Appendix IV, relating to risks in the Integrated Management Report 2022.

- **Process for identifying the scope of consolidation**

There is a process by which changes in shareholdings in Group companies are identified. Once the changes have been reported, the control structure is analyzed, taking into account the principles set forth in the applicable accounting standards, and the method by which the company should be included in the consolidation perimeter is determined.

Based on the consolidation perimeter and in coordination with the process of identifying and periodically updating the inventory of financial reporting risks, the ICFR Scope Model is determined, as well as the processes and companies that should be covered due to their relevance and materiality. This identification is based on both quantitative and qualitative criteria.

In determining the companies that form part of the model, those in which control is exercised, directly or indirectly, are taken into account. For these purposes, a company is considered to control an investee when, due to its involvement in it, the Group is exposed, or has the right, to variable returns and has the capacity to influence such returns through the power it exercises over such investee. Therefore, companies in which there is joint control are not included in the model, since the strategic decisions of the activities require the consent of the parties sharing control. However, the model establishes controls aimed at ensuring the homogeneity, validity and reliability of the financial information validated by these companies for their inclusion in the consolidated financial statements.

- **Other types of risks**

In the process of identifying and evaluating financial reporting risks, the Repsol Group considers risks of different types that may affect the achievement of the organization's objectives, both operational and strategic, as well as compliance, and also significantly affect the preparation of the financial statements.

- **Body in charge of supervising the process**

The Board of Directors reserves the competence to approve the risk control and management policy, including financial and non-financial reporting and tax risks, and the supervision of internal information and control systems.

In accordance with the Regulations of the Board of Directors of Repsol, the Audit and Control Committee periodically reviews the effectiveness of internal control systems, internal audit and risk management systems, including tax risks, so that the main risks are identified, managed and adequately disclosed.

The Executive Committee approves the necessary governance elements in the area of risk management, oversees their proper implementation and monitors the Company's risk performance.

The Internal Audit Unit is responsible for evaluating the design and operation of the Group's risk management systems.

Control activities

Procedures for review and authorization of financial information and description of ICFR

The Repsol Group has an internal control over financial reporting system (ICFR) that enables it to comply with the requirements established by the regulations applicable to listed companies.

The ICFR model is defined based on the methodological framework of COSO (2013) (Committee of Sponsoring Organizations of the Treadway Commission) contained in its report Internal Control-Integrated Framework, with the aim of contributing to the faithful recording of transactions in accordance with the corresponding accounting framework, providing reasonable assurance in relation to the prevention or detection of errors that could have a significant impact on the information contained in the consolidated financial statements. This internal control over financial reporting model is articulated through an integrated process consisting of five components, developed through seventeen principles in accordance with the COSO 2013 framework.

1. The existence of an adequate control environment.
2. The identification, analysis and evaluation of risks.
3. The definition and implementation of control activities that mitigate the identified risks.
4. Information and communication, allowing to know and assume the different responsibilities in control matters.
5. The supervision of the operation of the system, in order to evaluate its design, the quality of its performance, its adaptation, implementation and effectiveness.

The ICFR is integrated into the Organization through the establishment of a scheme of roles and responsibilities for the different bodies and functions, included in the procedures duly approved and disseminated within the Group. In addition to what is described above in this Report in relation to the processes of review and authorization of the financial information carried out by the Board of Directors and the Audit and Control Committee, the following is a detail of those governing bodies and organizational units of the Group that have been assigned relevant roles in this matter:

- *Chief Executive Officer and Chief Financial Officer.*

  All the owners of the controls that make up the ICFR, in relation to compliance with the requirements established in the area of internal control, certify that all the controls, associated with processes and risks, of which they are the owners, are in force at the close of the financial year and are operating adequately at that date. This is an annual certification process that concludes with the certification of the Chief Executive Officer (CEO) and Chief Financial Officer (CFO).

- *Internal Transparency Committee.*

  The purpose of the Internal Transparency Committee is to promote and reinforce the policies required to ensure that the information disclosed to shareholders, markets and regulators is truthful and complete, adequately represents the financial situation and the results of operations, and is communicated in compliance with the deadlines and other requirements established in the applicable regulations and general principles of market operation and good governance assumed by the Company, acting as a support body for the Chairman of the Board of Directors and the Chief Executive Officer.

  In accordance with the Regulations of the Internal Transparency Committee, it has been assigned, among others, the following functions:

  - Supervise the establishment and maintenance of the procedures relating to the preparation of the information that the Company must disclose publicly in accordance with the rules applicable to it or that, in general, it discloses to the markets, as well as the controls and procedures aimed at ensuring that (i) such information is recorded, processed, summarized and disclosed accurately and promptly, as well as that (ii) such information is compiled and disclosed to Senior Management, in such a way as to enable it to decide in advance on the information that must be disclosed publicly, proposing such improvements as it may deem appropriate.
  - Review and assess the correctness, reliability, sufficiency and clarity of the information contained in the documents that must be presented to the public, and in particular, of the communications that must be made to the regulatory bodies and agents of the securities markets in which its securities are traded.

  The Internal Transparency Committee is made up of the heads of the units in charge of economic and tax functions, legal services, communication, strategy, audit and control, investor relations, Corporate Governance, reserve control, management planning and control, people and organization, and the different businesses.

- *Business Units and Corporate Areas identified as "control owners":*

  Within the Group, the different Business Units and Corporate Areas identified as "control owners" are responsible for ensuring the validity, execution and proper functioning of the processes and controls associated with them. Among these Units, those that have a particularly relevant role in the development, maintenance and operation of the ICFR are detailed below:

  - The unit that prepares the financial statements and the economic and financial report defines the inventory of ICFR controls and processes required to ensure the reliability of the financial information, without prejudice to those that may be added or amended by the Audit, Control and Risk Division as a result of its process of defining and evaluating the Group's ICFR.
  - The Unit ensures compliance with tax obligations, tax advice, monitoring, evaluation and implementation of regulatory changes, identification, control, monitoring, evaluation and management of tax risks, and the preparation of tax information for the financial statements. Also, in accordance with the Code of Good Tax Practices (to which the Company has adhered since September 23, 2010), with Law 31/2014, on the reform of the Capital Companies Act for the improvement of Corporate Governance and the Tax Policy of the Repsol Group, the Board of Directors, within its non-delegable competences in the tax area, annually verifies the correct application of tax policies by the Company.
  - The unit that monitors, analyzes, reviews and interprets the accounting standards contained in the regulatory framework applicable to the Group.
  - Units that guarantee the efficient use of financial resources, the optimization of financial results and an adequate monitoring and control of financial, market and credit risks, in order to ensure the continuity and development of business plans.
  - The Unit that establishes the guidelines for defining the Group's organizational structure and size, as well as the guidelines and criteria governing the development of the internal regulatory framework and defines the Annual Training Plan.
  - The unit ensures that the Group's hydrocarbon reserve estimates comply with the regulations issued by the various stock markets where the Company is listed, performs internal reserve audits, coordinates the certifications of external reserve auditors and evaluates the quality controls related to reserve information.
  - The Units responsible for the legal and tax function in the Group, which provide legal advice and legal management and defense in all kinds of processes or contentious matters, providing legal support to the Group's actions, rights and expectations, in order to provide them with efficiency and legal certainty, and to minimize possible legal risks.
  - The Units that define the guidelines, criteria and indicators for management control, monitor business activity and approved investments and control compliance with the commitments assumed, proposing corrective measures if necessary.

- *Processes, activities and controls*

  The documentation comprising the ICFR is basically made up of the following elements:

  - Financial reporting risk map.
  - Scope model.
  - Documentation of the processes achieved by the ICFR.
  - Inventory of controls identified in the different processes.
  - Result of the evaluation of the design and operation of the controls.
  - Certifications of the validity and effectiveness of controls, issued for each financial year.

  The ICFR model is supported by a set of standards and procedures and is described in the Internal Control over Financial and Non-Financial Reporting Manual.

  The internal control system over financial reporting is articulated through a process in which, based on the identification and evaluation of financial reporting risks, a scope model is defined that includes the relevant headings of the financial statements, the companies covered, the set of relevant processes for the preparation, review and subsequent disclosure of financial information, and the control activities aimed at preventing and detecting errors, including fraud, that may arise therefrom.

  The process of updating the scope of consolidation is used as a starting point to define the companies covered. The ICFR includes operational controls for the companies in which control is exercised, directly or indirectly. Additionally, for the rest of the relevant non-controlled companies included in the consolidation perimeter, controls are established to ensure the homogeneity, validity and reliability of the financial information provided by these companies for their inclusion in the consolidated financial statements.

  For each of the relevant processes and companies included in the scope of consolidation, their significant financial reporting risks and the control activities that mitigate such risks are identified.

The ICFR includes the following types of controls:

- Manual: those whose execution is based on actions carried out by people, who may use computer tools or applications.
- Automatic: those whose execution relies on the operation of computer tools or applications.
- Semi-automatic: those that have automatic input in the source systems of the areas/businesses and also have a sufficiently relevant/material manual component. Proactive execution may be necessary, but requires to run automatic checks autonomously.
- General computer controls: those that reasonably ensure the reliability, integrity, availability and confidentiality of the information contained in the applications considered relevant for financial reporting.

In turn, the controls can be characterized as:

- Preventive: aimed at preventing the existence of errors or situations of fraud that could give rise to an error in the Repsol Group's financial information.
- Detective: the purpose of which is to detect errors or situations of fraud that have already occurred and that may give rise to an error in the Repsol Group's financial information.

- *Relevant judgments, estimates, valuations and forecasts*

  The process of preparing financial information sometimes requires the application of judgments and estimates that may affect the amount of recorded assets and liabilities, the disclosure of contingent assets and liabilities, as well as recognized income and expenses. These estimates may be affected, among other causes, by changes in competitive, economic, political, legal, regulatory, social, industrial, business and financial conditions.

  In this regard, the Group identifies responsible areas and establishes uniform criteria for judgments, estimates and valuations in the processes considered relevant for the preparation of financial information. Specifically, and in accordance with Note 3.5 "Accounting estimates and judgments" of the Repsol Group's Consolidated Financial Statements for the 2022 financial year, these relate to the determination of crude oil and natural gas reserves, the evaluation of investments in Venezuela, provisions for litigation, dismantling and other contingencies such as those caused by environmental damage, income tax, tax credits and contingencies and deferred tax assets, the recoverable amount of assets and the expected loss on financial instruments. The results of these estimates are reported to the Group's management and administrative bodies.

  The aforementioned bodies are regularly informed of any matter that may affect the Group's business performance and that could have a relevant effect on the Group's financial statements. Likewise, the main environmental variables that have or may have an impact, directly or through estimates and valuations, on the quantification of the Group's assets, liabilities, income or expenses are periodically monitored.

Internal control policies, standards and procedures over financial information systems that support the processes relevant to the preparation and publication of financial information.

The Repsol Group has a specific regulatory body in its Information Systems area, based on the international standard ISO 27001, which establishes the general principles of action for the different processes in this area.

Considering that the Group's transaction flows are mainly carried out through information systems, an Information Systems Control Framework has been established, consisting of a set of controls known as "general computer controls" that reasonably guarantee the reliability, integrity, availability and confidentiality of the information contained and processed in the applications relevant to financial reporting.

The systems linked to the financial reporting process comply with the security standards established in the regulatory body and are audited to verify the proper functioning of the Information Systems Control Framework through the validation of the general computer controls that comprise it.

These general computer controls, grouped in the following areas: access security, system development life cycle, data availability assurance process and operations assurance, guarantee the achievement of various control objectives and are part of the ICFR, with the following characteristics:

- They contribute to ensure the precision, accuracy and validity of the transactions executed in the applications, since they are integrated in their logic, with the objective of preventing and/or detecting unauthorized transactions.
- They are applied to interfaces with other systems in order to check that the information inputs are complete and accurate, and the outputs are correct.

The scope of general computer controls covers the applications relevant to financial reporting and the infrastructure elements that service those applications (e.g. technical platforms, servers, databases, data processing centers, etc.).

The Repsol Group has developed a model of segregation of functions in the systems in order to prevent and reduce the risk of errors (intentional or not), and especially the fraud factor in the process of reporting financial information. Incompatibility matrices have been defined and implemented in the applications that support the relevant processes reached by the ICFR, allowing continuous monitoring of conflicts and detecting the cases in which the functions are not executed according to the defined profiles. Once the conflicts have been identified, remediation plans are defined for them, aimed in some cases at adapting the security profiles and roles that cause these conflicts and in other cases at identifying and implementing mitigating controls that guarantee adequate coverage of the risks associated with these conflicts.

Internal control policies and procedures designed to supervise the management of activities outsourced to third parties, as well as those aspects of evaluation, calculation or valuation entrusted to independent experts, which may materially affect the financial statements.

The Repsol Group has a procedure for the identification, establishment of control criteria and supervision of the activities subcontracted to third parties in the different business processes. In accordance with this procedure, the impact and nature of the activities carried out by these suppliers is analyzed, concluding whether the activities carried out materially affect the financial statements in the following aspects:

- Significant transactions for the Group's financial statements.
- Manual or automatic procedures for initiating, recording, processing or reporting significant transactions from inception to inclusion in the financial statements.
- Manual or automatic accounting records that support the collection, recording, processing and reporting of transactions, information or specific accounts of the Group's financial statements.
- Relevant information systems in the collection of significant events and conditions for recording the results of operations and the preparation of financial statements.
- Financial reporting process used to prepare financial statements, including significant accounting estimates and disclosures.

Once the outsourced activities that may materially affect the financial statements have been identified, the appropriate internal control of the services provided is supervised. In this regard, in accordance with the methodology established in the COSO 2013 framework and the ISA 402 (International Standard on Auditing), the Repsol Group decides, depending on the characteristics of the subcontracted supplier or third party, to carry out a supervision under one of the following approaches:

- Request an independent audit report from the outsourced third party in order to obtain relevant information regarding your internal control. Examples of reports include SOC (Service Organization Control) reports under AICPA (American Institute of Certified Public Accountants) SSAE 16 or ISAE 3402 (International Standard on Assurance Engagements 3402).
- Understanding by the service user of the nature of the service and the identification of mitigating controls within the Repsol Group's financial reporting process.
- Conduct independent evaluations of the supplier's internal control system.

Information and communication

Units responsible for accounting policies

The Group has a Unit responsible for monitoring, analyzing and reviewing the accounting regulations contained in the regulatory framework applied in the preparation of the consolidated financial statements, analyzing and resolving queries on the interpretation and proper application thereof. New developments in accounting standards and techniques, as well as the results of the different analyses performed, are formally communicated periodically to the organizational units involved in the preparation of the financial information.

There are also accounting criteria manuals which establish the accounting rules, policies and criteria adopted by the Group. These manuals are reviewed and updated periodically and whenever there is a relevant change in the regulatory framework. The manuals are available on the intranet.

In the financial year 2022, the Group's accounting criteria manuals have been updated mainly as a result of the changes in the International Financial Reporting Standards adopted by the European Union, which are mandatory as from January 1, 2022.

Mechanisms for the collection and preparation of financial

The Group has integrated information systems, both for the accounting recording of transactions and for the preparation of individual and consolidated financial statements. It also has centralized codification and parameterization processes which, together with the accounting criteria manuals, ensure the integrity and homogeneity of the information. Finally, there are also tools for the processing of information related to the collection and preparation of the breakdowns of information contained in the notes to the financial statements. The systems linked to the process of preparing and reporting financial information comply with the security standards established by the general computer controls defined for the information systems (see section 8.2 in relation to internal control policies and procedures on information systems in this Report).

Supervision of system performance

Role of the Audit Committee, internal audit function, scope of ICFR assessment and action plans

In accordance with the provisions of the Regulations of the Board of Directors, the Audit and Control Committee is responsible for supervising the preparation and presentation process, as well as the integrity of the financial and non-financial information relating to the Company and the Group, reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria. It is also responsible for periodically reviewing the effectiveness of internal control systems, internal audit and risk management systems, including tax risks, so that the main risks are properly identified, managed and disclosed.

The Audit and Control Committee analyzes and approves, if necessary, the annual internal audit planning, as well as other occasional or specific additional plans that may have to be carried out as a result of regulatory changes or the needs of the Group's business organization.

The annual internal audit planning is aimed at evaluating and supervising the correct functioning and adequacy of the Group's internal control and risk management systems (operational, strategic, financial and compliance).

The Audit, Control and Risk Management Department reports to the Audit and Control Committee and performs its function in accordance with international standards aligned with the best market practices, as well as the requirements of the different regulatory frameworks applicable in the countries where the Repsol Group carries out business and activities. In order to ensure quality in the financial year, it has a "Quality Assurance and Improvement Plan", which is evaluated periodically, and the results of which are reported to the Audit and Control Committee.

The Audit, Control and Risk Management is in charge of assessing the reasonableness and adequacy of the design and operation of the Internal Control and Risk Management Systems in the Group, contributing to their improvement and covering the following control objectives:

- That the risks that may affect the Organization are adequately identified, measured, prioritized and controlled in accordance with the Risk Management Policy signed by the Board of Directors.
- That the operations are carried out with criteria of effectiveness and efficiency.
- That operations are carried out in accordance with applicable laws, regulations and contracts, as well as with the policies, standards or procedures in force.
- That the assets are adequately protected and reasonably controlled.
- That the most significant financial, management and operating information is adequately prepared and reported.

The Audit, Control and Risk Department reports to the Audit and Control Committee on the conclusions of the work performed, as well as the proposed corrective measures and the degree of compliance with them, this Department being a support to know the irregularities, anomalies and non-compliances, whenever relevant, of the audited units, informing the Board of Directors of the cases that may represent a relevant risk for the Group.

In this regard, and with respect to the Internal Control over Financial Reporting System (ICFR), the Audit, Control and Risk Department supports the ICFR supervision work carried out by the Board of Directors, the Audit and Control Committee and the Internal Transparency Committee, and informs the owners of the controls of any weakness or incident detected in the process of updating and evaluating the ICFR.

At the end of the financial year, the Audit, Control and Risk Department informs the Internal Transparency Committee, the Audit and Control Committee and the Board of Directors of the results of the ICFR evaluation and, where appropriate, of any weaknesses detected in the course of the evaluation.

The Audit, Control and Risk Department has carried out its evaluation on the effectiveness of the ICFR for the financial year 2022, without having detected any significant or material weaknesses, concluding that it is effective, in accordance with the criteria established by COSO 2013.

Procedure for discussion with senior management, the Audit Committee and the entity's directors regarding significant internal control weaknesses identified during the review process and action plans.

The Audit, Control and Risk Management, as stated in the previous point of this Report, informs the Audit and Control Committee of the conclusions of the work performed, as well as the corrective measures proposed and the degree of compliance with them.

The Audit and Control Committee's duties include establishing the appropriate relations with the External Auditor in order to receive regular information on the audit plan and the results of its execution, as well as on any other matters related to the auditing process and its corresponding regulations. It also verifies that the management team takes into account the recommendations of the External Auditor.

In addition, the Audit and Control Committee periodically requires the External Auditor, at least once a year, to evaluate the quality of the internal control procedures and systems and discusses with him any significant weaknesses detected during the audit and requests an opinion on the effectiveness of the ICFR. In this sense, the external auditor has carried out its reasonable assurance review on the design and effectiveness of the ICFR for the financial year 2022 as well as the description included in this Report.

External auditor's report

The Group has had the design and effectiveness of the Internal Control over Financial Reporting System (ICFR) reviewed by the External Auditor (PricewaterhouseCoopers Auditores, S.L.) in relation to the financial information contained in the consolidated financial statements of the Repsol Group as of December 31, 2022, as well as the description thereof included in this Report.

Annex I: Analysis of compliance with the recommendations of the Good Governance Code of Listed Companies

1. That the articles of incorporation of listed companies should not limit the maximum number of votes that may be cast by one shareholder or contain other restrictions that hinder the takeover of control of the company through the acquisition of its shares on the market.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

2. That when the listed company is controlled by another entity in the meaning of Article 42 of the Commercial Code, whether listed or not, and has, directly or through its subsidiaries, business relations with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them it should make accurate public disclosures on:

a) The respective areas of activity and possible business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries.

b) The mechanisms in place to resolve any conflicts of interest that may arise.

Complies	Complies partially	Explain	Not applicable	Explanation
			X	

3. That, during the ordinary General Shareholders' Meeting, as a complement to the distribution of the written annual corporate governance report, the chairman of the Board of Directors should inform shareholders orally, in sufficient detail, of the most significant aspects of the company's corporate governance, and in particular:

a) Changes that have occurred since the last General Shareholders' Meeting.

b) Specific reasons why the company has not followed one or more of the recommendations of the Code of Corporate Governance and the alternative rules applied, if any.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

4. That the company should define and promote a policy on communication and contact with shareholders and institutional investors, within the framework of their involvement in the company, and with proxy advisors that complies in all aspects with rules against market abuse and gives equal treatment to similarly situated shareholders. And that the company should publish this policy on its website, including information on how it has been put into practice and identifying the contact persons or those responsible for implementing it.

And that, without prejudice to the legal obligations regarding dissemination of inside information and other types of regulated information, the company should also have a general policy regarding the communication of economic-financial, non-financial and corporate information through such channels as it may consider appropriate (communication media, social networks or other channels) that helps to maximise the dissemination and quality of information available to the market, investors and other stakeholders.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

5. That the Board of Directors should not submit to the General Shareholders' Meeting any proposal for delegation of powers allowing the issue of shares or convertible securities with the exclusion of preemptive rights in an amount exceeding 20% of the capital at the time of delegation.

And that whenever the Board of Directors approves any issue of shares or convertible securities with the exclusion of preemptive rights, the company should immediately publish the reports referred to by company law on its website.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

6. That listed companies that prepare the reports listed below, whether under a legal obligation or voluntarily, should publish them on their website with sufficient time before the General Shareholders' Meeting, even if their publication is not mandatory:

a) Report on the auditor's independence.

b) Reports on the workings of the audit and nomination and remuneration committees.

c) Report by the audit committee on related party transactions.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

7. That the company should transmit in real time, through its website, the proceedings of the General Shareholders' Meetings.

And that the company should have mechanisms in place allowing the delegation and casting of votes by means of data transmission and even, in the case of large-caps and to the extent that it is proportionate, attendance and active participation in the General Meeting to be conducted by such remote means.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

8. The audit committee should ensure that the annual accounts submitted by the board of directors to the general meeting of shareholders are drawn up in accordance with accounting regulations. In those cases in which the auditor has included a qualification in its audit report, the chairman of the audit committee should clearly explain the audit committee's opinion on its content and scope at the general meeting, making a summary of said opinion available to the shareholders at the time of publication of the notice of the meeting, together with the rest of the proposals and reports of the board.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

9. That the company should permanently publish on its website the requirements and procedures for certification of share ownership, the right of attendance at the General Shareholders' Meetings, and the exercise of the right to vote or to issue a proxy.

And that such requirements and procedures promote attendance and the exercise of shareholder rights in a non-discriminatory fashion.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

10. That when a duly authenticated shareholder has exercised his or her right to complete the agenda or to make new proposals for resolutions in advance of the General Shareholders' Meeting, the company:

a) Should immediately distribute such complementary points and new proposals for resolutions.

b) Should publish the attendance, proxy and remote voting card specimen with the necessary changes such that the new agenda items and alternative proposals can be voted on in the same terms as those proposed by the Board of Directors.

c) Should submits all these points or alternative proposals to a vote and apply the same voting rules to them as to those formulated by the Board of Directors including, in particular, assumptions or default positions regarding votes for or against.

d) That after the General Shareholders' Meeting, a breakdown of the voting on said additions or alternative proposals be communicated.

Complies	Complies partially	Explain	Not applicable	Explanation
			X	

11. That if the company intends to pay premiums for attending the General Shareholders' Meeting, it should establish in advance a general policy on such premiums and this policy should be stable.

Complies	Complies partially	Explain	Not applicable	Explanation
			X	

12. That the Board of Directors should perform its functions with a unity of purpose and independence of criterion, treating all similarly situated shareholders equally and being guided by the best interests of the company, which is understood to mean the pursuit of a profitable and sustainable business in the long term, promoting its continuity and maximising the economic value of the business.

And that in pursuit of the company's interest, in addition to complying with applicable law and rules and conducting itself on the basis of good faith, ethics and a respect for commonly accepted best practices, it should seek to reconcile its own company interests, when appropriate, with the interests of its employees, suppliers, clients and other stakeholders that may be affected, as well as the impact of its corporate activities on the communities in which it operates and on the environment.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

13. That the Board of Directors should be of an appropriate size to perform its duties effectively and in a collegial manner, which makes it advisable for it to have between five and fifteen members.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

14. That the Board of Directors should approve a policy aimed at favouring an appropriate composition of the Board and that:

a) Is concrete and verifiable;

b) Ensures that proposals for appointment or re-election are based upon a prior analysis of the skills required by the Board of Directors; and

c) Favours diversity of knowledge, experience, age and gender. For these purposes, it is considered that the measures that encourage the company to have a significant number of female senior executives favour gender diversity.

That the result of the prior analysis of the skills required by the Board of Directors be contained in the supporting report from the nomination committee published upon calling the General Shareholders' Meeting to which the ratification, appointment or re-election of each director is submitted.

The nomination committee will annually verify compliance with this policy and explain its findings in the annual corporate governance report.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

15. That proprietary and independent directors should constitute a substantial majority of the Board of Directors and that the number of executive directors be kept to a minimum, taking into account the complexity of the corporate group and the percentage of equity participation of executive directors..

And that the number of female directors should represent at least 40% of the members of the Board of Directors before the end of 2022 and thereafter, and no less 30% prior to that date.

Complies	Complies partially	Explain	Not applicable	Explanation
	X			

In 2020, the Company committed to increase the number of female Directors to reach at least 40% of the total number of members of the Board of Directors. In this regard, for some months now, the Nomination Committee is carrying out, with the support of a specialized external consultant, a process of active search and analysis of potential female candidates in order to propose, at the next General Shareholders' Meeting in 2023, the nomination of a woman as Director and thus achieve the aforementioned objective and favor, in addition to gender diversity, the maximization of talent within the Board of Directors.

16. That the number of proprietary directors as a percentage of the total number of non-executive directors not be greater than the proportion of the company's share capital represented by those directors and the rest of the capital.

This criterion may be relaxed:

a) In large-cap companies where very few shareholdings are legally considered significant.

b) In the case of companies where a plurality of shareholders is represented on the Board of Directors without ties among them.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

17. That the number of independent directors should represent at least half of the total number of directors.

That, however, when the company does not have a high level of market capitalisation or in the event that it is a large-cap company with one shareholder or a group of shareholders acting in concert who together control more than 30% of the company’s share capital, the number of independent directors should represent at least one third of the total number of directors.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

18. That companies should publish the following information on its directors on their website, and keep it up to date:

a) Professional profile and biography.

b) Any other Boards to which the directors belong, regardless of whether or not the companies are listed, as well as any other remunerated activities engaged in, regardless of type.

c) Category of directorship, indicating, in the case of individuals who represent significant shareholders, the shareholder that they represent or to which they are connected.

d) Date of their first appointment as a director of the company’s Board of Directors, and any subsequent re-elections.

e) Company shares and share options that they own.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

19. That the annual corporate governance report, after verification by the nomination committee, should explain the reasons for the appointment of any proprietary directors at the proposal of shareholders whose holding is less than 3%. It should also explain, if applicable, why formal requests from shareholders for presence on the Board were not honoured, when their shareholding was equal to or exceeded that of other shareholders whose proposal for proprietary directors was honoured.

Complies	Complies partially	Explain	Not applicable	Explanation
			X	

20. That proprietary directors representing significant shareholders should resign from the Board when the shareholder they represent disposes of its entire shareholding. They should also resign, in a proportional fashion, in the event that said shareholder reduces its percentage interest to a level that requires a decrease in the number of proprietary directors.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

21. That the Board of Directors should not propose the dismissal of any independent director before the completion of the director's term provided for in the articles of incorporation unless the Board of Directors finds just cause and a prior report has been prepared by the nomination committee. Specifically, just cause is considered to exist if the director takes on new duties or commits to new obligations that would interfere with his or her ability to dedicate the time necessary for attention to the duties inherent to his or her post as a director, fails to complete the tasks inherent to his or her post, or is affected by any of the circumstances which would cause the loss of independent status in accordance with applicable law.

The dismissal of independent directors may also be proposed as a result of a public takeover bid, merger or other similar corporate transaction entailing a change in the shareholder structure of the company, provided that such changes in the structure of the Board are the result of application of the proportionate representation criterion provided in Recommendation 16.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

22. That companies should establish rules requiring that directors inform the Board of Directors and, where appropriate, resign from their posts, when circumstances arise which affect them, whether or not related to their actions in the company itself, and which may harm the company's standing and reputation, and in particular requiring them to inform the Board of any criminal proceedings in which they appear as suspects or defendants, as well as of how the legal proceedings subsequently unfold.

And that, if the Board is informed or becomes aware in any other manner of any of the circumstances mentioned above, it must investigate the case as quickly as possible and, depending on the specific circumstances, decide, based on a report from the nomination and remuneration committee, whether or not any measure must be adopted, such as the opening of an internal investigation, asking the director to resign or proposing that he or she be dismissed. And that these events must be reported in the annual corporate governance report, unless there are any special reasons not to do so, which must also be noted in the minutes. This without prejudice to the information that the company must disseminate, if appropriate, at the time when the corresponding measures are implemented

Complies	Complies partially	Explain	Not applicable	Explanation
X				

23. That all directors clearly express their opposition when they consider any proposal submitted to the Board of Directors to be against the company's interests. This particularly applies to independent directors and directors who are unaffected by a potential conflict of interest if the decision could be detrimental to any shareholders not represented on the Board of Directors.
Furthermore, when the Board of Directors makes significant or repeated decisions about which the director has serious reservations, the director should draw the appropriate conclusions and, in the event the director decides to resign, explain the reasons for this decision in the letter referred to in the next recommendation.

This recommendation also applies to the secretary of the Board of Directors, even if he or she is not a director.

Complies	Complies partially	Explain	Not applicable	Explanation
			X	

24. That whenever, due to resignation or resolution of the General Shareholders' Meeting, a director leaves before the completion of his or her term of office, the director should explain the reasons for this decision, or in the case of non-executive directors, their opinion of the reasons for cessation, in a letter addressed to all members of the Board of Directors.

And that, without prejudice to all this being reported in the annual corporate governance report, insofar as it is relevant to investors, the company must publish the cessation as quickly as possible, adequately referring to the reasons or circumstances adduced by the director.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

25. That the nomination committee should make sure that non-executive directors have sufficient time available in order to properly perform their duties.

And that the Board regulations establish the maximum number of company Boards on which directors may sit.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

26. That the Board of Directors meet frequently enough to be able to effectively perform its duties, and at least eight times per year, following a schedule of dates and agendas established at the beginning of the year and allowing each director individually to propose other items that do not originally appear on the agenda.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

27. That director absences occur only when absolutely necessary and be quantified in the annual corporate governance report. And when absences do occur, that the director appoint a proxy with instructions.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

28. That when directors or the secretary express concern regarding a proposal or, in the case of directors, regarding the direction in which the company is headed and said concerns are not resolved by the Board of Directors, such concerns should be included in the minutes at the request of the director expressing them.

Complies	Complies partially	Explain	Not applicable	Explanation
			X	

29. That the company should establishes adequate means for directors to obtain appropriate advice in order to properly fulfil their duties including, should circumstances warrant, external advice at the company's expense.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

30. That, without regard to the knowledge necessary for directors to complete their duties, companies make refresher courses available to them when circumstances make this advisable.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

31. That the agenda for meetings should clearly indicate those matters on which the Board of Directors is to make a decision or adopt a resolution so that the directors may study or gather all relevant information ahead of time.

When, in exceptional circumstances, the chairman wishes to bring urgent matters for decision or resolution before the Board of Directors which do not appear on the agenda, prior express agreement of a majority of the directors shall be necessary, and said consent shall be duly recorded in the minutes.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

32. That directors be periodically informed of changes in shareholding and of the opinions of significant shareholders, investors and rating agencies of the company and its group.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

33. That the chairman, as the person responsible for the efficient workings of the Board of Directors, in addition to carrying out the duties assigned by law and the articles of incorporation, should prepare and submit to the Board of Directors a schedule of dates and matters to be considered; organise and coordinate the periodic evaluation of the Board as well as, if applicable, the chief executive of the company, should be responsible for leading the Board and the effectiveness of its work; ensuring that sufficient time is devoted to considering strategic issues, and approve and supervise refresher courses for each director when circumstances make this advisable.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

34. That when there is a coordinating director, the articles of incorporation or Board regulations should confer upon him or her the following powers in addition to those conferred by law: to chair the Board of Directors in the absence of the chairman and deputy chairmen, should there be any; to reflect the concerns of non-executive directors; to liaise with investors and shareholders in order to understand their points of view and respond to their concerns, in particular as those concerns relate to corporate governance of the company; and to coordinate a succession plan for the chairman.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

35. That the secretary of the Board of Directors should pay special attention to ensure that the activities and decisions of the Board of Directors take into account such recommendations regarding good governance contained in this Good Governance Code as may be applicable to the company.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

36. That the Board of Directors meet in plenary session once a year and adopt, where appropriate, an action plan to correct any deficiencies detected in the following:

a) The quality and efficiency of the Board of Directors' work.

b) The workings and composition of its committees.

c) Diversity in the composition and skills of the Board of Directors.

d) Performance of the chairman of the Board of Directors and of the chief executive officer of the company.

e) Performance and input of each director, paying special attention to those in charge of the various Board committees.

In order to perform its evaluation of the various committees, the Board of Directors will take a report from the committees themselves as a starting point and for the evaluation of the Board, a report from the nomination committee.

Every three years, the Board of Directors will rely for its evaluation upon the assistance of an external advisor, whose independence shall be verified by the nomination committee.

Business relationships between the external adviser or any member of the adviser's group and the company or any company within its group must be specified in the annual corporate governance report.

The process and the areas evaluated must be described in the annual corporate governance report.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

37. That if there is an executive committee, it must contain at least two non-executive directors, at least one of whom must be independent, and its secretary must be the secretary of the Board.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

38. That the Board of Directors must always be aware of the matters discussed and decisions taken by the executive committee and that all members of the Board of Directors receive a copy of the minutes of meetings of the executive committee.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

39. That the members of the audit committee, in particular its chairman, be appointed in consideration of their knowledge and experience in accountancy, audit and risk management issues, both financial and non-financial

That the members of the audit committee, in particular its chairman, be appointed in consideration of their knowledge and experience in accountancy, audit and risk management issues, both financial and non-financial.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

40. That under the supervision of the audit committee, there should be a unit in charge of the internal audit function, which ensures that information and internal control systems operate correctly, and which reports to the non-executive chairman of the Board or of the audit committee.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

41. That the person in charge of the unit performing the internal audit function should present an annual work plan to the audit committee, for approval by that committee or by the Board, reporting directly on its execution, including any incidents or limitations of scope, the results and monitoring of its recommendations, and present an activity report at the end of each year.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

42. That in addition to the provisions of applicable law, the audit committee should be responsible for the following:

1. With regard to information systems and internal control:

    a) Supervising and evaluating the process of preparation and the completeness of the financial and non-financial information, as well as the control and management systems for financial and non-financial risk relating to the company and, if applicable, the group - including operational , technological, legal, social, environmental, political and reputational risk, or risk related to corruption - reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria.

    b) Ensuring the independence of the unit charged with the internal audit function; proposing the selection, appointment and dismissal of the head of internal audit; proposing the budget for this service; approving or proposing its orientation and annual work plans for approval by the Board, making sure that its activity is focused primarily on material risks (including reputational risk); receiving periodic information on its activities; and verifying that senior management takes into account the conclusions and recommendations of its reports.

c) Establishing and supervising a mechanism that allows employees and other persons related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report any potentially serious irregularities, especially those of a financial or accounting nature, that they observe in the company or its group. This mechanism must guarantee confidentiality and in any case provide for cases in which the communications can be made anonymously, respecting the rights of the whistleblower and the person reported.

d) Generally ensuring that internal control policies and systems are effectively applied in practice.

2. With regard to the external auditor:

a) In the event that the external auditor resigns, examining the circumstances leading to such resignation.

b) Ensuring that the remuneration paid to the external auditor for its work does not compromise the quality of the work or the auditor's independence.

c) Making sure that the company informs the CNMV of the change of auditor, along with a statement on any differences that arose with the outgoing auditor and, if applicable, the contents thereof.

d) Ensuring that the external auditor holds an annual meeting with the Board of Directors in plenary session in order to make a report regarding the tasks performed and the development of the company's accounting situation and risks.

e) Ensuring that the company and the external auditor comply with applicable rules regarding the provision of services other than auditing, limits on the concentration of the auditor's business, and, in general, all other rules regarding auditors' independence.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

43. That the audit committee be able to require the presence of any employee or manager of the company, even stipulating that he or she appear without the presence of any other member of management.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

44. That the audit committee be kept abreast of any corporate and structural changes planned by the company in order to perform an analysis and draw up a prior report to the Board of Directors on the economic conditions and accounting implications and, in particular, any exchange ratio involved.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

45. That the risk management and control policy identify or determine, as a minimum:

a) The various types of financial and non-financial risks (including operational, technological, legal, social, environmental, political and reputational risks and risks relating to corruption) which the company faces, including among the financial or economic risks contingent liabilities and other off-balance sheet risks.

b) A risk control and management model based on different levels, which will include a specialised risk committee when sector regulations so require or the company considers it to be appropriate.

c) The level of risk that the company considers to be acceptable.

d) Measures in place to mitigate the impact of the risks identified in the event that they should materialise.

e) Internal control and information systems to be used in order to control and manage he aforementioned risks, including contingent liabilities or off-balance sheet risks.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

46. That under the direct supervision of the audit committee or, if applicable, of a specialised committee of the Board of Directors, an internal risk control and management function should exist, performed by an internal unit or department of the company which is expressly charged with the following responsibilities:

a) Ensuring the proper functioning of risk management and control systems and, in particular, that they adequately identify, manage and quantify all material risks affecting the company.

b) Actively participating in drawing up the risk strategy and in important decisions regarding risk management.

c) Ensuring that the risk management and control systems adequately mitigate risks as defined by the policy laid down by the Board of Directors.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

47. That in designating the members of the nomination and remuneration committee – or of the nomination committee and the remuneration committee if they are separate – care be taken to ensure that they have the knowledge, aptitudes and experience appropriate to the functions that they are called upon to perform and that the majority of said members are independent directors.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

48. That large-cap companies have separate nomination and remuneration committees.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

49. That the nomination committee consult with the chairman of the Board of Directors and the chief executive of the company, especially in relation to matters concerning executive directors.

And that any director be able to ask the nomination committee to consider potential candidates that he or she considers suitable to fill a vacancy on the Board of Directors.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

50. That the remuneration committee exercise its functions independently and that, in addition to the functions assigned to it by law, it should be responsible for the following:

a) Proposing the basic conditions of employment for senior management to the Board of Directors.

b) Verifying compliance with the company's remuneration policy.

c) Periodically reviewing the remuneration policy applied to directors and senior managers, including share-based remuneration systems and their application, as well as ensuring that their individual remuneration is proportional to that received by the company's other directors and senior managers.

d) Making sure that potential conflicts of interest do not undermine the independence of external advice given to the committee.

e) Verifying the information on remuneration of directors and senior managers contained in the various corporate documents, including the annual report on director remuneration.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

51. That the remuneration committee should consult with the chairman and the chief executive of the company, especially on matters relating to executive directors and senior management.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

52. That the rules regarding the composition and workings of the supervision and control committees should appear in the regulations of the Board of Directors and that they should be consistent with those applying to legally mandatory committees in accordance with the foregoing recommendations, including:

a) That they be composed exclusively of non-executive directors, with a majority of independent directors.

b) That their chairpersons be independent directors.

c) That the Board of Directors select members of these committees taking into account their knowledge, skills and experience and the duties of each committee; discuss their proposals and reports; and require them to render account of their activities and of the work performed in the first plenary session of the Board of Directors held after each committee meeting.

d) That the committees be allowed to avail themselves of outside advice when they consider it necessary to perform their duties.

e) That their meetings be recorded and the minutes be made available to all directors.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

53. That verification of compliance with the company's policies and rules on environmental, social and corporate governance matters, and with the internal codes of conduct be assigned to one or divided among more than one committee of the Board of Directors, which may be the audit committee, the nomination committee, a specialised committee on sustainability or corporate social responsibility or such other specialised committee as the Board of Directors, in the exercise of its powers of self-organisation, may have decided to create. And that such committee be composed exclusively of non-executive directors, with a majority of these being independent directors, and that the minimum functions indicated in the next recommendation be specifically assigned to it.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

54. The minimum functions referred to in the foregoing recommendation are the following:

a) Monitoring of compliance with the company’s internal codes of conduct and corporate governance rules, also ensuring that the corporate culture is aligned with its purpose and values.

b) Monitoring the application of the general policy on communication of economic and financial information, non-financial and corporate information and communication with shareholders and investors, proxy advisors and other stakeholders. The manner in which the entity communicates and handles relations with small and medium-sized shareholders must also be monitored.

c) The periodic evaluation and review of the company’s corporate governance system, and environmental and social policy, with a view to ensuring that they fulfil their purposes of promoting the interests of society and take account, as appropriate, of the legitimate interests of other stakeholders.

d) Supervision of the company's environmental and social practices to ensure they are in alignment with the established strategy and policy.

e) Supervision and evaluation of the way in which relations with the various stakeholders are handled.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

55. That environmental and social sustainability policies identify and include at least the following:

a) The principles, commitments, objectives and strategy relating to shareholders, employees, clients, suppliers, social issues, the environment, diversity, tax responsibility, respect for human rights, and the prevention of corruption and other unlawful conduct

b) Means or systems for monitoring compliance with these policies, their associated risks, and management.

c) Mechanisms for supervising non-financial risk, including that relating to ethical aspects and aspects of business conduct.

d) Channels of communication, participation and dialogue with stakeholders.

e) Responsible communication practices that impede the manipulation of data and protect integrity and honour.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

56.That director remuneration be sufficient in order to attract and retain directors who meet the desired professional profile and to adequately compensate them for the dedication, qualifications and responsibility demanded of their posts, while not being so excessive as to compromise the independent judgement of non-executive directors.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

57. That only executive directors should receive variable remuneration linked to corporate results and personal performance, as well as remuneration in the form of shares, options or rights to shares or instruments referenced to the share price and long-term savings plans such as pension plans, retirement schemes or other provident schemes.

Consideration may be given to delivering shares to non-executive directors as remuneration providing this is conditional upon their holding them until they cease to be directors. The foregoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

58. That as regards variable remuneration, remuneration policies should incorporate the necessary limits and technical safeguards to ensure that such remuneration is in line with the professional performance of its beneficiaries and not based solely on general developments in the markets or in the sector in which the company operates, or other similar circumstances.

And, in particular, that variable remuneration components:

a) Are linked to pre-determined and measurable performance criteria and that such criteria take into account the risk incurred to achieve a given result.

b) Promote the sustainability of the company and include non-financial criteria that are geared towards creating long term value, such as compliance with the company's rules and internal operating procedures and with its risk management and control policies.

c) Are based on balancing the attainment of short-, medium- and long-term objectives, so as to allow remuneration of continuous performance over a period long enough to be able to assess its contribution to the sustainable creation of value, such that the elements used to measure performance are not associated only with one-off, occasional or extraordinary events.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

59. That the payment of variable remuneration components be subject to sufficient verification that previously established performance or other conditions have effectively been met. Entities must include in their annual report on director remuneration the criteria for the time required and methods used for this verification depending on the nature and characteristics of each variable component.

That, additionally, companies consider the inclusion of a reduction ('malus') clause for the deferral of the payment of a portion of variable remuneration components that would imply their total or partial loss if an event were to occur prior to the payment date that would make this advisable.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

60.That remuneration related to company results should take into account any reservations that might appear in the external auditor's report and that would diminish said results.

Complies	Complies partially	Explain	Not applicable	Explanation
			X	

61. That a material portion of executive directors' variable remuneration be linked to the delivery of shares or financial instruments referenced to the share price.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

62. That once shares or options or financial instruments have been allocated under remuneration schemes, executive directors be prohibited from transferring ownership or exercising options or rights until a term of at least three years has elapsed.

An exception is made in cases where the director has, at the time of the transfer or exercise of options or rights, a net economic exposure to changes in the share price for a market value equivalent to at least twice the amount of his or her fixed annual remuneration through the ownership of shares, options or other financial instruments.

The forgoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition or, following a favourable assessment by the nomination and remuneration committee, to deal with such extraordinary situations as may arise and so require.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

63. That contractual arrangements should include a clause allowing the company to demand reimbursement of the variable remuneration components in the event that payment was not in accordance with the performance conditions or when payment was made based on data subsequently shown to have been inaccurate.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

64. That payments for contract termination should not exceed an amount equivalent to two years of total annual remuneration and should not be paid until the company has been able to verify that the director has fulfilled all previously established criteria or conditions for payment.

For the purposes of this recommendation, payments for contractual termination will be considered to include any payments the accrual of which or the obligation to pay which arises as a consequence of or on the occasion of the termination of the contractual relationship between the director and the company, including amounts not previously vested of long-term savings schemes and amounts paid by virtue of post-contractual non-competition agreements.

Complies	Complies partially	Explain	Not applicable	Explanation
X				

Annex II: Independent reasonable assurance report on the design and effectiveness of the System of Internal Control over Financial Reporting (ICFR) as of December 31, 2022

Repsol, S.A.

Independent reasonable assurance report
on the design and effectiveness of the
Internal Control over Financial Reporting (ICFR)
as at December 31, 2022

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 reasonable assurance report on the design and effectiveness of the Internal Control over Financial Reporting (ICFR)

To the Board of Directors of Repsol, S.A.:

We have carried out a reasonable assurance engagement of the design and effectiveness of the Internal Control over Financial Reporting (hereinafter, ICFR) and the description of it that is included in the attached Report that forms part of the corresponding section of the Annual Corporate Governance Report of the Consolidated Directors Report accompanying the consolidated annual accounts of Repsol, S.A. and investees comprising the Repsol Group (hereinafter, the Repsol Group) as at December 31, 2022. This system is based on the criteria and policies defined by the Repsol Group in accordance with the guidelines established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in its "Internal Control-Integrated Framework" report.

An Internal Control System over Financial Reporting is a process designed to provide reasonable assurance over the reliability of financial information in accordance with the applicable financial reporting framework and includes those policies and procedures that: (i) enable the records reflecting the transactions performed to be kept accurately and with a reasonable level of detail; (ii) provide reasonable assurance as to the proper recognition of transactions to make it possible to prepare the financial information in accordance with the accounting principles and standards applicable to it and that they are made only in accordance with established authorizations; and (iii) provide reasonable assurance in relation to the prevention or timely detection of unauthorised acquisitions, use or sales of the Group's assets that could have material effect on the financial information.

Inherent Limitations

In this regard, it should be borne in mind that, given the inherent limitations of any Internal Control over Financial Reporting, regardless of the quality of the design and operation of the system, it can only allow reasonable, but not absolute security, in relation to the objectives it pursues, which may lead to errors, irregularities or fraud that may not be detected. On the other hand, the projection to future periods of the evaluation of internal control is subject to risks such that said internal control being inadequate as a result of future changes in the applicable conditions, or that in the future the level of compliance of the established policies or procedures may be reduced.

Director's responsibility

The directors of Repsol, S.A. are responsible for taking the necessary measures to reasonably ensure the implementation, maintenance and supervision of an appropriate Internal Control over Financial Reporting, as well as the evaluation of its effectiveness, the development of improvements to that system and the preparation and establishment of the content of the information relating to the ICFR attached.

R. M. Madrid, hoja 87.250-1, folio 75, tomo 9.267, libro 8.054, sección 3ª
Inscrita en el R.O.A.C. con el número S0242 - CIF: B-79 031290

Our Responsability

Our responsibility is to issue a reasonable assurance report on the design and effectiveness of the Repsol Group Internal Control over Financial Reporting, based on the work we have performed and on the evidence we have obtained. We have performed our reasonable assurance engagement in accordance with “International Standard on Assurance Engagements 3000 (ISAE 3000)” (Revised), "Assurance Engagements other than Auditing or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC).

A reasonable assurance report includes the understanding of the Internal Control over Financial Reporting, assessing the risk of material weaknesses in the internal control, that the controls are not properly designed or they do not operate effectively, the execution of tests and evaluations on the design and effective implementation of this ICFR, based on our professional judgment, and the performance of such other procedures as may be deemed necessary.

We believe that the evidence we have obtained provides a sufficient and adequate basis for our opinion.

Our Independence and Quality Control

We have complied with the independence requirements and other ethical requirements of the Accounting Professionals Code of Ethics issued by the International Ethics Standards Board for Accountants (IESBA), which is based on the fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behavior.

Our firm applies the “International Standard on Quality Control 1 (ISQC 1)” and maintains an exhaustive qualitative control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory provisions.

Opinion

In our opinion, the Repsol Group maintained, as at December 31, 2022, in all material respects, an effective Internal Control over Financial Reporting for the period ended at December 31, 2022, which is based on the criteria and the policies defined by the Repsol Group’s management in accordance with the guidelines established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in its "Internal Control-Integrated Framework" report.

In addition, the attached description of the ICFR Report as at December 31, 2021 has been prepared, in all material respects, in accordance with the requirements established by article 540 of the Consolidated Text of the Capital Companies Act and with the Circular 5/2013 of June 12, 2013 of the CNMV, and subsequent amendments, the most recent being Circular 3/2021, of September 28 of the CNMV, for the purposes of the description of the ICFR in the Annual Reports of Corporate Governance.

This work does not constitute an audit nor is it subject to the regulations governing the audit activity in force in Spain, so we do not express any audit opinion in the terms provided in the aforementioned regulations.

PricewaterhouseCoopers Auditores, S.L.

Iñaki Goiriena Basualdu

February 16, 2023

2022

REPSOL S.A.

Annual Report on the Remuneration of Directors

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

The Repsol Commitment
Net Zero Emissions
by 2050

REPSOL

Index

1. PRESENTATION OF THE REPORT

This Annual Report on Directors' Remuneration corresponding to 2022 (the "**Report**") has been prepared by the Compensation Committee of Repsol, S.A. ("**Repsol**" or the "**Company**") pursuant to section 541 of the Spanish Companies Act (Ley de Sociedades de Capital) and based on the model and instructions stated in Circular 3/2021 of the National Securities Market Commission ("CNMV")[1].

In accordance with the option offered by Circular 3/2021, Repsol has chosen to prepare the report, as in previous years, in a free format, including the content required by the regulations, the statistical appendix included in Circular 3/2021 itself, as well as other relevant information to understand the remuneration system for Repsol Directors. This report therefore responds to Repsol's desire to remain at the forefront of transparency and to make it easier for shareholders to understand the remuneration systems currently in place.

This Report provides complete and detailed information about the implementation of the directors' remuneration policy approved in a binding manner by the General Shareholders Meeting on March 26, 2021 (the "Remuneration Policy"), both in the performance of their executive functions and the supervision and decision-making functions inherent to the office.

Please consult the Remuneration Policy available on Repsol's website at the following link:

https://www.repsol.com/content/dam/repsol-corporate/en_gb/accionistas-e-inversores/informes-de-retribuciones/remuneration-policy-2021-2023.pdf

In terms of business, Repsol obtained a net income of €4.251 billion in 2022. The integrated business model and the 2021-2025 Strategic Plan were key to the company's positive performance in this environment. At the same time, it drove forward its transformation, consolidating its multi-energy profile, with the goal of achieving zero net emissions by 2050.

Repsol focused on its role as an essential service to society and has reinforced in 2022 its role as guarantor of energy supply increasing its inventories by more than €2 billion to guarantee the supply to the domestic market and the operation of its refineries. In addition, Repsol made a significant effort to mitigate the effects that the volatility of international fuel prices could have on consumers. To this end, during the last year the company earmarked more than €500 million for additional fuel discounts at its service stations in Spain, in addition to the state bonus. On the other hand, in order to ensure the future of the industry, Repsol invested, in 2022, €4.182 billion to advance the transformation of its activities, 40% more than the previous year to boost its multi-energy profile, Repsol plans to make a historic organic investment of more than €5 billion in 2023, the highest figure in its history. In addition to investing to ensure the future of the industrial sector and its workers, in 2022 Repsol carried out various actions aimed at guaranteeing employment and maintaining the purchasing power of the company's employees, implementing salary increases and extraordinary bonuses. Between 2020 and 2022, Repsol increased its workforce in Spain by 5%.

Cash generation during the year also allowed the company to announce an increase in shareholder remuneration, which remains among the most attractive in the sector and the Ibex-35. Thus, cash remuneration will increase by 11% in 2023, to €0.70 gross per share, bringing it ahead of the target set in the Strategic Plan for 2024.

In addition, Repsol brought forward its share buyback and redemption target by three years, reaching 200 million redeemed shares by the end of 2022, the amount initially planned for the entire 2021-2025 period. Net debt was reduced by 61% during 2022, to € 2.256 billion. Liquidity increased to €12.022 billion, enough to cover gross short-term debt maturities four times.

In 2022, Repsol incorporated also strategic partners in its Upstream (Exploration and Production) and Renewables businesses, a further step in reinforcing its transformation and its multi-energy and decarbonized profile. Both agreements crystallized the value of these areas and demonstrated the strength of its business model.

Finally, in 2022, Repsol continued its engagement campaign with its ESG (Environmental, Social and Governance) shareholders, which at the end of the year accounted for 37.1% of the Company's institutional shareholders. The dialogue was mainly based on updating investors and other stakeholders on the progress Repsol is making in its decarbonization strategy, thus consolidating a pioneering two-way communication initiative in Spain on these matters[2]. During 2022, the communication activity has been carried out both in person and virtually, visiting 144 investors and specialists in specific ESG

[1] Circular 3/2021, of September 28, of the National Securities Market Commission, which amends Circular 4/2013, of June 12, which establishes the models of the annual report on remuneration of directors of listed companies and of the members of the board of directors and of the control committee of savings banks that issue securities admitted to trading on regulated markets, and Circular 5/2013, of June 12, which establishes the annual corporate governance report models for listed public limited companies and savings banks that issue securities admitted to trading on regulated markets.

[2] For more information on the interaction conducted in 2022 with socially responsible investors on environmental, social and governance issues see the Engagement Report 2021-2022: https://www.repsol.com/content/dam/repsol-corporate/en_gb/accionistas-e-inversores/pdfs/annual-esg-engagement-report-2021-2022.pdf

forums. Likewise, dialogue has been strengthened with interlocutors specialized in energy transition and climate change, Climate Action 100+ and Institutional Investors Group on Climate Change (IIGCC), among others. This two-way dialogue has crystallized in the decision to submit the Company's climate strategy to a consultative vote of shareholders at the 2022 General Meeting, Repsol's participation in the pilot project for the definition of a zero net emissions standard, and the commitment to increase transparency in the reporting of Scope 3 emissions (total sales and end user) in the next Integrated Management Report.

As established in section 541 of the Spanish Companies Act, this Annual Remuneration Report, that has been unanimously approved by the Board of Directors at its meeting of February 15, 2023 will be subject to a consultative vote by shareholders at the 2023 General Shareholders Meeting as a separate item on the agenda.

Madrid, February 15 2023

2. COMPENSATION COMMITTEE

Chairwoman
Ms. Aurora Catá Sala
(Independent Director)

Ms. Arantza Estefanía Larrañaga
(Independent Director)

Mr. Emiliano López Achurra
(External Director)

In accordance with the Bylaws and Regulations of the Board of Directors, as of December 31, 2022 the Compensation Committee was comprised entirely of Non-Executive Directors, being the majority (2) Independent and the other one External. All the Committee members have extensive experience and expertise in the duties to be performed.

The functions of the Board of Directors of Repsol and its Compensation Committee in matters of remuneration are regulated in the Bylaws (articles 45, 45 bis and 45 ter) and the Regulations of the Board of Directors (articles 5 and 36).

The Compensation Committee has, among others, the following functions:

- Propose to the Board of Directors the remuneration policy thereof, assessing the responsibility, dedication and incompatibilities required of Directors; and, for Executive Directors, propose to the Board the additional remuneration for their executive functions and other terms of their contracts.
- Propose to the Board of Directors the remuneration policy for general managers or whomever performs the senior executive functions under the Board's direct supervision. Likewise, this Committee will analyze the proposals for the long-term incentives plans that affect the Group's Senior Executives and, in particular, those that may be established in relation to the value of the share and will be familiar with the fundamental aspects related to the Company's general salary policy.
- Propose to the Board of Directors the basic terms for Senior Executives' contracts;
- Verify that the remuneration policy established by the Company is observed;
- Periodically review the remuneration policy applied to Directors and Senior Executives, including share-based remuneration systems and their application;
- Ensure that possible conflicts of interest do not jeopardize the independence of the external advisory services provided to the Committee;
- Verify the information on the remuneration of Directors and Senior Executives contained in the various corporate documents, including the Annual Report on Directors' Remuneration;
- Any other functions related to matters for which they are responsible and that they are asked to perform by the Board of Directors or by its Chairman;
- Report, in advance, to the Board of Directors the cases envisaged under the law and the Company's internal regulations and, in particular, in those cases contained in articles 21 and 22 of the Regulations of the Board of Directors related to the use of corporate information and assets for private purposes, as well as the exploitation of business opportunities; and
- Report to the Board of Directors in all cases in which the Board itself or its Chairman request a report.

Accordingly, it should be noted that the Committee has the power to require any member of the management team or the Company's personnel to attend its meetings, who must accept any invitation from the Chair of the Committee to attend under the terms stated therein.

Notwithstanding the fact that the Chair of the Committee reports on the content of its meetings and the Committee's activities at the Board meetings, every quarter all Directors are given a copy of the minutes of all Committee meetings held during the period.

2.1. Most relevant activities carried out by the Committee in 2022 and 2023

In 2022, the Compensation Committee convened on five occasions. In 2023, as of the publication date of this Report, the Committee has met on one occasion.

At the aforementioned meetings, the Committee has discussed, among others, the following issues, and resolved, where appropriate, to submit them to the Board of Directors for approval:

- Report on the proposals to settle the 2018-2021 and 2019-2022 Long-Term Incentive Programs.
- Report on the proposals for new 2022-2025 and 2023-2026 Long-Term Incentive Programs with partial allocation in shares.
- Remuneration proposal for serving on the Board of Directors and its Committees in 2022 and 2023, including the Chairman of the Board and the Lead Independent Director.
- Additional remuneration proposal for the Chief Executive Officer (CEO) who perform executive functions, and specifically:
    - Proposal of fixed remuneration for 2022 and 2023.
    - Assessment of the fulfillment of the 2021 targets and corresponding proposal to settle the annual variable remuneration for 2021.
    - Proposal of targets and maximum annual variable compensation for 2022 and 2023.
    - Assessment of the fulfillment of the 2022 targets and corresponding proposal to settle the annual variable remuneration for 2022.
    - Assessment of compliance with the targets corresponding to the 2018-2021 Long-Term Incentive Program and corresponding proposal to settle the long-term variable remuneration.
    - Proposal of targets and maximum amount of long-term variable compensation for the 2022-2025 and 2023-2026 Long-Term Incentive Programs with partial allocation in shares.
    - Assessment of compliance with the targets corresponding to the 2019-2022 Long-Term Incentive Program and corresponding proposal to settle the long-term variable remuneration.
- Proposal of Annual Reports on Directors' Remuneration for 2021 and 2022.
- Verification of information pertaining to the remuneration of Directors and Senior Executives contained in the annual consolidated financial statements for 2021 and 2022.
- Verification of compliance with the Directors' Remuneration Policy approved at the Annual General Meeting.
- Proposals and reports for the 2022 General Shareholders Meeting relating to:
    - Annual Report on Directors' Remuneration for 2021.
    - Approval of three additional cycles of the Long-Term Incentive Plan with partial allocation in Performance Shares.
- Report on the People and Organization commitments included in the 2021-2025 Strategic Plan. Report on talent management.
- Planning the Compensation Committee's schedule of meetings and activities.
- Appointment of the Committee Chairwoman.
- Internal assessment of the Compensation Committee's performance in 2022.

2.2. External consultants

In accordance with the provisions of the Regulations of the Board of Directors, for the better performance of its functions the Compensation Committee may apply to the Board to engage the services of specialized external consultants at the Company's expense.

Thus, in 2022 WTW advised on the benchmarking of the CEO's remuneration.

2.3. Proposed resolutions for the General Shareholders' Meeting regarding the remuneration of the Board of Directors in 2023

This year the following proposed resolutions are expected to be submitted for approval at the 2023 General Shareholders Meeting:

- Annual Report on Directors' Remuneration for 2022.
- New Directors' Remuneration Policy.
- Approval of new cycles of the Share Purchase Plan for Beneficiaries of the Long-Term Incentive Programs.

2.4. Actions taken to mitigate risks in the Remuneration Policy

The measures to ensure that the Directors' Remuneration Policy addresses the long-term results of the Company are as follows:

- CEO's total compensation consists of various remunerative elements that include, essentially: (i) fixed remuneration, (ii) short-term variable remuneration, and (iii) long-term variable remuneration (LTI). The variable remuneration has a weight of around 69% of total remuneration of the CEO in a scenario of 100% compliance with targets and it is linked to the objectives established in the Strategic Plan.
- LTI Plans are part of a multi-year framework (four years) to ensure that the evaluation process is based on long-term results and considers the underlying economic cycle of the Company, as well as the achievement of strategic objectives. Moreover, the Company has established a three-year period, beginning when the shares are delivered, during which the CEO may not transfer or hedge (directly or indirectly) the Company shares delivered in payment for such programs, notwithstanding the shareholding policy described below.
- The Company has a Share Purchase Plan for the beneficiaries of the Long-Term Incentive Programs aimed at aligning the interests of the participants with those of the shareholders.
- Repsol has a permanent shareholding policy, according to which, for the duration of their tenure, Executive Directors must retain ownership of the shares in their portfolio, as well as other shares received as payment under the LTI Programs or linked to the Share Purchase Plan, until they reach, at least, an amount equivalent to twice their fixed remuneration.
- The Chairwoman of the Compensation Committee is also a member of the Audit and Control Committee. The existence of a cross-presence on these two committees helps when assessing the risks associated with remunerations during deliberations and in their proposals to the Board of Directors, when determining and evaluating annual and multiannual incentives.
- In addition, the other two members of the Compensation Committee are also members of the Sustainability Committee aspects related to the sustainability of the Company, the maximization of long-term value, and the fulfillment of indicators related to the target of becoming a zero net emission company by 2050. As such, the cross-presence of Directors also allows for the consideration of aspects relevant to the issues that concern the remuneration of the CEO and Senior Executives.

The Remuneration Policy, meanwhile, establishes an adequate and efficient balance between the fixed and variable components of remuneration in line with best corporate governance practices. The variable components are set so that, in the event minimum objectives are not achieved, no payment will be made, and there are no guaranteed variable remunerations.

The Compensation Committee may recommend the Board of Directors to adjust to the elements, criteria, thresholds and limits of variable remuneration, whether annual or multiannual, in exceptional circumstances prompted by extraordinary internal or external factors, which will not imply that the targets will be less challenging. In the event that such an adjustment occurs, the Company will provide detailed information on the reasons justifying its application.

The Compensation Committee is also responsible for examining and analyzing the Remuneration Policy for Directors and Senior Executives and its application, in as much as the professional activities of these personnel can have a material impact on the Company's risk profile. Moreover, the Compensation Committee assesses compliance with the objectives established in the long-term variable remuneration plans and submits them to the Board of Directors to approve the level of incentive to be paid. The information on metrics is mostly extracted from the Consolidated Financial Statements and the Integrated Management Report, which are reviewed by the Statutory Auditor.

3. PAY FOR PERFORMANCE

The compliance of the predetermined and measurable targets established at the beginning of the financial year, by the Board of Directors, at the proposal of the Compensation Committee, to calculate the annual variable remuneration of the CEO is aligned with the performance of the Company in 2022. Thus, the main milestones achieved in the year have been:

- Repsol obtained a net income of €4.251 billion in 2022, a year marked by uncertainty, volatility, and complex market dynamics due to the invasion of Ukraine.
- Repsol invested €4.182 billion to advance its transformation, 40% more than the previous year. To boost its multi-energy profile, it plans to allocate historic organic investments of more than €5 billion in 2023.
- The company's integrated business model and the 2021-2025 Strategic Plan were key to a positive performance.
- Cash generation , enabled a 61% reduction in net debt during the year. In addition, Repsol announced an 11% increase in cash remuneration for its shareholders in 2023 and carried out the redemption of 200 million shares, bringing forward the share buy back program ahead of the target set in the Strategic Plan 2021-2025.
- The company has taken measures to ensure the purchasing power of its employees is maintained, implementing salary increases and extraordinary bonuses, and has has agreed with the unions a new Framework Agreement.
- To help customers in an inflationary context, Repsol earmarked more than €500 million for additional fuel discounts at its service stations in Spain. The company was the first to implement these measures which are ongoing even after the end of the state rebate.

In December 2022, a benchmarking of the CEO's total compensation was carried out by the specialized firm WTW. To determine the peer group, the following selection criteria were considered:

a) Energy and utilities companies listed on the EURO STOXX 600 Oil&Gas/DJ Titans Oil & Gas 30 and the Stoxx Europe 600 Utilities/S&P 500 Utilities.

b) Headquartered in Europe and the United States.

c) International and global geographic scope.

d) Companies that are part of the peer Group that Repsol, in terms of size, considering those in a range between 30% and 300% in at least two of the following three magnitudes: revenues, market capitalization and volume of assets.

e) Companies that are part of the peer group that Repsol has defined for the purposes of measuring Total Shareholder Return ("TSR") within its Long-Term Incentive Programs.

f) Companies that are part of the peer group considered by the proxy advisor Institutional Shareholder Services ("ISS") for carrying out the pay for performance analysis in their Voting Recommendation Report.

The above-mentioned group excludes those companies that have considerable state involvement and are not considered highly comparable with Repsol.

Accordingly, the resulting peer group is composed of the following 18 companies: Fortum, Marathon Petroleum, Phillips 66, Eon, Eni, Engie, Iberdrola, ConocoPhillips, OMW, Veolia Environnement, Siemens Energy, Cepsa, Naturgy, Endesa, Schlumberger, National Grid, Centrica and Snam.

The following are the results of the analysis in which the position of the CEO is shown against the peer group in relation to the Total Target Compensation in which the following remuneration items are included: fixed remuneration for its supervisory duties as Directors; executive duties fixed remuneration; annual variable remuneration; long-term incentive plan; social welfare schemes.

Source: WTW

In terms of total target compensation, the CEO lies between the 25th percentile and the median of the peer group.

4. REMUNERATION POLICY 2023

Pursuant to the provisions of Article 529 *novodecies* of the Companies Act, on March 26, 2021, the General Shareholders' Meeting approved, at the proposal of the Board of Directors, the new Repsol Directors' Remuneration Policy for 2021, 2022 and 2023, with 97.57% voting in favor, which shows its alignment with the expectations of the Company's shareholders.

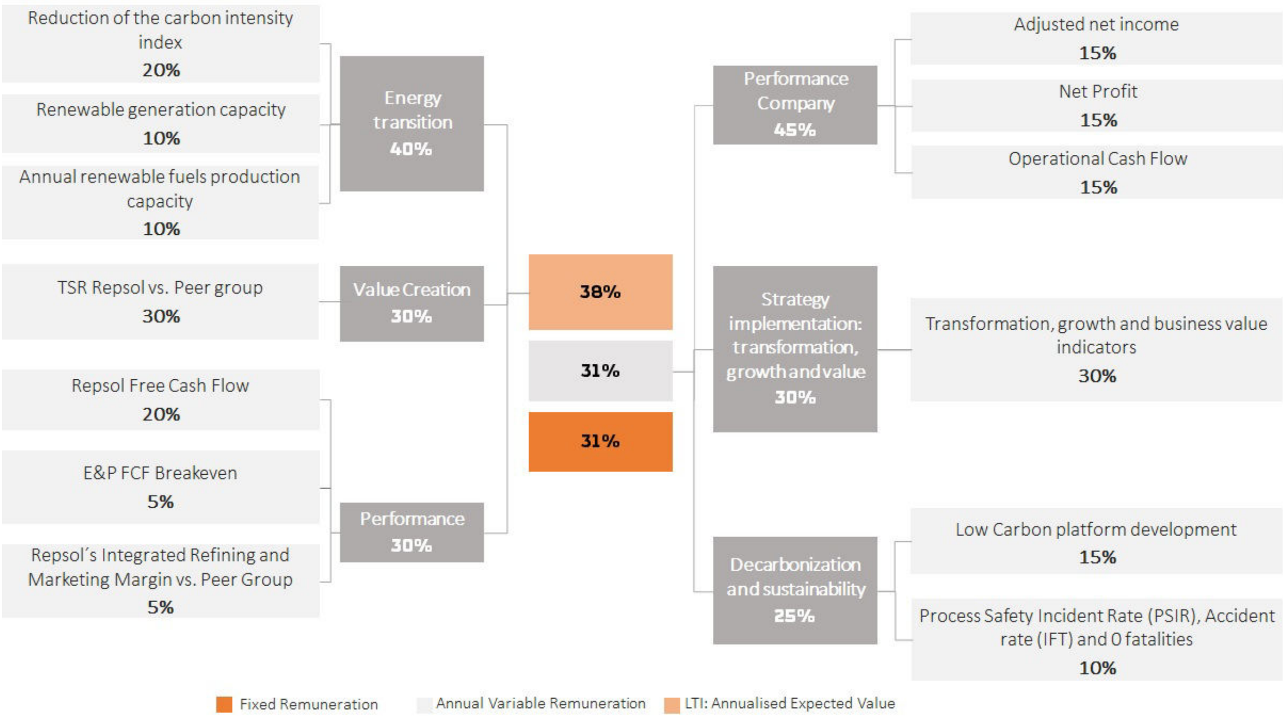
The defining principle of the Remuneration Policy is the creation of reciprocal value for the Group and for the directors and the alignment of their interests over the long-term with those of the shareholders, ensuring total transparency.

The Remuneration Policy is reviewed on a regular basis to ensure it is in line with best corporate governance practices and market trends, and is submitted for approval at the General Shareholders Meeting whenever it is necessary or when it is recommended that it be amended and at least every three years, as provided for under the Companies Act.

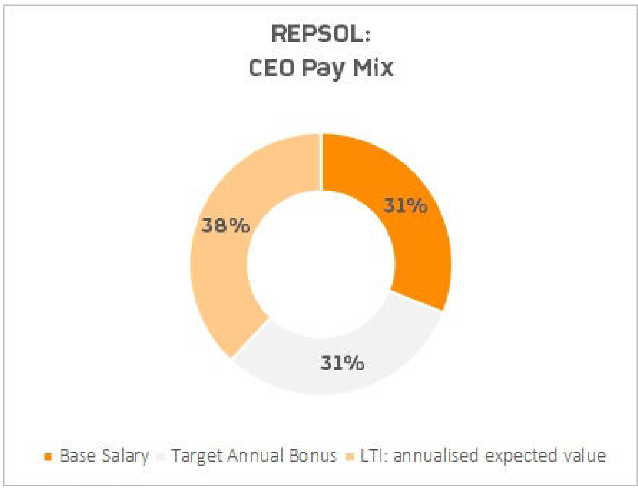
4.1. Regarding the Chief Executive Officer

The remuneration package for the CEO for the performance of executive duties, in accordance with the Remuneration Policy, essentially consists of a fixed item, a short-term variable item and a long-term variable item, aligned with Company's management objectives under the Strategic Plan with the sustained maximization of the Company's value. Furthermore, his Remuneration Package also includes pension schemes and specific in-kind payment systems.

In line with previous years, the proposed pay package for 2023 is a suitably balanced and efficient mix of fixed and variable pay items in which the fixed component accounts for a sufficiently high percentage of the total remuneration. The variable pay items must be flexible to the point that they can be completely removed from the pay package, in a given year, if the targets linked to those items have not been achieved. In this case, the CEO will only receive fixed remuneration, as well as other items relating to their participation in pension schemes and in-kind benefits. The CEO's remuneration mix reflects the Company's philosophy of competitive compensation that encourages the achievement of corporate objectives while preventing excessive risk assumption.



In particular, in 2023, in a target scenario of 100% achievement of objectives for the CEO, the weight of his fixed compensation would be 31% of his total compensation (fixed, annual variable and long-term variable) and that of his variable compensation would be 69% (45% short-term variable compensation and approximately 55% long-term variable compensation).



Source: **WTW**

Source: **WTW**

This compensation structure allows the variable remuneration package of the CEO to vary depending on Repsol's earnings and may vary between zero (in the case of insufficient achievement of targets) and a maximum of 220% of his fixed remuneration (100% for short-term and 120% for long-term[3]). Notwithstanding the above, the Board of Directors retains the ability to increase or decrease, by up to a maximum of 20%, the final result of the annual and long-term variable

[3]Considering that the new Long-Term Incentive Program involves the partial allocation in shares, this reference value calculated on the date the Incentive is granted could be modified by the fluctuation in the value of the Repsol share during the term of the Program until its liquidation.

remuneration, in view of the quality of the results, individual performance or other matters that require qualitative measurement.

Thus, the maximum amounts of the long-term variable remuneration for the CEO are the following:

Chief Executive Officer	
	Maximum amount of annual variable remuneration
	100% of his fixed remuneration +/- 20% of qualitative adjustment to be approved, as the case may be, by the Board of Directors at the time of payment.
	Maximum amount of long-term variable remuneration
	120% of his fixed remuneration +/- 20% of qualitative adjustment to be approved, as the case may be, by the Board of Directors at the time of payment.[4]

In case the Board of Directors, based on a proposal of the Compensation Committee, agrees to adjust –upwards or downwards– the variable remuneration of the CEO, the Company will provide detailed information of the rationale that justifies the qualitative adjustment.

When establishing the remuneration package of the CEO, the Compensation Committee considers, among others, the provisions of the Remuneration Policy, guidelines from institutional investors and proxy advisors' guidelines, the information received by the latter in the engagement process carried out by Repsol, as well as market data.

Listed below are the items of the remuneration package of the CEO for 2023 and its main characteristics:

4.1.1. Fixed Remuneration

The fixed remuneration of the CEO for the performance of his executive duties considers the level of responsibility of these functions, his position, and his professional experience. This remuneration is reviewed on a regular basis, considering the Company's results, market data and the remuneration conditions within the organization, ensuring that it is competitive with respect to the reference market.

Based on this, the Compensation Committee proposes annually to the Board, for its approval, the fixed remuneration for the CEO for performing their executive functions, considering the framework of the Remuneration Policy approved.

In order to determine the fixed remuneration and any possible updates to it, the Compensation Committee considers, among other matters, the specific characteristics of each position and the dedication required, market analyses and average increases in the remuneration of the Company's Senior Executives. All the foregoing in order to establish compensation that befits the function performed, guaranteeing that it is competitive with respect to the reference market.

The Board of Directors resolved, at its meeting of February 15, 2023, at the proposal of the Compensation Committee, to keep the fixed remuneration of the CEO for 2023 at the same amount as that established for 2022, i.e., 1,200 thousand euros.

The fixed remuneration of the CEO has remained unchanged since his appointment in 2014.

4.1.2. Annual Variable Remuneration

The annual variable remuneration appraises the individual contribution of the CEO towards the fulfillment achievement of predetermined, specific and measurable targets. The Compensation Committee performs an annual review of the conditions of the system in response to Repsol's strategy, its needs and the business situation and establishes the corresponding objectives at the beginning of each year.

The following table details the goals, indicators and weightings proposed by the Compensation Committee for the current year, in respect of the CEO's annual variable remuneration, and approved by the Board of Directors at its meeting of February 15, 2023[5]:

[4] See Note 3 above.

[5] Some data relating to performance targets are sensitive information, and therefore their disclosure prior to the reporting period could be detrimental to the Company's interests. However, after the end of the measurement period, the target values and compliance levels will be reported in the corresponding Annual Report on Remuneration, subject to the information no longer being of a sensitive nature.

CATEGORY	WEITGHT	METRIC	WEIGHTING
COMPANY PERFORMANCE	45%	Adjusted net income	15%
		Net profit	15%
		Cash flows from operations	15%
IMPLEMENTATION OF THE STRATEGY: TRANSFORMATION GROWTH AND VALUE	30%	Transformation, growth and value: • Hydrocarbon production (6%) • Profit over the Refining Margin Indicator (6%) • Digital customers and Electricity and Gas customers (6%) • Performance (Ebitda) Low Carbon Generation (6%) • Digital Program (6%)	30%
DESCARBONIZATION AND SUSTAINABILTY	25%	Development of Low Carbon platforms	15%
		Process safety index (PSIR: 0.58) and accident rate (IFT: 1.07 and 0 fatalities)	10%

The Company maintains a continuous dialog on ESG (environmental, social and governance) matters with its main shareholders and proxy advisors, in order to know first-hand their opinion and positioning regarding these matters and to explain the practices of the Company. As a result of this engagement and the resolution passed by the Board of Directors on December 2, 2019 to align the Company with the objectives of the Paris Agreement, the objectives related to decarbonization and sustainability in the annual variable remuneration of the CEO represent 25% and 40% of the long-term variable remuneration as indicated in subsection 4.1.3 below.

Each metric has an associated scale of achievement defined based on its variability and level of demand. These scales have a minimal compliance threshold, below which they do not generate a right to an incentive, and a maximum level, set at 110%, although the degree of achievement overall the objectives to be determined by the Compensation Committee shall not exceed 100%.

The fulfillment and weighting of each of the targets will be considered to calculate the amount of the variable remuneration . In order to ensure that the annual variable remuneration retains an effective relationship with the professional performance of the beneficiaries, when determining the level of compliance of the quantitative objectives, those positive or negative economic effects that arise from extraordinary events and that could distort the assessment results are eliminated.

Once the fiscal year has ended, in February, and simultaneously with the preparation of the Consolidated Financial Statements and the Integrated Management Report, the Board of Directors, at the proposal of the Compensation Committee, carries out an evaluation, considering the information provided by the Financial and People and Organization areas on the results obtained. The information on the metrics is taken, mostly, from the aforementioned Consolidated Financial Statements and the Integrated Management Report, which are reviewed by the Statutory Auditor. Based on the level of compliance with each objective and its weighting, the Board of Directors determines a weighted average level of compliance.

With regards to the CEO, the structure of his annual variable remuneration for 2023 is maintained in the same terms as those established in the Remuneration Policy, with amounts varying between 0%, if the minimum fulfillment threshold is not reached, and 100% of his fixed remuneration, if 100% of the established targets is reached.

Therefore, in a scenario where 100% of the targets are achieved, the CEO would receive 1,200 thousand euros as annual variable remuneration. Notwithstanding the above, the Board of Directors retains the ability to increase or decrease, by up to a maximum of 20%, the final result of the annual variable remuneration, in view of the quality of the results, individual performance or other matters that require qualitative measurement. Therefore, the maximum short-term variable remuneration for the CEO could amount to 1,440 thousand euros if the targets have been exceeded and in the case of extraordinary performance both on the part of the Company and the CEO. Should the Board of Directors agree to this adjustment, detailed information will be provided on the reasons justifying its application.

Annual variable remuneration is paid entirely in cash and there are no extraordinary payments.

4.1.3. Long-Term Variable Remuneration

Repsol has implemented many long-term incentive plans (LTIs) for managers and other employees of the Group, including the CEO, to promote the reciprocal generation of value for the Group, for its shareholders and for its employees; to foster the commitment of its beneficiaries as well as to compensate the creation of sustainable value for shareholders at long-term.

These programs are independent of each other, but their main characteristics are the same:

- They are structured in overlapping cycles of 4 years and are linked to the fulfillment of objectives and commitments set out in the Company's Strategic Plan in force at any given time.
- Their objectives are linked to maximizing the Company's value, the performance of Repsol's businesses and sustainability.
- They are linked to their beneficiaries remaining until the end of the measurement period, except under special circumstances that can cause their early settlement.

Each metric in the LTI has an associated scale of achievement defined based on its variability and level of demand. These scales will have a minimum compliance threshold, below which they will not generate incentive rights, and a maximum set at 100%.

At the proposal of the Compensation Committee, the Board establishes the weighting of the objectives and metrics associated with the LTIs, taking into account Repsol's strategy, its needs and the situation of the business.

Once the measurement period has ended, in February and simultaneously with the preparation of the Consolidated Financial Statements and the Integrated Management Report, the Board of Directors, at the proposal of the Compensation Committee, evaluates the level of compliance achieved in each of the objectives, and of the plan as a whole. The information on the metrics is provided by the Finance and People and Organization areas, extracted as necessary from the aforementioned Consolidated Financial Statements and the Integrated Management Report, which are reviewed by the Statutory Auditor. The Internal Audit area also verifies the information on the level of compliance with the established metrics. The beneficiary's personal performance is also considered to determine the corresponding incentive amounts based on the established achievement scales.

In the event that extraordinary events occur during the term of the Program that could introduce distortions in the assessment of the fulfillment of the objectives set, the Board of Directors may make the corresponding adjustments and homogenizations in order to ensure that the level of fulfillment of the objectives is effectively related to the professional performance of the beneficiaries.

In 2020, the Company implemented a new Long-Term Incentive Program, where the main difference with regard to the previous programs is based on the partial allocation of shares, through performance shares, as part of the long-term incentive granted, and not only as part of the payment under this plan. This new LTI is in line with regulations, corporate governance recommendations and best market practices.

The 2022 Annual General Meeting of Shareholders approved three new cycles of the Long-Term Incentive Program for the fiscal years 2023-2026 (Fourth Cycle), 2024-2027 (Fifth Cycle) and 2025-2028 (Sixth Cycle).

Therefore, the long-term incentive plans in which the CEO participates and that will be in force in 2023 will be as follows:

PLAN	MAXIMUM CASH VALUE IN THOUSANDS OF EUROS	MAXIMUM NUMBER OF PERFORMANCE SHARES GRANTED	% OF FIXED REMUNERATION
Long Term Incentive Program 2023-2026	720	48,722	120%
Long Term Incentive Program 2022-2025	720	68,090	120%
Long Term Incentive Program 2021-2024	720	84,791	120%
Long Term Incentive Program 2020-2023	720	51,633	120%

4.1.3.1. 2023-2026 Long-Term Incentive Program (LTI)

At its meeting of February 15, 2023[6], the Board of Directors, at the proposal of the Compensation Committee, approved the targets, metrics and weights of the Fourth Cycle of the Long-Term Incentive for the period 2023-2026 as indicated below:

[6] Some data relating to performance targets are sensitive information, and therefore their disclosure prior to the reporting period could be detrimental to the Company's interests. However, after the end of the measurement period, the target values and compliance levels will be reported in the corresponding Annual Report on Remuneration, subject to the information no longer being of a sensitive nature.

CATEGORY	WEIGHT	METRICS	WEIGHING
ENERGY TRANSITION	40%	Reduction of the Carbon Intensity Index compared to 2016 (15% in 2025 and 28% in 2030[1])	20 %
		Reach a renewable generation capacity in line with the objectives announced at Low Carbon Day (6.0 GW in 2025 and 20.0 GW in 2030).	10 %
		Achieve annual renewable fuels production capacity in line with the target of 2 Mta in 2030	10 %
PERFORMANCE	30%	Free Cash Flow of Repsol Group	20 %
		Breakeven Free Cash Flow of Exploration and Production ($/bbl)	5 %
		Integrated Refining and Marketing Margin vs. peer companies (Eni, Total, Cepsa, Galp, Saras, OMV, MOL, Neste Oil, Hellenic)	5 %
VALUE CREATION	30%	TSR Repsol vs. peer companies (Total, RD Shell, BP, ENI, OMV, Equinor, GALP y MOL)	30 %

[1] The decarbonization pathway and the ambition for renewable generation capacity have been updated with respect to that envisaged in the 2021-2025 Strategic Plan (12% and 5.2 GW, respectively, in 2025) in line with the more ambitious targets announced at Repsol's Low Carbon Day held on October 5, 2021, which will accelerate the Company's energy transition to reach net zero emissions by 2050.

The linking of the 40% of the long-term variable remuneration of the Company's executives and leaders, including the CEO and senior executives, to objectives aimed at aligning the Company with the Paris Agreement and, therefore, to the gradual decarbonization of Repsol, shows the Company's strong commitment to sustainability and its leadership in the energy transition, having also updated the objectives initially established in the 2021-2025 Strategic Plan to make them more ambitious and accelerate the Company's energy transition in order to achieve the objective of net zero emissions by 2050.

The Total Shareholder Return (TSR) metric measures the relative performance of Repsol's total shareholder return in the period compared to the TSRs of a benchmark group (the "Benchmark Group"), consisting of the following listed companies: Total, RD Shell, BP, ENI, OMV, Equinor, GALP and MOL, with a degree of compliance being assigned based on the relative position of Repsol's TSR with respect to the Reference Group, which will be determined in accordance with the table below, such that in the event that the position achieved by Repsol is below the median, the degree of achievement of the target will be zero:

Position TSR Repsol	Degree of compliance
1st or 2nd	100%
3rd	75%
4th	50%
5th	25%
≥ 6th	0%

TSR is the difference (expressed as a percentage) between the end value of an investment in ordinary shares of Repsol and the initial value of this same investment during the period in question, factoring in to the calculation of the final value the gross dividends or other similar instruments (such as the Repsol Flexible Dividend Program) received by shareholders in relation to this investment during the corresponding period of time as if an investment had been made in more shares of the same type at the first date on which the dividend or similar instrument was payable to shareholders and at the closing share price at that date. To obtain this calculation, the Cumulative_Tot_Return_Gross_DVDS function of the Bloomberg tool –or a similar tool if it is no longer available– will be used, taking the average value for the month of December of each assessable year as a reference and adjusting, for each company of the Benchmark Group and Repsol, the resulting TSR by the percentage of change in the benchmark index of each market.

In the case of the CEO, the long-term variable remuneration structure is implemented by granting the right to receive a certain number of Repsol, S.A. shares (performance shares), as well as an amount in cash, in a proportion of 50% each with regard to the total incentive at the time of granting[7].

[7] For the other beneficiaries of the LTI, the proportion is 70% in cash and 30% in performance shares, except in the case of the members of the Executive Committee for whom the proportion is the same as that of the CEO (50% in cash and 50% in performance shares).

In this regard, the total incentive that the Board of Directors has agreed to assign to the CEO as a Long-Term Incentive 2023-2026 is 120% of his fixed remuneration, in a proportion of 48,722 performance shares of Repsol, S.A.[8], and 720 thousand euros.

Once the measurement period for the 2023-2026 Long-Term Incentive Program has ended, in the first four months of 2027 the Compensation Committee will assess the level of compliance achieved with regard to each of the objectives and the 2023-2026 LTI as a whole, and the personal performance of the CEO, and will propose the corresponding incentive amounts based on the achievement scales established, which may vary between 0%, if a level of compliance above the minimum threshold is not reached, and 48,722 Repsol shares and 720 thousand euros if the level of overall compliance with the objectives is 100%.

Notwithstanding the above, the Board of Directors retains the ability to increase or decrease, by up to a maximum of 20%, the final result of the long-term variable remuneration, in view of the quality of the results, individual performance or other matters that require qualitative measurement. Therefore, the maximum long-term variable remuneration of the CEO could amount to 58,466 Repsol, S.A. shares and 864 thousand euros, if objectives have been exceeded and in the case of extraordinary performance both on the part of the Company and the CEO. Should the Board of Directors agree to this adjustment, detailed information will be provided on the reasons justifying its application.

The CEO may not transfer the Company shares received, or directly or indirectly hedge them until three years have elapsed since the shares were received, unless he has already, at the time of the transfer, a net economic exposure to the change in the price of the shares for a market value equivalent to an amount of at least twice his annual fixed remuneration. Nor may he directly or indirectly hedge the shares prior to receiving them.

The shares delivered, where applicable, to the CEO pursuant to this long-term variable remuneration plan may be calculated for the purpose of the investment in shares referred to in the Share Purchase Plan for Beneficiaries of the Long-Term Incentive Programs described in the section below.

4.1.4. Share Purchase Plan for Beneficiaries of the Long-Term Incentive Programs

The purpose of this plan is to promote the alignment of the interests of its beneficiaries (which include the CEO and high-potential employees) with the long-term interests of shareholders and the Company.

The Plan (whose first ten cycles have already been approved by the General Meeting in 2011 and 2016 and the last three at the 2020 General Meeting) allows its beneficiaries to invest a maximum amount in Repsol shares, so that if they hold those shares for a period of three years and comply with the Plan's other conditions, the Company will give them one additional share for every three shares initially bought by them at the end of the specified period.

In order to simplify its implementation, only the beneficiaries of the Long-Term Incentive programs —as the group of employees targeted by both programs— can participate in the Plan and the maximum amount to be invested is 50% of the gross amount vested of the LTI corresponding to each beneficiary under such programs.

Beneficiaries that are Executive Directors or have Senior Management status, meaning those directors who are part of the Executive Committee —or any other equivalent committee that may replace it in the future— have additional performance targets in order to be eligible to receive the additional share. Thus, for the Tenth (2020-2023), Eleventh (2021-2024) and Twelfth (2022-2025) Cycles, these beneficiaries will only be entitled to receive the additional share if the fulfillment of the objectives established for the Long-Term Incentive Program closed in the financial year preceding the date of delivery of the shares reaches at least 75%.

At the end of 2022, the Tenth (2020-2023), Eleventh (2021-2024) and Twelfth (2022-2025) Cycles of the Share Purchase Plan for Beneficiaries of the Long-Term Incentive Programs were in effect.

During 2023, the Tenth Cycle of the Plan (2020-2023) is expected to be completed, which the CEO participates in, and the Thirteenth Cycle of the Share Purchase Plan for Beneficiaries of the Long-Term Incentive Program (2023-2026) will be launched.

[8] The number of 48,722 performance shares is the result of dividing 720 thousand euros by the market price of the share of 14.7778 euros, which is the average of the share price of Repsol, S.A. in December 2022 and January 2023. Each performance share gives the right to receive, if the established targets are met, one Repsol share, so that the reference value calculated on the grant date could be modified by the fluctuation in the value of the Repsol share during the term of the Program until its settlement.

4.1.5. Control of the annual and long-term variable remuneration

In accordance with the terms of the Remuneration Policy, the Compensation Committee has the power to propose the cancellation of the payment of the short and long-term variable remuneration, upon the emergence of circumstances that show that the remuneration was paid based on inaccurate or erroneous data. Thus, the Compensation Committee may claim for the reimbursement (clawback) of the variable components of the CEO's remuneration when the payment has not been adjusted to the performance conditions or when it has been awarded based on data that is subsequently shown to be inaccurate. There is no established expiration date for this possibility of a claim by the Compensation Committee.

In particular, the terms of the Share Purchase Plan for Beneficiaries of the Long-Term Incentive Programs establish that the accrual of the extra shares is conditional on, during the period prior to each allocation of shares, in the opinion of the Board of Director and based on a report by the Compensation Committee, there being no material restatement of the Company's financial statements if this affects the degree of fulfillment of the objectives set for the relevant cycle of the long-term remuneration program, except when this is due to a change to the accounting principles.

The Regulations of the Board of Directors, the Internal Code of Conduct for the Repsol Group as regards securities markets, and the Code of Ethics and Conduct (www.repsol.com) regulate the framework of actions that must be followed by individuals facing a potential conflict of interest.

4.1.6. Long-Term Savings Systems

The CEO participates in the Group's Executives' Benefits Plan, a defined contribution system. According to the formula envisaged in its Regulations, the annual retirement contributions are equivalent to approximately 20.5% of his fixed remuneration. The contingencies covered in the Plan are retirement, total or absolute permanent disability, severe disability and death.

Should the CEO's contractual relationship with the Company be terminated, as a result of the factors indicated below, the capital accumulated in the Plan will only be received at the time of his actual retirement or in the event of death or permanent disability prior to retirement:

- A unilateral decision by the Company, provided that it is not based on the grounds envisaged in articles 40, 41 or 50 of the Spanish Workers' Statute (Estatuto de los Trabajadores).
- An unjustified disciplinary dismissal.
- An objective dismissal or if the relationship is terminated due to organizational, economic, productive or technical grounds, whether or not it is declared or recognized as justified or unjustified.
- A termination according to the CEO's decision for any of the reasons envisaged in articles 40, 41 or 50 of the Spanish Workers' Statute.

In addition, the CEO is a member of the Repsol pension plan. This is a defined-contribution employment system plan which all Repsol employees can join, through which the company makes a monthly contribution, with a maximum limit of seven thousand euros per employee per year. The economic rights of this plan are consolidated by its participants from the moment of the contribution, but they can only receive the amount accumulated in the plan in the event of any of the contingencies covered by the plan: retirement, total or absolute permanent disability, severe disability and death.

The long-term savings systems do not provide for payment to the CEO upon termination of his executive duties or as a director of the Company. However, the amounts of the CEO's long-term savings systems, which will be received, if applicable, at the time that any of the contingencies covered by the same occur, are compatible with the severance payment provided for in his contract and which is described in section 4.1.8. of this Report.

During 2023, contributions of 254 thousand euros are expected to be made to pension plan and benefits plan of the CEO.

4.1.7. Other Benefits

The CEO is the beneficiary of certain payments in kind that include, among other matters, life and disability insurance and health insurance. As applicable, these payments also include the payments on accounts linked to cash remuneration. The amount of these benefits for 2023 will be in line with the amount paid in 2022 and will be detailed in the corresponding Annual Report on Directors' Remuneration.

Repsol's policy does not provide for the Company granting any advances, loans or guarantees to the CEO.

4.1.8. Main terms and conditions of the contract of the Chief Executive Officer

The remuneration, rights and financial rewards of the CEO are determined in his contract, in full compliance with the Bylaws and the Remuneration Policy.

The contract signed with the CEO has an indefinite term, does not require any period of notice by Repsol for its termination and establishes a commitment of non-competition in similar companies and activities during its term and for one year after its termination.

The contractual conditions of the CEO establish a severance payment equivalent to two years of his annual fixed and variable remuneration —including the remuneration of the non-competition obligation—. This amount corresponds to the limit established by the Board of Directors on February 25, 2014, at the proposal of the Compensation Committee for the severance indemnities of the new Executive Directors to be appointed thereafter. Said indemnification shall proceed in the event of termination of the contract for causes attributable to Repsol or by mutual agreement, if it is in the Company's interest. In the event of termination of the contract by unilateral decision of the CEO, he/she shall give three months' notice to the Company and shall receive only one year's fixed and variable annual compensation in return for the non-competition agreement.

4.2. Regarding Directors in their capacity as such

In accordance with the Directors' Remuneration Policy approved by the General Shareholders Meeting on March 26, 2021, the remuneration of the Directors, in their capacity as such, seeks to adequately and sufficiently compensate the dedication, qualification and responsibilities of the Directors, without going so far as to jeopardize their independence of judgment. Such remuneration is in line with the recommendations issued by supervisory bodies, as well as market practices and trends in remuneration, considering the remuneration in other listed business groups of similar size, complexity of their business and operations and geographical distribution of their assets.

This remuneration is made up exclusively of fixed items and does not apply to variable remuneration systems or pension schemes.

Furthermore, as provided in article 45 of the Bylaws, the Company has taken out a collective liability insurance policy that covers to the Directors, managers and other employees of the Group who exercise management-related functions. The policy covers the different companies of the Group under certain circumstances and conditions.

4.2.1. Maximum limit

In accordance with article 45 of the Bylaws, the Directors, as members of the Board and for performing the collective supervision and decision-making functions specific to this body, are entitled to receive a fixed emolument that may not exceed the amount approved for such purposes by the General Shareholders Meeting directly or in the Directors' Remuneration Policy. The current Directors' Remuneration Policy approved by the General Shareholders Meeting on March 26, 2021, establishes a maximum limit for these purposes of 8.5 million euros, including the remuneration of the Chairman of the Board of Directors.

The Board is responsible for determining the exact amount to be paid within the aforementioned limit and its distribution among the various Directors, taking into account the functions and responsibilities attributed to each one, the committees they belong to, the roles they perform within the Board and other objective circumstances it considers relevant.

4.2.2. Calculation of remuneration

Directors' remuneration for carrying out their collegiate supervision and decision-making duties, except for that relating to the Chairman of the Board of Directors, is calculated by assigning points, with an equivalent remuneration, for belonging to the Board of Directors or to the various Committees or for the performance of particular duties.

The Board of Directors resolved, at its meeting of February 15, 2023, at the proposal of the Compensation Committee, to maintain the value of the point for 2023 at the same amount as that set for 2022, i.e., 88,297.11 euros gross/year. In this way, remuneration for membership of the Board of Directors has risen only 2.5% since 2009.

The Board has also agreed to specifically remunerate the performance of the duties of the Lead Independent Director with the allocation of 0.25 points, which is equal to an amount of 22,074.28 euros.

The approved points table for 2023 is as follows

Body	Points
Board of Directors	2
Delegate Committee	2
Audit and Control Committee	1
Appointments Committee	0.25
Compensation Committee	0.25
Sustainability Committee	0.50
Lead Independent Director	0.25

4.2.3. Remuneration for Board members for serving on the managing bodies of subsidiaries

Non-Executive Directors will receive the remuneration that corresponds to them for belonging to the managing bodies of certain subsidiaries of the Repsol Group.

4.3. Regarding the Chairman of the Board of Directors

The remuneration of the Chairman of the Board of Directors is established in the Directors' Remuneration Policy approved at the 2021 General Shareholders Meeting and reflects the importance of the Chairman's role, his active involvement in the institutional representation of the Company and his contribution, as well as any other criteria contained in this Policy.

The remuneration of the Chairman of the Board of Directors is formed exclusively by fixed items and its amount, which includes amounts for sitting on the Board of Directors and Committees of Repsol's Group, multi-group and associated companies, amounts to 2,500 thousand euros per year. This amount has not varied since his re-election by the General Shareholders Meeting in 2015.

Also, the Chairman of the Board of Directors is also the beneficiary of certain in-kind benefits that include medical insurance, the cost of the residence that the Company provides him as a home and for the institutional representation of the Company, the corresponding payments on account arising from such items and the economic compensation for the applicable personal taxation arising from the aforementioned in-kind remuneration (withholdings). The amount of these benefits for 2023 will be in line with the amount paid in 2022 and will be detailed in the relevant Annual Report on Directors' Remuneration.

The remuneration, rights and economic compensation of the Chairman of the Board of Directors is contained in his new contractual conditions, in force as from May 1, 2015 that contemplate a one-year post-contractual non-compete commitment, although he will no longer receive any financial compensation for the termination of his contract.

5. IMPLEMENTATION OF THE REMUNERATION POLICY IN 2022

This section details the remuneration received by the Board Members in 2022, in accordance with the Remuneration Policy approved by the General Shareholders' Meeting.

5.1. Regarding the Chief Executive Officer

5.1.1. Fixed Remuneration

The total amount of the CEO's fixed compensation for the performance of executive duties amounted to the following amount in 2022:

	Fixed remuneration 2022 in thousands of euros
Mr. Josu Jon Imaz	1,200

5.1.2. Annual Variable Remuneration

The categories of objectives, metrics and weightings in the annual variable compensation 2022 of the CEO, as well as their corresponding degree of compliance, determined by the Board of Directors at the proposal of the Compensation Committee, are as follows:

CATEGORY	WEIGHT	METRICS	WEIGHING	TARGET VALUE 2022	VALUE ACHIEVED	DEGREE ACHIEVEMENT [1]
COMPANY PERFORMANCE	45%	Adjusted net income	15%	2,525M€	2022: 6,661 M€	16.5%
		Net profit	15%	2,205 M€	2022: 4,148 [2] M€	16.5%
		Cash Flow from Operations	10%	5,830 M€	2022: 8,923 M€	11%
		Net debt/EBITDA CCS	5%	Net Debt /Ebitda CCS: 0.75	Net Debt /Ebitda CCS: 0.27[2]	5.5%
IMPLEMENTATION OF THE STRATEGY: TRANSFORMATION, GROWTH AND VALUE	30%	Implementation of the strategy, advancing the Company's transformation, growth and value: • Hydrocarbon production (5%) • Profit to the Refining Margin Indicator (5%) • Reliability of industrial Chemical plants (5%) • Digital customers and Electricity and Gas customers (5%) • Performance (Ebitda) Low Carbon Generation (5%) • Digital Program (5%)	30%	• Production: 600 kboe/d • Refining Margin Profit according to AB22 • Chemical Reliability per AB22 • Digital Customers and Electricity and Gas Customers per AB22 • Ebitda Low-Carbon Generation established in AB22 • Digital Program Impact: 800 M€	• Production: 557 kboe/d[3] • Refining Margin Profit 2022 more than 50% higher than forecast in AB22 • Chemical Reliability 2022, 99% of the AB22 target • Digital customers more than 40% higher than target. Electricity and Gas customers, higher than target • Low-Carbon Generation Ebitda in 2022 more than double the target. • Impact Digital Program: The target of €800M of impact captured in 2022 has been exceeded [4].	25.8%
DECARBONIZATION AND SUSTAINABILITY	25%	Development of renewable generation capacity and other Low Carbon platforms: • Increase in installed renewable generation capacity (Wind and Solar) according to AB22. • Industrial Transformation: promotion and advancement of advanced fuels, biofuels, hydrogen, circular economy projects that improve the positioning of industrial complexes and business in the energy transition. • Client: focus on the client with the ambition of being a multi-energy supplier, building a leading position in the Iberian Peninsula. • Renewable generation: Diversified and competitive pipeline of renewable projects that will allow us to be a relevant player at an international level in low-carbon generation.	10%	To be assessed by the Compensation Committee on the basis of available evidence	75% based on the evidence detailed below [5]	7.5%
		Process Safety Index (PSIR) and Incident Management	5%	PSIR = 0.67	PSIR = 0.41 [6]	5.5%
			5%	To be assessed by the Compensation Committee on the basis of available evidence	80% based on the evidence detailed below [7]	4%
		Accident rate and process safety	5%	TRIFR: 1.12 and 0 fatalities	TRIFR: 1.59 and 3 fatalities	0%
TOTAL	**100%**				**DEGREE OF ACHIEVEMENT - DAO [1]**	**92.3%**

(1) The total Degree of Achievement of Objectives (DAO) to be applied shall not exceed 100%.

(2) Once adjusted for asset sales not included in the 2022 Annual Budget.

(3) Once adjusted for the impact of force majeure and non-budgetary inorganic operations.

(4) The impact captured by the Digital Program is higher than the target value after discounting the positive effect derived from macro variables such as the price of crude oil and gas or the refining margin. Calculated at actual prices for the year, it is much higher than the target value.

(5) Renewable Generation (wind and solar) installed: The installed renewable generation capacity (Wind & Solar) has been increased, reaching 75% of the target established in the 2022 Annual Budget.

- Industrial Transformation:
  - Advanced fuels, biofuels, hydrogen and circular economy projects have been promoted to improve the positioning of our industrial complexes and business in the face of the energy transition in relation to Biojet (SAF: obtaining certification of the SAF logistics chain with the ISCC CORSIA scheme; first long-haul flight produced from waste at our facilities), renewable diesel (continuing with the construction of a biorefinery), municipal solid waste gasification (acquisition of a stake in Enerkem, a leader in the sector), biogas (collaboration in projects such as the transformation of surplus slurry into biogas) and waste recovery (agreement with Geregras, an association in the urban waste collection sector and the start of construction of an urban waste recovery facility in Bilbao, among others).
  - Renewable hydrogen has been promoted as a lever for change in the energy transition, with the creation of the SHYNE (Spanish Hydrogen Network) consortium in the field of mobility, led by Repsol and six other leading companies in the sector, the initiatives for the construction of 100 MW electrolyzers in Bilbao and Cartagena for the decarbonization of the neighboring industry, the formation of a 200MW hub together with Naturgy and Reganosa in Galicia. In addition, construction has begun on the synthetic fuels demonstration plant in Bilbao, and various agreements have been signed for the industrial development of renewable hydrogen.
  - A new LNG bunker station has been commissioned with Brittany Ferries in Bilbao.
  - In relation to Chemicals, progress has been made in various expansion projects and the creation of new plants in Sines, Puertollano and Tarragona, and Repsol has become a strategic shareholder of Acteco, an integrated waste management and recovery company.

- Client:
  - Significant progress has been made in reaching new clients, as evidenced by the acquisition of a portfolio of 25k clients from Capital Energy in February 2022 and 75k from Alterna in July 2022, in addition to starting the commercialization of electricity and gas in Portugal in July 2022.
  - The deployment plan for electric mobility has been developed, with more than 1,000 recharging points by the end of 2022 and reaching an alliance with Uber to become its approved energy supplier.
  - With regard to the multi-energy offer, in 2022 Solar 360 was created, a joint venture with Telefónica to develop the self-consumption business; more than 350 Solmatch installations were reached at the end of the financial year and agreements were reached to develop new distributed generation communities; in addition, agreements were reached with Powerfultree to develop agrovoltaic projects and with the Air Force to promote sustainable mobility in the air sector.

- Renewable Generation:
  - During 2022, the Company has been working on the development of new projects in Spain, such as Sigma (204 MW) and new developments in Delta II (36 MW), and in the USA, with Jicarilla 1 (83 MW) and Frye (544 MW), which will come into operation throughout 2023.
  - In addition, projects have been completed in the USA, Spain and Chile that have reached FID in 2022 and the investments associated with 19 wind farms have been approved, with 1.9 GW of capacity, which will come into operation in the period 2023-2025.
  - Finally, in order to build a diversified and competitive pipeline of renewable projects, in December 2022 an agreement was reached to acquire Asterion Energies, a company that manages a portfolio of renewable assets of 7,700 MW in Spain, Italy and France (4,900 MW of solar PV and 2,800 MW of wind), of which 2,500 MW are at an advanced stage of development or under construction.

(6) The incident that occurred in Peru on January 15, 2022 was already considered in the assessment of compliance of the objectives corresponding to the CEO's Annual Variable Compensation 2021 —in which the objective related to process safety was not considered fulfilled—, notwithstanding the fact that, at that time, its causes were still under investigation and pending determination.

(7) On January 15, 2022, an uncontrolled movement of the vessel "Mare Doricum" during discharging generated an oil spill on the north coasts of La Pampilla Refinery. From day one, Repsol deployed all the human, technical and economic resources necessary to contain the consequences of the spill, accelerate as much as possible the cleanup and remediation process and attend the needs of the affected population, offering solutions to fishermen and traders in the area and collaborating with local authorities and ongoing investigations. Proof of this are the more than 50 specialized companies involved, the more than 2,900 people working in the cleanup operations, the 11,000 meters of containment barriers and the 89 vessels, 38 skimmers and 144 units of heavy machinery used; in addition to the support to those affected until they can return to their productive activities through compensation advances for more than 7,000 people and the delivery of more than 9,000 emergency vouchers.

The spill response work carried out using the most advanced means available in the industry, without any budgetary limitations, has contributed to contain and mitigate the harmful effects of the event. In this sense:

a. The prompt response to remove and clean up the oil limited to a minimum the effects on marine organisms (plankton, fish, mollusks, algae) and birds present in the area.
b. The findings of the sampling carried out between April 11 and 13 by the official experts appointed by the prosecutor's office show that, as of that date, in the four matrices analyzed (water, soil and beach sediment, subtidal sediment and biotic), the level of impact on the environment does not exceed the applicable environmental quality standards, nor has there been an affectation of the biotic components (plankton, nekton and benthic macroinvertebrates).
c. Derived from this rapid improvement of the coastal environment, the effect on the populations of organisms is very limited, since these coastal habitats exposed to waves, tides and coastal currents have frequent reproduction cycles and there are sampling collection points along the coast.
d. The analytical data for water, sediments and soils are indicators of an environmental status with no effects on the health of people and the environment.

Based on the above, it can be concluded that Repsol has carried out an adequate management of the incident, making available to the population and the authorities of the country, in a diligent manner, all the human and material resources to remediate the environment and the affected people. In this regard, the United Nations, in the Mission Report prepared by the Joint Environmental Emergencies Unit formed by the United Nations Environment Program and the UN Office for the Coordination of Humanitarian Affairs, with the support of the Civil Protection Mechanism of the European Union, the Government of Norway and the United Nations Disaster Assessment and Coordination Mechanism, have endorsed the Company's performance stating: "*On January 28, the Mission visited the Repsol Incident Command Center, established at the Pampilla refinery. From this center, they controlled the cleanup operations of the sea and the coast. There it was observed that the center operated following standard methodologies for conducting the response to this type of disasters and that it managed updated information (satellite images, models and projections of the spill behavior, position and activities of the vessels and personnel deployed for the cleanup work, etc). The cleanup operations were implemented by two internationally recognized oil spill cleanup companies*

(LAMOR Corporation and Oil Spill Response Limited)". The adequacy of the response was also endorsed by the representative of the International Maritime Organization, as well as by representatives of the US Coast Guard, during their visits to the Incident Command Center.

Furthermore, according to the letter sent by Repsol to the Working Group on the issue of human rights and transnational corporations and other business enterprises and Special Rapporteur of the United Nations on March 31, 2022, Repsol is carrying out its work in accordance with its internal policies, which are based on the highest international standards, including the United Nations Guiding Principles on Business and Human Rights and the 10 Principles of the United Nations Global Compact. Work is currently continuing on the implementation of a social investment strategy and sustainable development projects based on the needs of the people affected by the disaster and with the collaboration of social entities, national and international organizations, as well as the corresponding authorities.

Another indicator of the management of the accident and the remediation work carried out is the impact on the Company's ratings by the main ESG (Environmental Social and Governance) rating agencies, where it can be seen that the accident has not led to a decrease in the position bands, except in one case

Based on the degree of compliance with the established metrics, as well as the extraordinary contribution of the CEO to the achievement of the Company's objectives, the Board of Directors has determined that his 2022 annual variable compensation will amount to 1,329 thousand euros, equivalent to 110.76% of his fixed compensation.

The Board of Directors has reached this decision taking into account the decisive contribution of the Chief Executive Officer to the results and performance achieved by the Company in 2022.

The Company has achieved an excellent financial performance, in a particularly uncertain and volatile financial year. The unforeseen circumstances of 2022 such as the Russian invasion of Ukraine and the subsequent geopolitical and energy crisis have generated, among other effects, an inflationary escalation of costs and the entry into force of regulatory changes. In this context, courageous and pioneering decisions have been taken, such as the granting of discounts on fuel purchases, thus offering support to families and companies, returning to society a part of the benefits generated by the environment, in line with Repsol's commitment to people. As part of this same commitment, the Company has ensured the maintenance of its employees' purchasing power with the signing of a framework agreement indexed to inflation for an extended period, until the end of 2024, by which time it is expected that price pressure will have already decreased. Likewise, the cash generated in the period has been managed prudently and in accordance with the requirements of the moment, meeting and anticipating the commitments assumed in the 21-25 Strategic Plan. A balance has been maintained between: (i) the increase and acceleration of investment plans and progress in the energy transformation and transition objectives; (ii) shareholder remuneration, fulfilling in the second year of the Plan the commitment to repurchase shares for their amortization assumed for the entire period and anticipating the cash dividend committed for 2024 by one year; and (iii) strengthening the financial position, which prepares the Company to face scenarios of low prices and high volatility and uncertainty. All of this is accompanied by a prudent financial policy, which allows the Company to end the financial year with a very healthy debt position (net debt in 2022 has been reduced by more than 3.5 billion euros) and which has been recognized by the rating agencies with the improvement of the credit rating given to the Company's debt.

In this environment, steady progress has continued to be made in the deployment of the commitments of the Strategic Plan to build a profitable energy transition. On the one hand, a minority partner (25%) has been incorporated in the Renewable Generation business, making visible the value created in recent years and recognizing the soundness of the business model developed. This alliance with recognized and experienced investors, specialized in the renewable sector and focused on the long term, highlights the value of Repsol Renovables' successful strategy and reinforces, with its investment commitment, the fulfillment of its strategic objectives.

On the other hand, in the Exploration and Production business, progress has been made in the concentration process in strategic geographic areas, which has led to the exit of some countries, and an agreement has been reached to incorporate a minority partner (25%).

These transactions represent a clear crystallization of value, free up resources for the transition and transformation of the Company and strengthen its balance sheet, allowing it to build the future on solid foundations. Furthermore, the minority position of the new partners allows them to maintain control and operation of the businesses and the defined strategy.

In addition, in 2022 Repsol continued to make progress in the energy transition through advanced fuels, biofuels and circular economy projects to improve the positioning of its industrial complexes and business in the energy transition. Likewise, work has been done to promote renewable hydrogen as a transition vector, among others, through the creation of the Spanish Hydrogen Network (SHYNE) consortium and progress has been made in the commissioning of additional MW of renewable generation and in the construction of a new pipeline, advancing steadily towards the commitment assumed in the Strategic Plan.

Finally, it should be noted that, as a further demonstration of the Company's commitment to the energy transition and decarbonization, in 2022 the Company's Climate Strategy was submitted for the first time to the consultative vote of the General Shareholders' Meeting, and was widely supported by the shareholders.

Consequently, the Board of Directors has approved in the meeting held on February 15, 2023, at the proposal of the Compensation Committee, the following amount as annual variable compensation for the CEO corresponding to the financial year 2022.

Annual variable compensation 2022 in thousands of euros	
Mr. Josu Jon Imaz	1,329

It was not necessary to apply any control mechanism, as described in section 4.1.5. of this Report, to the CEO's annual variable compensation.

5.1.3. Long-Term Variable Remuneration

The 2019-2022 Long-Term Incentive Program closed on December 31, 2022 as per its terms and condition. The categories of targets, indicators and weightings, as well as their corresponding degree of fulfillment, determined by the Board of Directors at the proposal of the Compensation Committee, are as follows:

CATEGORY	WEIGHT	METRICS	WEIGHING	CUMULATIVE VALUE 2019-2022	% individual achievement	% overall achievement
UPSTREAM	20%	Annual breakeven FCF	13.8%	Actual E&P FCF Breakeven < target E&P FCF Breakeven. The E&P FCF BE has been lower than the target in all years, mainly due to the efficiency, cost optimization and investment plans implemented during the period.	100%	68.8%
		Reserve Replacement Ratio	6.3%	The Reserve Replacement Ratio defined as the net addition of proven reserves in the period divided by the cumulative production in the same period has been lower than expected.	0%	
DOWNSTREAM	15%	Repsol integrated refining and marketing margin vs sector	15%	In the Top 2 in 2019, in the Top 3 in 2020 and in the Top 4 in the period 2021-2022 with respect to the peer group (Eni, Total, Cepsa, Galp, Saras, OMV, MOL, Neste Oil, Hellenic).	68.8%	68.8%
VALUE CREATION	40%	Shareholder remuneration (TSR)	25%	Repsol is placed in the following positions over the period: 2019: 3rd; 2020: 5th, 2021: 4th and 2022: 2nd vs. peer companies in the different periods (Total, RD Shell, BP, ENI, OMV, Equinor, GALP and MOL).	62.5%	76.6%
		Group Free Cash Flow (FCF)	5%	Actual Free Cash Flow ≥ Free Cash Flow provided. Accumulated Free Cash Flow has more than doubled the forecast	100%	
		Rating maintenance	5%	Rating in February 2019: (i) Standard & Poors (S&P): BBB, positive outlook; (ii) Moody's: Baa1, stable outlook, equivalent to BBB+ (S&P); and (iii) Fitch: BBB positive outlook, equivalent to BBB (S&P).	100%	
		Digitization	5%	Positive pretax impact on actual CFFO relative to target. Compliance with the target above the forecast.	100%	
SUSTAINABILITY	25%	Low Carbon Business Development	10%	Number of electricity customers, wholesale gas market share, GW generation and EBITDA. Wholesale gas market share higher than expected. Number of electricity customers and GW generation achieved at approximately 98% and 80%, respectively, compared to plan. Ebitda for the period achieved at 80%.	59.4%	83.8%
		Process Safety (PSIR)	5%	Actual PSIR ≤ Target PSIR Target PSIR: 2019 (0.82), 2020 (0.74), 2021 (0.77) and 2022 (0.67) Actual PSIR: 2019 (0.55), 2020 (0.62), 2021 (0.25), and 2022 (0.41) All the years of the plan have obtained lower values with respect to the target PSIR.	100%	
		Emission reduction	10%	Actual emission reduction value ≥ Target emission reduction value. More than 1.3 million tons of CO_2 equivalent emissions reduced in the period 2019-2022, being above the target.	100%	
				DEGREE OF ACHIEVEMENT - DAO		**75.6%**

The degree of achievement of the objectives and the overall degree of compliance with the program has been calculated by the Compensation Committee, using a mathematical formula, in accordance with the information provided by the Finance and People and Organization areas on the results obtained and the initially defined target values. Likewise, in order to guarantee that the degree of compliance is effectively related to the professional performance of the beneficiaries, in determining the achievement of the quantitative objectives, the economic effects derived from extraordinary events that could distort the results of the evaluation have been eliminated.
In addition, in order to determine the amount of the long-term variable compensation corresponding to the CEO, the Compensation Committee has also assessed his personal performance during the program. Thus, the final amount of the Long-Term Incentive is determined as the product of the amount of the incentive initially granted for said program (LTI

granted) by the overall Degree of Achievement of its Objectives (DAO) and by the average achieved in the evaluation of his performance during the years included in the measurement period of each program (D).

$$\text{Incentive payable} = \text{LTI target} \times D \times DAO$$

Consequently, the Board of Directors has approved in the meeting held on February 15, 2023, at the proposal of the Compensation Committee, the following amount as long-term variable compensation 2019-2022 of the CEO, representing 67.3% of his maximum achievable and equivalent to 80.8% of his annual fixed compensation.

2022 annual variable remuneration in thousands of euros	
Mr. Josu Jon Imaz	970

In accordance with the resolutions adopted by the General Shareholders' Meeting on May 19, 2017, and as indicated in section 4.1.3 above, the amount of the Long-Term Incentive 2019-2022 will be paid to the CEO in a proportion of 70% in cash and the remaining 30% in Company shares. The calculation of the 30% to be received in shares is made on the net amount, considering a marginal withholding rate, so that he will receive 810 thousand euros in cash and 10,845 shares of the Company —equivalent to an amount of 160 thousand euros—.

It was not necessary to apply any control mechanism, as described in section 4.1.5. of this report, to the long-term variable compensation of the CEO.

5.1.4. Share Purchase Plan for Beneficiaries of the Long-Term Incentive Programs

During the month of May 2022, the process of voluntary adherence to the Twelfth Cycle of the Share Purchase Plan by the Beneficiaries of the Long-Term Incentive Programs (2022-2025) was carried out. The CEO has allocated a total of 33,887 shares to the Plan, of which 13,184 correspond to the shares delivered to him as partial payment of the LTI 2018-2021 and the remaining 20,703 shares have been acquired by Mr. Imaz in order to reach the maximum investment amount in the Plan, equivalent to 50% of the gross amount of the long-term incentive. At the end of the Cycle, in June 2025, and provided that the conditions established in its Regulations are met, the CEO may receive a maximum of 11,295 shares.

In addition, on May 31, 2022, the vesting period of the Ninth Cycle of the Share Purchase Plan by the Beneficiaries of the 2019-2022 Long-Term Incentive Program was completed. As a result, the CEO vested rights to the delivery of 14,969 gross shares, valued at a price of 15.95 euros per share, representing an equivalent amount of 238,766 euros. In June 2022, after deducting the payment on account to be made by the Company, 10,220 shares were delivered to him.

At the date of this Report, the CEO holds 610,769 Repsol shares, representing more than seven times his annual fixed remuneration.

5.1.5. Long-Term Savings Systems

In 2022, Repsol contributed 246 thousand euros to the Executive Benefits Plan, described in section 4.1.6 above, in favour of the CEO. The CEO is also a participant in Repsol's defined contribution pension plan, whose contribution in 2022 amounted to 7 thousands of euros.

5.1.6. Other benefits

During 2022, the CEO has been the beneficiary of certain payments in kind that include, among other concepts, life and disability insurance and medical insurance. The expense associated with in-kind payments enjoyed in 2022 amounts to 36 thousand euros.

On the other hand, the Company has not granted any advance, credit or guarantee to the CEO in 2022.

5.1.7. Main terms and conditions of the contract of the CEO

The remuneration, rights and compensation of economic content of the CEO are determined in his contract, always in accordance with the provisions of the Bylaws and the Remuneration Policy, and are described in section 4.1.8 of this Report.

5.2. Regarding the Board Members in their capacity as such

The Board of Directors resolved on February 16, 2022, at the proposal of the Compensation Committee, to maintain the value of the point for the 2022 fiscal year at the amount of EUR88,297.11 gross per annum. In that fiscal year, the total amount of the remuneration of the Board Members for their non-executive functions amounted to 6.931 million euros, including the remuneration of the Chairman of the Board of Directors. The Individual Remuneration Tables section provides a breakdown of the allowances per Board Member.

Also, the non-executive directors received the remuneration corresponding to them for belonging to the governing bodies of certain subsidiaries of the Repsol Group, which amounted to 649 thousand euros.

The overall amount of the premium for the group third-party liability insurance for directors, executives and other Group employees who perform functions similar to those of executives, which covers the various Group companies under certain circumstances and conditions, amounted to 4.4 million euros in 2022. This amount corresponds to the entire group of insured persons in the Group and, therefore, does not refer exclusively to the members of the Board of Directors of Repsol, S.A.

5.3. Regarding the Chairman of the Board of Directors

The total amount of the fixed remuneration of the Chairman of the Board of Directors in 2022 amounted to 2,500 thousand euros. Also, in accordance with the Remuneration Policy, the Chairman is the beneficiary of certain payments in kind that include, among other items, medical insurance, the cost of the residence that the Company makes available to him as a home and for the institutional representation of the Company, the corresponding income on account derived from such items and the economic compensation for the applicable personal taxation derived from such payment in kind (withholdings). The expense associated with the compensation in kind for the Chairman of the Board of Directors during 2022 amounted to 311 thousand euros.

The Chairman of the Board of Directors has not received any advance, credit or guarantee from the Company.

6. INDIVIDUAL REMUNERATION TABLES

6.1. Remuneration of the Chief Executive Officer for 2022

Below is a summary of the total gross compensation accrued by the CEO during financial year 2022:

(In thousands of euros)

Director	Fixed Remuneration	Annual Variable Remuneration	Remuneration for duties as Director[1]	LTI 2019-2022		Total
				Long-Term Variable Remuneration in cash[2]	Long-Term Variable Remuneration in shares[3]	
Mr. Josu Jon Imaz	1,200	1,329	354	810	160	3,853

1. Compensation for directors' duties: includes the fixed allowance derived from membership of the Board of Directors of Repsol S.A. and its Committees.
2. Long-Term Variable Remuneration in cash: refers to the compensation corresponding to the LTI 2019-2022 Long-Term Incentive Program paid in cash.
3. Long-Term Variable Remuneration in shares: refers to the compensation corresponding to the 2019-2022 LTI Long-Term Incentive Program paid in shares.

With respect to the Share Purchase Plan by the **Beneficiaries of the Long-Term Incentive Programs**, on May 31, 2022, the vesting period of the Ninth Cycle (2019-2022) was completed, vesting, the CEO the rights to the delivery of the gross shares and for the total value indicated:

Director	No. gross shares	Total value (in thousands of euros)	No. net shares delivered
Mr. Josu Jon Imaz	14,969	238,766	10,220

The number of shares purchased by the CEO in the 2022-2025 Cycle is detailed below:

Number of shares acquired by the CEO	
Director	**2022-2025 Cycle**
Mr. Josu Jon Imaz[1]	33,887

1. If the CEO holds these shares for three years and the other conditions of the plan are met, these shares will generate the delivery of one share for every three shares initially acquired.

The following is a breakdown of the cost incurred by the Company for contributions to **pension plans** and to the CEO's **welfare schemes** during the financial year 2022, as well as **other compensation in kind** received during said year:

(In thousands of euros)

Director	Contributions to Pension Plans (1)	Contributions to Long-Term Savings Plans (2)	Total Long-Term Savings Systems
Mr. Josu Jon Imaz	7	246	253

1. Pension Plan of the employment system with vested economic rights. The amount accumulated in the Plan will only be received in the event of the occurrence of any of the contingencies covered by the Plan.
2. Executive Benefits Plan with non-vested economic rights. The amount accumulated in the Plan will only be received in the event of the occurrence of any of the contingencies covered by the Plan.

(In thousands of euros)

Director	Life Insurance Premiums	Health Insurance and Other Benefits	Total remuneration in kind
Mr. Josu Jon Imaz	27	9	36

6.2. Remuneration of the Board Members for their activities as such for 2022

The personal attendance of the Directors at the meetings of the Board of Directors and its Committees during 2022 was as follows:

	Board of Directors	Delegate Committee	Audit and Control Committee	Nomination Committee	Compensation Committee	Sustainability Committee	% individual attendance
Number of meetings	**14**	**9**	**9**	**11**	**5**	**5**	
Executives							
Josu Jon Imaz	14	9	—	—	—	—	100%
Independent Non-Executive							
Aurora Catá Sala (1)	14	—	8	11	5	—	97.4%
Arantza Estefanía Larrañaga	14	—	—	—	5	5	100%
Carmina Ganyet i Cirera (2)	14	6	4	6	2	—	100%
Teresa García-Milá Lloveras	14	—	9	11	—	—	100%
Manuel Manrique Cecilia	14	9	—	—	—	—	100%
Iván Martén Uliarte (3)	11	6	—	—	—	—	100%
Ignacio Martín San Vicente	14	9	—	—	—	—	100%
Mariano Marzo Carpio (4)	14	—	5	6	2	5	100%
Isabel Torremocha Ferrezuelo	14	—	9	—	—	5	100%
J. Robinson West	14	9	—	—	—	—	100%
Other Non-Executive							
Antonio Brufau Niubó	14	9	—	—	—	—	100%
Emiliano López Achurra (5)	14	—	—	11	3	5	100%
Henri Philippe Reichstul	14	9	—	—	—	—	100%
Luis Suárez de Lezo Mantilla	14	9	—	—	—	—	100%
% attendance Board/Committees	**100%**	**100%**	**98%**	**100%**	**100%**	**100%**	

(1) Due to other commitments assumed prior to the convening of the meeting of the Audit and Control Committee on March 29, 2022, Ms. Catá attended the meeting represented by Ms. Torremocha. The documentation for the meeting was sent to her prior to the meeting, so Ms. Catá transmitted her considerations on the meeting and voting instructions prior to the meeting.

(2) Ms. Ganyet was appointed member of the Delegate Committee on May 6, 2022 and resigned, on the same date, from her positions on the Audit and Control, Appointments and Compensation Committees of which she had been a member until then.

(3) Mr. Martén accepted his position as a Director after the meeting of March 30, 2022 and was appointed member of the Delegate Committee on May 6, 2022.

(4) Mr. Marzo was appointed member of the Audit and Control Committee on May 6, 2022 and resigned, on the same date, from the Nomination and Compensation Committees, of which he had been a member until then.

(5) Mr. López Achurra was appointed member of the Compensation Committee on May 6, 2022.

The amounts accrued individually by the members of the Board of Directors during the last financial year for their status as Board Members and for their membership on the different Committees were as follows:

(in thousands of euros)

	Repsol, S.A.				Other Group companies			
Director	**Fixed remuneration**	**Remuneration for membership of Board Committees**	**Total Repsol, S.A, 2022**	**Relative proportion with respect to Total Repsol, S.A. 2022**	**Fixed remuneration**	**Total Group companies 2022**	**TOTAL 2022**	**TOTAL 2021**
Executive								
Josu Jon Imaz	177	177	354	5.10%	—	—	**354**	**354**
Independent Non-Executive								
Aurora Catá Sala	177	132	309	4.45%	—	—	**309**	**231**
Arantza Estefanía Larrañaga (1)	177	66	243	3.50%	30	30	**273**	**243**
Carmina Ganyet i Cirera (2)	177	163	340	4.90%	—	—	**340**	**309**
Teresa García-Milá Lloveras	177	110	287	4.14%	—	—	**287**	**287**
Manuel Manrique Cecilia	177	177	354	5.10%	—	—	**354**	**354**
Iván Martén Uliarte (3)	132	118	250	3.60%	—	—	**250**	**—**
Ignacio Martín San Vicente	177	177	354	5.10%	—	—	**354**	**354**
Mariano Marzo Carpio (4)	199	119	318	4.58%	—	—	**318**	**287**
Isabel Torremocha Ferrezuelo	177	132	309	4.45%	—	—	**309**	**309**
J. Robinson West	177	177	354	5.10%	—	—	**354**	**354**
Other Non-Executive								
Antonio Brufau Niubó	2,500	—	2,500	36.03%	—	—	**2,500**	**2,500**
Emiliano López Achurra (5)	177	81	258	3.72%	619	619	**877**	**105**
Henri Philippe Reichstul	177	177	354	5.10%	—	—	**354**	**354**
Luis Suárez de Lezo Mantilla	177	177	354	5.10%	—	—	**354**	**354**

(1) Ms. Estefanía additionally receives the fixed remuneration indicated in the table as Secretary Director of the Board of Directors of Repsol Customer Centric, S.L., without executive functions.
(2) Ms. Ganyet was appointed member of the Delegate Committee on May 6, 2022 and resigned, on that same date, from her positions on the Audit and Control, Appointments and Compensation Committees of which she had been a member until then.
(3) Mr. Martén accepted his position as a Director after the meeting of March 30, 2022 and was appointed member of the Delegate Committee on May 6, 2022.
(4) Mr. Marzo was appointed member of the Audit and Control Committee on May 6, 2022 and resigned, on the same date, from the Nomination and Compensation Committees, of which he had been a member until then. For the performance of his duties as Coordinating Independent Director, Mr. Marzo receives a remuneration equivalent to an amount of 22,074.28 euros.
(5) Mr. López Achurra was appointed member of the Compensation Committee on May 6, 2022. In addition, he receives the fixed remuneration indicated in the table as non-executive Chairman of the Board of Directors of Petronor, S.A.

The following table shows a breakdown of the total compensation accrued by the Board Members:

(In thousands of euros)

	Remuneration earned at Repsol, S.A.										Remuneration earned at other Group companies				
Director	**Remuneration for membership on the Board**	**Remuneration for membership on Committees**	**Fixed Compensation**	**Short-term Variable Compensation**	**Long-term Variable Compensation**	**Compensation**	**Other Items[1]**	**Total for financial year 2022**	**Total for financial year 2021**	**Contributions to long term savings systems[2]**	**Remuneration for membership on the Board of Directors of other Group companies**	**Total financial year 2022**	**Total financial year 2021**	**Total Repsol, S.A. and Group 2022**	**Total Repsol, S.A. and Group 2021**
Executive															
Josu Jon Imaz	177	177	1,200	1,329	970	—	282	4,135	3,993	246	—	—	—	4,135	3,993
Independent Non-Executive															
Aurora Catá Sala	177	132	—	—	—	—	—	309	231	—	—	—	—	309	231
Arantza Estefanía Larrañaga [3]	177	66	—	—	—	—	—	243	243	—	30	30	—	273	243
Carmina Ganyet i Cirera [4]	177	163	—	—	—	—	—	340	309	—	—	—	—	340	309
Teresa García-Milá Lloveras	177	110	—	—	—	—	—	287	287	—	—	—	—	287	287
Manuel Manrique Cecilia	177	177	—	—	—	—	—	354	354	—	—	—	—	354	354
Iván Martén Uliarte [5]	132	118	—	—	—	—	—	250	—	—	—	—	—	250	—
Ignacio Martín San Vicente	177	177	—	—	—	—	—	354	354	—	—	—	—	354	354
Mariano Marzo Carpio [6]	199	119	—	—	—	—	—	318	287	—	—	—	—	318	287
Isabel Torremocha Ferrezuelo	177	132	—	—	—	—	—	309	309	—	—	—	—	309	309
J. Robinson West	177	177	—	—	—	—	—	354	354	—	—	—	—	354	354
Other Non-Executive															
Antonio Brufau Niubó	2,500	—	—	—	—	—	311	2,811	2,773	—	—	—	—	2,811	2,773
Emiliano López Achurra [7]	177	81	—	—	—	—	—	258	21	—	619	619	84	877	105
Henri Philippe Reichstul	177	177	—	—	—	—	—	354	354	—	—	—	—	354	354
Luis Suárez de Lezo Mantilla	177	177	—	—	—	—	—	354	354	—	—	—	—	354	354
TOTAL	**4,955**	**1,983**	**1,200**	**1,329**	**970**	**—**	**593**	**11,030**	**10,223**	**246**	**649**	**649**	**84**	**11,679**	**10,307**

(1) Other Items: Total amount of other compensation accrued in the financial year and not included in any of the other items, including compensation in kind, the amount of shares received under the Share Purchase Plan by the Beneficiaries of the Long-Term Incentive Programs, as well as the amount of contributions to the Repsol Pension Plan, a long-term savings system with vested economic rights.
(2) This amount corresponds to the contributions to the Executive Benefits Plan, a long-term savings system with non-consolidated economic rights.
(3) Ms. Estefanía additionally receives the fixed remuneration indicated in the table as Secretary Director of the Board of Directors of Repsol Customer Centric, S.L., without executive functions.
(4) Ms. Ganyet was appointed member of the Delegate Committee on May 6, 2022 and resigned, on that same date, from her positions on the Audit and Control, Appointments and Compensation Committees of which she had been a member until then.
(5) Mr. Martén accepted his position as a Director after the meeting of March 30, 2022 and was appointed member of the Delegate Committee on May 6, 2022.
(6) Mr. Marzo was appointed member of the Audit and Control Committee on May 6, 2022 and resigned, on the same date, from the Nomination and Compensation Committees, of which he had been a member until then. Mr. Marzo receives additional compensation for the performance of his duties as Coordinating Independent Director equivalent to an amount of 22,074.28 euros.

(7) Mr. López Achurra was appointed member of the Compensation Committee on May 6, 2022. In addition, he receives the fixed remuneration indicated in the table as non-executive Chairman of the Board of Directors of Petronor, S.A.

The following table includes information on the evolution over the last 5 years of the amount and percentage variation of the remuneration earned by each of the directors, the consolidated results of the Company and the average remuneration on a full-time equivalent basis of the employees of the Company and its subsidiaries who are not directors of Repsol, S.A.

	Total amounts accrued (in thousands of euros) and % annual variation								
Director	**2022**	**% variation 2022/2021**	**2021**	**% variation 2021/2020**	**2020**	**% variation 2020/2019**	**2019**	**% variation 2019/2018**	**2018**
Executive									
Josu Jon Imaz	4,135	3,5%	3,994	16%	3,439	-4%	3,583	-11%	4,036
Independent Non-Executive									
Aurora Catá Sala	309	34%	231	—	—	—	—	—	—
Arantza Estefanía Larrañaga	273	12%	243	0%	243	55%	157	0%	—
Carmina Ganyet i Cirera	340	10%	309	0%	309	3%	300	56%	192
Teresa García-Milá Lloveras	287	0%	287	0%	287	58%	182	0%	—
Manuel Manrique Cecilia	354	0%	354	0%	354	0%	354	0%	354
Iván Martén Uliarte	250	—	—	—	—	—	—	—	—
Ignacio Martín San Vicente	354	0%	354	0%	354	-2%	363	45%	250
Mariano Marzo Carpio	318	11%	287	0%	287	12%	256	5%	243
Isabel Torremocha Ferrezuelo	309	0%	309	0%	309	6%	291	10%	265
J. Robinson West	354	0%	354	0%	354	0%	354	0%	354
Other Non-Executive									
Antonio Brufau Niubó	2,811	1%	2,773	0%	2,786	-5%	2,919	-6%	3,105
Emiliano López Achurra	877	735%	105	—	—	—	—	—	—
Henri Philippe Reichstul	354	0%	354	0%	354	0%	354	510%	58
Luis Suárez de Lezo Mantilla	354	0%	354	0%	354	-89%	3,143	-7%	3,375
Consolidated results of the Company (in millions of euros)	**7,219**	**67%**	**4,329**	231%	**-3,304**	-3%	**-3,201**	-196%	**3,333**
Adjusted net income (in millions of euros)	**6,661**	**171%**	**2,454**	309%	**600**	-71%	**2,042**	-13%	**2,352**
Average compensation of employees (in thousands of euros)	**63**	**11%**	**57**	-2%	**58**	-3%	**59**	2%	**58**

Pursuant to the provisions of Circular 3/2021 of September 28 of the National Securities Market Commission, in order to facilitate the uniformity and comparability of the data, and to adequately explain the variations produced in the compensation received by the Company's Board Members in the last five financial years shown in the table, the following observations are made:

- Mr. Josu Jon Imaz: after having made the corresponding consultation with the regulator and in order to ensure that the figure reported coincides with the figure included in the summary table above and in table C.1. .c) of the Statistical Appendix of Circular 3/2021 of the National Securities Market Commission, the amounts reported do not include the contributions to the Executive Welfare Plan whose economic rights have not been consolidated by the Chief Executive Officer (which are reported in the tables above, as well as in table C.1.a. iii) of the Statistical Appendix of Circular 3/2021 of the CNMV).
- Ms. Aurora Catá Sala (% variation 2021/2022): the figure indicated shows the variation between the remuneration actually accrued in 2021 and 2022. These remunerations are not comparable, given that Ms. Catá was appointed Director of Repsol, S.A. on March 26, 2021 and, therefore, the remuneration for that financial year corresponds to the period from March 26 to December 31. In 2022 the remuneration for the full financial year is included.

- Ms. Aránzazu Estefanía Larrañaga:
  - % variation 2021/2022: the figure indicated shows the variation between the remuneration actually accrued in 2021 and 2022. The variation is due to the fact that, from 2022, Ms. Estefanía receives additional remuneration for the performance of her duties as Secretary-Director of the Group company, Repsol Customer Centric, S.L., equivalent to an amount of 30,000 euros. These functions are not of an executive nature.
  - % variation 2019/2020: the indicated figure shows the variation between the remuneration actually accrued in 2019 and in 2020. These remunerations are not comparable, given that Ms. Estefanía was appointed Director of Repsol, S.A. on May 31, 2019 and, therefore, the remuneration for that financial year corresponds to the period between May 31 and December 31. In 2020, remuneration for the full financial year is included.
- Ms. Carmina Ganyet i Cirera:
  - % variation 2021/2022: The indicated figure shows the variation between the remuneration actually accrued in 2021 and 2022. The variation is due to the fact that, on May 6, 2022, Ms. Ganyet was appointed member of the Delegate Committee and resigned, on that same date, from her positions on the Audit and Control, Appointments and Compensation Committees of which she had been a member until then.
  - % variation 2018/2019: the figure indicated shows the variation between the remuneration actually accrued in 2018 and in 2019. These remunerations are not comparable, given that Ms. Ganyet was appointed Director of Repsol, S.A. on May 11, 2018 and, therefore, the remuneration for that financial year corresponds to the period from May 11 to December 31. In 2019, remuneration for the full financial year is included.
- Ms. Teresa García-Milá Lloveras (% variation 2019/2020). Teresa García-Milá Lloveras (% variation 2019/2020): the figure indicated shows the variation between the remuneration actually accrued in 2019 and in 2020. These remunerations are not comparable, given that Ms. García-Milá was appointed Director of Repsol, S.A. on May 31, 2019 and, therefore, the remuneration for that financial year corresponds to the period between May 31 and December 31. In 2020, remuneration for the full financial year is included.
- Mr. Iván Martén Uliarte: Mr. Martén accepted his position as Director after the meeting held on March 30, 2022 and therefore the remuneration shown for that year does not correspond to the full financial year.
- Mr. Ignacio Martín San Vicente (% variation 2018/2019): the figure indicated shows the variation between the remuneration actually accrued in 2018 and 2019. These remunerations are not comparable, given that Mr. Martín was appointed Director of Repsol, S.A. on May 11, 2018 and, therefore, the remuneration for that financial year corresponds to the period from May 11 to December 31. In 2019, remuneration for the full financial year is included.
- Mr. Mariano Marzo Carpio:
  - % variation 2021/2022: The indicated figure shows the variation between the remuneration actually accrued in 2021 and 2022. The variation is due to the fact that, on May 6, 2022, Mr. Marzo was appointed member of the Audit and Control Committee and resigned, on the same date, from his positions on the Nomination and Compensation Committees, of which he had been a member until then.
  - % variation 2019/2020: the figures indicated show the variation between the remuneration actually accrued in 2019 and in 2020. The variation is due to the fact that, as of 2020, Mr. Marzo receives additional remuneration for the performance of his duties as Coordinating Independent Director, equivalent to an amount of €22,074.28.
- Mr. Emiliano López Achurra (% variation 2021/2022): the figure indicated shows the variation between the remuneration actually accrued in 2021 and 2022. These remunerations are not comparable, given that Mr. López Achurra was appointed as Director of Repsol, S.A. on November 24, 2021 and, therefore, the remuneration for that financial year corresponds to the period from November 24 to December 31. In 2022 the remuneration for the full financial year as Director of Repsol, S.A. and as Non-Executive Chairman of the Board of Directors of Petronor, S.A. is included.
- Mr. Henri Philippe Reichstul (% variation 2018/2019): the figures indicated show the variation between the remuneration actually earned in 2018 and 2019. These remunerations are not comparable, given that Mr. Reichstul was appointed Director on October 30, 2018, so the remuneration for that financial year corresponds only to the period during which he served as Director. As of 2019, remuneration for the full financial year is included.
- Mr. Luis Suárez de Lezo Mantilla: In order to facilitate the comparability of the remuneration received in the last five financial years, in 2019 (the last year in which he performed executive duties) the amounts accrued have been included, as in the 2018 financial year, as fixed remuneration (including that received for membership of the Board of Directors), annual variable remuneration, long-term variable remuneration and remuneration in kind. Additionally, as he ceased his executive duties on December 31, 2019, in that financial year he was paid other compensation items that were disclosed in the Directors' Compensation Report for that year, accrued throughout the time he served as Executive Director and not fully attributable to 2019.
- Calculations: to calculate the average compensation of employees, the average number of employees and the amount indicated under "Compensation and other" in section 19.6 "Personnel expenses" of the Financial Statements have been taken into account for each financial year.
- Adjusted Net Income specifically measures the performance of the Company's businesses, so that it reflects the reality of its businesses and allows for better comparability with companies in the sector, not including equity effects or specific results unrelated to the ordinary management of operations.

7. TABLES OF VOTING RESULTS AT GENERAL MEETINGS

The following table shows the voting percentages obtained at the Company's Ordinary General Shareholders' Meeting, held in 2022, in relation to the Annual Report on Directors' Remuneration:

Annual Report on Directors' Remuneration

	Number	% of issued
Votes in favor	693,746,629	95.310
Against	31,453,922	4.321
Abstentions	2,684,512	0.369

As the Directors' Remuneration Report for 2021 has been approved with the favorable vote of 95.31%, it has been considered that the remuneration of the Board of Directors is in line with the expectations of the Company's shareholders, thus maintaining the same line during the current financial year.

Mr. Luis Suárez de Lezo Mantilla, Secretary of the Board of Directors of Repsol, S.A.

I certify: That the preceding pages contain the Consolidated Financial Statements and the Consolidated Management Report of Repsol, S.A. as its subsidiaries for the fiscal year ended December 31, 2022, as approved by its Board of Directors on February 15, 2023, following which this page was signed by the members of the Board of Directors at the date of such approval.

The members of the Board of Directors of Repsol, S.A. declare that, to the best of their knowledge, the Consolidated Financial Statements for the fiscal year ended on December 31, 2022, approved at its meeting held on February 15, 2023 and prepared in accordance with applicable accounting principles, fairly present the equity, financial position and results of Repsol, S.A., and the companies that form part of consolidation taken as a whole, and that the Consolidated Management Report includes a fair depiction of the development and business results and the financial position of Repsol, S.A., and the companies that form part of the consolidation taken as a whole, together with a description of its principal risks and uncertainties.

Mr. Antonio Brufau Niubó *Chairman*	Mr. Josu Jon Imaz San Miguel *CEO*
Ms. Aurora Catá Sala *Director*	Ms. Aránzazu Estefanía Larrañaga *Director*
Ms. María del Carmen Ganyet i Cirera *Director*	Ms. María Teresa García-Milà Lloveras *Director*
Mr. Emiliano López Achurra *Director*	Mr. Manuel Manrique Cecilia *Director*
Mr. Iván Martén Uliarte *Director*	Mr. Ignacio Martín San Vicente *Director*
Mr. Mariano Marzo Carpio *Director*	Mr. Henri Philippe Reichstul *Director*
Ms. Isabel Torremocha Ferrezuelo *Director*	Mr. J. Robinson West *Director*
Mr. Luis Suárez de Lezo Mantilla *Director and Secretary*	

The Secretary of the Board of Directors also certifies that Mr. Henri Philippe Reichstul, attended to the meeting of the Board of Directors held on February 15, 2023 by videoconference, has not signed this document. However, the Board minutes will include the vote in favor of all the member of the Board of Directors to the approval of the Consolidated Financial Statements and the Consolidated Management Report of Repsol, S.A. and its subsidiaries for the fiscal year ended December 31, 2022.

Mr. Luis Suárez de Lezo Mantilla
Director and Secretary