



Repsol increases its targets for renewable generation and emission reductions

- Repsol has announced more ambitious targets that will accelerate its energy transition to become a net zero emissions company by 2050.
- The company increases investments in the 2021-2025 period to €19.3 billion, allocating an additional €1 billion over the period of the Strategic Plan to step up its renewable electricity generation capacity and production of renewable hydrogen, as well as other low-carbon initiatives.
- The company's ambition for renewable electricity generation increases by 60% to reach an installed capacity of 20 GW by 2030, with a target of 6 GW by 2025.
- At a session dedicated to the energy transition and aimed at analysts and investors, Repsol CEO Josu Jon Imaz announced an increase in the company's intermediate decarbonization targets. The reduction in the Carbon Intensity Indicator will now be 15 % in 2025, 28% in 2030, and 55% in 2040.
- Josu Jon Imaz: "The upgrade of our targets demonstrates the solid progress the company is making towards becoming carbon neutral by 2050. Ambition, technology, and project execution are enabling us to increase the speed at which we will achieve this target."

35%

Investment dedicated to low-carbon initiatives in 2021-2025

20 GW

Target of reaching 6 GW of renewable generation by 2025 and 20 GW by 2030

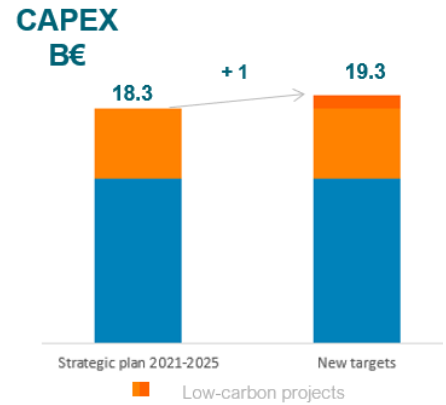
Increase in the Carbon Intensity Indicator reduction target: 15% by 2025, 28% by 2030, and 55% by 2040

Repsol today presented new objectives that will accelerate its transformation to become a net zero emissions company by 2050. This happened at the company's "Low Carbon Day", dedicated to explaining and detailing its energy transition to analysts and investors. The roadmap set out in the company's 2021-2025 Strategic Plan focuses on a combination of electrification and low-carbon products that will achieve an effective, sustainable, and affordable decarbonization of the economy, based on Repsol's competitive advantages.

Within this framework, Repsol CEO Josu Jon Imaz announced an **increase in the company's renewable generation** and **emission reduction targets**, as well as **an increase in investments in low-carbon solutions** to accelerate the transformation until 2030.

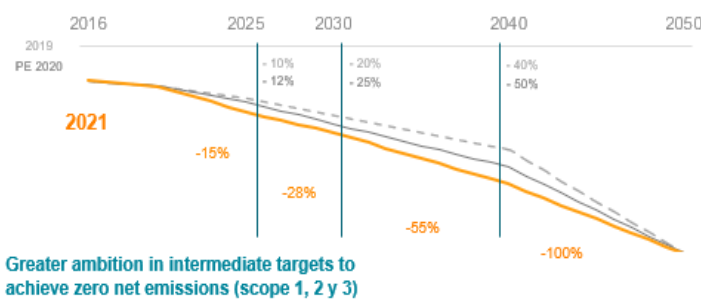


Repsol will allocate an additional €1 billion euros to low-carbon projects in the 2021-2025 period, up to a total of €6.5 billion, compared to the €5.5 billion established in the company's Strategic Plan. Now, investments earmarked for low-emission initiatives will stand at 35% in the 2021-2025 period, and the capital employed for these purposes will reach 45% in 2030. Thus, the new values represent an increase of five percentage points with respect to those established in the Strategic Plan presented almost a year ago.



New, accelerated pathway to zero net emissions

Carbon Intensity Indicator reduction target (gCO₂/MJ)

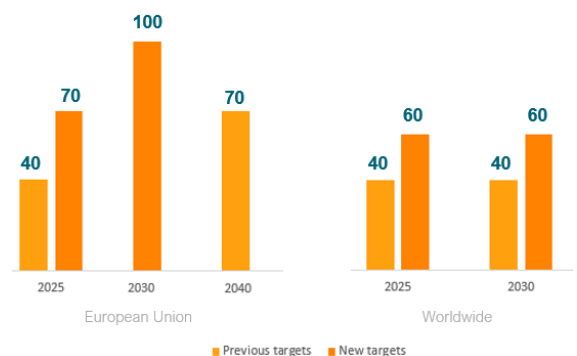


Repsol aims to lead the energy transition, in line with the Paris Agreement, to limit the increase in global temperature to well below 2°C. Technological progress and the deployment of current and future projects allow the company to increase its carbon intensity reduction targets. The new decarbonization pathway to reach carbon neutrality in 2050 establishes a reduction of the Carbon Intensity Indicator of 15% in 2025, 28% in 2030, and 55% in 2040, compared to the previous ones of 12%, 25%, and 50%, respectively.

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Repsol has increased its internal carbon price applied to all new investments. In this update, prices per ton of CO₂ are differentiated for investments within the European Union and in the rest of the world. Thus, a carbon price of \$70/t in 2025 and \$100/t in 2030 is set for the European Union (the previous values were \$40/t in 2025 and \$70/t in 2040). In the rest of the world, the price is set at \$60/t in 2025 (previously \$40/t). Establishing a carbon price allows new projects to be designed efficiently and investment decisions to be evaluated and made taking all variables into account.

Internal carbon price
\$/t CO₂



Along the same lines, Repsol has set a more ambitious target for reducing its methane emissions intensity, setting it at 0.20% in 2025. This represents a reduction of 85% compared to the previous target of 25%.

The company has also announced an absolute emission reduction target for the first time. It is committed to reducing 55% of emissions from operated assets (Scope 1 and 2) and 30% of net emissions (Scope 1, 2, and 3) by 2030.

The carbon strategy and its targets will be submitted to a consultative vote at the company's next General Shareholders' Meeting.



Progress in the decarbonization of businesses

Renewable generation GW



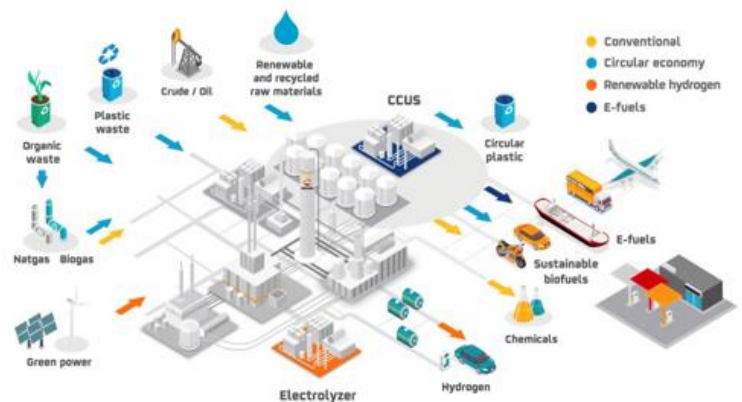
Renewable electricity generation is one of the pillars of Repsol's decarbonization model. Newly announced targets represent a 60% increase in renewable generation capacity by 2030, to 20 GW, compared to the 12.7 GW announced in the Strategic Plan. By 2025, the new renewable generation capacity target stands at 6 GW, compared to 5.2 GW in the roadmap presented in November 2020.

The company plans to continue the organic growth of this business, thanks to the development of a portfolio of projects in operation and development in OECD countries, reinforced after the joint venture signed with Ibereólica Renovables in Chile in 2020 and the recent acquisition of 40% of US-based Hecate Energy, a company specialized in the development of photovoltaic solar and energy storage projects. As a result, Repsol currently plans to end the year with 1.7 GW of installed renewable capacity and another 4.7 GW in projects under construction and with high visibility.

The **industrial area** will maintain its high competitiveness and the leadership of its assets in Europe. To keep up its transformation process, it will continue to rely on energy efficiency, the circular economy, renewable hydrogen, and the capture and use of CO₂.

Repsol's ambition is to be a leader in the **production of renewable hydrogen** in the Iberian Peninsula and gain a relevant position in the European market. Last July, the company announced more ambitious targets for renewable hydrogen generation, now aiming to reach a capacity of 552 MW equivalent in 2025 and 1.9 GW in 2030, compared to the previously announced targets of 400 MW and 1.2 GW, respectively. The achievement of these objectives will be made possible through the installation of electrolyzers and biogas production plants at the company's industrial complexes, as well as the development of the proprietary photoelectrocatalysis technology. This technology is a joint development of Repsol and Enagas, and a demonstration plant will be installed at the Puertollano industrial complex in 2025 to obtain hydrogen directly from water using solar energy.

In terms of the circular economy, Repsol's industrial complexes are adapting to use multiple wastes from different origins as raw materials to convert them into more sustainable fuels and materials. The ambition is to re-use three million tons of waste per year and, thus, mitigate more than seven million tons of CO₂ annually by 2030. Repsol is analyzing more than 40 types of waste and technologies to ensure the production of advanced biofuels and circular petrochemical materials.





The company also aims to produce two million tons of low-carbon fuels by 2030. The planned advanced biofuels plant in Cartagena is scheduled to start up in the first quarter of 2023, and it will avoid the emission of 900,000 tons of CO₂ into the atmosphere every year.

In the Chemicals business, Repsol aims to recycle the equivalent of 20% of its polyolefin production by 2030, and circularity is at the heart of its strategy. Repsol plans to invest €1.5 billion in this business in the 2021-2025 period. It will make progress in mechanical and chemical recycling projects for polyolefins, polyurethane recycling, and the production of methanol from waste to incorporate these in the production of materials.

The **Customer business area** continues to focus on satisfying all its customers' energy and mobility needs. In the area of electric recharging, Repsol will have more than 1,000 public electric recharging points in Spain by 2022, and it is committed to having fast or ultra-fast recharging points installed every 50 km along the country's main transport routes.

Repsol is committed to distributed generation and expects to end the year with more than 300 solar installations at its service stations and more than 180 solar communities as part of the Solmatch initiative.

The company continues to develop digital tools that enable greater personalization of offers and improved experiences for the customers. Repsol aims to have eight million digital customers by 2025 and, before the end of the year, it will launch a transversal loyalty program that will be the first of its kind in Spain. It will integrate all the products and services that the company makes available to its customers, allowing for the personalization of offers according to the needs of each user.

The **Upstream business** aims to reduce its CO₂ emissions intensity by 75% in the 2021-2025 period. Carbon capture and storage will play a key role in the development of new projects. In 2027, the company will start up the storage of two million tons of CO₂ per year at Sakakemang, the largest gas discovery in Indonesia in the last decades. This capture and storage project is among the largest of its kind in the world, and it will be the first for Repsol and Indonesia.

