



Repsol International Finance B.V.

Koninginnegracht 19
2514 AB The Hague
The Netherlands

Tel. 31 703141611

www.repsolinternationalfinancebv.com

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In accordance with Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, Repsol International Finance B.V. (the “**Company**”) is filing the attached press release published by Repsol, S.A. on the strategic update 2024-2027 and results for the year 2023.

The press release was filed yesterday by Repsol, S.A. (Guarantor of the Company’s Euro 13,000,000,000 Guaranteed Euro Medium Term Note Programme) with the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*).

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Repsol raises dividend 30% in 2024 and will deliver 4.6 billion euros in cash through 2027

- Repsol's 2024-2027 Strategic Update builds on its profitable energy transition model, prioritizing investments in the current integrated portfolio of quality assets and low-carbon initiatives, attractive shareholder remuneration and maintaining financial strength.
- The company increases the cash dividend by approximately 30% in 2024, to 0.9 euros per share (1.095 billion euros in total) and commits to increasing it by 3% annually. With this, Repsol will distribute 4.6 billion euros in cash in the 2024-2027 period.
- This remuneration will be complemented with share buybacks of up to 5.4 billion euros, in the expected price environment, thus allocating up to 10 billion euros to remunerate shareholders over the next four years. This target is equivalent to distributing between 25% and 35% of cash flow from operations.
- In line with this strategy, the Board of Directors yesterday approved a new share buyback program of 35 million shares, with the aim to redeem 40 million before the end of July 2024.
- The increase in remuneration to more than 520,000 shareholders and of investments through to 2027 will be underpinned by a solid operating cash flow, which will amount to 29 billion euros over the four-year period, and the company's low level of debt, which stood at 2.096 billion euros at the end of 2023 (6.7% of capital employed).
- Repsol will post net investment of between 16 and 19 billion euros over four years and will allocate more than 35% to low-carbon initiatives. The Iberian Peninsula will account for 60% of total investments and the United States for 25%.
- Industrial assets: net investments of between 5.5 and 6.8 billion euros to keep the facilities among the most advanced in the world and develop low-carbon initiatives, subject to the evolution of the regulatory and fiscal framework in Spain.
- Upstream: the company will launch new projects in areas where it has competitive advantages, prioritizing cash generation - reaching 6 billion euros in the period, under the current price scenario - and reducing the carbon footprint of its production.

€10 billion

Amount for shareholder remuneration until 2027

€29 billion

of operating cash flow in the period 2024-2027

>€16 billion

Net investments over the horizon of the Strategic Update

>35%

Planned investments for low-carbon projects



- **Customer Business:** Repsol, as a multi-energy company, plans to nearly double its electricity and gas customer base to 4 million by 2027, and will continue to drive its Waylet app, which will exceed 10 million users.
- **Low-Carbon Generation:** net investments of between 3 and 4 billion euros to develop the project portfolio and reach between 9,000 MW and 10,000 MW of installed capacity by 2027.
- **2023 Earnings:** net income was 3.168 billion euros (-25.5%). The adjusted result was 5.011 billion euros (-26%), in an uncertain and volatile macroeconomic environment.
- **Josu Jon Imaz, Repsol CEO:** "Over the next four years we will stay the course on the strategy we presented in our previous plan to address the energy transition and we will focus on all the types of energy that meet our customer's needs. We are convinced that this approach, in which decarbonization is an attractive opportunity to create value, grow and be profitable, is the most appropriate one for us."

4M clients

Repsol to double electricity and gas clients by 2027

>9,000MW

Installed renewable capacity in 2027

€3.168 B

Net income in 2023

Repsol today presented its 2024-2027 Strategic Update, which sets the priorities and objectives to reinforce its profitable growth, consolidate its multi-energy commitment, achieve its decarbonization objectives for 2025 and 2030 and zero net emissions by 2050.

Since the presentation of the 2021-2025 Strategic Plan, the company has boasted an outstanding financial and operational performance which has enabled it to reach, two years ahead of schedule, a large part of the objectives. This starting point presents a future four years ahead full of opportunities for Repsol.

The 2024-2027 Strategic Update is based on clear competitive advantages and a solid financial position to draw a roadmap for profitable decarbonization, leveraged on a balanced technological mix. This plan establishes a new capital allocation framework that prioritizes shareholder remuneration, sets an investment level above the average of recent years and maintains financial strength and is underpinned by solid operating cash flow generation, which will amount to 29 billion euros over the four-year period.

The new strategy is also based in three key aspects: the talent of the company's more than 25,000 employees, technology and digitalization, in which more than 500 million euros will be invested over the four-year period. The ambitious decarbonization targets remain unchanged to 2030, confirming Repsol's commitment to reach net zero emissions by 2050.

Shareholder remuneration: 4.6 billion euros in cash dividends, and additional share buybacks

Repsol will allocate between 25% and 35% of cash flow from operations to shareholder remuneration, including dividends and share buybacks.



As a result, the company could distribute up to a maximum of 10 billion euros to its more than 520,000 shareholders, largely small Spanish savers: it will distribute 4.6 billion euros in cash dividends, a figure it can supplement with up to 5.4 billion euros in share buyback programs, to reach the committed 25%-35%.

For 2024, Repsol has announced an increase of approximately 30% in the cash dividend, up to 0.9 euros per share, distributing 1.095 billion euros. For the following three years, the company is committed to increase this total amount by 3% per year, up to 1.197 billion euros in 2027. In addition, the Board of Directors yesterday approved a 35 million share buyback program, with the aim of redeeming 40 million shares before the end of July 2024.

This new shareholder value proposition provides stability and visibility to the dividend by establishing a defined plan for annual cash payout growth, complemented by share buybacks depending on the macro-economic scenario.

The company will continue to maintain its solid financial position, reflected in its current credit rating (BBB+/Baa1), on which shareholder remuneration and the investment program are based. In 2023, support for the company's management and financial strength was demonstrated by Fitch's upgrade of its rating to BBB+ with a stable outlook. With this decision, it joined S&P and Moody's, which made upward revisions to its ratings at the end of 2022.

Between 16 and 19 billion net investment to develop current assets

Repsol will mobilize net investments of between 16 and 19 billion euros over the next four years - in addition to the significant investments made in the last two years - which will be modulated based on to the macroeconomic scenario, the evolution of technology and regulation, the maturity of projects and the progress in asset rotation and planned divestments.

The level of investment will be modulated depending on regulation, technological maturity, the level of divestments and the evolution of the macroeconomic scenario

The Iberian Peninsula will account for 60% of the total and the United States for 25%. Low-carbon initiatives will account for more than 35% of total investments. By 2024, the forecast net investment is around 5 billion euros.

These investments take advantage of opportunities with attractive returns that the company already has in its portfolio, capable of transforming current projects into new energy transition businesses. At the same time, Repsol will continue to develop its Low Carbon Generation platform and strengthen the Customer business.

"Over the next four years we will stay the course on the strategy we presented in our previous plan to address the energy transition and we will focus on all the types of energy that meet our customer's needs. We are convinced that this approach, in which decarbonization is an attractive opportunity to create value, grow and be profitable, is the most appropriate one for us," said Repsol CEO, Josu Jon Imaz.

Industrial: strengthening existing assets' competitiveness and creating new low-carbon platforms

One of the keys to the company's decarbonization strategy lies in the evolution of the company's seven industrial complexes into multi-energy hubs, assets that guarantee energy supply and support more than 6.500 direct company jobs.



Repsol plans net investments of between 5.5 and 6.8 billion euros between 2024 and 2027 to keep these facilities - six of them located on the Iberian Peninsula – amongst the most advanced in Europe and to develop low-emission products, such as renewable fuels, renewable hydrogen and biomethane. These initiatives will require net investments of between 2 and 3 billion euros, subject to the evolution of the regulatory and fiscal framework in Spain. In addition, 500 million euros will be invested in decarbonizing conventional assets, achieving an emissions reduction of 1.6 million tons of CO₂ per year.

Renewable fuels are manufactured from organic waste (such as used cooking oils or biomass) or by combining renewable hydrogen and captured CO₂. Their carbon footprint is zero or very close to zero and they are therefore a fast, inclusive and cost-efficient solution for the decarbonization of transportation (cars, trucks, planes and ships). In addition, existing industrial and logistics facilities are used to process these renewable raw materials.

Repsol will invest more than 2 billion euros to manufacture products for the energy transition including renewable fuels, renewable hydrogen and biomethane

In this regard, the company's next milestone is the start-up of the advanced biofuels plant in Cartagena this month. This pioneering facility, in which 250 million euros have been invested, without subsidies, will produce 250,000 tons of renewable fuel a year and will avoid the emission of 900,000 tons of CO₂ per year, equivalent to putting 400,000 electric vehicles on the road, equivalent to the entire current fleet of plug-in cars in Spain.

The new plant in Cartagena will be joined by a second one in Puertollano in 2025. With an investment of 120 million euros, one the units of the industrial complex will be converted to produce 240,000 tons of renewable fuels, guaranteeing the competitiveness of the refinery. Repsol also plans to replicate this model in a third industrial center in Spain before 2030.

Biomethane and renewable hydrogen are other important vectors for the decarbonization of Repsol's industrial complexes, as raw materials for producing renewable fuels and other decarbonized products. The company, the largest producer and consumer of hydrogen in the Peninsula, plans to reach an equivalent production of up to 700 MW in 2027 and a maximum of 2,400 MW in 2030. To this end, it will install electrolyzers at its five industrial sites in Spain. In 2023, Repsol started up its first electrolyzer (2.5 MW), at its Petronor refinery (Vizcaya). In biomethane, the target is to reach between 1.3TWh and 1.5TWh by 2027.

Repsol's goal is to reach a total production capacity of renewable fuels, including renewable hydrogen and biomethane, of between 1.5 and 1.7 million tons in 2027 and up to 2.7 million tons in 2030 in the Iberian Peninsula and the United States, and to lead the market for this type of fuels.

As part of its strategy, Repsol has forged alliances with partners to secure access to the necessary technology and raw materials, thus consolidating its position in these new markets. In addition to its platform in the Iberian Peninsula, Repsol is exploring opportunities to develop low-carbon industrial initiatives in other attractive markets where it can leverage its experience and track record, such as the United States.



Exploration & Production: cash generation engine with a focus on the areas with the highest value creation

The Exploration & Production business, the group's largest cash generator in the 2020-2023 period, will maintain its strategic focus on the continued generation of value and the progressive decarbonization of its operations.

Cash generation will be between 5 and 6 billion euros, with overall production remaining above 550,000 barrels of oil equivalent per day (boe/d).

The Upstream unit will increase cashflow from operations per barrel by 30% though 2027 and will reduce the carbon intensity of its assets

The Upstream unit will maintain its focus on efficiency and the reduction of fixed production costs through the continuous improvement of the operating model and the synergies generated by the integration of the assets in the United Kingdom. Additionally, it will incorporate production from key development projects in the United States, Brazil and Mexico, prioritizing the value of new contributions over volume. In this way, it will increase cash generated per barrel produced by 30% by 2027, supported by the entry into production of the Leon-Castille project (2025) in the US Gulf of Mexico and the Pikka project in Alaska in 2026.

Reducing the carbon intensity of upstream assets is a priority goal for the group as a whole and will decrease by 33% over the next four years thanks to continuous improvement and efficiency measures. In addition, the company will take advantage of the technical and human capacities of this business unit to develop CCUS projects.

Repsol will continue to actively manage its project portfolio to increase the focus on key areas that generate greater value and create a robust position for a potential IPO at the end of the period.

Customer: maintain leadership in core businesses and retail growth

Repsol has consolidated its position as the leading multi-energy company in the Iberian Peninsula, with more than 24 million customers. The Customer business will invest more than 2 billion euros between 2024-2027, an average annual increase of 75% compared to the previous period. It will focus its efforts on strengthening its leadership in core businesses and growing in the most promising energy retail businesses, such as electricity and gas marketing, electric mobility, energy efficiency and distributed generation.

Waylet will build on its success and have more than 10 million digital clients in 2027, underpinning its model of success

To this end, Repsol will maintain its market share in the different businesses in which it operates, through digitalization, expansion of the service station network and differentiation, expanding initiatives in the non-oil business and marketing renewable fuels in 1,900 service stations by 2027. Repsol is the first company on the Iberian Peninsula to market renewable fuel at service stations, currently at more than 60 sites, which will exceed 600 by the end of 2024.

By 2027, 60% of Repsol's service stations will be multi-energy, supplying 100% renewable diesel, with fast or ultra-fast recharging points for electricity, AutoGas or LPG and, in strategic locations, also renewable hydrogen. In addition, the company aims to lead the sustainable aviation fuel (SAF) market in the Iberian Peninsula.



Repsol plans to double its electricity and gas customer base to 4 million by 2027 and strengthen its position in the electricity marketing market, where it is the fourth largest operator with a 6% share, through the development of its Repsol E&G Spain and Portugal customer base, the incorporation of Gana and CHC and the development of a physical marketing channel. The company's digital loyalty application Waylet will exceed 10 million digital customers by 2027.

Low-carbon generation: developing the portfolio while ensuring returns of more than 10%

Another pillar of the company's energy transition is renewable electricity generation. The Low Carbon Generation business has been a clear success story since its launch in 2018, with more than 2,800 MW installed in Spain, the United States, Chile, Italy and Portugal and a project portfolio of 60,000 MW, following the acquisition of several renewable platforms in Spain (Asterion Energies) and the United States (Hecate and ConnectGen).

Low-carbon generation project pipeline to exceed 9,000 MW installed in Spain, the United States, Chile and Italy by 2027

Over the 2024-2027 period, Repsol will invest between 3 and 4 billion euros to organically develop its project portfolio and reach between 9,000 MW and 10,000 MW of installed capacity by 2027. Of this, 50% will be in the Iberian Peninsula and 30% in the United States, after consolidating the pipeline of Hecate and ConnectGen. The company plans to expand its presence in Chile and Italy, with a combined installed capacity of 1,500 MW in 2027.

One of the key aspects of this strategy is optimizing the financial structure and profitability of the projects through the rotation of the asset portfolio and the incorporation of partners or project financing, to maximize value generation and ensure returns of over 10%.

2023 earnings

Repsol also presented its 2023 earnings today. The company maintained a good operating and financial performance, which allowed it to continue to make progress in meeting its strategic objectives. Between January and December 2023, the company's net income was 3.168 billion euros, 25.5% less than the previous year. Adjusted profit, which specifically measures the performance of the businesses, came in at 5.011 billion euros, 26% below the 2022 total, in an uncertain and volatile environment and lower crude oil and gas prices than in 2022.

Repsol made historic investments of 6.167 billion euros in 2023. Of these, 43% went to assets in the Iberian Peninsula

In 2023, the company made historic investments of 6.167 billion euros. Of this amount, 43% (more than 2.6 billion euros) was allocated to projects in the Iberian Peninsula and 30% to renewable generation assets. During the year, 1,100 MW of renewable power assets were commissioned, bringing the total installed capacity to 2,800 MW, mainly in Spain. Investments in the Industrial business totaled 1,161 billion euros in the period, which contributed to maintain and generate new industrial jobs and to bolster local economies.

Average production for the Exploration & Production business in 2023 was 599,000 barrels of oil equivalent per day, following an intense year of portfolio reorganization to focus activity on key regions.



This multi-energy strategy has been backed by numerous institutions such as the Official Credit Institute (ICO), the European Investment Bank (EIB) and the Institute for Energy Diversification and Savings (IDAE), which have supported transformation projects in industrial complexes and the development of renewable generation projects.

Repsol has submitted initiatives to the European "Next Generation" funds that represent an investment of more than 3 billion euros in technological innovation, decarbonization and circular economy, and has obtained funds from the "Innovation Fund Large Scale 2022: Industry electrification and hydrogen" for the Tarragona Hydrogen Network project (an electrolyzer with a capacity of 150 MW in its first phase).

The Customer business maintained an attractive discount policy for users during the year and ended the year with 2.2 million electricity and gas customers. Digital customers increased to 7.9 million thanks to the benefits associated with the Waylet application.

The solid performance of all businesses resulted in cash generation of 7.064 billion euros, which, together with the divestments and the rotation of renewable assets carried out, made it possible to cover the volume of investments, reduce debt and increase shareholder remuneration.

In 2023, Repsol allocated 2.461 billion euros to remunerate its more than 520,000 shareholders, who received a cash dividend of 0.7 euros per share, 11% more than in 2022. In addition, the company continued with its share repurchase programs, having already exceeded the targets set out in the 2025 strategic plan by the end of 2023.

Repsol's tax contribution in Spain - the highest in the Ibex 35 - stood at 10.446 billion euros. Net debt was 2.096 billion euros at the end of December, 7% less than a year earlier, which brought the financial leverage level down to 6.7%.



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Some of the financial figures presented throughout this document are considered Alternative Performance Measures (APM), in accordance with the ESMA (European Securities Market Association) Guidelines "Alternative Performance Measures", for more information see Repsol's [website](#).

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