



REPSOL EUROPE FINANCE

(Formerly TE Holding S.à r.l.; a private company with limited liability (société à responsabilité limitée) incorporated under the laws of the Grand Duchy of Luxembourg and having its statutory seat at 14-16 Avenue Pasteur, L-2310 Luxembourg, in the Grand Duchy of Luxembourg, and registered with the Luxembourg trade and companies register under number B149867)

and

REPSOL INTERNATIONAL FINANCE B.V.

(A private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid) incorporated under the laws of the Netherlands and having its statutory seat in The Hague)

EURO 13,000,000,000

Guaranteed Euro Medium Term Note Programme

Guaranteed by

REPSOL, S.A.

(A sociedad anónima organised under the laws of the Kingdom of Spain)

This supplement (the **Supplement**) to the base prospectus dated 31 May 2023, as supplemented on 6 October 2023 (together, the **Base Prospectus**) constitutes a supplement, for the purposes of Article 23(1) of Regulation (EU) 2107/1129, as amended or superseded (the **Prospectus Regulation**), and is prepared in connection with the Euro 13,000,000,000 Guaranteed Euro Medium Term Note Programme (the **Programme**) established by Repsol Europe Finance (**REF**) and Repsol International Finance B.V. (**RIF**, and together with REF, the **Issuers** and each an **Issuer**) and guaranteed by Repsol, S.A. (the **Guarantor**). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to and should be read in conjunction with the Base Prospectus.

Each of the Issuers and the Guarantor accepts responsibility for the information contained in this Supplement and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

This Supplement has been prepared for the purpose of supplementing the sections of the Base Prospectus entitled “*Documents Incorporated by Reference*” to incorporate by reference certain financial information as of and for the nine-month period ended 30 September 2023 in respect of the Guarantor and the Group, as well as to supplement the sections entitled “*Risk Factors*”, “*Description of the Guarantor and the Group*” and “*General Information*”.

The Dealers, the Trustee and the Arranger have not separately verified the information contained in the Base Prospectus, as supplemented by this Supplement. None of the Dealers, the Trustee or the Arranger makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in the Base Prospectus, as supplemented by this Supplement.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy since the publication of the Base Prospectus.

If there has been an inconsistency between any information included in this Supplement and information included in the Base Prospectus, the information included in this Supplement should prevail.

This Supplement is available on the website of the Guarantor (www.repsol.com) alongside the Base Prospectus and is also available on the website of the Luxembourg Stock Exchange (www.luxse.com).

(I) RISK FACTORS

Both the Issuers and the Guarantor consider advisable, pursuant to Article 23 of the Prospectus Regulation, to update the section entitled “*Risk Factors*” on pages 16 to 44 of the Base Prospectus. To that end, and by virtue of this Supplement, the following risk factors set forth under “*(I) Risk factors that may affect the Issuers’ and the Guarantor’s ability to fulfil their obligations under the Notes*” shall be replaced in their entirety with the wording set out further below:

- “*Risks related to uncertainty in the current economic context*” on pages 19 and 20 of the Base Prospectus and set forth under “*2. Risks relating to geopolitical and macroeconomic conditions*”; and
- “*Risks related to fluctuations in international commodity prices and demand*” on pages 21 and 22 of the Base Prospectus and set forth under “*3. Risks related to Repsol’s business activities and industry*”.

“Risks related to uncertainty in the current economic context

The Group is directly and indirectly subject to inherent risks arising from general economic conditions in Spain, the other countries in which it operates and the global economy more generally.

As at the date of this Supplement, there is a higher than usual degree of uncertainty in the current economic context. In this regard, a source of uncertainty derives from what level of monetary tightening will be necessary for inflation to be controlled again in an environment where some supply shocks persist, such as Russia’s invasion of Ukraine or the military conflict in Israel and Gaza, as well as its effects on global economic activity.

Despite notable headwinds and a backdrop of pessimism, the first half of 2023 was resilient and stronger than expected for the global economy. While the possibility of the global economy falling into recession (defined as two quarters of falling GDP per capita) seemed a clear possibility towards the end of 2022, quarter-on-quarter growth in the first half averaged 0.7%, similar to the average growth of between 2010 and 2019 (source: *International Monetary Fund - World Economic Outlook (October 2023)*). This growth has reflected three general trends: (i) consumer spending has been supported by excess previous savings, especially in the United States; (ii) a smaller impact than expected in the eurozone from the energy crisis; and (iii) China’s exit from its “zero Covid” strategy was quicker and more abrupt than anticipated, which favoured a rebound in its activity in the first months of 2023, although such rebound has subsequently faded.

However, there are increasing signs that a turning point has been reached. Inflation remains high and continues to erode household purchasing power. The lagged impact of policy tightening by central banks is beginning to be felt more clearly, raising the cost of borrowing. Immediate concerns about the health of the banking sector have subsided, but high interest rates are filtering through the financial system, and banks in advanced economies have significantly tightened lending standards, curtailing the supply of credit. And the continued weakness of the Chinese real estate sector is not only slowing investment and confidence in the country, but also threatens to generate new financial instabilities.

The Group is exposed to the uncertain macroeconomic context in several ways:

- An economic downturn in any of the countries in which the Group operates may impact the Group’s customers, resulting in their inability to pay amounts owed to the Group and may affect demand for the Group’s goods and services. For example, the widespread decline in global economic activity and indicators following Russia’s

invasion of Ukraine affected the profitability of some of the Group's main businesses. See sections 3.1 (*Macroeconomic environment*), 4 (*Financial performance and shareholder remuneration*) and 7.5 (*Russia's invasion of Ukraine*) of the Consolidated Management Report for the year ended 31 December 2022, which was incorporated by reference to the Base Prospectus.

- Should demand for crude oil, gas, electricity or oil derivatives drop beneath the Group's forecasts as a result of an economic slowdown, the results of its main businesses would be adversely affected as this would affect business volume and the Group may suffer a loss of market share in its marketing business.
- An economic downturn also negatively affects the state of the equity, bond and foreign exchange markets, including their liquidity. This might affect the reasonable value of financial assets and liabilities and increase the Group's financing costs and its exposure to potential credit loss, all of which could give rise to an impairment of the goodwill and the intangible or tangible fixed assets of the Group.
- Other potential negative impacts could derive from the current economic, geopolitical and social instability, including, among other things, regulatory changes in the gas and electricity markets, deterioration of the Group's reputation due to inflation, civil protests, supply interruption or rising costs or prices, deviation in the execution of investment projects, labour unrest, cyberattacks, sanctions and increased costs due to custom duties or tariffs.

The Group is not able to predict how the economic cycle is likely to develop in the short term or the coming years or whether there will be a return to a recessive phase of the global economic cycle. Any further deterioration of the current economic situation in the markets in which the Group operates could have an adverse impact on the business, financial position and results of operations of the Repsol Group."

"Risks related to fluctuations in international commodity prices and demand

During 2023 so far, world oil prices have fluctuated greatly, driven by international supply and demand factors, geopolitical events and economic dynamics, which are beyond the Group's control. As at the date of this Supplement, the main stress factor behind the market tension is the effects of the broad-based sanctions levied by the United States, the European Union and others on Russian private and state-owned entities. On 5 December 2022, the European Union's embargo on imports of Russian seaborne crude oil and the price cap of U.S.\$60/bl on Russian crude agreed by the G7 group, the European Union and Australia took effect. Despite sanctions, Russian seaborne crude oil exports have maintained their pre-invasion volume due to the redirection of crude oil flows from Europe to Asia, and more specifically to India, China and Turkey.

Additionally, the European Union set an embargo on Russian petroleum products that came into effect on 5 February 2023, as well as a price cap of U.S.\$100/bl for the Russian products that trade at a premium to crude, such as diesel, gasoline or kerosene, and a price ceiling of U.S.\$45/bl for those products that typically sell below the crude oil price, such as fuel oil. The impact of the ban on refined product imports has been less disruptive than forecast as Russian products that previously flowed to Europe have been redirected to Turkey, Brazil and the Middle East. Some of those countries then sell their own products to Europe. Supply chains have stretched and could create problems should any disruptions occur. The movements on prices also reflect the release of 180mb of crude oil from the United States Strategic Petroleum Reserve and the response by OPEC+ by implementing both quota cuts and voluntary cuts. Regarding OPEC+, in addition to the official production cut of 2 mb/d for the period from November 2022 to December 2024, the group announced another voluntary cut of 1.2 mb/d

starting in May 2023, which is estimated to last until late 2024. The average price of Brent crude oil at the end of September almost reached U.S.\$100 per barrel, a significant increase from under U.S.\$70 per barrel in May 2023, which was mainly due to an additional 1mbpd voluntary cut made by Saudi Arabia and 500kbpd by Russia. The total volume of cuts announced by OPEC+ amounts to 5.1 mb/d, the equivalent of 5.1% of the estimation of the total global demand of crude oil for 2023 by the International Energy Agency, the U.S. Energy Information Administration and OPEC, tightening the supply within the market especially for medium and heavy sour grades of crude oil. In early October 2023, demand concerns and uncertainty about the economy grew and diluted the effect of OPEC+ cuts, which led to a reduction in the global oil prices. However, almost immediately afterwards, the market was again subjected to geopolitical events following the Hamas attack on Israel and the subsequent military conflict, which drove a risk premium of approximately U.S.\$5-U.S.\$8 per barrel of Brent crude oil (source: *calculations based on intra-day quotations obtained from Refinitiv*).

Other sources of market uncertainty include economic developments. The global economy has seen high levels of inflation since the war in Ukraine began. It has dropped since but the recent increase in oil price around 40% from earlier in 2023 will bring back inflationary pressure that could see a more inflationary environment for longer and force central banks to increase interest rates further. This could see a stronger dollar and put pressure on the price of oil going into 2024. In addition to the macroeconomic environment, the scenarios associated with the energy transition process and the effects of climate change can also affect the price of other commodities such as electricity and emissions allowances and carbon credits.

Further downside risk may occur if non-OPEC supply reaches the levels forecast. It could see an oversupplied crude market in 2024. Refinery margins may come under pressure in the Atlantic Basin with opening on new refineries in Nigeria, China and the Middle East.

Regarding the Israel-Hamas conflict, although supply has not been significantly affected so far, crude oil prices now have to cope with further geopolitical instability. With regard to the gas market, and as at the date of this Supplement, forward prices reached at the end of September 2023 indicate that the current gas price environment is expected to remain at low levels in the short-term when compared to the levels experienced in 2022 due to higher gas storage levels, solid flows of LNG received in Europe and a persistent weak demand. The uncertainty about how Europe will face the next winter has progressively diminished, but it could be reactivated in the case of extreme winter temperatures (in normal conditions, prices may further increase during particularly cold weather periods).

Reductions in crude oil and gas prices negatively affect Repsol's profitability and the value of its exploration and production assets. Its investment plans may also have to change due to the delay, renegotiation or cancellation of projects under new rules to get allowances to exploit resources. Likewise, any significant decrease in capital investments allocated to acquire, discover or develop new reserves could have an adverse effect on Repsol's ability to replace its crude oil and gas reserves. Moreover, industrial and commercial activities are exposed to risks which are inherent to such activities, including potential reductions in profit margins or fluctuations in the demand of crude, gas or other reference products due to unexpected increases in prices of other commodities (such as electricity, emissions allowances and carbon credits), which, in turn, could have an adverse impact on the business, financial position and results of operations of the Repsol Group".

(II) DOCUMENTS INCORPORATED BY REFERENCE

Both the Issuers and the Guarantor consider advisable, pursuant to Article 23 of the Prospectus Regulation, to update the section entitled “*Documents Incorporated by Reference*” on pages 45 to 52 of the Base Prospectus. To that end, and by virtue of this Supplement, the following document shall be added as a new paragraph (R) in the list of documents on pages 45 and 46 of the Base Prospectus and the cross-reference list on pages 46 to 51 of the Base Prospectus.

“(R) The Guarantor’s “Q3 2023 Results” presentation:
https://www.repsol.com/content/dam/repsol-corporate/en_gb/accionistas-e-inversores/cnmv/2023/ori26102023-information-on-the-third-quarter-2023-result.pdf

The page references indicated for document (R) below are to the page numbering of the electronic copies of such documents as available at the links set forth above.

Information incorporated by reference		Page references
(R)	The sections listed below of the Guarantor’s “Q3 2023 Results” presentation:	
	- Index	2
	- Delivering on our strategy while committed with the energy transition	3
	- 3Q23: Adjusted Income of €1,098 million	4
	- 3Q23 Highlights	5
	- Adjusted Income performance by Business Segment	6
	- Upstream	6-8
	- Industrial	9-10
	- Customer	11-12
	- Low Carbon Generation	13
	- Corporate and Others	14
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	- Statement of Financial Position	34
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	- Cash Flow Statement	36
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(III) DESCRIPTION OF THE GUARANTOR AND THE GROUP

Both the Issuers and the Guarantor consider advisable, pursuant to Article 23 of the Prospectus Regulation, to update the section entitled “*Description of the Guarantor and the Group*” on pages 60 to 81 of the Base Prospectus.

To that end, and by virtue of this Supplement, the following changes shall be made:

Recent Developments

The information below shall be inserted as new paragraphs at the end of the sub-section entitled “*Recent Developments*” on pages 61 and 62 of the Base Prospectus:

“On 25 October 2023, the Board of Directors of the Guarantor approved to distribute a shareholder remuneration in January 2024 of €0.375 gross per share. Additionally, an additional interim dividend of €0.025 gross charged to 2023 results is planned to be distributed. Consequently, the Guarantor’s shareholders are expected to receive a remuneration of €0.4 gross per share in January 2024.”

Share capital and major shareholders

The information below shall replace in its entirety the sub-section entitled “*Board of Directors, Senior Management and Employees—Share capital and major shareholders*” on page 74 of the Base Prospectus:

“As at the date of this Supplement, the Guarantor’s share capital is comprised of 1,277,396,053 shares at a nominal value of €1 fully subscribed and paid up, and admitted to listing on the automated quotation system (*mercado continuo*) of the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges. The Guarantor also has a programme of ADS, currently traded on the OTCQX market in the United States.

In accordance with the latest information available to Repsol, at the date of this Supplement, the Guarantor’s major shareholders beneficially owned the following percentages of its ordinary shares:

Shareholder	Percentage of voting rights attributed to shares (direct)	Percentage of voting rights attributed to shares (indirect)	Percentage of voting rights through financial instruments	Percentage of total voting rights
	%	%	%	%
BlackRock, Inc. ⁽¹⁾	—	5.306	0.169	5.475
Millennium Group Management LLC ⁽²⁾	—	—	1.061	1.061
Norges Bank ⁽³⁾	4.981	—	—	4.981

(1) BlackRock, Inc. holds its stake through various controlled entities. The information relating to BlackRock, Inc. is based on the statement submitted by this company to the CNMV on 2 May 2022.

(2) The information relating to Millennium Group Management LLC is based on the statement submitted by this company to the CNMV on 14 July 2023.

(3) The information relating to Norges Bank is based on the statement submitted by this company to the CNMV on 11 October 2023.”

Legal and Arbitration Proceedings

The information below shall be inserted as a new paragraph at the end of the sub-section entitled “*Addax arbitration in relation to the purchase of Talisman Energy UK Limited (TSEUK)*” under

the section entitled “*Legal and Arbitration Proceedings—United Kingdom*” on pages 75 and 76 of the Base Prospectus:

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

On 13 July 2015, Addax Petroleum UK Limited (**Addax**) and Sinopec International Petroleum Exploration and Production Corporation (**Sinopec**) filed a Notice of Arbitration against Talisman Energy Inc. (now known as **ROGCI**) and Talisman Colombia Holdco Limited (**TCHL**) in connection with the purchase of 49% of the shares of TSEUK (now known as **RSRUK**). On 25 May 2016, Addax and Sinopec formalised 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, which materialised in 2012 through the purchase of 49% of RSRUK 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 amount of approximately U.S.\$5,500 million.

The dispute relates to events which took place in 2012, prior to Repsol’s acquisition of Talisman Energy Inc. in 2015 and 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 warranties. On 15 August 2017, the Arbitral Tribunal issued a First Partial Award dismissing the warranty claims of Addax and Sinopec.

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 that, eventually, could be determined.

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

On 29 January 2020, the Arbitral Tribunal issued its Second Partial Award on Reserves and found ROGCI and TCHL liable to Sinopec and Addax in respect of such matter.

On 20 April 2021, the Arbitration Tribunal issued a Third Partial Award in connection with the other issues in the liability phase which were awaiting determination, finding TCHL and ROGCI liable in relation to Production (overlapping with the previous award related to Reserves) and dismissing the Addax and Sinopec claims in respect of the other matters (Decommissioning, Projects and Maintenance).

The Third Partial Award dismissed most of Addax and Sinopec’s claims and therefore allows a better estimation of the liabilities related to this claim. Therefore, the Group re-evaluated the provision necessary to cover the corresponding risks and, as a consequence of the analysis done by the Group and its external lawyers and advisers, the Group reduced the provision previously recorded.

Additionally, on 30 November 2017, the Guarantor commenced arbitration proceedings against China Petroleum Corporation and TipTop Luxembourg S.A.R.L. (which are both Sinopec group companies) seeking relief from any adverse ruling on the arbitration referred to above together with other damages yet unquantified as at the date of this Base Prospectus. This procedure is based on their conduct towards Repsol during the months leading up to its acquisition of Talisman Energy Inc. and its group. The Arbitration Tribunal issued an award dismissing Repsol’s claim. This decision does not have any impact in the risk assessment and the provision of the Addax arbitration.

The next step in the arbitration proceeding would be the quantum phase. However, on 28 April 2023 Repsol and Sinopec, agreed that, subject to the satisfaction of conditions, Repsol would acquire from Sinopec its 49% interest in the shares of RSRUK and would settle the arbitration. Consequently, on the same date Repsol and Sinopec suspended the arbitration proceeding. The total consideration of the agreement is U.S.\$2.1 billion (with a cash flow impact for the Group of U.S.\$1.1 billion once the cash available at RSRUK for the stake of 49% is consolidated). On 9 October 2023, the parties declared the conditions to be fulfilled, and consequently, on 31 October 2023 the shares were transferred and the arbitration proceedings were settled.”

Administrative and legal proceedings with tax implications

The information below shall replace in their entirety the sub-sections entitled “Brazil”, “Canada” and “Peru” under the sub-section entitled “*Legal and Arbitration Proceedings—Administrative and legal proceedings with tax implications*” on pages 78 to 81 of the Base Prospectus:

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) 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.

Likewise, Repsol Sinopec Brasil, S.A. 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 Repsol Sinopec Brasil, S.A. is the operator.

These lawsuits are currently limited to CIDE and PIS/COFINS and Repsol Sinopec Brasil, S.A. has initially received unfavorable decisions at the administrative and judicial stage, which are being duly appealed. The Group considers that it has acted in accordance with the law and in line with general practice in the sector.

In 2021, Repsol Sinopec Brasil, S.A. 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, B.V. and Guara, B.V. In December 2022, Repsol Sinopec Brasil, S.A. received the same tax assessment for the year 2017, and which was the occasion in which Lapa, B.V., was included. These assessments have been appealed and obtained favorable decisions at the first administrative stage of the appeal procedure. The tax administration has challenged these decisions before the second administrative instance. In October 2023, RSB received a tax assessment related to the fiscal year of 2018. Repsol Sinopec Brasil, S.A. considers that the methodology used is in accordance with the law.”

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 years 2016 and 2017 without any significant adjustments made, and initiated inspection proceedings for international transactions carried out during the fiscal years 2016 to 2019.

In October 2023, the CRA has initiated the corporate income tax inspection of ROGCI for fiscal years 2020, 2021 and 2022. Repsol collaborates closely and holds regular meetings with the CRA to facilitate the inspection processes and to best meet their information requests.”

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 favourable ruling was received cancelling almost the entire amount originally sought by SUNAT. Repsol 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 subsector” for the sales of aircraft fuel. An administrative appeal was filed against this matter and the Administrative Court confirmed RELAPASAA’s understanding that the sale of aircraft fuel is exempt from this “contribution” if made to local intermediaries who, in turn, delivered it to aircraft for consumption on international flights. The Court has ordered the Administration to verify that the fuel sold by RELAPASAA to local intermediaries was actually consumed abroad, fact that configures the exemption asserted by RELAPASAA. This position is not definitive as it could be disputed in judicial courts.

The Group 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.”

(IV) GENERAL INFORMATION

Both the Issuers and the Guarantor consider advisable, pursuant to Article 23 of the Prospectus Regulation, to update the section entitled “*General Information*” on pages 215 to 218 of the Base Prospectus.

To that end, and by virtue of this Supplement, paragraph 5 of the sub-section “*Significant/Material Change*” on page 215 of the Base Prospectus shall be replaced in its entirety with the following wording:

“5. To the best of the knowledge of the Guarantor, there has been no material adverse change in its prospects since 31 December 2022 (being the date of the last published audited financial statements) nor has there been any significant change in the financial position or financial performance of the Group since 30 September 2023.”