

An aerial photograph of a circular road winding through a dense forest. The road is a light grey color and forms a complete circle. The surrounding trees are various shades of green, with some darker green trees on the left side. The text is centered within the circle of the road.

Repsol's
participation
in trade
associations:
Climate review
2023

July 2023



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1. Introduction

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. The decarbonization of the economy is one of the greatest challenges of our time and all stakeholders must face it together.

Repsol's commitment is to achieve net zero emissions by 2050, including those from products obtained from our primary energy production. We are decarbonizing traditional operations, generating renewable electricity, and producing renewable fuels to offer society decarbonized and affordable solutions for mobility, industry, and residential sectors.

We strongly advocate for close collaboration between companies, industrial associations, and governments, to establish well-designed policy frameworks that enable a rapid and organized energy transition aligned with the goals set forth in the Paris Agreement. This means ensuring that our energy systems evolve swiftly while considering two crucial factors: affordability for consumers and security of energy supply.

In this spirit, we must guarantee that the initiatives and associations in which we participate are aligned with both the fulfilment of the goals of the Paris Agreement and our climate policy positions.

We call on governments to collaborate with industry and other stakeholders to create a level playing field that fosters innovation, investment, and sustainable economic growth. We believe that together, we can build a more sustainable future for all.

The preparation of this report is an exercise of transparency by which we intend to communicate our assessment of the initiatives and associations in which we participate.

We acknowledge the increasing demand from our stakeholders for enhanced transparency regarding corporate lobbying activities, particularly in the context of climate change and the energy transition. Investor initiatives, such as the Climate Action 100+ Net Zero Company Benchmark and the Global Standard on Responsible Corporate Climate Lobbying, have emerged to promote greater transparency in climate-related lobbying efforts undertaken by companies and industry associations.



**The Repsol Commitment
Net Zero Emissions
by 2050**

2. Repsol's climate policy positions

Repsol has established five principles that guide [our climate policy positions](#). They represent the global framework of climate change and energy transition positions that is the basis for Repsol's advocacy with different stakeholders, from governments to international organizations. These same principles are also used to assess the alignment of the industry associations to which Repsol belongs with the company's positions.

We have recently revised these principles, and they will continue to evolve in consistency with scientific evidence, multilateral agreements, regulations, and our own business transformation efforts, as well as other key drivers of global progress to achieve net zero emissions by 2050. We believe that our advocacy has a relevant role to play in supporting the ongoing energy transition towards a more sustainable future.

We are currently developing a section on Repsol's corporate website that will feature a comprehensive list of our climate related positions. This webpage is scheduled to be completed by the end of 2023, providing a platform to showcase and facilitate transparency regarding our positions on key climate change topics.

| *Table 1: High-level framework of positioning on climate change.*

The Paris Agreement
Net zero emissions by 2050
Technological neutrality
Carbon pricing
Just transition



3. Review methodology

We have implemented an assessment approach that includes the following steps¹:

1. **Identify** main initiatives and associations.
2. **Assess whether the associations' positions are consistent** with both the fulfilment of the goals of the Paris Agreement and our climate policy positions.
3. **Act** to address all cases of potential misalignment.
4. **Monitor and review** lobbying activities and alignment with Repsol's climate positions once a year, disclosing publicly the results of this assessment.

Identifying initiatives and associations

The internal assessment process is carried out with the participation of several corporate areas (Sustainability, Institutional Relations, and Investors Relations) as well as incumbent businesses and regional teams.

We have selected **37 relevant initiatives and associations** in which we participate, based on:

- Influence in shaping public policies related to climate change and the energy transition.
- Relationship with the energy sector.
- Scope of action in regions or countries where we have significant business activities.

The selected associations cover different geographies (global, continental, national, or regional) and energy value chain segments. Those with a broader scope should also exhibit a wider coverage of the assessed positioning aspects.

Assessment

Following the identification process, all publicly available policy and advocacy information on the industry associations is collected and analyzed, including a review of their websites, position letters, and social media.

The associations are then approached to request other relevant information regarding their alignment with both the goals of the Paris Agreement and Repsol's climate change policies.

The associations' stated policies and advocacy positions are reviewed against our assessment criteria (Table 1), examining whether there are significant differences between the respective climate positions.

¹ According to best practice.

Each association is classified as:

Aligned	it expressly commits to meeting the goals of the Paris Agreement and /or net zero emissions by 2050 and supports the lines of action that underpin Repsol's climate change strategy.
Partially aligned	it has not publicly stated its support of the Paris Agreement and/or net zero emissions by 2050, nor to some of Repsol's main lines of action ² .
Non-aligned	it has a public position that is contrary to Repsol's climate strategy and/or the Paris Agreement.

Taking a position

Depending on the level of alignment, the company will take the necessary measures to bring the diverging climate positions and strategies closer together, considering the views and perspectives of each party:

- This process is applied to all associations, including those classified as aligned, to address any potential differences that could arise in the future.
- For aligned associations, we will maintain our engagement and collaborate constructively on policies related to climate change and the energy transition
- For partially aligned associations, we will continue to engage in an open and constructive dialogue to promote energy transition policies that support the goal of the Paris Agreement. We will track alignment and will be transparent about where we find differences and always try to find opportunities to influence and collaborate. As a rule, we see added value in our memberships, and we firmly believe we can have a greater impact within the associations than outside. We can take the following actions:
 - Remain in the industry associations and increase our engagement with them in areas where we have different views in order to further alignment.
 - Continue our advocacy efforts independently or through other associations or coalitions.
 - Reassess our membership where we identify material misalignment that cannot be corrected. This includes considering ending participation in boards and committees or terminating the membership.
- We will terminate our membership in non-aligned associations. We will leave the possibility of resuming the relationship open in case our positions on climate change re-align in the future.

² In cases where an association did not express a position, and we consider the matter to be irrelevant to their scope, we did not qualify it as a misalignment. If an association has remained silent about an issue that we consider material to their domain, we qualify it as indicative of misalignment.

4. Results and next steps

In the case of the 37 industry associations reviewed, our assessment has led to the identification of:

- 35 aligned associations, of which five have been revised for the first time [Asociación Española de Hidrógeno, International Air Transport Association, Efuel Alliance, American Clean Power, Asociación de Generadoras de Chile].
- 2 partially aligned associations [API and OCIMF].
- No non-aligned associations.

35
Aligned

2
Partially aligned

0
Non-aligned

Addressing misalignment

We have found some misalignment with API and OCIMF and continue to work towards convergence in the areas where differences in climate-related positions have been identified.

We will continue to advocate for inclusive climate policies that contribute to achieving the goals of the Paris Agreement and net zero emissions by 2050, thus, promoting an orderly energy transition that ensures sustainable, affordable, and secure energy supply.

We will continue reviewing developments in associations policies on climate change, as well as our own positions to identify potential misalignments early, and we are committed to publishing an updated report each year.

American Petroleum Institute

API is the only national industry association that represents **all segments of the natural gas and oil industry in the United States**. API's mission is to promote safety across the industry globally and to influence public policy in support of a strong, viable U.S. oil and natural gas industry. API maintains more than 800 technical standards and recommended practices. Many have been incorporated into State and Federal regulations and they are the most widely cited standards by the international regulatory community. API shares the goal of reducing greenhouse gas (GHG) emissions across the broader economy and, specifically, those from energy production, transportation, and use by society.

Repsol participates in policy and technical committees, and we are represented on the association's board of directors and executive committee. We share API's pragmatic engaging approach, striving to preserve consumers' access to affordable, reliable, and efficient transportation.

We are encouraged by the significant progress made by API on climate advocacy over the last years, particularly on **carbon pricing and methane regulation**, where they are constructively engaging with the EPA on a final methane rule that is ambitious, cost-effective, promotes innovation, and creates the regulatory certainty needed for long-term planning. API also supports the extension of **CCS tax credit**, which has been a key priority for its members.

The association has defended a position contrary to some aspects of the Inflation Reduction Act (**IRA**), calling for a reconsideration of several provisions focused on tax and fee increases on oil, natural gas, and petroleum products, rather than on promoting decarbonization solutions.

Related to transport, API supports a technology neutral approach that incorporates the full life-cycle impact in support of low-carbon fuels, along with electrification. API strongly opposes the **EPA's new proposed federal vehicle GHG emission standard** because it prevents the marketplace from identifying the most efficient, lowest cost opportunities to reduce GHG emissions from vehicles and greatly restricts consumer choice. The proposed EPA standards intend to accelerate the energy transition by betting only on electric vehicles while it, without justification, limits the use of other decarbonization solutions, such as the internal combustion engine using low-carbon liquid fuels.

We will remain as a member of API, increasing engagement in the areas where some misalignment exists. We will ask API to support climate and energy transition policies in line with the Paris Agreement, focusing on achieving net zero emissions by 2050 without compromising the energy security and affordability.

[API Climate Action Framework](#)

[API Urges EPA to Finalize its Methane Rule with Modifications](#)

[API Statement on the Inflation Reduction Act](#)

[API Joint Trades Letter Opposing the Inflation Reduction Act](#)

[API Urges EPA to reverse course on its proposal for new tailpipe emissions standards](#)

[API Trade Groups Urge Biden Administration to Reconsider Tailpipe Emissions Rules](#)

OCIMF (Oil Companies International Marine Forum)

OCIMF is a voluntary international association of oil companies with an interest in shipment and terminal operations for crude oil, oil products, petrochemicals, and natural gas. Its main objective is to promote safety, efficiency, and sustainability in the maritime transportation of oil and gas. It is a leading authority on safety for the global marine industry and has consultancy status at the International Maritime Organization (IMO).

Repsol is a member of several technical committees and expert groups³, contributing with its expertise to the development of publications and programs that improve the safety and environmental performance of the marine industry, such as the launch of the new SIRE 2.0 (Ship Inspection Report Programme, a risk assessment tool used by charterers, terminal operators, and government bodies to assist in the assurance of ship safety standards).

OCIMF was included in our report for the first time in 2022. We note that it does not have a specific climate positioning, as its primary focus is on maritime safety and risk management in the oil and gas industry.

We welcome OCIMF progress on its commitment to leading solutions that meet IMO targets on GHG emission reductions, ensuring an uptake of alternative zero and near-zero GHG fuels and technologies. Through 2022, OCIMF actively developed and promoted best practice publications and programs to manage safety and environmental risks associated with new initiatives, technology, and fuels.

[Environment \(ocimf.org\)](https://www.ocimf.org)
[OCIMF Annual Report 2023](#)

³ Programmes Committee, Ship-to-Shore Interfaces Expert Group (SSEG) and e Floating Systems Expert Group (FSEG), Inspection Processes Expert Group, and Innovation and Technology Expert Group.

Repsol's participation in trade associations: Climate review 2023

Repsol payments in 2022 (USD)	Industry Associations	Member of board or equivalent governing body*	Alignment
500,000 - < 1M	Oil & Gas Climate Initiative (OGCI)	Y	A
	American Petroleum Institute (API)	Y	PA
	Fuels Europe (FE)	Y	A
	Asociación Española de Operadores de Productos Petrolíferos (ADP)	Y	A
100,000 - < 500,000	European Chemical Industry Council (CEFIC)	N	A
	International Association Oil & Gas Producers (IOGP)	N	A
	Association of Plastics Manufacturers in Europe (Plastics Europe)	Y	A
	Federación Empresarial de la Industria Química Española (FEIQUE)	Y	A
	Asociación Española de Hidrógeno (AEH2)	Y	A
50,000 - < 100,000	IPIECA	Y	A
	WindEurope	Y	A
	Eurogas	Y	A
	Asociación de Generadoras de Chile	Y	A
	SEDIGAS	Y	A
	Hydrogen Europe (HE)	N	A
	Efuel Alliance	Y	A
0 - < 50,000	Confederación Española de Organizaciones Empresariales (CEOE)	N	A
	Asociación Empresarial Eólica (AEE)	Y	A
	National Petroleum Council (NPC)	N	A
	Círculo de Empresarios	N	A
	Solar Energy Industries Association (SEIA)	N	A
	Business Europe (BE)	N	A
	Red Española del Pacto Mundial	N	A
	International Emissions Trading Association (IETA)	N	A
	International Air Transport Association (IATA)	N	A
	Sustainable Process Industry through Resource and Energy Efficiency (SPIRE)	Y	A
	Oil Companies International Marine Forum (OCIMF)	N	PA
	Plataforma Tecnológica Española del CO2 (PTECO2)	Y	A
	American Clean Power (ACP)	N	A
	International Gas Union (IGU)	N	A
	Comité Español – Cámara de Comercio Internacional (ICC)	Y	A
	GASNAM	N	A
	Canadian Chamber of Commerce (CCC)	N	A
	Unión Española Fotovoltaica (UNEF)	N	A
	Methane Guiding Principles (MGP)	Y	A
	O&G Methane Partnership (OGMP)	Y	A
Zero Routine Flaring by 2030	N	A	

*As of December 31, 2022.

We don't include memberships held by non-operated joint ventures.

In the European Union and the United States, we also report on costs related to lobbying activities, in accordance with the requirements and guidelines set out in the EU Transparency Register and the US Lobbying Disclosure Act. All this information reported by the company is made public.