



2021 Annual General Meeting

Antonio Brufau: "Industry and the application of all technologies hold the keys to protecting employment and stopping climate change"

- At the company's Annual General Meeting, Repsol chairman Antonio Brufau argued for finding the best possible combination of public policy and private initiative to get back on the path to prosperity as quickly as possible.
- In his address, Brufau held up two elements as essential to tackling the dual complexities of the COVID-19 crisis and the challenges of stopping climate change: industry and the full application of all technologies.
- "Electrification and renewables will be major players in the future, but so will biofuels, synthetic fuels, hydrogen, and CO₂ capture and storage," Antonio Brufau said.
- Brufau announced that Repsol has presented 30 projects eligible for *Next Generation EU* funding, amounting to a total investment of €5.959 billion. The proposals combine technology, decarbonization, and the circular economy with job creation and geographical balance.
- Repsol's portfolio of initiatives includes proposals for eight renewable hydrogen projects, nine focused on the circular economy, four on renewable power generation and storage, eight distributed energy and electric mobility projects, and one infrastructure digital transformation.
- Repsol's CEO, Josu Jon Imaz, took shareholders through the company's milestones over the past year. These included Repsol's solid response to the difficult environment and continued progress towards its goal of reaching zero net emissions by 2050, with a new Strategic Plan laying out the company's transformation over the coming years.
- "Our 2021–2025 plan makes our progress towards decarbonization and zero net emissions compatible with presenting a profitable and attractive value investment proposition" with a "proven commitment to shareholder remuneration," Imaz said.

30 projects

eligible to receive *Next Generation EU* funding

€5.959 B

to be invested in these projects that combine technology, decarbonization, and the circular economy with job creation and geographical balance

€18.3 B

estimated investments within the 2021–2025 Strategic Plan

€0.60 /share

Approval of €0.30/share dividend charged to 2020 profits, with distribution of €0.30/share, similar to the traditional payment charged to 2021





- Among other proposals, shareholders approved a complementary dividend of €0.30 gross per share charged to 2020 profits, in addition to the scrip dividend paid last January. It also approved the distribution, similar to the traditional payment charged to 2021, of €0.30 gross per share.
- The Annual General Meeting also voted to approve the reelection of Manuel Manrique, Mariano Marzo, Isabel Torremocha, and Luis Suárez de Lezo as members of the Board, and it confirmed the appointment by co-option and reelection to the Board of Rene Dahan. The appointment of Aurora Catá as a new member of the Board was also approved.

At Repsol's Annual General Meeting (AGM), held today in Madrid, company chairman Antonio Brufau emphasized the need for the best possible combination of public policy and private initiative to get society back on the path to prosperity as quickly as possible. Brufau also argued for industry and the full application of all technologies as essential elements in tackling the global challenges of climate change and the COVID-19 crisis, and he highlighted the need to take decisive action, involving a wide array of players and solutions.

Antonio Brufau began his address by stressing the difficult challenge now facing society at "a pivotal crossroad." He pointed out that recovery in Spain and Europe requires a formula "that must focus on many areas, including the quality of government, politics, and public service." Brufau went on to affirm Repsol's commitment to overcoming these challenges, and he held up two elements as essential to this: industry and the commitment to technological neutrality.

Repsol has a portfolio of 30 projects with a total investment of €5.959 billion that are candidates to receive Next Generation EU recovery funding

Industry "creates stable, high-quality jobs, with the additional benefit of creating wealth in the geographical area where it is based. If industry had accounted for a higher share of Spanish GDP, we would have weathered the crisis much better," he said. The Repsol chairman also reasoned that "we must emerge from this crisis with more industry and more, not less, quality employment instead of more job insecurity. Therefore, we must take full advantage of the opportunities offered through Europe's Next Generation funds, directed at projects that are viable and with guaranteed implementation."

On this last point, Brufau announced that Repsol is responding to the Spanish government's calls for expressions of interest with a portfolio of 30 projects, amounting to a total investment of €5.959 billion and "combining technology, decarbonization, and the circular economy with job creation and geographical balance." This portfolio includes proposals for eight renewable hydrogen projects, nine focused on the circular economy, four on renewable power generation and storage, eight distributed energy and electric mobility projects, and one digital transformation of infrastructure.



In Antonio Brufau's words, industry also has a key role to play in achieving a future with lower emissions, making it "vital that Europe and Spain create a balanced framework to achieve decarbonization with everyone's participation. However, for this to happen, we must believe in and commit to European industry as a generator of wealth for all."

Brufau also spoke of technology, one of the main levers included in the company's 2021-2025 Strategic Plan. He voiced the need for governments to allow "turning to more efficient solutions based on the principle of technological neutrality," taking into account technologies that are "more appropriate and more efficient in terms of cost for emissions reduction."

Antonio Brufau said that "it is vital that Europe and Spain create a balanced framework to achieve decarbonization with everyone's participation"

The Repsol chairman stressed that Article 12 of the Spanish government's climate change bill, proposing a ban on all vehicles with even the slightest emissions and presently being debated in Parliament, is going against the principles of technological neutrality. It is, therefore, detrimental to industry, the circular economy, and "the ambition in Europe of achieving, through long-term policymaking, a low-carbon refining industry with world-class standards and best practices."

Antonio Brufau stated that electrification and renewables will be major players in the future, "and we will be there with 15 GW of installed capacity in 2030." However, biofuels, synthetic fuels, hydrogen, and CO₂ capture and storage will also be essential, as the leading international institutions have forecast. These organizations maintain that liquid fuels are needed to decarbonize sectors where electrification is not possible, and, therefore, "Repsol fully assumes the need to evolve towards fuels whose life cycle has net zero CO₂ emissions." "This gives purpose to the transformation of our industrial complexes, turning them into circular economy hubs that will continue creating high-quality jobs while achieving geographical balance," he added.

Antonio Brufau said that "Spain's National Fund for the Sustainability of the Electrical Power System poses a significant and arbitrary obstacle to the competitiveness and the future of industry"

With the goal of advancing in the most efficient way towards a secure and decarbonized energy supply without diminishing the level of comfort and well-being currently enjoyed by society, Brufau pointed to the need to find "a means of achieving this same goal of a carbon-neutral future for vehicles and fuels in Spain and Europe without relocating technology and investment." "It's been established that liquid and liquefied fuels will remain the best solution in mobility for decades to come. Hydrocarbons and activity in exploration and production, refining, and petrochemicals, under the rigorous premises of decarbonization, will remain part of the solution to providing the levels of prosperity that the global society demands," he said. Additionally,

Antonio Brufau reminded shareholders that the mobility sector in Spain contributes more than €11 billion every year through the Hydrocarbons Tax, equivalent to €200 per ton of CO₂ emitted.

The commitment to European industry as "a generator of wealth for all" was another point touched upon in Antonio Brufau's address. He also described Spain's National Fund for the Sustainability of the Electrical Power System as undermined by "regulatory bias". In addition to harming consumers, "it poses a significant and arbitrary obstacle for the competitiveness and the future of industry."



Brufau wrapped up his address by reaffirming Repsol's goal of becoming a net zero emissions company by 2050. "This commitment to our shareholders, employees, and customers, to the citizens and the society that we are part, is none other than to continue going forward with our strategic project for an orderly energy transition in which hydrocarbons, the circular economy, renewable energy, and hydrogen each play their role and offer their opportunities."

A challenging year in which Repsol has proven its robustness and boosted its transformation to reach zero net emissions

Repsol CEO Josu Jon Imaz, in his address to the shareholders, outlined an overview of the company's milestones in 2020. "It has been an especially important year in which we've successfully implemented our Resilience Plan in response to the difficult context and have also presented our company's Strategic Plan that lays out a path for our activities the coming years and our commitment to the energy transition."

Josu Jon Imaz, said that "we have proven the strength of our project, obtaining positive results in all business areas and keeping our commitment to a shareholder remuneration among the most attractive on the Spanish stock market and in our sector"

Imaz said that throughout the entire health crisis, which the world has been facing for more than a year now, the company's priority has been to keep its facilities running and to provide essential services to society, guaranteeing the supply of basic needs such as energy or raw materials for large-scale manufacturing of medical equipment. Additionally, Repsol's commitment to digitalization and technology, as well as its already established experience with teleworking, allowed the company to respond rapidly and allow nearly 7,000 employees to continue their work remotely. The company also allocated €20 million to medical equipment, contributions, and donations to help alleviate the hardships faced during the pandemic.

The COVID-19 crisis caused an unprecedented contraction in oil consumption, the steepest drop in global demand in history. In response, Repsol put a Resilience Plan into action, implementing specific measures to bolster cash flow and strengthen the balance sheet. This allowed the company to "generate positive free cash flow totaling €1.979 billion while reducing net debt by 28% and maintaining our credit rating," the CEO explained.

"In Repsol, we have proven the robustness of our project by obtaining positive results in all business areas and keeping our commitment to a shareholder remuneration that is among the most attractive on the Spanish stock market and in our sector," Imaz said. The company's shareholders received remuneration of €0.916/share as part of the "Repsol Flexible Dividend" program.

Josu Jon Imaz broke down for the shareholders the main points of Repsol's road map for 2021–2025, "a critical milestone on this transformational journey we began a few years ago." It will enable the company to quicken the pace of its energy transition in a more profitable way and maximizing value. "Our plan will help us become a stronger, more profitable, and more competitive company," he said.



The new Strategic Plan calls for a total investment of €18.3 billion, approximately 30% of which will go to low-carbon projects

The Repsol CEO went through the strategies for the different business areas over the coming years: Upstream will be centered on key areas, it will reduce emissions by 75%, and it will focus on flexibility, efficiency, and technological ability to generate positive cash flow. The Industrial unit will aim to grow profits by transforming its business platforms, focusing on decarbonization and the circular economy. The Client area will deepen its commitment to digitalization and the multi-energy approach. And, the Low-Carbon Generation area will grow in profitability and consolidate its international expansion.

Repsol's new Strategic Plan calls for a total investment of €18.3 billion in the period 2021-2025. Approximately 30% will go to low-carbon projects that will bring the company closer to its goal of reaching zero net emissions by 2050. Repsol plans on achieving this by integrating various technological options, combining electrification with the use of low carbon footprint products and offering solutions to all of society's needs. "The combination of different types of energy will make it possible to reach the goal of zero net emissions more efficiently, more quickly, and with the lowest possible cost to the citizen," Josu Jon Imaz said.

Imaz said: "I have trust in Repsol and in its people. We are a company prepared to face the challenges in an increasingly decarbonized world and that will be a key player in the development of the energy model of the future"

Repsol is implementing various innovative projects that, in addition to adding momentum to the energy transition, will assist Spain's economic recovery. These include two innovative industrial decarbonization projects in Bilbao, Spain's first advanced biofuels plant in Cartagena, and the development and commissioning of renewable assets across the Iberian Peninsula — in addition to the beginning of this business area's international expansion with the creation of a joint venture in Chile.

Imaz reiterated that the 2021–2025 plan "makes our progress towards decarbonization and zero net emissions compatible with presenting a profitable, and attractive value proposition for investment" and with "a proven commitment to shareholder remuneration,"

Repsol's CEO concluded his address by highlighting that the company is in an excellent position to undertake this transformation, relying on technological innovation and digitalization as drivers of development and maintaining its firm commitment to society, the environment, and the fight against climate change. "For all these reasons, I'm confident. I have trust in Repsol and in its people. Trust in a company prepared to face the challenges in an increasingly decarbonized world. A company that will be a key player in the development of the energy model of the future," Imaz said.





Agreements reached at the Annual General Meeting

Due to the exceptional situation caused by COVID-19, the Annual General Meeting was held at Repsol's corporate headquarters in Madrid under strict safety measures to safeguard the health of everyone involved in preparing and holding the meeting. Repsol recommended that all shareholders attend the meeting online and exercise their voting and proxy rights remotely beforehand, for which all the necessary tools were made available.

Shareholders approved a dividend of €0.30 gross per share charged to 2020 profit, and the distribution, similar to the traditional payment charged to 2021, of €0.30 gross per share

Among other proposals and in line with the provisions of the Strategic Plan, shareholders approved a dividend of €0.30 gross per share charged to 2020 profits, in addition to the scrip dividend paid last January, to be paid as of July 7, 2021. They also approved the distribution of €0.30 gross per share charged to free reserves, similar to the traditional payment charged to 2021, to be paid out during January 2022, on a date to be determined by the Board of Directors.

Additionally, Repsol's shareholders approved a share capital reduction tied to the Share Buyback Program, for a maximum of 40,494,510 shares, representing 2.58% of the share capital.

The Annual General Meeting also voted to approve the reelection of Manuel Manrique, Mariano Marzo, Isabel Torremocha, and Luis Suárez de Lezo as members of the Board, and confirmed the appointment by co-option and reelection to the Board of Rene Dahan. Shareholders also approved the appointment of Aurora Catá as a new member of the Board.

