REPSOL EUROPE FINANCE

(Formerly TE Holding S.A R.L.; a private company with limited liability incorporated under the laws of the Grand Duchy of Luxembourg and having its statutory seat in the Grand Duchy of Luxembourg)

and

REPSOL INTERNATIONAL FINANCE B.V.

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

EURO 10,000,000,000
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 7 May 2021 (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Prospectus***), constitutes a supplement, for the purposes of Article 23(1) of Regulation (EU) 2107/1129, as amended or superseded (the ***Prospectus Regulation***) and is prepared in connection with the Euro 10,000,000,000 Guaranteed Euro Medium Term Note Programme (the ***Programme***)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 "*Risk Factors*", "*Use of Proceeds*", "*The Group's Carbon Intensity Indicator*", "*Description of Repsol International Finance B.V.*" and "*Description of the Guarantor and the Group*".

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 or the Arranger or the Trustee 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.

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.bourse.lu).

(1) Risk Factors

Pursuant to Article 23 of the Prospectus Regulation, the risk factors entitled "*Risks related to uncertainty in the current economic context*" contained in the section "Risk Factors—*(I) Risks Factors that may affect the Issuers´ and the Guarantors´ ability to fulfil their obligations under the notes—2. Risks relating to geopolitical and macroeconomic conditions*" on pages 17 and 18 of the Base Prospectus shall be replaced in its entirety with the following:

"Risk related to uncertainty in the current economic context.

The COVID-19 pandemic is inflicting high and rising costs worldwide, both human and economic. According to the latest International Monetary Fund (IMF) projections (World Economic Outlook April 2021), global GDP is estimated to have contracted by 3.3% in 2020, worse than during the 2008–09 financial crisis, but also a strong rebound is expected with the IMF projecting that the global economy will grow by 6.0% in 2021 and 4.4% in 2022.

There is a higher-than-usual degree of uncertainty in the current economic context. As at the date of this Base Prospectus, developments around the COVID-19 pandemic will continue to influence economic activity, and the outcome of 2021 will depend a lot on the race between new strains of the virus and the vaccines.

A more rapid advance in vaccination could improve the forecasts, while a further prolongation of the pandemic with variants of the virus that cannot be prevented by current vaccines could lead to an adverse impact on economic recovery.

In addition, the recovery can be at different speeds by sectors and countries. This could pose financial risks if interest rates rise unexpectedly due to a rise in risk aversion, inflation, or expectations of faster monetary tightening. High levels of indebtedness make many economies and markets particularly sensitive to a rise in interest rates. Therefore, an increase in interest rates could results in risks of a disorderly correction of overvalued financial assets and an abrupt tightening of financial conditions. Moreover, a spike in bankruptcies could damage the banking system, restrict the flow of credit, and trigger credit crunches.

The global economy also faces other risks. Although global trade tensions have eased, a growing strategic competition between the U.S. and China appears to continue, threatening a decoupling between the two economies. This would have ramifications for global growth affecting investment and the demand for capital goods. In addition, persistent inequalities in growth could exacerbate social unrest.

The Group is exposed to the uncertain macroeconomic context in a number of ways:

- An economic downturn in any of the countries in which the Group operates negatively affects business and consumer confidence, economic activity levels, unemployment trends and the state of the residential and commercial real estate sector. This in turn, 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 in the wake of the COVID-19 pandemic has affected the profitability of the Group's main businesses. See sections 2 (*Covid-19: Impacts and Resilience Plan*) and 6.1 (*Financial performance and shareholder remuneration*) of the Consolidated Management Report for the year ended 31 December 2020, which was incorporated by reference in 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.

- 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, all of which could give rise to an impairment of the goodwill and the intangible or tangible fixed assets of the Group.

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."

Additionally, pursuant to Article 23 of the Prospectus Regulation, the risk factor entitled "*Sustainability-Linked Notes may not be a suitable investment for all investors seeking exposure to assets with sustainability characteristics*" contained in the section *"Risk Factors—(II) Risks Related to the Notes Issued Under the Programme—1. Risks Related to the Structure of a Particular Issue of Notes"* on page 27 of the Base Prospectus shall be replaced in its entirety with the following:

"***Sustainability-Linked Notes may not be a suitable investment for all investors seeking exposure to assets with sustainability characteristics.***

Although the Notes may be issued as SLNs, such SLNs may not satisfy an investor's requirements or any binding or non-binding standards for investment in assets with sustainability characteristics (either now or in the future). In particular, the SLNs are not being marketed as "green bonds", "social bonds" or "sustainability bonds" as the net proceeds of the issue of the SLNs will be used for the Group's general corporate purposes and are therefore not necessarily be used for the financing or refinancing of green, social or sustainable assets or projects. Accordingly, none of the Issuers or the Guarantor commits to (i) allocating the net proceeds specifically to projects or business activities meeting sustainability criteria or (ii) being subject to any other limitations or requirements regarding the use of proceeds that may be associated with green bonds, social bonds or sustainability bonds in any particular market.

In the context of the Group's commitment to become a net zero emissions company by 2050, the Group has developed a CII expressed, on a net basis, in grams of carbon dioxide equivalent per megajoule (g CO2e/MJ) that measures CO2e emissions for every unit of energy that Repsol makes available to society. The CII is the basis for setting emissions reduction targets over time, to reach net zero emissions by 2050 and each SLN will specify one or more of such reduction targets as the sustainability performance targets for the purposes of the SLN. The CII is uniquely tailored to Repsol's business, operations and capabilities, and does not easily lend itself to benchmarking against similar sustainability performance targets, and the related performance, of other issuers.

Although the Guarantor intends to reduce the Group's CII, there can be no assurance of the extent to which it will be successful in doing so, that it may decide not to continue with seeking to achieve the SPTs set forth in the relevant Final Terms or that any future investments it makes in furtherance of such SPTs will meet investor expectations or any binding or non-binding legal standards regarding sustainability performance, whether by any present or future applicable law or regulations or by the Group's transition financing framework (the **Framework**) or other governing rules or any investment portfolio mandates, in particular with regard to any direct or indirect environmental or sustainability impact.

No assurance is or can be given to investors by the relevant Issuer, the Guarantor, the Dealers, the Trustee, any second party opinion providers or the Assurance Provider that the Notes will meet any or all investor expectations regarding the SLNs or the Group's SPTs or that any adverse environmental, social and/or other impacts will not occur in connection with the Group striving to achieve the SPTs from the offering of SLNs."

In addition, pursuant to Article 23 of the Prospectus Regulation, the risk factor entitled "*Risks related to Green Bonds*" contained in the section *"Risk Factors—(II) Risks Related to the Notes Issued Under the Programme—1. Risks Related to the Structure of a Particular Issue of Notes"* on page 28 of the Base Prospectus shall be replaced in its entirety with the following:

"***Risks related to Green Bonds and Transition Bonds.***

The net proceeds from the issue of any Notes will be on-lent by the relevant Issuer to, or invested by the relevant Issuer in, other companies within the Repsol Group, for use by such companies for general corporate purposes or any particular purpose defined in the applicable Final Terms of an issue or specifically to finance and/or refinance, in whole or in part, Green Eligible Projects or Transition Eligible Projects in accordance with prescribed eligibility criteria set forth in the Framework from time to time (any such Notes, **Green Bonds** and **Transition Bonds**, respectively). See also the section entitled "*Use of Proceeds*" for further detail.

Regardless of whether any Green Bonds or Transition Bonds are listed or admitted to trading on any dedicated "green", "environmental", "sustainable" or other equivalently-labelled segment of any stock exchange or securities market, no assurance is given by the relevant Issuer, the Guarantor, the Dealers, the Trustee, any second party opinion providers or the Assurance Provider that the use of such proceeds for any Green Eligible Projects or Transition Eligible Projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Green Eligible Projects or Transition Eligible Projects.

While it is the intention of the relevant Issuer to apply the proceeds of any Green Bonds or Transition Bonds for Green Eligible Projects or Transition Eligible Projects, as applicable, in, or substantially in, the manner described in the Framework from time to time, there can be no assurance that the relevant project(s) or use(s) the subject of, or related to, any Green Eligible Projects or Transition Eligible Projects will be capable of being implemented in or substantially in such manner and/or accordance with any timing schedule and that accordingly such proceeds will be totally or partially disbursed for such Green Eligible Projects or Transition Eligible Projects. None of the Trustee, the Dealers or the Issuing and Paying Agent shall be responsible for monitoring the use of proceeds of any such Notes. In addition, there can be no assurance that such Green Eligible Projects or Transition Eligible Projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the relevant Issuer.

Although the relevant Issuer or the Guarantor may agree at the time of issue of any Green Eligible Projects or Transition Eligible Projects to apply the proceeds of any Green Bonds or Transition Bonds so specified in, or substantially in accordance with, the eligibility criteria set forth in the Framework from time to time, it would not be an Event of Default under the Green Bonds or Transition Bonds if such obligations are not complied with for whatever reason.

Any failure to apply the proceeds of any issue of Green Bonds or Transition Bonds in connection with Green Eligible Projects or Transition Eligible Projects, as applicable, or any failure to meet, or continue to meet the eligibility criteria, or the withdrawal of any second-party opinion, or any such Green Bonds or Transition Bonds no longer being listed or admitted to trading on any stock exchange or securities market may have a material adverse effect on the value of such Green

Bonds or Transition Bonds and also potentially the value of any other Green Bonds or Transition Bonds which are intended by either Issuer to finance Green Eligible Projects or Transition Eligible Projects or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose. Prospective investors must determine for themselves whether the proposed Green Bonds or Transition Bonds meet their requisite investment criteria and conduct any other investigations they deem necessary to reach their own conclusions as to the merits of investing in any such Green Bonds or Transition Bonds.

Furthermore, it should be noted that there is currently no clear definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green", "transition" or an equivalently-labelled project or as to what precise attributes are required for a particular project to be defined as "green", "transition" or such other equivalent label nor can any assurance be given that such a clear definition or consensus will develop over time or that any prevailing market consensus will not significantly change. Accordingly, no assurance is or can be given (whether by the relevant Issuer, the Guarantor, the Trustee, the Dealers, the Arranger, the Issuing and Paying Agent or any other person) to investors that any projects or uses the subject of, or related to, any Green Eligible Projects or Transition Eligible Projects will meet any or all investor expectations regarding such "green", "transition" or other equivalently-labelled performance objectives."

In addition, pursuant to Article 23 of the Prospectus Regulation, the following new risk factor shall be included immediately after the risk factor entitled "*The Group's ability to meet its emissions reduction targets*" contained in the section *"Risk Factors—(II) Risks Related to the Notes Issued Under the Programme—1. Risks Related to the Structure of a Particular Issue of Notes"* on page 27 of the Base Prospectus:

"***No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion, report, certification or validation of any third party in connection with the offering of the Notes.***

In connection with Notes issued as SLNs, Green Bonds or Transition Bonds, no assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the relevant Issuer) which may be made available in connection with the issue of any such Notes and in particular with any Green Eligible Projects or Transition Eligible Projects to fulfil any environmental, sustainability, transition and/or other criteria. Any such opinion, report or certification is not, nor shall it be deemed to be, incorporated in and/or form part of this Base Prospectus. Any second party opinion providers and providers of similar opinions, certifications and validations are not currently subject to any specific regulatory or other regime or oversight. Any such opinion or certification (including, but not limited to, the Assurance Report (as defined in Condition 4 (*Sustainability-Linked Notes*)) is not, nor should be deemed to be, a recommendation by the relevant Issuer, the Guarantor, the Trustee, the Dealers, any second party opinion providers, the Assurance Provider or any other person to buy, sell or hold such Notes. Noteholders have no recourse against the relevant Issuer, the Guarantor, the Trustee, the Dealers, any second party opinion providers, the Assurance Provider or any other person to buy for the contents of any such opinion or certification, which is only current as at the date it was initially issued.

Prospective investors must determine for themselves the relevance of any such opinion, certification or validation and/or the information contained therein and/or the provider of such opinion, certification or validation for the purpose of any investment in such Notes. Any withdrawal of any such opinion or certification or any such opinion, certification attesting that the Group is not complying in whole or in part with any matters for which such opinion, certification or validation is opining on or certifying on may have a material adverse effect on the value of such Notes and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

Furthermore, while, as at the date of this Base Prospectus, the Framework has the benefit of a second party opinion issued by Institutional Shareholder Services Inc. (ISS), the Framework may be amended or updated from time to time by the Guarantor and there can be no assurance that the Guarantor will be able to obtain any second party opinion in respect of the Framework as so amended or updated from time to time."

<u>(2) Use of Proceeds</u>

Pursuant to Article 23 of the Prospectus Regulation, the information set out below shall replace in its entirety the information contained in the section entitled "*Use of Proceeds*" on page 43 of the Base Prospectus:

"USE OF PROCEEDS

The net proceeds of the issue of Notes under the Programme will be on-lent by the relevant Issuer to, or invested by the relevant Issuer in, other companies within the Repsol Group for use by such companies either:

(i) for their general corporate purposes,

(ii) to finance and/or refinance, in whole or in part, Green Eligible Projects, in which case the relevant Notes will be identified as "Green Bonds" in the title of the Notes in the applicable Final Terms,

(iii) to finance and/or refinance, in whole or in part, Transition Eligible Projects, in which case the relevant Notes will be identified as "Transition Bonds" in the title of the Notes in the applicable Final Terms, or

(iv) as otherwise specified, in respect of any particular issue of Notes, in the applicable Final Terms in the section entitled "*Reasons for the Offer*".

For the purpose of this Base Prospectus, **Green Eligible Projects** and **Transition Eligible Projects** are projects supporting the transition to a low-carbon economy in direct link with Repsol's Strategic Plan for the 2021-2025 period (the **Plan**) and further described in the Group's transition financing framework (the **Framework**). In order to ensure that all Green Eligible Projects and Transition Eligible Projects provide environmental benefits and that all Transition Eligible Projects are contributors to Repsol's transition levers to achieve net zero emissions by 2050, they must fall into and comply with at least one of the project categories set forth in the Framework.

For the avoidance of doubt, all Green Eligible Projects can be also eligible projects for Transition Bonds.

See "*The Group's Transition Financing Framework—Use and Management of Proceeds for Green Bonds and Transition Bonds*" for more information.

The Framework, as amended or updated from time to time, is available on the Guarantor's website (www.repsol.com). (The contents of this webpage (save as expressly stated otherwise under "*Documents Incorporated by Reference*") and the Framework do not form part of this Base Prospectus and are not incorporated by reference in it.)"

(3) The Group's Carbon Intensity Indicator

Pursuant to Article 23 of the Prospectus Regulation, the section entitled "*The Group's Carbon Intensity Indicator*" on page 43 of the Base Prospectus shall be replaced in its entirety by a new section entitled "*The Group's Transition Financing Framework*" as follows:

"THE GROUP'S TRANSITION FINANCING FRAMEWORK

Overview

In December 2019, Repsol became the first company in the oil & gas industry to announce its commitment to become a net zero emissions company by 2050, thereby commencing a strategic change of course.

On 26 November 2020, the Group presented its Strategic Plan for the 2021-2025 period (the **Plan**), which is expected to shape the Group's transformation in the coming years and involves accelerating the energy transition, prioritising profitable growth and maximum value for shareholders, with a significant increase in cash generation and financial discipline. In order to facilitate the monitoring of progress towards the long-term ambition of net zero emissions by 2050 and for transparency purposes, the Plan outlines a challenging roadmap with ambitious intermediary emissions reduction targets.

On 14 June 2021, the Group launched a comprehensive sustainable financing framework (the **Framework**) aligned with the Plan to accompany its energy transition process. It is the first company in its sector worldwide to present an overarching framework that incorporates both instruments aimed at financing specific projects (Green Bonds and Transition Bonds) and those linked to the Group's sustainability commitments (SLNs). The Framework has the benefit of a second party opinion by Institutional Shareholder Services Inc. (ISS) and is available on the Guarantor's website (www.repsol.com). (The contents of this webpage (save as expressly stated otherwise under "*Documents Incorporated by Reference*") and such second party opinion do not form part of this Base Prospectus and are not incorporated by reference in it.)

The three types of financial instruments included in Framework are divided into two categories:

- **Green Bonds and Transition Bonds** are Notes which are subject to the Green Bond Principles published by the International Capital Markets Association (**ICMA**). The funds raised with Green Bonds will be used to finance Green Eligible Projects, which are green projects eligible under the standards of the European Union (renewable energy, renewable hydrogen, etc.). The funds from the Transition Bonds will be allocated to Transition Eligible Projects, which are additional activities and projects that also contribute to sustainable objectives and are part of Repsol's energy transition strategy. For the avoidance of doubt, all Green Eligible Projects can be also eligible projects for Transition Bonds.

- **Sustainability-Linked Notes** are Notes whose economic conditions are linked to the fulfilment of key sustainability objectives of Repsol, namely a reduction in the Group's carbon intensity indicator (**CII**), as further described below. These bonds are subject to ICMA's Sustainability-Linked Bond Principles.

Use and Management of Proceeds for Green Bonds and Transition Bonds

An amount equal to the net proceeds from the issue of Green Bonds and Transition Bonds will be earmarked to finance and/or refinance, in whole or in part, existing or future Green Eligible Projects and/or Transition Eligible Projects. In order to be earmarked as eligible, such projects must align with all of the following criteria:

(i) capital expenditures and selected operating expenditures (such as maintenance costs that either increase the lifetime or the value of the assets) of physical assets meeting the eligibility criteria of the Green Eligible Projects and/or Transition Eligible Projects described in the Framework; and

(ii) research and development expenditures aiming at developing new products and solutions as per the eligibility criteria specified in the Framework.

The net proceeds of the Green Bonds and Transition Bonds will be used to:

- finance Green Eligible Projects and/or Transition Eligible Projects occurring post issuance of the relevant Green Bonds or Transition Bonds; and/or

- refinance expenditure made in connection with Green Eligible Projects and/or Transition Eligible Projects initiated up to three years prior to the year in which such Green Bonds or Transition Bonds were issued.

The net proceeds of Green Bonds and Transition Bonds will be allocated to new projects and/or for the refinancing of existing projects meeting the eligibility criteria referred to above. Pending the full allocation to Green Eligible Projects and Transition Eligible Projects, the Group commits to hold the balance of net proceeds not already allocated to Green Eligible Projects and Transition Eligible Projects invested in cash, cash equivalent, bank accounts/deposits and/or in monetary funds managed by the Group's treasury department, following the internal financial and risks policy of the Group.

The Group has set up internal procedures to track the use of proceeds of its Green Bonds and Transition Bonds and has established a register to monitor the Green Eligible Projects and Transition Eligible Projects.

In case of asset divestment or cancellation of a project, Repsol aims to re-allocate proceeds to finance other Eligible Green Projects and Transition Eligible Projects, in compliance with the Framework. Repsol aims to fully allocate the proceeds of any issue of Green Bonds or Transition Bonds within 36 months from the relevant issue date.

Repsol aims to provide information, for each issue of Green Bonds or Transition Bonds, on the allocation of the net proceeds on its website within the first 12 months of each financial year-end after the completion of the external assurance and until all the net proceeds have been allocated. The report will cover both allocation and impact reporting for each project category.

Sustainability-Linked Notes (SLNs)

The Framework defines a set of guiding principles for financing instruments linked to the achievement of material, quantitative, pre-determined, ambitious, regularly monitored and externally verified sustainability (ESG) objectives through a Key Performance Indicator (**KPI**) and Sustainability Performance Targets (**SPTs**), with no specific dedicated use of proceeds.

Repsol will incorporate the following KPI in future sustainability-linked financing transactions: Greenhouse gas emissions intensity, measured in g CO_2e/MJ (scope 1, 2 and 3).

This KPI encompasses not only the emissions of Repsol's operations, but also the emissions of the energy products (coming from Repsol's primary energy production, i.e., oil and natural gas) used worldwide by Repsol's customers.

Carbon Intensity Indicator (CII)

To that end, Repsol has developed a carbon intensity indicator (**CII**) expressed, on a net basis, in grams of carbon dioxide equivalent per megajoule (g CO2e/MJ) that measures CO2e emissions for every unit of energy that Repsol makes available to society.

The CII takes into account in the numerator the following:

1. Operational Scope 1 + 2: The direct (scope 1) and indirect emissions (scope 2) from Repsol's Exploration & Production (**E&P**) operated businesses worldwide, from Refining and Chemical industrial complexes in Spain, Portugal and Peru and from low-emission power generation.

2. Scope 3 O&G E&P based: The emissions associated with the use of products coming from Repsol's oil and gas production (scope 3) including:

    - the emissions from products that would be obtained in Repsol's Refining and Chemical processes from the Group's oil production;

    - all of the emissions from the combustion of natural gas production, regardless of their final use including JVs with majority stakes; and

    - emissions from third-party hydrogen plants that supply Repsol's controlled refineries. Thus, they are treated in the same way for the purposes of emissions as Repsol's own hydrogen plants, because this component is essential to produce Repsol's fuels.

3. Location-based emissions shift: Avoided emissions from Repsol's low-carbon power generation assets and low carbon fuels.

4. CCUS / NCS Negative Emissions: Avoided emissions if levers such as Carbon Capture, Use and Storage (**CCUS**) or Natural Climate Solutions (**NCS**) are implemented.

The CII takes into account in the denominator the following:

1. Energy Products: Energy relating to Repsol's oil and gas production in its E&P business.

2. Non-Energy Products: Energy from the products obtained in Repsol's average Refining and Chemicals processes for oil case and all energy contained in the natural gas production. Chemical products are considered carbon sinks and, although they are not strictly energy products, the energy contained in the equivalent oil (that would be produced by Repsol) used to produce them is counted. The same applies for other non-fuel products, such as lubricants and asphalts.

3. Low Carbon Energy Sources: Energy from renewable (solar, wind, hydropower) and non-renewable (combined cycle gas turbines and surplus from natural gas cogeneration) power generation sources.

The CII is the basis for setting emissions reduction targets over time, to reach net zero emissions by 2050. As of the date of this Base Prospectus, and using 2016 as the base year (since 2016 was the first year in which all assets of ROCGI (formerly Talisman Energy Inc.) were consolidated following its acquisition), the Group aims to reduce its CII as follows:

- by 12% by 2025,

- by 25% by 2030, and
- by 50% by 2040.

By the end of 2020, the Group had achieved a reduction of 5.0% in the CII from the 2016 baseline, exceeding the initial target of 3.0%. This value was significantly higher than the target, mainly due to reduced business activity due to the COVID-19 pandemic. The Group estimates that the final value would have been around 3.7%, considering activity levels prior to the pandemic.

See Condition 4 (*Sustainability-Linked Notes*) for more information on the SLNs, including the reporting obligations assumed by Repsol.

Amendments to the Framework

Repsol will review the Framework from time to time, including its alignment to updated versions of the relevant principles as and when they are released, with the aim of adhering to best practices in the market. Repsol will also review the Framework in case of material changes in the perimeter, methodology, and in particular the KPI and/or the SPT's calibration. Such review may result in the Framework being updated and amended.

The updates, if not minor in nature, will be subject to the prior approval of the second party opinion provider or any such other qualified provider of second party opinion. Repsol aims that any future updated version of the Framework that may exist will either keep or improve the current levels of transparency and reporting disclosures. Any such updated Framework will be published on Repsol’s website and will replace the current Framework.

In the event Repsol issues any SLNs with a more ambitious SPT for the same observation date as existing SLNs, the SPT of such existing SLNs will automatically be adjusted to such more ambitious SPT. See Condition 4 (*Sustainability-Linked Notes*).

The Framework is available on the Guarantor’s website (www.repsol.com). (The contents of this webpage (save as expressly stated otherwise under “*Documents Incorporated by Reference*”) and the Framework do not form part of this Base Prospectus and are not incorporated by reference in it.)”

(4) Description of the Repsol International Finance B.V.

Pursuant to Article 23 of the Prospectus Regulation, the information set out below shall be inserted as a new paragraph at the end of the sub-section entitled "*Recent Developments*" contained in the section "*Description of Repsol International Finance B.V.*" on page 44 of the Base Prospectus:

> "On 25 May 2021, RIF issued €300,000,000 Floating Rate Notes Due 25 May 2023 under the Programme (ISIN: XS2343835315)."

(5) Description of the Guarantor and the Group

Pursuant to Article 23 of the Prospectus Regulation, the information set out below shall be inserted as new paragraphs at the end of the sub-section entitled "*Recent Developments*" contained in the section "*Description of the Guarantor and the Group*" on page 49 of the Base Prospectus:

"**Acquisition of interest in Hecate Energy**

On 13 May 2021, Repsol announced that it signed an agreement to acquire 40% of Hecate Energy LLC (**Hecate Energy**), a U.S.-based photovoltaic solar and battery storage project developer. This transaction is Repsol's first foray into the U.S. renewables market and complements the Group's renewables capabilities and portfolio.

Hecate Energy has a portfolio of more than 40 GW of renewable and energy storage projects under development. Of these, 16.8 GW are solar projects at advanced stages of development and 4.3 GW of batteries for energy storage.

The agreement is fully aligned with the Plan and Repsol believes this transaction represents a substantial step forward in the achievement of the Group's targets for low-emission generation capacity and internationalisation of this business by 2025.

Credit ratings

On 16 June 2021, Moody's announced its decision to upgrade the Guarantor's outlook from negative to stable, while maintaining its current long-term credit rating of 'Baa2'."