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The Hague, September 7, 2022

In accordance with Law of 23 December 2016, on market abuse, Repsol International Finance B.V. (the "**Company**") is filing the attached press release published by Repsol, S.A. on the agreement for the acquisition by EIG Global Energy Partners of a stake of 25% in Repsol's exploration and production business (Upstream).

The press release has been filed today by Repsol, S.A. (Guarantor of the Company´s Euro 10,000,000,000 Guaranteed Euro Medium Term Note Programme) with the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*).

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Press release
Madrid, September 7, 2022

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Repsol boosts its multi-energy transformation by partnering with EIG in its Upstream unit for $4.8 billion

- Repsol partners with U.S. institutional investor **EIG in its upstream business with a 25% stake for a total consideration of $4.8 billion (€4.8 billion)**.
- This transaction **crystalizes value in the upstream unit, reinforces Repsol's leadership in the energy transition and advances the fulfillment of key objectives of the 2021-2025 Strategic Plan**.
- The deal values the upstream business, one of the four business verticals of the multi-energy company, at **$19 billion (€19 billion)**.
- Repsol will **retain operational control of this business and consolidate it within the wider Repsol Group**. The unit will continue to focus growth on key regional hubs and with a diversified portfolio of exploration and production assets in OECD countries.
- The agreement contemplates **a potential IPO of this business** in the United States from 2026 onward, subject to favorable market conditions.
- "**Our ambition is to lead the energy transition**. This pioneering agreement allows us to **maintain the strategic direction of the upstream unit** and, **at the same time, to boost the transformation of the company and its multi-energy profile** to achieve zero net emissions by 2050," said Repsol CEO Josu Jon Imaz.
- Repsol was the **first company in its industry to target zero net emissions by 2050**. This deal is another game-changer. Its upstream business has set the **strategic goal of reducing its carbon intensity 75% by 2025**.

25%

EIG's stake in Repsol's upstream business

$19 B

Valuation of Repsol's upstream business

Repsol Compromiso
Cero Emisiones Netas
2050

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Repsol has boosted its multi-energy transformation, strengthened its leadership in the energy transition, and advanced the fulfillment of key objectives of its 2021-2025 Strategic Plan by partnering with EIG, a U.S. institutional investor in the global energy and infrastructure sectors, in its exploration and production business.

EIG will acquire 25% of the upstream business for $4.8 billion (€4.8 billion). This transaction, approved by the Board of Directors of Repsol, values the upstream business at $19 billion (€19 billion), which exceeds analysts' consensus valuations of the unit. The agreement between Repsol and EIG includes the possibility of listing a minority stake of the business in the United States from 2026 onward, subject to favorable market conditions.

With this agreement, Repsol advances its 2025 strategic goals of accelerating the energy transition, with flexibility, ambitious and profitable business growth, financial solidity and shareholder remuneration which is amongst the best in the industry and the Ibex 35 index. Repsol´s Strategic Plan contemplates the inclusion of partners or investors in some businesses to accelerate the achievement of objectives and maximize the return of company operations.

The plan deployed an operating model of four business areas; Upstream, Industrial, Client and Low Carbon Generation in a framework of increasing shareholder remuneration with investment oriented to achieving zero net emissions by 2050.

Repsol, as majority shareholder, will retain control of the upstream business, which will continue to be consolidated within the accounts of the Repsol Group. Repsol will appoint four directors to the eight-person board, including the chairman with a casting vote. EIG will appoint two board members and the other two will be independent directors.

The newly structured entity will maintain its workforce and existing management team as well as the current business plan, focused on further strengthening, high grading, and decarbonizing its global portfolio. EIG will contribute its unique track record of investing across the capital structure of the global E&P sector to seek to maximize value creation and boost the strengths of Repsol's Upstream unit. The newly structured global E&P entity will adopt existing Repsol ESG upstream targets and policies, further reinforcing and elevating them with EIG's ESG standards.

EIG is a provider of institutional capital to the global energy and infrastructure sectors and committed to influencing ESG industry best practices across its portfolio. With four decades of industry experience and a long-term track record of investing capital in energy, including upstream and energy-related infrastructure, EIG has committed more than $41.5 billion to the energy sector across 38 countries.

“Our ambition is to lead the energy transition. This pioneering agreement allows us to maintain the strategic direction of the upstream unit and, at the same time, to boost the transformation of the company and its multi-energy profile to achieve zero net emissions by 2050," said Repsol CEO Josu Jon Imaz.

“Energy transition informs every decision we make, and we are thrilled to partner with a global leader of Repsol's stature on this compelling opportunity to lead change in our industry," said R. Blair Thomas, EIG's Chairman and CEO. “Evaluation of ESG impact is integrated into EIG's core investment and portfolio management functions, and we look forward to working with Repsol, a world-class operator and energy transition leader, to continue building on the business's ESG best practices. As the world looks to meet the twin goals of decarbonization and reliability, we believe this partnership is well positioned to help meet the growing global demand for accessible, efficient, and safe energy."

The transaction is expected to close within the next six months once the corporate structure of the upstream business has been concluded, subject to customary regulatory approvals.

Delivering value and cash to accelerate investment

In line with the 2021-2025 Strategic Plan, Repsol has advanced the transformation of the company and has evolved its organization by deploying four business areas (Upstream, Industrial, Customer, and Low-Carbon Generation), supported by more efficient corporate and service units to favor increased results and value crystallization. This agreement enables an advancement of the company's net zero emissions objective through a project that accelerates transformation and reinforces the multi-energy profile while reducing debt leverage and maintaining a strong cash flow to finance ambitious growth and attractive shareholder distribution.

In line with this objective, Repsol has forged alliances to enhance the growth and development of key areas, including the partnership with Credit Agricole Assurances and EIP in the renewable generation business, the inclusion of partners such as Pontegadea and The Renewables Infrastructure Group (TRIG) in solar and wind assets and the alliance with Saudi Aramco for the construction in the port of Bilbao of one of the world´s largest synthetic fuels plants as well as with Enerkem in a waste-to-products plant in Tarragona which has been included in the European Commission's Innovation Plan.

The upstream business has consolidated recent growth in key geographic areas and with special focus on the US, prioritizing value over volume and reducing the emissions of its asset portfolio in line with its strategy through 2025. The business is leveraging its strengths such as its flexibility, efficiency, and an advanced technology to increase its contribution to the Group as a whole and to generate cash flow. The unit is prioritizing the development of short-cycle projects to be managed with flexibility and with a limited capital intensity that is among the lowest in the industry.

In addition, the upstream business has set the goal of becoming a leader in reducing CO_2 emissions in the sector, aiming to reduce carbon intensity by 75% by 2025 from a 2016 baseline. Its significant technologic prowess and the digitalization of its processes are key differentiators that will help meet these objectives, as well as its circular economy strategy, which includes the development of initiatives aimed at improving efficiency and process innovation.

Global Upstream Portfolio

Repsol will produce an average of approximately 570,000 barrels of oil equivalent per day in 2022 and has proven and probable reserves of 2.3 billion barrels of oil equivalent, of which nearly 70% is gas.

The portfolio of upstream assets is made up of strategic areas in North America (U.S., Canada, Mexico), South America (Brazil, Peru, Bolivia, Trinidad and Tobago, Colombia and Venezuela), Europe (Norway, UK), North Africa (Algeria, Libya), and Asia (Indonesia).

Repsol's renowned exploration expertise, as well as its state-of-the-art technology, has allowed the company to make some of the most significant global discoveries of the last decade, which are now on track to be developed. Since 2020, Repsol has made 13 discoveries, with total gross resources of more than 900 million barrels of oil equivalent, mainly in the United States and Mexico.

This document contains information and statements that constitute forward-looking statements about Repsol. Such estimates or projections may include statements about current plans, objectives and expectations, including statements regarding trends affecting Repsol's financial condition, financial ratios, operating results, business, strategy, geographic concentration, production volumes and reserves, capital expenditures, cost savings, investments and dividend policies. Such estimates or projections may also include assumptions about future economic or other conditions, such as future crude oil or other prices, refining or marketing margins and exchange rates. Forward-looking statements are generally identified by the use of terms such as "expects," "anticipates," "forecasts," "believes," "estimates," "appreciates" and similar expressions. Such statements are not guarantees of future performance, prices, margins, exchange rates or any other event, and are subject to significant risks, uncertainties, changes and other factors that may be beyond Repsol's control or may be difficult to predict. Such risks and uncertainties include those factors and circumstances identified in the communications and documents filed by Repsol and its subsidiaries with the Comisión Nacional del Mercado de Valores in Spain and with the other supervisory authorities of the markets in which the securities issued by Repsol and/or its subsidiaries are traded.

Except to the extent required by applicable law, Repsol assumes no obligation - even when new information is published, or new facts are produced - to publicly report the updating or revision of these forward-looking statements.

This document mentions resources which do not constitute proved reserves and will be recognized as such when they comply with the formal conditions required by the system "SPE/WPC/AAPG/SPEE Petroleum Resources Management System" (SPE-PRMS) (SPE – Society of Pretroleum Engineers).

This document does not constitute an offer or invitation to purchase or subscribe securities, pursuant to the provisions of the Royal Legislative Decree 4/2015 of the 23rd of October approving the recast text of the Spanish Securities Market Law and its implementing regulations. In addition, this document does not constitute an offer to purchase, sell, or exchange, neither a request for an offer of purchase, sale or exchange of securities in any other jurisdiction.

The information contained in the document has not been verified or revised by the Auditors of Repsol.