



AGM 2020
Translation of the original in Spanish.
In case of any discrepancy, the Spanish version prevails

ORDINARY SHAREHOLDERS' MEETING 2020

PROPOSED RESOLUTIONS



Resolution proposal related to the point first on the Agenda (“Review and approval, if appropriate, of the Annual Financial Statements and Management Report of Repsol, S.A. and the Consolidated Annual Financial Statements and Consolidated Management Report, for fiscal year ended 31 December 2019.”)

To approve the Annual Financial Statements (Balance Sheet, Income Statement, Statement of recognized Profit or Loss, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Financial Statements) and Management Report of Repsol, S.A. for the year ended 31 December 2019, and the Consolidated Annual Financial Statements and Consolidated Management Report for the same year.



Resolution proposal related to the point second on the Agenda (“Review and approval, if appropriate, of the Statement of Non-Financial Information for fiscal year ended 31 December 2019.”)

To approve the Statement of Non-Financial Information included in the Consolidated Management Report of Repsol Group for fiscal year ended 31 December 2019, the content of which is identified in Appendix V (“*Statement of Non-Financial Information*”) of the aforementioned Management Report.



Resolution proposal related to the point third on the Agenda (“Review and approval, if appropriate, of the proposal for the allocation of 2019 results.”)

To approve the proposal for the results allocation of Repsol, S.A. in 2019, consisting of a loss of 3,996,234,036.36 euros, to be account prior year losses to be set off against the voluntary reserves of the Company.



Resolution proposal related to the point fourth on the Agenda (“Examination and approval, if appropriate, of the creation of the “voluntary reserves not arising from profits” account by recognising an initial charge to the “share premium” account, and transfer of the balance of the “reserves for the transition to the 2007 Spanish General Accounting Plan” account to the “voluntary reserves” account”).

First.- To create a new account of voluntary reserves known as “voluntary reserves not arising from profits”, by recognising an initial charge to the “share premium” account in the amount of EUR 2,000,000,000. This new “voluntary reserves not arising from profits” account will give the Company greater flexibility in the use of its reserves.

After this transaction, the resulting balance of the “share premium” account will amount to EUR 4,278,236,113.24.

Second.- To transfer the entire balance of the “reserves for the transition to the 2007 Spanish General Accounting Plan” account (Royal Decree 1514/2007, of 16 November, approving the Spanish General Accounting Plan), which amounts to EUR 1,562,078,292.03, to the “voluntary reserves” account for the purpose of simplifying the Company’s equity structure.



Resolution proposal related to the point fifth on the Agenda ("Review and approval, if appropriate, of the management of the Board of Directors of Repsol, S.A. during 2019.")

To approve the management of the Board of Directors of Repsol, S.A. corresponding to the fiscal year 2019.



Resolution proposal related to the point sixth on the Agenda (“Increase of share capital in an amount determinable pursuant to the terms of the resolution, by issuing new common shares having a par value of one (1) euro each, of the same class and series as those currently in circulation, charged to reserves, offering the shareholders the possibility of selling the free allocation rights to the Company itself or on the market. Delegation of authority to the Board of Directors or, by delegation, to the Delegate Committee or the CEO, to fix the date the increase is to be implemented and the terms of the increase in all respects not provided for by the General Meeting, all in accordance with article 297.1.(a) of the Companies Act. Application for official listing of the newly issued shares on the Madrid, Barcelona, Bilbao and Valencia stock exchanges through the Spanish Automated Quotation System (Sistema de Interconexión Bursátil), as well as on any other stock exchanges or securities markets where the Company’s shares are or could be listing.”)

To approve an increase of share capital (the “Capital Increase”) by the amount resulting from multiplying: (a) the par value of one euro (1 €) per share of Repsol, S.A. (the “Company”) by (b) the total number new shares of the Company to be determined by the formula outlined in point 2 below. The Capital Increase will be made on the following conditions:

1. Capital increase with a charge to reserves

The Capital Increase will be made by the issue and placement into circulation of a determinable number of new shares of the Company resulting from the formula set out in point 2 below (the new shares issued in execution of this resolution will hereinafter be jointly referred to as “New Shares” and each one of them, individually, as a “New Share”).

The Capital Increase will be made by the issue and placement into circulation of the New Shares, which will be ordinary shares with a par value of one euro (1 €) each, of the same class and series and with the same rights as those currently issued, in book-entry form.

The Capital Increase will be made entirely against reserves set forth in article 303.1 of the Spanish Companies Act. When making the Capital Increase, the Board of Directors or, by substitution, the Delegate Committee or the CEO, will specify the reserve to be used and the amount of that reserve according to the balance sheet for the transaction.

The New Shares will be issued at par, i.e., at their par value of one euro (1 €), with no share premium, and will be allocated to the Company shareholders without charge.

Within the year following the approval of this resolution, the Capital Increase may be implemented by the Board of Directors or, by substitution, the Delegate Committee or the CEO, without having further recourse to the General Shareholders’ Meeting and taking account of the legal and financial conditions prevailing at the date of the Capital Increase, in order to offer the Company’s shareholders a flexible and efficient remuneration formula.



Pursuant to Article 311 of the Companies Act, the possibility of an incomplete allocation of the Capital Increase is foreseen.

2. New Shares to be issued in the Capital Increase

The maximum number of New Shares to be issued in the Capital Increase will be determined by applying the following formula, rounded down to the nearest whole number:

$$MNNS = NES / \text{No. Rights per share}$$

where,

“MNNS” = Maximum number of New Shares to be issued in the Capital Increase;

“NES” = number of outstanding Company shares on the date the Board of Directors or, by substitution, the Delegate Committee or the CEO, resolves to implement the Capital Increase; and

“No. Rights per share” = number of free allocation rights required for the allocation of one New Share in the Capital Increase, resulting from the following formula, rounded up to the nearest whole number:

$$\text{No. Rights per share} = NES / \text{Provisional no. shares}$$

where,

“Provisional no. shares” = Amount of the Alternative Option / Share Price

For this purpose, “Share Price” will be the arithmetic mean of the weighted average prices of the Company’s share on the Madrid, Barcelona, Bilbao and Valencia stock exchanges over the five (5) trading sessions prior to the date of the resolution adopted by the Board of Directors or, by substitution, the Delegate Committee or the CEO, to implement the Capital Increase, rounded up or down to the nearest thousandth of a euro and, in the event of half a thousandth of a euro, rounded up to the nearest thousandth of a euro.

“Amount of the Alternative Option” will be 861,324,133 euros.

3. Free allocation rights

Each outstanding share of the Company will confer one (1) free allocation rights.

The number of free allocation rights required to receive one New Share will be determined automatically according to the ratio of the number of maximum number of New Shares (MNNS) to the number of outstanding shares (NES), resulting from the formula indicated in point 2 above. In particular, shareholders will be entitled to receive one New Share for a



number of free allocation rights determined according to point 2 above (No. Rights per share) that they may hold.

If the number of free allocation rights required for the allocation of one New Share in the Capital Increase (No. Rights per share), multiplied by the maximum number of New Shares (MNNS), is lower than the number of outstanding shares of the Company (NES) at the date of execution of the Capital Increase, the Company will waive a number of free allocation rights equal to the difference between the two figures, for the sole purpose of ensuring that the number of New Shares is a whole number and not a fraction.

Free allocation rights will be allocated in the Capital Increase to whom being entitled to receive them according to the accounting registers of *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal* (Iberclear), on the corresponding date, according to the clearing and settlement rules applicable.

The holders of any convertible debentures into Repsol shares that may be outstanding at the date on which the Board of Directors or, by substitution, the Delegate Committee or the CEO, resolves to implement the Capital Increase will not have free allocation right over the New Shares, notwithstanding the modifications to be made to the conversion rate by virtue of the terms of each issue.

The free allocation rights may be traded on the same conditions as the shares in respect of which they are granted and may be traded on the market for such time as may be determined by the Board of Directors or, by substitution, the Delegate Committee or the CEO, at least fifteen (15) calendar days.

During the period of trading of the free allocation rights of the Capital Increase, sufficient rights may be acquired on the market in the necessary proportion to be able to subscribe New Shares.

Depending on the response of the Directorate-General of Taxes (DGT) to a request for a binding ruling submitted by the Company¹ ("the Query"), it is possible that part of the free allocation rights or the shares issued in the Capital Increase in favour of taxpayers liable for corporation tax or non-resident income tax that act through a permanent establishment in Spain will be withdrawn or withheld in some way by the Company in order to make the tax payment on account that, where applicable, corresponds to these shareholders by the

¹ The Spanish Accounting and Audit Institute (ICAC) Resolution of 5 March 2019, which implements the criteria for presenting financial instruments and other accounting aspects related to commercial regulation for corporate enterprises and that came into force on 1 January 2020 (the "ICAC Resolution"), affects the accounting treatment of the delivery of free allocation rights and paid-up shares. The new accounting treatment may affect the tax treatment of the optional Repsol Flexible Dividend remuneration system. To this effect, the Company has submitted the Query to the DGT to clarify the impact that the ICAC Resolution may have on the aforementioned system.



Company. In any case, the Company will duly report, where appropriate, the details of this withdrawal or withholding. Notwithstanding the foregoing, and without prejudice to the fact that the Company will do its best to carry out the aforementioned withdrawal or withholding under the terms established by the DGT (where applicable), if, for technical or other reasons, it is not possible to withdraw or withhold the free allocation rights or the paid-up shares in order to make the corresponding tax payment on account, the Company will not assume any type of liability to the shareholders, the holders of free allocation rights or any other third parties that may be affected by this circumstance.

4. Irrevocable undertaking to purchase free allocation rights

The Company irrevocably undertakes, at the prices indicated below, an irrevocable commitment to purchase the free allocation rights assigned in the Capital Increase, from whom receive them free due to appear entitled in the accounting registers of *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal* (Iberclear), on the corresponding date according to the clearing and settlement rules applicable at each moment (the “**Purchase Commitment**”).

The Purchase Commitment will only cover the allocation rights originally and freely received by the Company’s shareholders, not those purchased or otherwise acquired on the market or outside it, and will be in force and may be accepted during such time, within the trading period of the rights, as may be determined by the Board of Directors or, by substitution, the Delegate Committee or the CEO. For this purpose, the Company will be authorized to purchase those free allocation rights (and the corresponding New Shares) up to and not exceeding the total rights issued, respecting all and any applicable legal limits.

The “**Purchase Price**” for each free allocation right will be calculated applying the following formula, rounded up or down to the nearest thousandth of a euro and, in the event of half a thousandth of a euro, rounded up to the nearest thousandth of a euro:

$$\text{Purchase Price} = \text{Share Price} / (\text{No. Rights per share} + 1)$$

The Company will foreseeably waive the New Shares corresponding to the free allocation rights acquired under the Purchase Commitment so the capital will be increased only by the amount corresponding to the free allocation rights in respect of which there has been no waiver.

The acquisition of the free allocation rights by the Company, as a result of the Purchase Commitment, will be made, in whole or part, against reserves set forth in article 303.1 of the Spanish Companies Act.



5. Balance sheet for the operation and reserve against which the Capital Increase is made

The balance sheet on which this operation is based is the balance sheet for the year ended 31 December 2019, duly audited and approved by this Ordinary Shareholders' Meeting.

As mentioned earlier, the Capital Increase will be made entirely against the reserves set forth in article 303.1 of the Spanish Companies Act. When implementing the Capital Increase, the Board of Directors or, by substitution, the Delegate Committee or the CEO, will specify the reserve or reserves to be used and the amount of those reserves according to the balance sheet used as the basis for the Capital Increase.

6. Representation of the New Shares

The New Shares will be issued in book-entry form, the accounting register being kept by *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (Iberclear)* and its members.

7. Rights of the New Shares

As from the date on which the Capital Increase is declared subscribed and paid up, the New Shares will confer upon their holders the same voting and economic rights as the Company's outstanding ordinary shares.

8. Shares on deposit

At the end of the trading period for the free allocation rights, any New Shares that have not been allocated for reasons beyond the Company's control will be held on deposit for any investors who can prove that they are the legitimate owners of the corresponding free allocation rights. If any New Shares are still pending allocation three (3) years after the end of the trading period of the free allocation rights, they may be sold, pursuant to Article 117 of the Companies Act, for the account and risk of the interested parties. The net proceeds from the sale will be deposited at the Bank of Spain or Government Depository (*Caja General de Depósitos*) at the disposal of the interested parties.

9. Application for listing

It is resolved to apply for listing of the New Shares on the Madrid, Barcelona, Bilbao and Valencia stock exchanges through the Automated Quotation System (*Sistema de Interconexión Bursátil*), as well as on any other stock exchanges or securities markets where the Company's shares are or could be listing, expressly putting on record that the Company submits to existing or future laws and regulations governing the stock market, particularly regarding trading, minimum time frames and delisting.



It is expressly declared that if the Company subsequently applies for delisting of its shares, this will be subject to the same applicable formalities and, in that case, the interests of any shareholders objecting to the delisting resolution or who do not vote for it will be protected, complying with the requirements stipulated in the Companies Act and other applicable provisions, in pursuance of Royal Legislative Decree 4/2015 of October 23, approving the revised text of the Securities Market Act and relevant statutory instruments in force from time to time.

10. Implementation of the Capital Increase

Within a period of one year from the date of this resolution, the Board of Directors or, by substitution, the Delegate Committee or the CEO, may implement the Capital Increase, setting the date for it and any conditions not expressed in this resolution.

This notwithstanding, if the Board of Directors (with express powers of substitution in the Delegate Committee or the CEO) does not consider it convenient to make the Capital Increase within the time stipulated, owing to prevailing market conditions, circumstances of the Company and any deriving from a socially or economically important event or circumstance, it may submit a proposal to the Shareholders' Meeting to revoke it. The Capital Increase will have no effect if the Board of Directors or, by substitution, the Delegate Committee or the CEO, does not exercise the powers delegated to it within the period of one year, in which case it will report on that at the first Shareholders' Meeting held thereafter.

After the end of the trading period for the free allocation rights in respect of the Capital Increase:

- (a) The New Shares will be allocated to those shareholders who hold free allocation rights according to the registers kept by *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal* (Iberclear) and its members, in the proportions deriving from the preceding sections.
- (b) The Board of Directors or, by substitution, the Delegate Committee or the CEO, will declare the free allocation rights trading period over and will apply the reserves in the Company's accounts in the amount of the Capital Increase, which will be deemed paid up by that application.

In addition, after the end of the free allocation rights trading period, the Board of Directors or, by substitution, the Delegate Committee or the CEO, will adopt the corresponding resolution to (i) modify the By-Laws in order to reflect the new amount of the capital and the new number of shares after the Capital Increase; and (ii) apply for listing of the New Shares from the Capital Increase on the Madrid, Barcelona, Bilbao and Valencia stock exchanges, as well as on any other stock exchanges or securities markets where the Company's shares are or could be listing.



11. Delegation of powers to implement the Capital Increase

The Board of Directors is authorized, pursuant to Article 297.1.a) of the Companies Act, to establish the conditions of the Capital Increase in any aspects not contemplated in this resolution. In particular, but by no means exclusively, the Board of Directors is authorized to:

- a) Specify, within the times established in point 10 above, the date on which the Capital Increase approved by this resolution is to be made and the reserves against which it is to be made, from those contemplated in the resolution.
- b) Define the exact amount of the Capital Increase, the number of New Shares and the free allocation rights required for the allocation of New Shares in the Capital Increase, applying the rules established for this purpose at this Shareholders' Meeting.
- c) Set the implementation timetable for the Capital Increase determining, among other matters, the last trading date of Repsol shares entitled to participate in the Capital Increase and the duration of the trading period of the free of charge allocation rights, which will be at least fifteen calendar days.
- d) Define the period during which the Purchase Commitment will be effective and implement the Purchase Commitment, paying the corresponding sums to the holders of free allocation rights who have accepted that commitment.
- e) Declare the Capital Increase closed and completed, determining the incomplete allocation, if appropriate.
- f) Re-draft Articles 5 and 6 of the Company's By-Laws regarding the capital and shares, respectively, to adjust them to the outcome of the Capital Increase.
- g) Waive any New Shares corresponding to the free allocation rights held by the Company at the end of the rights trading period acquired pursuant to the Purchase Commitment.
- h) If appropriate, waive free allocation rights to subscribe New Shares for the sole purpose of ensuring that the number of New Shares is a whole number and not a fraction.
- i) Complete whatever formalities may be necessary to have the New Shares corresponding to the Capital Increase entered in the accounting registers kept by *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (Iberclear)*, and listed on the Madrid, Barcelona, Bilbao and Valencia stock exchanges, as well as apply and complete whatever formalities



necessary for the admission to trading of the New Shares on any other stock exchanges or securities markets it deem convenient, according to the procedures established on each of those stock exchanges or securities markets; and take whatsoever action may be necessary or convenient to make the Capital Increase and complete the appropriate formalities in respect of Spanish or foreign, public or private entities or authorities, including the duties to declare, supplement or remedy any defects or omissions that may hamper or impede the full effectiveness of the foregoing resolutions.

- j) In order to facilitate compliance by the Company with the results of the response by the Directorate-General of Taxes (DGT) to the query posed or the amendments that, if applicable, may be introduced after passing this resolution in the tax regulations applicable to the Repsol Flexible Dividend system, to approve and implement the mechanisms that may be necessary or advisable for this purpose and, in particular (without limitation):
- (i) To withdraw or withhold in any way part of the free allocation rights or the paid-up shares arising from the Capital Increases such that the shareholders or holders of free allocation rights do not receive these rights or shares, as appropriate.
 - (ii) To transfer on the market the free allocation rights withdrawn or withheld to make the corresponding prepayment with the proceeds of the sale.
 - (iii) To transfer on the market the shares withdrawn or withheld to make the corresponding prepayment with the proceeds of the sale.
 - (iv) To acquire the free allocation rights arising from the Capital Increases (including those that, where applicable, have been withdrawn or withheld) at a guaranteed fixed price, which must be calculated in accordance with the formula used to determine the Purchase Commitment, for the purpose of monetising the rights that are necessary to make, where applicable, the corresponding prepayment.
 - (v) To approve and implement those mechanisms, whether technical or otherwise, that Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (IBERCLEAR) as well as any IBERCLEAR participants consider necessary or advisable for the purpose of making, where appropriate, the corresponding prepayment.

The Board of Directors is hereby authorised to in turn delegate (with the power of delegation, where appropriate) to the Delegate Committee and/or the CEO, pursuant to that established in article 249bis.l) of the Spanish Corporate Act, all the powers that may be delegated that are referred to in this agreement, and all without prejudice to the powers of attorney that exist or may be conferred in relation to the content of this resolution.



Resolution proposal related to the seventh point on the Agenda (“Second capital increase in an amount determinable pursuant to the terms of the resolution, by issuing new common shares having a par value of one (1) euro each, of the same class and series as those currently in circulation, charged to reserves, offering the shareholders the possibility of selling the free allocation rights to the Company itself or on the market. Delegation of authority to the Board of Directors or, by delegation, to the Delegate Committee or the CEO, to fix the date the increase is to be implemented and the terms of the increase in all respects not provided for by the General Meeting, all in accordance with article 297.1.(a) of the Companies Act. Application for official listing of the newly issued shares on the Madrid, Barcelona, Bilbao and Valencia stock exchanges through the Automated Quotation System (Sistema de Interconexión Bursátil), as well as on any other stock exchanges or securities markets where the Company’s shares are or could be listing.”)

To approve an increase of share capital (the “Capital Increase”) by the amount resulting from multiplying: (a) the par value of one euro (1 €) per share of Repsol, S.A. (the “Company”) by (b) the total number new shares of the Company to be determined by the formula outlined in point 2 below. The Capital Increase will be made on the following conditions:

1. Capital increase with a charge to reserves

The Capital Increase will be made by the issue and placement into circulation of a determinable number of new shares of the Company resulting from the formula set out in point 2 below (the new shares issued in execution of this resolution will hereinafter be jointly referred to as “New Shares” and each one of them, individually, as a “New Share”).

The Capital Increase will be made by the issue and placement into circulation of the New Shares, which will be ordinary shares with a par value of one euro (1 €) each, of the same class and series and with the same rights as those currently issued, in book-entry form.

The Capital Increase will be made entirely against reserves set forth in article 303.1 of the Spanish Companies Act. When making the Capital Increase, the Board of Directors or, by substitution, the Delegate Committee or the CEO, will specify the reserve to be used and the amount of that reserve according to the balance sheet for the transaction.

The New Shares will be issued at par, i.e., at their par value of one euro (1 €), with no share premium, and will be allocated to the Company shareholders without charge.

Within the year following the approval of this resolution, the Capital Increase may be implemented by the Board of Directors or, by substitution, the Delegate Committee or the CEO, without having further recourse to the General Shareholders’ Meeting and taking account of the legal and financial conditions prevailing at the date of the Capital Increase, in order to offer the Company’s shareholders a flexible and efficient remuneration formula.



Pursuant to Article 311 of the Companies Act, the possibility of an incomplete allocation of the Capital Increase is foreseen.

2. New Shares to be issued in the Capital Increase

The maximum number of New Shares to be issued in the Capital Increase will be determined by applying the following formula, rounded down to the nearest whole number:

$$MNNS = NES / \text{No. Rights per share}$$

where,

“MNNS” = Maximum number of New Shares to be issued in the Capital Increase;

“NES” = number of outstanding Company shares on the date the Board of Directors or, by substitution, the Delegate Committee or the CEO, resolves to implement the Capital Increase; and

“No. Rights per share” = number of free allocation rights required for the allocation of one New Share in the Capital Increase, resulting from the following formula, rounded up to the nearest whole number:

$$\text{No. Rights per share} = NES / \text{Provisional no. shares}$$

where,

“Provisional no. shares” = Amount of the Alternative Option / Share Price

For this purpose, “Share Price” will be the arithmetic mean of the weighted average prices of the Company’s share on the Madrid, Barcelona, Bilbao and Valencia stock exchanges over the five (5) trading sessions prior to the date of the resolution adopted by the Board of Directors or, by substitution, the Delegate Committee or the CEO, to implement the Capital Increase, rounded up or down to the nearest thousandth of a euro and, in the event of half a thousandth of a euro, rounded up to the nearest thousandth of a euro.

“Amount of the Alternative Option” will be the market value of the Capital Increase, to be determined by the Board of Directors or, by substitution, the Delegate Committee or the CEO, considering the outstanding Company shares (NES) and the remuneration already paid to shareholders from earnings of the fiscal year 2020 and not exceeding 916,437,632 euros.

3. Free allocation rights

Each outstanding share of the Company will confer one (1) free allocation rights.



The number of free allocation rights required to receive one New Share will be determined automatically according to the ratio of the number of maximum number of New Shares (MNNS) to the number of outstanding shares (NES), resulting from the formula indicated in point 2 above. In particular, shareholders will be entitled to receive one New Share for a number of free allocation rights determined according to point 2 above (No. Rights per share) that they may hold.

If the number of free allocation rights required for the allocation of one New Share (No. Rights per share), multiplied by the maximum number of New Shares (MNNS), is lower than the number of outstanding shares of the Company at the date of the execution of the Capital Increase (NES), the Company will waive a number of free allocation rights equal to the difference between the two figures, for the sole purpose of ensuring that the number of New Shares is a whole number and not a fraction.

Free allocation rights will be allocated in the Capital Increase to whom being entitled to receive them according to the accounting registers of *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal* (Iberclear) on the corresponding date according to the clearing and settlement rules applicable.

The holders of any convertible debentures into Repsol shares that may be outstanding at the date on which the Board of Directors or, by substitution, the Delegate Committee or the CEO, resolves to implement the Capital Increase will not have free allocation right over the New Shares, notwithstanding the modifications to be made to the conversion rate by virtue of the terms of each issue.

The free allocation rights may be traded on the same conditions as the shares in respect of which they are granted and may be traded on the market for such time as may be determined by the Board of Directors or, by substitution, the Delegate Committee or the CEO, at least fifteen (15) calendar days. During the period of trading of the free allocation rights of the Capital Increase, sufficient rights may be acquired on the market in the necessary proportion to be able to subscribe New Shares.

Depending on the response of the Directorate-General of Taxes (DGT) to a request for a binding ruling submitted by the Company² ("the Query"), it is possible that part of the free allocation rights or the shares issued in the Capital Increase in favour of taxpayers liable for corporation tax or non-resident income tax that act through a permanent establishment in

² The Spanish Accounting and Audit Institute (ICAC) Resolution of 5 March 2019, which implements the criteria for presenting financial instruments and other accounting aspects related to commercial regulation for corporate enterprises and that came into force on 1 January 2020 (the "ICAC Resolution"), affects the accounting treatment of the delivery of free allocation rights and paid-up shares. The new accounting treatment may affect the tax treatment of the optional Repsol Flexible Dividend remuneration system. To this effect, the Company has submitted the Query to the DGT to clarify the impact that the ICAC Resolution may have on the aforementioned system.



Spain will be withdrawn or withheld in some way by the Company in order to make the tax payment on account that, where applicable, corresponds to these shareholders by the Company. In any case, the Company will duly report, where appropriate, the details of this withdrawal or withholding. Notwithstanding the foregoing, and without prejudice to the fact that the Company will do its best to carry out the aforementioned withdrawal or withholding under the terms established by the DGT (where applicable), if, for technical or other reasons, it is not possible to withdraw or withhold the free allocation rights or the paid-up shares in order to make the corresponding tax payment on account, the Company will not assume any type of liability to the shareholders, the holders of free allocation rights or any other third parties that may be affected by this circumstance.

4. Irrevocable undertaking to purchase free allocation rights

The Company irrevocably undertakes, at the prices indicated below, an irrevocable commitment to purchase the free allocation rights assigned in the Capital Increase, from whom receive them free due to appear entitled in the accounting registers of *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal* (Iberclear), on the corresponding date according to the clearing and settlement rules applicable at each moment (the “**Purchase Commitment**”).

The Purchase Commitment will only cover the allocation rights originally and freely received by the Company’s shareholders, not those purchased or otherwise acquired on the market or outside it, and will be in force and may be accepted during such time, within the trading period of the rights, as may be determined by the Board of Directors or, by substitution, the Delegate Committee or the CEO. For this purpose, the Company will be authorized to purchase those free allocation rights (and the corresponding New Shares) up to and not exceeding the total rights issued, respecting all and any applicable legal limits.

The “**Purchase Price**” for each free allocation right will be calculated applying the following formula, rounded up or down to the nearest thousandth of a euro and, in the event of half a thousandth of a euro, rounded up to the nearest thousandth of a euro:

$$\text{Purchase Price} = \text{Share Price} / (\text{No. Rights per share} + 1)$$

The Company will foreseeably waive the New Shares corresponding to the free allocation rights acquired under the Purchase Commitment so the capital will be increased only by the amount corresponding to the free allocation rights in respect of which there has been no waiver.

The acquisition of the free allocation rights by the Company, as a result of the Purchase Commitment, will be made, in whole or part, against reserves set forth in article 303.1 of the Spanish Companies Act.



5. Balance sheet for the operation and reserve against which the Capital Increase is made

The balance sheet on which this operation is based is the balance sheet for the year ended 31 December 2019, duly audited and approved by this Ordinary Shareholders' Meeting.

As mentioned earlier, the Capital Increase will be made entirely against the reserves set forth in article 303.1 of the Spanish Companies Act. When implementing the Capital Increase, the Board of Directors or, by substitution, the Delegate Committee or the CEO, will specify the reserve or reserves to be used and the amount of those reserves according to the balance sheet used as the basis for the Capital Increase.

6. Representation of the New Shares

The New Shares will be issued in book-entry form, the accounting register being kept by *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (Iberclear)* and its members.

7. Rights of the New Shares

As from the date on which the Capital Increase is declared subscribed and paid up, the New Shares will confer upon their holders the same voting and economic rights as the Company's outstanding ordinary shares.

8. Shares on deposit

At the end of the trading period for the free allocation rights, any New Shares that have not been allocated for reasons beyond the Company's control will be held on deposit for any investors who can prove that they are the legitimate owners of the corresponding free allocation rights. If any New Shares are still pending allocation three (3) years after the end of the trading period of the free allocation rights, they may be sold, pursuant to Article 117 of the Companies Act, for the account and risk of the interested parties. The net proceeds from the sale will be deposited at the Bank of Spain or Government Depository (*Caja General de Depósitos*) at the disposal of the interested parties.

9. Application for listing

It is resolved to apply for listing of the New Shares on the Madrid, Barcelona, Bilbao and Valencia stock exchanges through the Automated Quotation System (*Sistema de Interconexión Bursátil*), as well as on any other stock exchanges or securities markets where the Company's shares are or could be listing, expressly putting on record that the Company submits to existing or future laws and regulations governing the stock market, particularly regarding trading, minimum time frames and delisting.



It is expressly declared that if the Company subsequently applies for delisting of its shares, this will be subject to the same applicable formalities and, in that case, the interests of any shareholders objecting to the delisting resolution or who do not vote for it will be protected, complying with the requirements stipulated in the Companies Act and other applicable provisions, in pursuance of Royal Legislative Decree 4/2015 of October 23, approving the revised text of the Securities Market Act and relevant statutory instruments in force from time to time.

10. Implementation of the Capital Increase

Within a period of one year from the date of this resolution, the Board of Directors or, by substitution, the Delegate Committee or the CEO, may implement the Capital Increase, setting the date for it and any conditions not expressed in this resolution.

This notwithstanding, if the Board of Directors (with express powers of substitution in the Delegate Committee or the CEO) does not consider it convenient to make the Capital Increase within the time stipulated, owing to prevailing market conditions, circumstances of the Company and any deriving from a socially or economically important event, as well as the level of acceptances of the capital increase approved by this Shareholders' Meeting on the sixth point on the agenda, it may submit a proposal to the Shareholders' Meeting to revoke it. The Capital Increase will have no effect if the Board of Directors or, by substitution, the Delegate Committee or the CEO, does not exercise the powers delegated to it within the period of one year, in which case it will report on that at the first Shareholders' Meeting held thereafter.

After the end of the trading period for the free allocation rights in respect of the Capital Increase:

- (a) The New Shares will be allocated to those shareholders who hold free allocation rights according to the registers kept by *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal* (Iberclear) and its members, in the proportions deriving from the preceding sections.
- (b) The Board of Directors or, by substitution, the Delegate Committee or the CEO, will declare the free allocation rights trading period over and will apply the reserves in the Company's accounts in the amount of the Capital Increase, which will be deemed paid up by that application.

In addition, after the end of the free allocation rights trading period, the Board of Directors or, by substitution, the Delegate Committee or the CEO, will adopt the corresponding resolution to (i) modify the By-Laws in order to reflect the new amount of the capital and the new number of shares after the Capital Increase; and (ii) apply for listing of the New Shares from the Capital Increase on the Madrid, Barcelona, Bilbao and Valencia stock exchanges, as well as



on any other stock exchanges or securities markets where the Company's shares are or could be listing.

11. Delegation of powers to implement the Capital Increase

The Board of Directors is authorized, pursuant to Article 297.1.a) of the Companies Act, to establish the conditions of the Capital Increase in any aspects not contemplated in this resolution. In particular, but by no means exclusively, the Board of Directors is authorized to:

- a) Specify, within the times established in point 10 above, the date on which the Capital Increase approved by this resolution is to be made, determine the Amount of the Alternative Option, and specify the reserves against which it is to be made, from those contemplated in the resolution.
- b) Define the exact amount of the Capital Increase, the number of New Shares and the free allocation rights required for the allocation of New Shares in the Capital Increase, applying the rules established for this purpose at this Shareholders' Meeting.
- c) Set the implementation timetable for the Capital Increase determining, among other matters, the last trading date of Repsol shares entitled to participate in the Capital Increase and the duration of the trading period of the free of charge allocation rights, which will be at least fifteen calendar days.
- d) Define the period during which the Purchase Commitment will be effective and implement the Purchase Commitment, paying the corresponding sums to the holders of free allocation rights who have accepted that commitment.
- e) Declare the Capital Increase closed and completed, determining the incomplete allocation, if appropriate.
- f) Re-draft Articles 5 and 6 of the Company's By-Laws regarding the capital and shares, respectively, to adjust them to the outcome of the Capital Increase.
- g) Waive any New Shares corresponding to the free allocation rights held by the Company at the end of the rights trading period acquired pursuant to the Purchase Commitment.
- h) If appropriate, waive free allocation rights to subscribe New Shares for the sole purpose of ensuring that the number of New Shares is a whole number and not a fraction.
- i) Complete whatever formalities may be necessary to have the New Shares corresponding to the Capital Increase entered in the accounting registers kept by



Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (Iberclear) and listed on the Madrid, Barcelona, Bilbao and Valencia stock exchanges, as well as apply and complete whatever formalities necessary for the admission to trading of the New Shares on any other stock exchanges or securities markets it deem convenient, according to the procedures established on each of those stock exchanges or securities markets; and take whatsoever action may be necessary or convenient to make the Capital Increase and complete the appropriate formalities in respect of Spanish or foreign, public or private entities or authorities, including the duties to declare, supplement or remedy any defects or omissions that may hamper or impede the full effectiveness of the foregoing resolutions.

- j) In order to facilitate compliance by the Company with the results of the response by the Directorate-General of Taxes (DGT) to the query posed or the amendments that, if applicable, may be introduced after passing this resolution in the tax regulations applicable to the Repsol Flexible Dividend system, to approve and implement the mechanisms that may be necessary or advisable for this purpose and, in particular (without limitation):
- (i) To withdraw or withhold in any way part of the free allocation rights or the paid-up shares arising from the Capital Increases such that the shareholders or holders of free allocation rights do not receive these rights or shares, as appropriate.
 - (ii) To transfer on the market the free allocation rights withdrawn or withheld to make the corresponding prepayment with the proceeds of the sale.
 - (iii) To transfer on the market the shares withdrawn or withheld to make the corresponding prepayment with the proceeds of the sale.
 - (iv) To acquire the free allocation rights arising from the Capital Increases (including those that, where applicable, have been withdrawn or withheld) at a guaranteed fixed price, which must be calculated in accordance with the formula used to determine the Purchase Commitment, for the purpose of monetising the rights that are necessary to make, where applicable, the corresponding prepayment.
 - (v) To approve and implement those mechanisms, whether technical or otherwise, that Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (IBERCLEAR) as well as any IBERCLEAR participants consider necessary or advisable for the purpose of making, where appropriate, the corresponding prepayment.

The Board of Directors is hereby authorised to in turn delegate (with the power of delegation, where appropriate) to the Delegate Committee and/or the CEO, pursuant to that established in article 249bis.l) of the Spanish Corporate Act, all the powers that may be delegated that are referred to in this agreement, and all without prejudice to the powers of attorney that exist or may be conferred in relation to the content of this resolution.

Resolution proposal related to the point eighth on the Agenda ("Approval of a reduction of share capital for an amount to be determined in accordance with the resolution, through the cancellation of the Company's own shares. Delegation of powers to the Board of Directors or, as its replacement, to the Delegate Committee or the Chief Executive Officer, to set the other terms for the reduction in relation to everything not determined by the General Meeting, including, among other matters, the powers to redraft articles 5 and 6 of the Company's Articles of Association, relating to share capital and shares respectively, and to request the delisting and cancellation of the accounting records of the shares that are being cancelled.")

- 1. Reduction of share capital through the cancellation of both own shares currently held in treasury stock, as well as own shares to be acquired through a buy-back programme for their redemption and, as the case may be, through the settlement of derivative instruments entered into prior to this proposed resolution.**

It has been agreed to reduce the share capital of Repsol, S.A. (the "**Company**") by the aggregate nominal value that results from adding together:

- (i) 1,400,000 euros, through the cancelling of 1,400,000 own shares currently held in treasury stock, with a nominal value of one euro each, acquired under the authorisation granted by the General Shareholders' Meeting held on 11 May 2018 under Agenda item eight, and within the limits provided in articles 146 and related and 509 of the Spanish Companies Act (*Ley de Sociedades de Capital*) (the "**Existing Treasury Stock**"); and
- (ii) the aggregate nominal value, with the maximum indicated below, of the shares, with a nominal value of one euro each, to be acquired:
 - (a) either through a share buy-back programme open to all shareholders, under article 5 of Regulation (EU) No. 596/2014, of the European Parliament and of the Council, of 16 April 2014, on Market Abuse (the "**Regulation**"), and of Commission Delegated Regulation (EU) 2016/1052, 8 March 2016, supplementing the Market Abuse Regulation with regard to the regulatory technical standards for the terms applicable to buy-back programmes and stabilisation measures (the "**Delegated Regulation**" and the "**Buy-Back Programme**" or the "**Programme**", respectively) and that must be approved by the Board of Directors, as well as, as the case may be,
 - (b) through the settlement, prior to the agreement on the closing and execution of the capital reduction that is the subject of this proposed resolution, of the derivative instruments on own shares entered into by the Company prior to 25 March 2020 (the "**Derivatives.**")



The maximum number of shares of the Company to be acquired both through the Buy-Back Programme and, as the case may be, the settlement of the Derivatives will be that calculated using the following formula (the "**Joint Limit**"):

$$\text{Joint Limit} = 38,647,825 + (\text{No. of Shares Issued}) - 1,400,000$$

Where,

"No. of Shares Issued" = the number of new shares of the Company finally issued as a consequence of the execution of the Capital Increase to which the proposed agreement on point six of the Agenda of this Shareholders' Meeting.

In any case, the maximum number of Company shares that will be able to be purchased through the settlement of the Derivatives will not exceed 96,950,000. In no case will these Derivatives be settled during the time the Buy-Back Programme is taking place, as they must be settled prior to the moment the capital reduction that is the subject of this proposed resolution has been declared closed and executed.

The Buy-Back Programme, for its part will in turn be subject to two quantitative limits relating to the amount of the investment and the number of shares to be acquired:

- (a) The maximum number of shares to be acquired under the Programme (the "**MNS**") will be determined by the Board of Directors prior to the start of the Buy-Back Programme, and will in no event exceed the Joint Limit.
- (b) The maximum net investment of the Programme (the "**Maximum Investment**") will be the amount in euros calculated using the following formula, rounded down to the nearest whole number:

$$\text{Maximum Investment} = \text{MNS} \times (\text{Quote Price} \times 1.50)$$

where,

"Quote Price" = the quoted price of the Company's share on the Stock Exchanges of Madrid, Barcelona, Bilbao and Valencia at the close of the trading session on the trading day prior to the date for the start of the Buy-Back Programme, rounded to the nearest hundredth of a euro, and in the case of half of one hundredth of a euro, up to the nearest hundredth of a euro.

Only the purchase price of the shares will be taken into account when calculating the amount of the Maximum Investment. Any expenses, fees or brokerages that, if applicable, could be passed on for the acquisition transactions will therefore not be included.



Consequently, the maximum amount of the capital reduction (the "**Capital Reduction**") will be the sum of: (i) the aggregate nominal value of the number of own shares with a nominal value of one euro each corresponding to the Existing Treasury Stock (that is to say 1,400,000 euros) and; (ii) the aggregate nominal value of the maximum number of shares, with a nominal value of one euro, making up the Joint Limit (ie the nominal value of the shares acquired through the Buy-back Programme and, as the case may be, through the settlement of the Derivatives).

In accordance with the following, the final amount of the Capital Reduction will be determined by the Board of Directors, or through delegation, by the Delegate Committee or the Chief Executive Officer, on the basis of the final number of shares acquired under both the Buy-Back Programme and, as the case may be, the settlement of the Derivatives, as long as they do not exceed the aforementioned Joint Limit, and always adding the shares corresponding to the Existing Treasury Stock. Otherwise, and together with the shares corresponding to the Existing Treasury Stock, all the shares acquired under the Buy-Back Programme will be cancelled, as well as, as the case may be, the number of shares acquired as a consequence of the settlement of the Derivatives resulting from the difference between the Joint Limit and the number of shares actually purchased in the execution of the Buy-Back Programme, in the case of this latter hypothesis without the remaining shares acquired as a consequence of the settlement of the Derivatives being cancelled.

Notwithstanding the foregoing, the Board of Directors (with express powers to delegate to the Delegate Committee or the Chief Executive Officer) may decide, in view of market conditions, the conditions of the Company itself and those arising from any event or occurrence of social or economic significance, such as the current coronavirus crisis or the oil price crisis, not to implement the Repurchase Programme or, where applicable, to terminate it early without having acquired the MNS or without having reached the Maximum Investment. In addition, the Board of Directors may also decide not to acquire treasury shares through the settlement of the Derivatives or to acquire by such means a number of treasury shares that is less than the difference between the Joint Limit and the number of shares actually acquired under the Repurchase Programme. In any case, together with the Existing Treasury Stocks, all shares acquired under the Repurchase Programme will be retired, as well as, where applicable, the number of shares acquired as a result of the settlement of the Derivatives determined by the Board of Directors within the limits established in this resolution.

2. Purpose of the Capital Reduction

The purpose of the Capital Reduction is to cancel treasury shares, contributing to the Company's shareholder remuneration by increasing the profit per share. This operation is configured as a nominal or accounting reduction, since its execution will not involve the return of contributions to the shareholders or any modification of the regime for the availability of the corporate assets, as explained below.



3. Procedure for the acquisition of the shares that will be cancelled under the Buy-Back Programme

Through the Buy-Back Programme open to all shareholders, the Company will acquire, for their cancellation, own shares within the limits of the maximum number of shares (MNS) and the Maximum Investment referred to in section 1 above.

The acquisition of the shares to be cancelled will be carried out pursuant to article 144 a) of the Spanish Companies Act (relating to the free buy-back of own shares) and in accordance with articles 338 to 342 of the same Act, to the extent that they are applicable, of article 12.2 of Royal Decree 1066/2007, of 27 July, of article 5 of the Regulation, and of the Delegated Regulation, without it being necessary, therefore, to formulate a public takeover bid for the Company's shares acquired in the implementation of the Buy-Back Programme.

4. Features of the Buy-Back Programme

It is expected that the Buy-Back Programme will be approved by the Company's Board of Directors if the present resolution proposal is approved by the shareholders.

The main characteristics of the Buy-Back Programme, without prejudice to the timely public disclosure of its details, which will be provided once approved by the Board of Directors and, in any case, before beginning with the acquisitions, will be the following:

1. The Company will acquire, for their cancellation, own shares for an amount no higher than that resulting from applying the formula foreseen for the calculation of the Maximum Investment. Furthermore, under no circumstances will the number of shares purchased under the Buy-Back Programme exceed the Joint Limit.
2. The acquisition of the shares will be carried out based on the price and volume terms established in article 3 of the Delegated Regulation.
3. The Board of Directors will establish the duration of the Buy-Back Programme, which will under no circumstances exceed one year. Notwithstanding the foregoing, the Company may terminate the Buy-Back Programme prior to the deadline established if its purpose has been fulfilled and, in particular, if prior to the end of the Buy-Back Programme the Company has acquired under it the maximum number of shares indicated in section 1 above, or shares for an acquisition price that reflects the amount of the Maximum Investment included in section 1 above, or if any other circumstance exists making it either advisable or necessary.



5. Procedure for the reduction, reserves to be charged against to carry it out and execution period

In accordance with article 342 of the Spanish Companies Act, treasury shares acquired by the Company under the Buy-Back Programme must be cancelled within the month following the completion of the Buy-Back Programme. Therefore, the Capital Reduction must be executed within that same period and, in any case, within the year following the date on which this resolution is passed.

In accordance with article 340.3 of the Spanish Companies Act, if the Company fails to reach the maximum number of shares to be repurchased under the Buy-Back Programme ("MNS") or the Maximum Investment under that Buy-Back Programme, it will be understood that the capital is reduced by the nominal value corresponding to the number of shares actually acquired under the Buy-Back Programme, together with the shares corresponding to the Existing Treasury Stock and the shares acquired, as the case may be, as a consequence of the settlement of the Derivatives in the terms of this agreement.

The Capital Reduction will not imply the return of contributions to the shareholders, given that, at the time of execution of the reduction, the Company will be the owner of the shares to be cancelled. For the purposes of article 335 of the Spanish Companies Act, the reduction will be carried out with a charge to free reserves (including the share issue premium reserve), through the provision of a capital redemption reserve for an amount equal to the nominal value of the cancelled shares, which will only be available following the same requirements demanded for the reduction of the share capital.

Consequently, in accordance with article 335 c) of the Spanish Companies Act, there will be no right of opposition for the creditors included in article 334 of that Act.

6. Delegation of powers

It is agreed to delegate to the Board of Directors the power to determine the terms of this resolution in all matters not expressly provided for therein. In particular, and merely for illustrative purposes, the following powers are delegated to the Board of Directors:

- a) Decide, where appropriate, not to execute the Buy-Back Programme, determine the duration of the Buy-Back Programme and any other terms of the Programme (including the maximum number of shares that it will be possible to acquire under the Programme and the maximum monetary amount allocated to the Programme) within the limits established in this resolution and in the law, all in accordance with article 5 of the Regulation, and the Delegated Regulation.



- b) Carry out the Capital Reduction within a period not exceeding one month from the end (early or as planned) of the Buy-Back Programme and, in any case, within one year following the date on which this resolution is approved.
- c) Set the final figure for the Capital Reduction in accordance with the rules set out in this resolution and based on the final number of shares acquired from the shareholders in the framework of the Buy-Back Programme, and, if applicable, by means of the settlement of the Derivatives.
- d) Declare the agreed Capital Reduction closed and executed, for this purpose setting the final number of shares that must be cancelled and, therefore, the amount by which the Company's share capital must be reduced in accordance with the rules established in this resolution.
- e) Redraft articles 5 and 6 of the Company Articles of Association, concerning share capital and shares, respectively, to adapt them to the result of the result of the Capital Reduction.
- f) Carry out any actions, declarations or procedures necessary in relation to the disclosure of public information on the Buy-Back Programme and any actions that, where appropriate, need to be carried out in relation to the National Securities Market Commission and Stock Exchanges on which the Company's shares are traded, as well as in relation to the regulators and governing companies of the markets in which the share acquisition transactions are carried out. Negotiate, agree and sign as many contracts, agreements, commitments or instructions as may be necessary or convenient for the successful completion of the Buy-Back Programme.
- g) Carry out the procedures and actions that are necessary and present the documents that are required by the competent bodies so that, once the cancellation of the Company's shares and the granting of the Capital Reduction public instrument and its registration in the Mercantile Registry have taken place, the delisting of the cancelled shares is carried out on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, through the Stock Exchange Interconnection System (Continuous Market) along with the cancellation of the corresponding accounting records. In addition, request and carry out all procedures and actions necessary for the delisting of the cancelled shares on any other stock exchanges or markets where the Company's shares are traded or may be traded, in accordance with the procedures established in each of these stock exchanges or markets, and the cancellation of the corresponding accounting records.
- h) Perform as many actions as may be necessary or convenient to execute and formalise the Capital Reduction in relation to any public or private entities or bodies, Spanish or foreign, including the declaration, supplementing or correction of defects or omissions



that could impede or hinder the full effectiveness of the previous agreements, all with the broadest scope.

The Board of Directors is hereby expressly authorised to in turn delegate (with the power of delegation, where appropriate) to the Delegate Committee and/or the Chief Executive Officer, pursuant to that established in article 249 bis. 1) of the Spanish Companies Act, all the powers that may be delegated that are referred to in this agreement, and all without prejudice to the powers of attorney that exist or may be conferred in relation to the content of this resolution.



Resolution proposal related to the point ninth on the Agenda (“Approval of three new additional cycles of the Beneficiaries' Share Purchase Plan of the Long-Term Incentive Programmes.”)

To approve three additional cycles (the “**Eleventh Cycle**”, the “**Twelfth Cycle**” and the “**Thirteenth Cycle**”, jointly referred to as the “**Cycles**”) of the Share Purchase Plan for Beneficiaries of the Long-Term Incentive Plans (the “**Purchase Plan**”) initially approved by the shareholders at the General Meeting on 15 April 2011, which are subject to the following rules:

- (i) **Beneficiaries:** The beneficiaries of the Cycles may include the Chief Executive Officer, as well as the other executives and employees of the Repsol Group that are beneficiaries of the Long-Term Incentive Plans (LTIs) known as the 2017-2020 LTI (which will correspond to the Eleventh Cycle), the 2018-2021 LTI (which will correspond to the Twelfth Cycle) and the 2019-2022 LTI (which will correspond to the Thirteenth Cycle) and that are determined by the Board of Directors in each case (currently 1,514 beneficiaries for the 2017-2020 LTI, 1,558 beneficiaries for the 2018-2021 LTI and 1,526 beneficiaries for the 2019-2022 LTI)³.
- (ii) **Description of the Cycles:** The beneficiaries may voluntarily make an investment to acquire Company shares of up to 50% of the gross amount corresponding to them under the long-term incentive plan relating to each of the Cycles (the “**Initial Investment**”) and benefit through such investment from the terms of the Cycles envisaged herein. The Initial Investment must be made once the corresponding long-term incentive plan has been paid, and never later than 30 June of each calendar year (“**Initial Investment Deadline**”).

In the case of the Chief Executive Officer, in accordance with the resolution of the General Meeting of 19 May 2017, under item nineteen on the Agenda, and the Directors Remuneration Policy, the shares delivered thereto in partial payment of the long-term incentive programmes in which the CEO participates may be counted for the purposes of the investment in shares –Initial Investment– referred to in this Purchase Plan.

The beneficiaries of each of the Cycles will be entitled to receive from Repsol, S.A. (the “**Company**” or “**Repsol**”) or, where appropriate, from another company in the Repsol Group, shares for a proportion of one share for every three shares acquired in the Initial Investment for each Cycle, provided all of the shares acquired in the Initial Investment are held by the beneficiary for a period of three years (the “**Final Share Delivery**”), calculated from the Initial Investment Deadline. If any fractions of a share result from the application of the one-to-three ratio mentioned, the shares granted will be rounded by default to the immediately lower whole number and the remainder will be paid in cash.

In relation to each Cycle, the accrual of each Final Share Delivery is contingent upon the

³ If, pursuant to current law, the duration of any of the LTI plans has to be reduced in any of the countries in which the Repsol Group companies operate, the beneficiaries of these plans may participate in the Share Purchase Plan corresponding to the year in which this LTI is paid.

beneficiary remaining in the Repsol Group's employ (unless the beneficiary leaves as a result of any case giving rise to the early settlement of the long-term incentive programmes that have not matured) and upon there being no circumstances involving the material restatement of the Company's financial statements, in the opinion of the Board of Directors, following a report from the Remuneration Committee, when it affects the degree of compliance with the objectives of the long-term incentive programme resulting from the Cycle, except when appropriate in accordance with an amendment to the accounting regulations.

(iii) Duration: The Cycles will last for three years from the Initial Investment Deadline, as follows:

- The Eleventh Cycle corresponds to 2021-2024.
- The Twelfth Cycle corresponds to 2022-2025.
- The Thirteenth Cycle corresponds to 2023-2026.

With regard to each Cycle, Repsol's Final Share Delivery will take place in the month following the completion of the three-year maintenance period.

(iv) Maximum number of shares to be delivered:

Taking into account that the estimate made by the Board of Directors regarding the maximum aggregate amount to be invested in Repsol shares by the beneficiaries of the three Cycles amounts to EUR 60,100,409 (the "**Maximum Total Investment Amount**"), the maximum aggregate number of Repsol shares that may be delivered under all these Cycles (the "**Total Final Share Delivery Limit**") will be determined by applying the following formula:

*Total Final Share Delivery Limit = 1/3 * (Maximum Total Investment Amount/Repsol Share Price)*

where "**Repsol Share Price**" will be the weighted average price at which the beneficiaries have acquired the Repsol shares to which the Initial Investment refers.

As an example, taking the Repsol share price as the average of the 12 months prior to the last Friday (excluded) before the date of the meeting of the Company's Board of Directors at which this proposed agreement were formulated (25 March 2020), the maximum aggregate number of Repsol shares that may be delivered free of charge at the end of the three Cycles would not exceed a total of 1,458,911 shares, representing 0.093% of Repsol's share capital at the date of this proposed agreement.

In addition, taking into account that the Board of Directors has the power to adjust, up to a maximum of 20% upwards or downwards, the final result of the Chief Executive Officer's

long-term variable remuneration, in accordance with the quality of the results, individual performance or other matters that require qualitative measurement, and therefore considering the possibility of a case where the objectives are exceeded with extraordinary performance from both the Company and the Chief Executive Officer, the maximum individual amount to be invested in Repsol shares corresponding to all three Cycles amounts to EUR 2,592,000 of the CEO (the “**Maximum Individual Investment Amount**”) and, therefore, the maximum individual number of Repsol shares that may be delivered to him under all these Cycles (the “**Individual Final Share Delivery Limit**”) will be determined by applying the following formula:

$$\text{Individual Final Share Delivery Limit} = 1/3 * (\text{Maximum Individual Investment Amount} / \text{Repsol Share Price})$$

As an example, taking the Repsol share price as the average of the 12 months prior to the last Friday (excluded) before the date of the meeting of the Company's Board of Directors at which this proposed agreement were formulated (25 March 2020), the maximum individual number of Repsol shares that may be delivered free of charge at the end of the three Cycles will not exceed a total of 62,920 shares, representing 0.004% of Repsol's share capital at the date of this proposed agreement.

- (v) Other rules: In the event of a change in the maximum number of shares, due to a decrease or increase in the par value of the shares, or any operation with an equivalent effect, the number of shares to be delivered will be modified proportionally.

If necessary or advisable for legal, regulatory or other reasons, the delivery mechanisms envisaged may be adapted without altering the number of shares linked to the Cycle in question or the terms to which the delivery thereof is subject. These adaptations may involve replacing the delivery of shares with the delivery of cash amounts of an equal value.

The shares delivered may consist of directly or indirectly held Repsol treasury shares, new shares issued or shares acquired from third parties under agreements entered into to cover the obligations assumed.

- (vi) Specific rules for senior management: For those beneficiaries who are considered senior management (understood as executive directors and other executives that form part of the CEO, or any other equivalent body that may replace it in the future), on the Initial Investment Deadline or on the date of the Final Share Delivery, an additional performance requirement is established for delivery by the Company of the additional share for every three shares acquired in the Initial Investment. This objective consists of achieving an overall level of compliance with the objectives established for the long-term incentive plan ended in the year immediately preceding the date of the Final Share Delivery equal to or greater than 75%.



Senior management will therefore only be entitled to receive the additional share if, in addition to complying with the general terms of the Purchase Plan applicable to all beneficiaries, the overall level of compliance with the objectives established for the long-term incentive plan ended in the year preceding the date of the Final Share Delivery is equal to or greater than 75%.

(vii) Delegation of powers: Without prejudice to the general provisions of item twelve on the Agenda, or the preceding sections of this resolution, the Company's Board of Directors is empowered to implement the Cycles, and may specify and interpret, to the extent necessary or advisable, the rules set forth herein and the content of the contracts and other documentation to be used. In particular, and by way of example, the Board of Directors will have the following powers:

- (a) To develop and establish the specific terms of the Cycles to the extent that they are not specified in this resolution.
- (b) To approve the content of the contracts and any documentation that may be necessary or advisable.
- (c) To approve any communications and supplementary documentation that may be necessary or advisable to be submitted to any public or private body, including, if necessary, the corresponding prospectuses.
- (d) To carry out any action, act or declaration before any public or private entity or body.
- (e) To negotiate, agree on and enter into counterparty and liquidity agreements with the financial institutions it may freely appoint under the terms and conditions it considers appropriate.
- (f) To define the minimum percentages or amounts, if any, applicable to the Initial Investment, and any other terms relating to the Initial Investment, in accordance with the terms of the resolution of the Meeting, including, if necessary or advisable, the direct delivery by the Company to the beneficiary of the shares of the Initial Investment on account of the percentage of multi-year remuneration that the latter invests in the Cycle in question.
- (g) To draft and subscribe any announcements that may be necessary or advisable.



- (h) To determine whether or not the terms under which the beneficiaries may receive the corresponding shares have been met, and to adjust the number of shares to be delivered in accordance with prevailing circumstances.
- (i) To interpret the above resolutions and adapt them, without affecting their basic content, to any new circumstances that may arise, including, but not limited to, the modification of the delivery mechanisms, without altering the maximum number of shares linked to the Cycles, which may include replacing the delivery of shares with the delivery of cash amounts of an equal value.
- (j) In general, to perform any actions and execute any documents that may be necessary or advisable.

The Board of Directors is expressly authorised, pursuant to the provisions of Article 249bis.l) of the Spanish Corporate Enterprises Act (*Ley de Sociedades de Capital*), to delegate (with power of substitution where appropriate) all the delegable functions referred to in this resolution to the Executive Committee and/or the CEO, without prejudice to any other existing powers of attorney.

All the terms stated above are considered to be without prejudice to the exercise by the Company's subsidiaries, where applicable, of the powers they have to initiate the Cycles in relation to their executives and employees.

Resolution proposal related to the point tenth on the Agenda (“Approval of a Long-Term Incentive Program”)

The company plans to implement a new Long-Term Incentive Programme (the “**Programme**”). The main difference between it and the long-term variable compensation programmes it currently has in place is the partial allocation of Repsol, S.A. shares (“**Repsol**” or the “**Company**”) through performance shares, as part of the awarding of the Long-Term Incentive and not only as part of its settlement. This Programme is aimed at the Group’s management and other employees, as well as the members of the Executive Committee, including the Chief Executive Officer. Therefore, in accordance with the provisions of Article 219 of the Spanish Companies Act and Article 45 of the Company’s Bylaws, insofar as this is a remuneration system that includes the awarding of shares to the Company’s executive directors, it is proposed that the General Shareholders' Meeting approves it with regard to the members of the Company's Executive Committee and in the terms set forth below:

1. Description of the Programme: the Programme is implemented through the awarding of a total incentive (the “**Incentive**”) that is the sum of a cash incentive and a certain number of performance shares that will give the right to receive Repsol, S.A. shares once the Programme measurement period has elapsed and compliance with the established performance metrics has been verified.
2. Beneficiaries: the members of the Executive Committee (or any equivalent body that may replace it in the future), including the Chief Executive Officer, Executives, and other highly qualified or high-potential employees designated by the Board of Directors (the “**Beneficiaries**”) may participate in the Programme.

The group of potential Beneficiaries is currently made up of approximately 1,500 people, nine of whom are members of the Executive Committee, notwithstanding the possibility of new potential Beneficiaries joining the Programme who, due to promotion, incorporation into the Repsol Group or other reasons, come to meet the requirements established for this purpose at any time.

3. Duration of the Programme: the Programme will have a total duration of six (6) years and will be divided into three (3) overlapping, independent cycles of four (4) years each, as detailed below:
 - The first cycle of the Programme corresponds to the period 2020-2023 (“**First Cycle**”).
 - The second cycle of the Programme corresponds to the period 2021-2024 (“**Second Cycle**”).
 - The third cycle of the Programme corresponds to the period 2022-2025 (“**Third Cycle**”).

Settlement of the corresponding Incentive, where applicable, will be made in the first four-month period after the end of each cycle.

4. Maximum assigned incentive, maximum number of shares and reference value of the shares: the maximum assigned incentive is the sum of the maximum assigned incentive in cash and the maximum assigned incentive in shares, which will be communicated individually to each Beneficiary.

The maximum assigned incentive in cash is an amount in euros established for each Beneficiary.

The maximum assigned incentive in shares is a number of performance shares for each Beneficiary, resulting from dividing the amount in euros corresponding to the part of the total incentive represented by the incentive assigned in shares by the weighted average Repsol share price in the months of December and January closest to the date of commencement of the corresponding Programme cycle ("**Reference Value**").

Performance shares are merely an expectation of rights, which do not give the Beneficiaries the status of Repsol shareholders nor the political and economic rights inherent in said condition.

For the members of the Executive Committee, the maximum assigned incentive in cash and in performance shares will represent 50% respectively of the Total incentive, calculated on the date awarded. For the rest of the Beneficiaries of the Programme, this proportion will be 70% in cash and 30% in performance shares.

The total maximum amount for the three cycles of the Programme for all Beneficiaries is set at 138.5 million euros, of which 18.4 million euros is for the members of the Executive Committee.

The maximum amount allocated to each of the Programme cycles will be determined each year by the Board of Directors, following a report from the Remuneration Committee, within the maximum limit for the Programme as a whole mentioned above.

As for that concerning the Chief Executive Officer, in accordance with the provisions of the Remuneration Policy of Directors approved by the General Meeting of Shareholders on 31 May 2019, the maximum amount that may be allocated to him or her in each cycle, at the time it is awarded, is the equivalent of 120% of their fixed annual remuneration.

Therefore, for the First Cycle of the Programme (LTI 2020-2023), taking into account the Reference Value defined above and the fixed annual remuneration for 2020, the CEO would be entitled to receive, in a scenario of 100% fulfilment of targets, 51,633 Repsol shares and 720,000 euros. Notwithstanding the foregoing, the Board of Directors has the

power to adjust the final result of the CEO's long-term variable remuneration, up to a maximum of 20% upwards or downwards, in view of the quality of the results, individual performance or other matters that require qualitative measurement. Therefore, in the event of surpassing targets and extraordinary performance of both the Company and the CEO, his or her maximum long-term variable remuneration could reach a total of 61,960 Repsol shares and 864,000 euros. Should the Board of Directors agree to this adjustment, detailed information on the reasons justifying its application is to be provided in the relevant Annual Report on Directors' Remuneration.

For each of the remaining cycles, the Board of Directors, following a report from the Remuneration Committee, will determine the maximum total incentive that the CEO may receive, taking into account his or her annual fixed remuneration and the Reference Value applicable to each cycle. Under no circumstances may this maximum amount, including any adjustment that may be agreed by the Board of Directors, exceed 144% (120% plus the maximum 20% possible adjustment) of his or her annual fixed remuneration in force in the first year of the corresponding cycle.

5. Requirements and conditions for settlement of the Incentive: the amount of the cash incentive and the number of shares that will be awarded to each Beneficiary at the end of each of the Programme cycles will depend on the degree of achievement of established targets, as well as the average level attained in the individual performance score during the four years of measurement of each of these Programme cycles.

Achievement of targets will be measured through identifiable and quantifiable parameters.

For the First Programme Cycle (LTI 2020-2023), the amount of the Incentive to be settled will depend on the following targets:

- Decarbonisation and Sustainability, with a total weight of 40% and targets and indicators related to reduction of energy intensity.
- Performance, with a total weight of 30% and metrics related to achievement of financial and operational indicators aligned with the new Strategic Plan.
- Creation of shareholder value, with a total weight of 30% and the Total Shareholder Return (TSR) metric.

"TSR" is to be understood as the difference (expressed as a percentage) between the initial value of an investment in ordinary Repsol shares and the final value of the same investment in the period under consideration, taking into account that dividends or other similar gross concepts (such as the Repsol Flexible Dividend programme) received by the shareholder for such investment during the corresponding period of time are to

be considered in the calculation of such final value as if they had been invested in more shares of the same type on the first date on which the dividend or similar item is due to the shareholders and at the closing price on that date. To obtain it, the “Cumulative_Tot_Return_Gross_DVDS” function of the Bloomberg tool – or a similar one if it is no longer available – will be used, taking the average value in December of each evaluable year as a reference and adjusting the resulting TSR, for each Reference Group company and Repsol, by the percentage variation of the reference index of each market.

This metric measures the relative performance of Repsol’s total shareholder return in the period compared to the TSRs of a reference group (the “**Reference Group**”), made up of the following companies: Total, RD Shell, BP, ENI, OMV, Equinor, GALP, Iberdrola, Naturgy and Endesa, assigning a level of compliance based on the relative position of Repsol’s TSR with respect to that of the Reference Group, which will be determined in accordance with the table below, such that if the position achieved by Repsol is below the median, the degree of achievement of the target will be zero:

Repsol TSR position	Level of Compliance
1st or 2nd	100%
3rd or 4th	75%
5th	50%
6th	25%
≥ 7th	0%

The specific metrics and indicators for the targets related to Decarbonisation and Sustainability, as well as the financial and operational performance of the Company, will be fully defined in the coming months, once the new Strategic Plan is approved, and will be communicated through the Repsol website and the Annual Report on Directors’ Remuneration 2020.

To determine the degree of achievement of the rest of the targets indicated and to calculate the incentive to be paid, the level attained for each target in each year of the corresponding cycle will be measured. Each of these targets will be subject to a scale of achievement including a minimum threshold, below which the incentive is not paid, and a maximum threshold.

The Compensation Committee will monitor the targets annually and, at the end of the corresponding cycle, the degree of overall achievement will be determined. To determine the level of achievement of targets, those economic effects, whether positive or negative, deriving from extraordinary events that could cause distortions in the results of the evaluation will be eliminated.

In the event that Repsol has to carry out a material reformulation of its financial statements that affects the level of achievement of the Programme’s targets, except

when it is appropriate in accordance with a modification of accounting regulations, the Beneficiary must return the part of the Incentive received that is affected by the result of this reformulation.

For each of the remaining cycles, the Board of Directors, with a prior report from the Remuneration Committee, will determine the targets to which the achievement of the Total Incentive is linked, in line with the Strategic Plan in force at any given time, and these will be communicated through the corresponding Annual Report on Directors' Remuneration.

6. Shareholding policy: The CEO and the members of the Executive Committee may not transfer Company shares awarded under the Programme nor hedge them directly or indirectly for one year from the date of awarding of the shares. Nor may they directly or indirectly arrange hedges on the shares prior to the award.
7. Origin of the shares to be awarded: the shares to be awarded to the Beneficiaries may be, subject to compliance with the legal requirements established for this purpose: (a) Repsol shares in treasury stock that have been or will be acquired by Repsol or any company in its Group; (b) newly issued Repsol shares; or (c) shares from third parties with whom agreements have been signed to ensure that the assumed commitments are met.

Likewise, and notwithstanding the general provisions of item twelve on the agenda, it is proposed that the General Meeting of Shareholders authorise the Board of Directors, in the broadest terms, to implement this resolution and to delegate (with the powers of substitution when necessary) all the powers that may be delegated to the Executive Committee, the CEO and/or the Persons and Organization Executive Managing Director and, in general, to adopt any resolutions and take any actions that may be necessary or merely advisable for the successful completion of this resolution and the implementation, execution and settlement of the Programme and each of its cycles, including, but not limited to, the following powers within the framework of the terms and conditions provided for in this agreement:

- (a) To implement and execute the Programme and each of its cycles when it is deemed advisable and in the specific form it deems appropriate.
- (b) To develop and establish the specific conditions of the Programme and of each of its cycles in all matters not provided for in this agreement, and to approve and publish rules for operation of the Programme and/or each of its cycles, including, but not limited to, the possibility of establishing cases of early settlement of the Programme and/or each of its cycles.
- (c) To the extent that the legal regime applicable to some of the Beneficiaries or to certain companies of the Repsol Group requires or makes it advisable, or if it is necessary or appropriate for legal, tax, regulatory, operational, contractual or other

similar reasons, to adapt the basic conditions indicated, in general or in particular, including, but not limited to, the possibility of adapting the mechanisms for awarding the shares, without altering the maximum assignment linked to the Programme, and to provide for and execute total or partial settlement of the Programme in cash.

- (d) To decide not to execute or to leave all or part of the Programme or any of its cycles null and void, as well as to exclude certain groups of potential Beneficiaries or companies from the Repsol Group when circumstances make this necessary or advisable.
- (e) To write, sign and present any communications and complementary documentation that may be necessary or appropriate before any public or private body for the purpose of implementing, executing or settling the Programme or any of its cycles, including, if necessary, the corresponding communications and information brochures.
- (f) To carry out any action, declaration or management before any public or private body or entity or registry, in order to obtain any authorisation or verification necessary for the implementation, execution or settlement of the Programme, of each of its cycles and of the free awarding of Repsol, S.A. shares.
- (g) To negotiate, agree and sign as many contracts of any kind with financial or other entities freely designated by it, under the terms and conditions it deems appropriate, which are necessary or advisable for the best implementation, execution or settlement of the Programme or each of its cycles, including, when necessary or advisable in accordance with the legal regime applicable to some of the Beneficiaries or to certain companies of the Repsol Group or if it is necessary or advisable for legal, regulatory, operational or other similar reasons, the establishment of any legal figure (including *trusts* or other similar figures) or the reaching of agreements with any type of entities for the deposit, custody, holding and/or administration of the shares and/or their subsequent awarding to the Beneficiaries within the framework of the Programme.
- (h) To write and publish as many announcements as necessary or advisable.
- (i) To write, sign, grant and, where appropriate, certify any type of document relating to the Programme.
- (j) To adapt the content of the Programme to the circumstances and corporate operations that may occur during its validity, both with regard to Repsol, S.A. and the companies that form part of the Repsol Group at any given time, under the terms and conditions deemed necessary or appropriate at any given time to maintain the purpose of the Programme.



- (k) To entrust the Remuneration Committee and/or empower any person to implement, develop, formalise, execute and settle the Programme and each of its cycles whenever and however it deems appropriate, adopting all agreements and signing all documents, public or private, that may be necessary or advisable for its full effect, with the power to correct, rectify, modify or complement this agreement.
- (l) And, in general, to carry out all actions, adopt as many decisions and sign all documents necessary or merely advisable for the validity, effectiveness, implementation, development, execution, settlement and successful conclusion of the Programme and the previously adopted agreements.

The resolutions of the Board of Directors concerning the Programme will be adopted, as appropriate, at the proposal or following a report by the Remuneration Committee.

All the terms stated above are considered to be without prejudice to the exercise by the Company's subsidiaries, where applicable, of the powers they have to initiate the Cycles in relation to their executives and employees.



Resolution proposal related to the point eleventh on the Agenda (“Advisory vote on the Repsol, S.A. Annual Report on Directors’ Remuneration for 2019.”)

To approve in an advisory vote the Annual Report on the Remuneration of the Directors of Repsol, S.A. for 2019, the text of which has been made available to shareholders on calling this Shareholders’ Meeting together with the other relevant documents.



Resolution proposals related to the point twelfth on the Agenda (“Delegation of powers to interpret, supplement, develop, execute, rectify and formalize the resolutions adopted by the General Shareholders’ Meeting.”)

First. To delegate to the Board of Directors the fullest possible power to delegate all or part of the powers received to the Delegate Committee and the CEO, including such powers as may be necessary to interpret, supplement, develop, execute, rectify and formalize the resolutions adopted by the Shareholders’ Meeting. The power to remedy shall encompass the power to make such modifications, amendments and additions as may be necessary or convenient as a result of objections or observations made by the regulatory bodies of the securities markets, stock exchanges, trade register and any other public authority with competence related with the resolutions adopted.

Second. To delegate jointly and severally to the Chairman of the Board, the Secretary and the Vice-Secretary of the Board such powers as may be necessary to execute the resolutions adopted at the Shareholders’ Meeting and have those subject to this requirement registered, in full or in part, including the powers regarding filing of the annual accounts, for which purpose they are authorised to execute such public or private documents as may be necessary, including those required to supplement or rectify the resolutions.

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