



REPSOL



Low Carbon Business

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Delivering value through the cycle

Thriving in the energy transition

SAFETY FIRST



01

Increasing shareholder returns

- **Dividend** per share **8% p.a. growth** with full buyback of shares.
- **Dividend target fully covered** at \$50/bbl
- CFFO **dividend coverage** to grow from 3.9x in 2017 to 4.3x in 2020
- **Sustainable long term pay-out**



02

Growing our portfolio profitably

- **Growth** across all value-creation metrics, **at any oil price**
- **Downstream** activated as **asset-light** growth engine
- Upstream delivering **performance improvement** / portfolio upgrade
- Strong pipeline of **attractive growth** projects in both divisions



03

Thriving in the energy transition

- **Develop long term options**
- Leverage our **competitive advantages**
- Reduce carbon footprint
- Build **new capabilities**



04

Financial Flexibility

AGENDA

- Low Carbon Strategy
- New Businesses
- Renewables

Low Carbon strategy



Repsol reduction target for carbon intensity

Repsol uses the ratio tCO₂/GJ to measure its 2°C path progression

Repsol has a clear positioning and values aligned with climate change:

- Supply society with access to energy.
- Be part of the solution in the fight against climate change.

Objective: Supply the energy needed with a reduced impact to environment

Ratio used: carbon intensity (tCO₂/GJ)

Paris Agreement target to reduce carbon intensity 40% by 2040

tCO₂/GJ (Base 100)



Repsol aligned with the 40% reduction through key levers

Key levers for CO₂ emissions reduction:

- Natural gas shift
- Energy efficiency
- Methane emissions
- Minimizing flaring
- Carbon capture, utilization and storage
- Non fuel uses [chemicals]
- Increase biofuels
- Increase use of renewables
- Natural sinks
- Hydrogen & others

Repsol has a 2020 reduction target for carbon intensity of 3% and for CO₂ emissions of 2.1 Mt

Roadmap to 2025

Investment in low carbon businesses with IRR above 10%¹

Wholesale Gas

TOP CAPABILITY

Leverage our industrial self consumption as the **largest gas consumer in Spain**

ROADMAP

- Create a successful wholesale gas business, ensuring a competitive gas supply
- Developing new business through gas flexibility
- Deliver a competitive gas offer for our future retail clients

TARGETS TO 2025

Market share ²

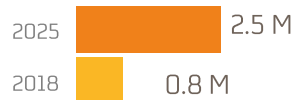
2025	>15%
2018	14%

Retail G&P

Strong brand and ~10M clients base with director contact

- To become a relevant Spanish low carbon multi-energy retailer
- Progressively sophisticate our offer including advanced energy services and solutions

Clients³



Low Carbon generation

Technical capabilities and experience in **managing large scale projects**

- Develop a strong position in Spain achieving a low carbon integrated business
- Technological vocation oriented to solar, wind, CCGT and other low carbon technologies
- Diversify in emerging countries that yield higher returns

Capacity



1. Assuming an average financial leverage of ~ 50%; 2. Spain market share including our refineries consumption; 3. Not adjusted for dual clients.



New businesses

Strengthening Repsol's position as a multi-energy supplier



Low carbon generation



Retail gas & power



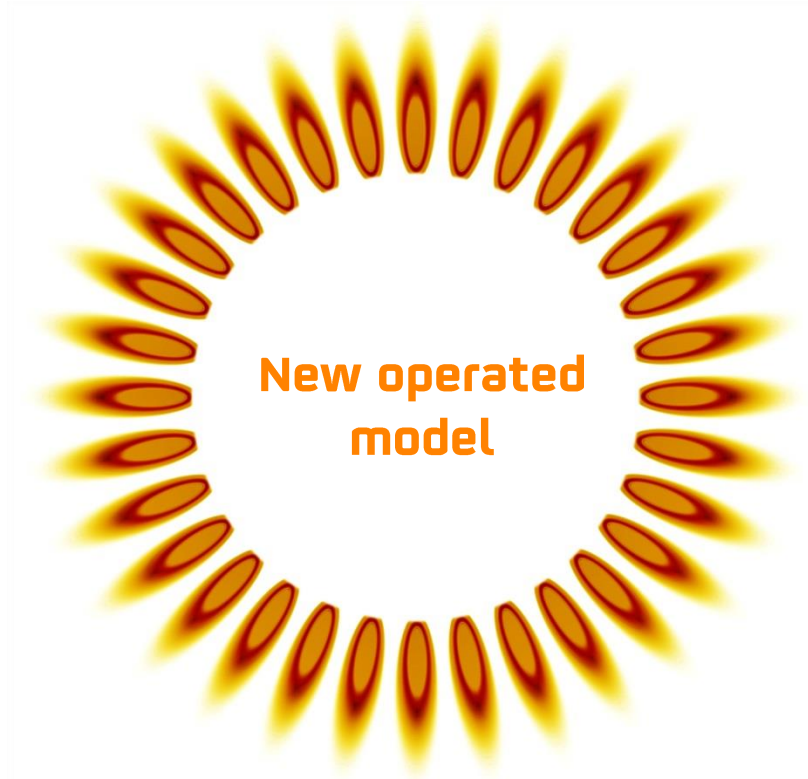
Operated business



Focus on liberalized



Profitable businesses



Integrated business



Customer centric



Multi-energy supplier



Synergistic position



Enhancing capabilities



Creating a new business line with relevant growth potential

Acquisition of selected assets and incorporation of high skilled teams

TRANSACTION DATA



€733M

ACQUISITION VALUE



2,350 MW

LOW CARBON CAPACITY¹



~750,000

RETAIL & GAS CUSTOMERS

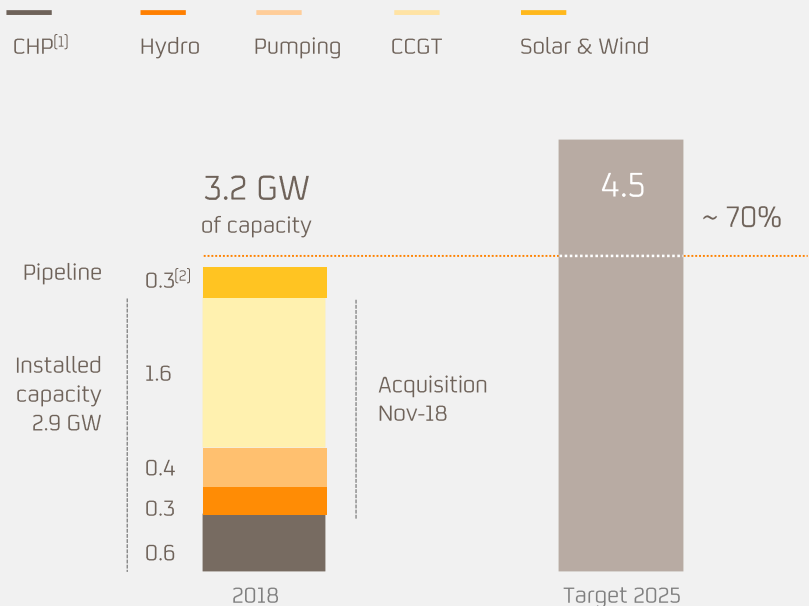


400+ PEOPLE

OPERATIONS, RETAIL,
TRADING & ENERGY
MANAGEMENT

¹ Installed capacity

Developing a strong low carbon generation position



c. 70% of 2025 low carbon capacity target **is already achieved**

1. Combined Heat and Power plants ; 2. Valdesolar [264 MW] and WindFloat Atlantic [25 MW]

First class generation aligned with Repsol ambition

Strategic Fit



LOW CO₂ EMISSIONS



POSITIONED FOR ENERGY TRANSITION



MULTI-TECHNOLOGY PORTFOLIO



HIGH-QUALITY LOCATION



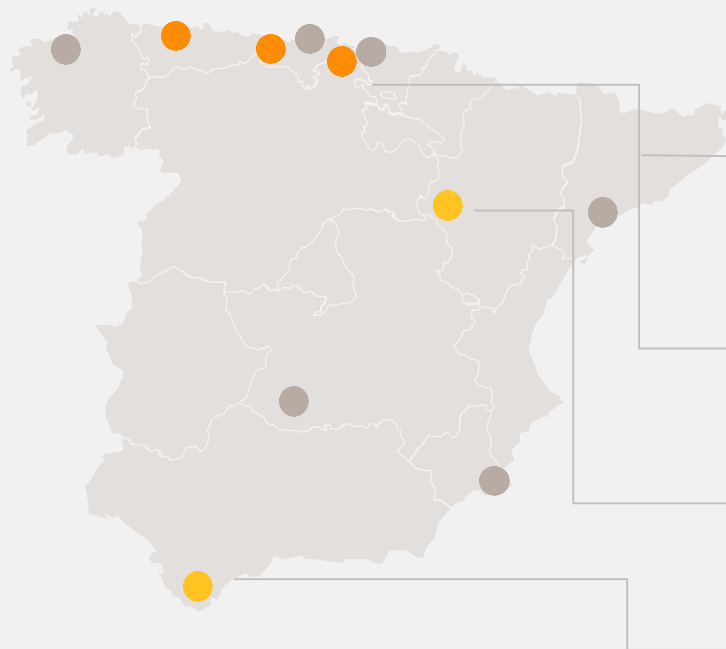
RETAIL HEDGING



IN-HOUSE EXPERIENCE



Developing a multi-technology portfolio



CAPACITY

600
MW

COGENERATIONS

HYDRAULIC GENERATION UNITS

COD: 1910-2008

340 MW

PUMPED STORAGE [AGUAYO]

COD: 1982

360 MW

ESCATRON

COD: 2008

820 MW

BAHÍA ALGECIRAS

COD: 2011

830 MW

700
MW

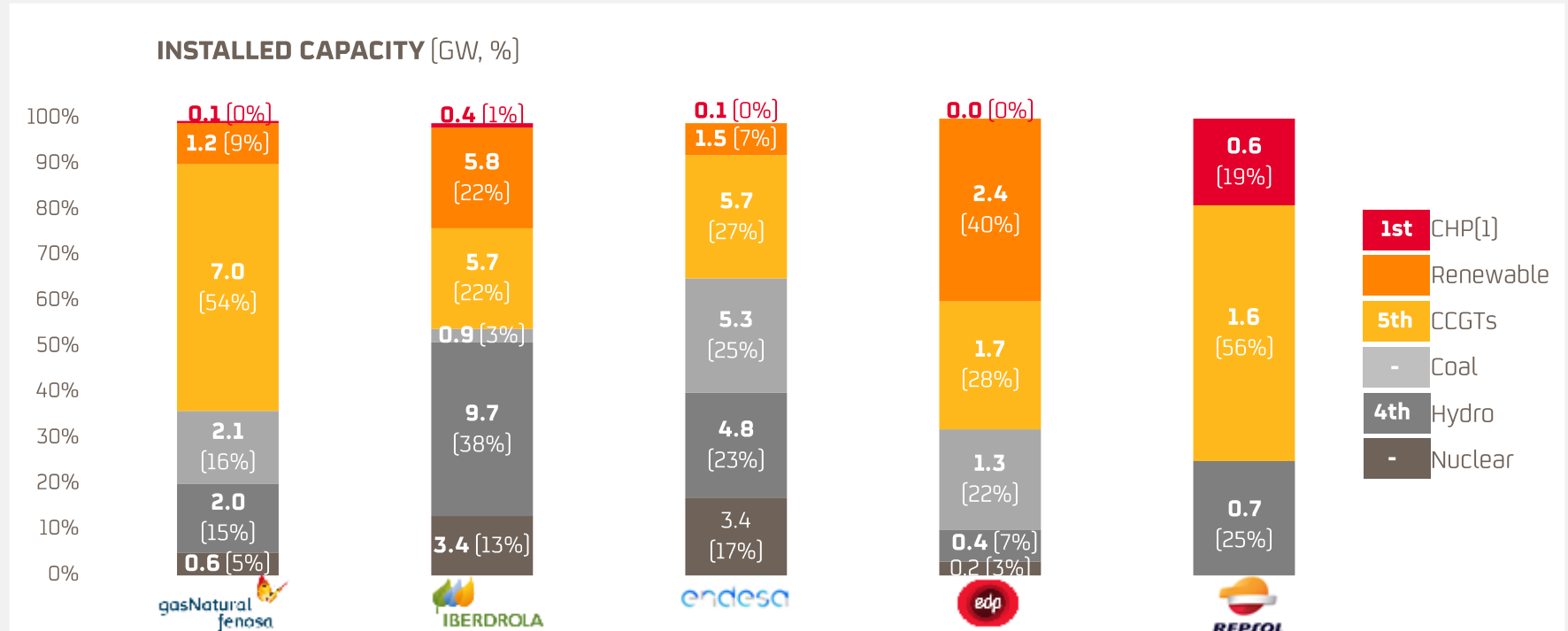
HYDRO

1,650
MW

CCGT

Note: Gross capacity
COD: Commercial Operation Date
Source: Minetur; Repsol

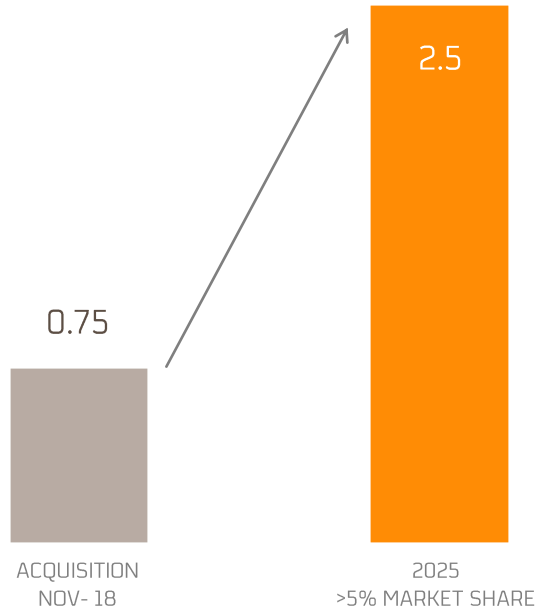
Repsol ranks 5th in installed capacity of newly added low carbon technologies



Retail gas & electricity business

Acquisition of Retail gas & electricity business
to develop our key capabilities

MILLION CUSTOMERS



Aiming to achieve over
5% market share in number
of clients in Spain by 2025

Retail assets support Repsol target positioning

RETAIL COMPETITIVE ADVANTAGES



Critical mass to develop a solid position



Growth orientation



Customer centric



Highly advanced digital player



VAS focused



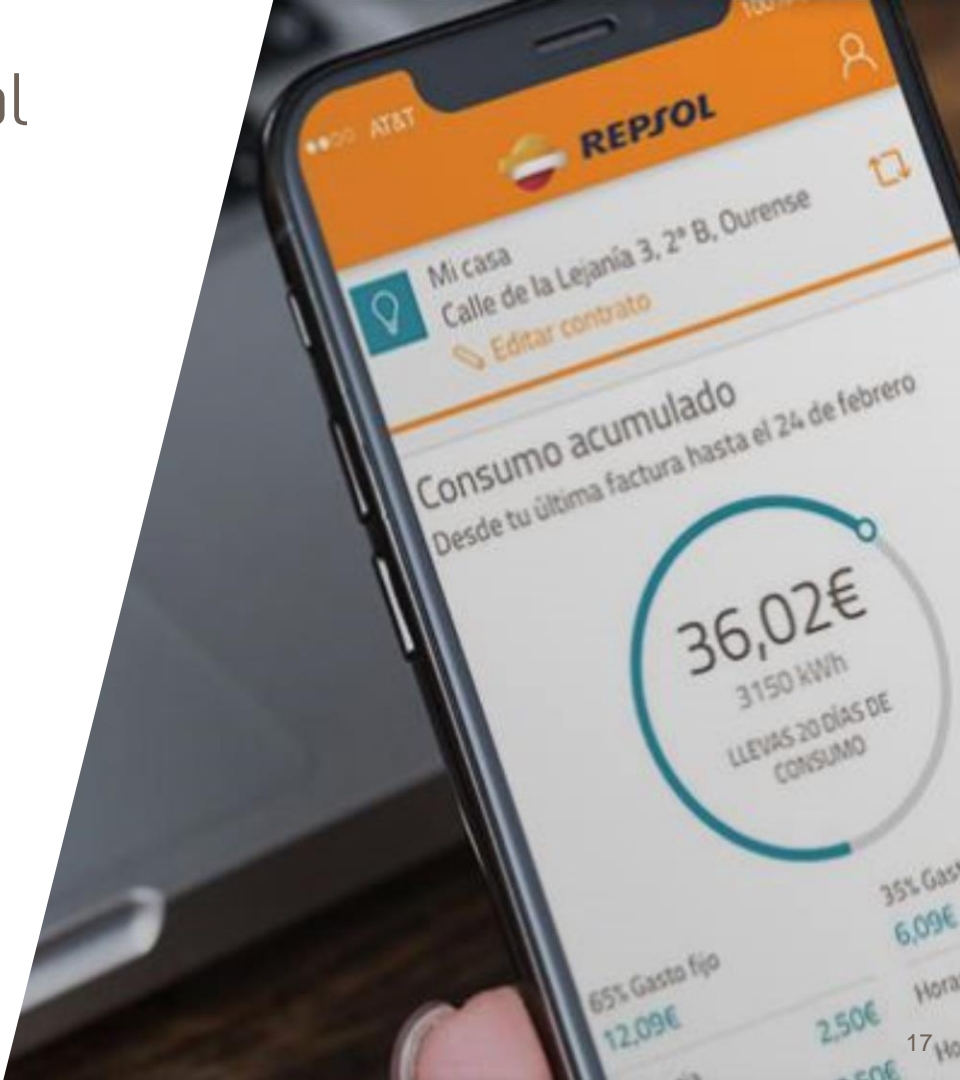
Sophisticated capabilities



Value for money orientation



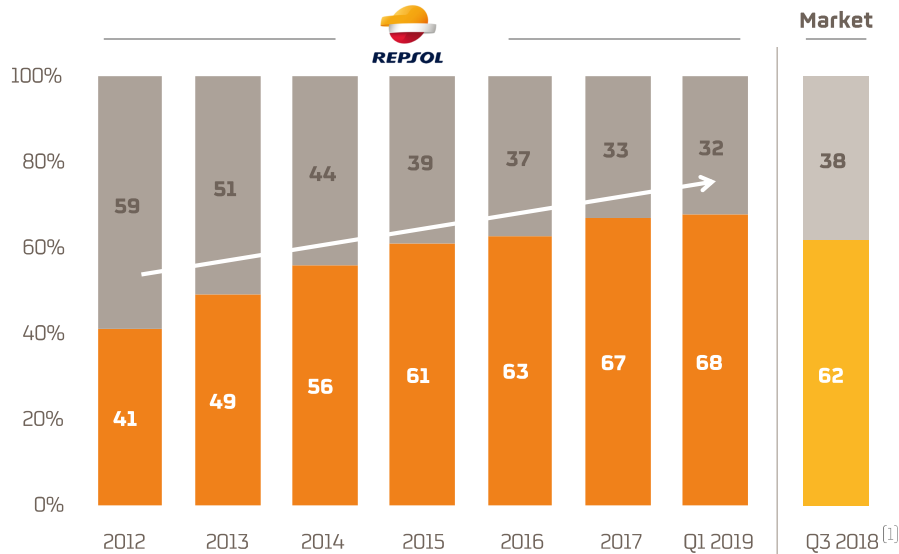
Scalable; state of the art IT systems



Mix of customers more focused on liberalized market than average

% of power supply contracts for residential/commercial customers

Liberalized Regulated



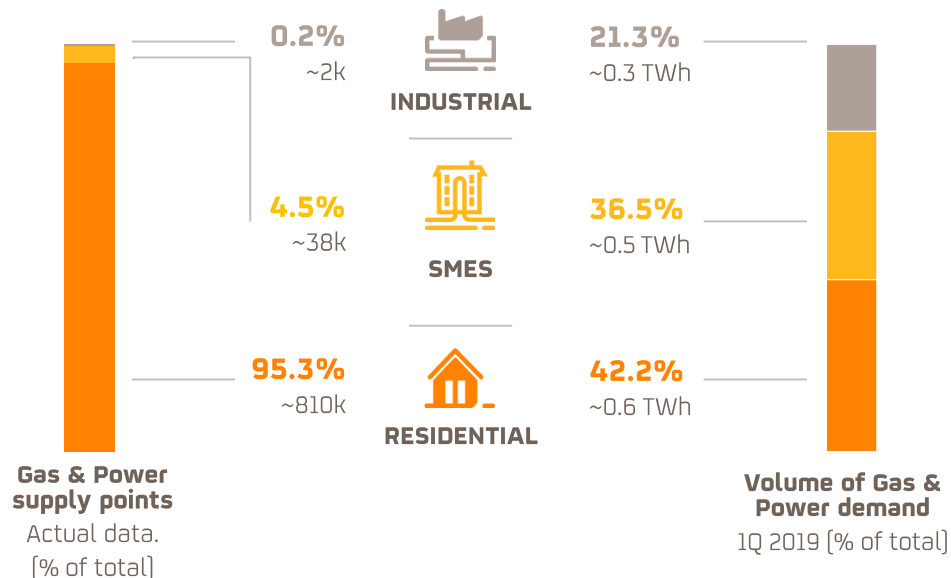
Share of B2C customers with liberalized contracts exceeding average market share

[1] Source: CNMC (National Commission on Markets and Competition)

Customer base presents a differentiated position for residential sector/SMEs vs. industrial

KPIs per segment

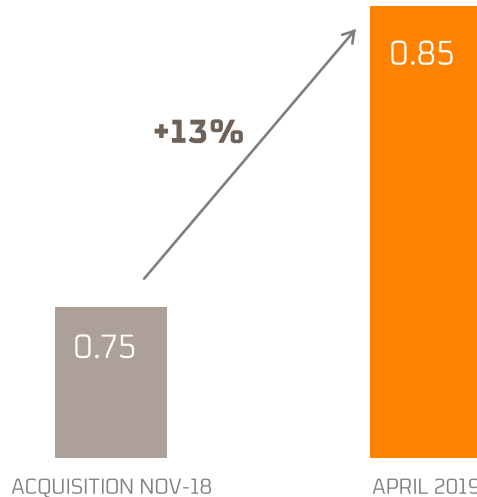
[% of total]



Additional capabilities boost customer acquisitions

Record of customer acquisition in Spanish electricity sector during the last 6 months

MILLION CUSTOMERS



electricidad
y gas

Leverage our **strong customer base** (10+ million) and **distribution channel network** with a clear customer-oriented focus

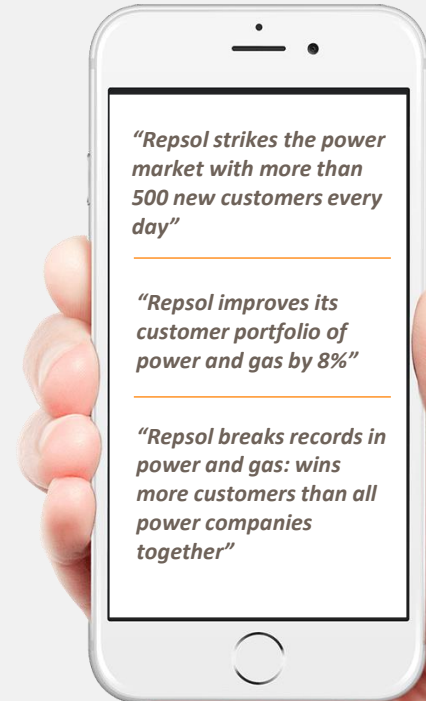
REPSOL

Leverage **Repsol's strong brand** and our online channels offering opportunities for **cross-selling**

El Corte Inglés

Agreements with **strategic partners:** El Corte Inglés [+11 million memberships]

Beating number of customers acquisitions in the sector

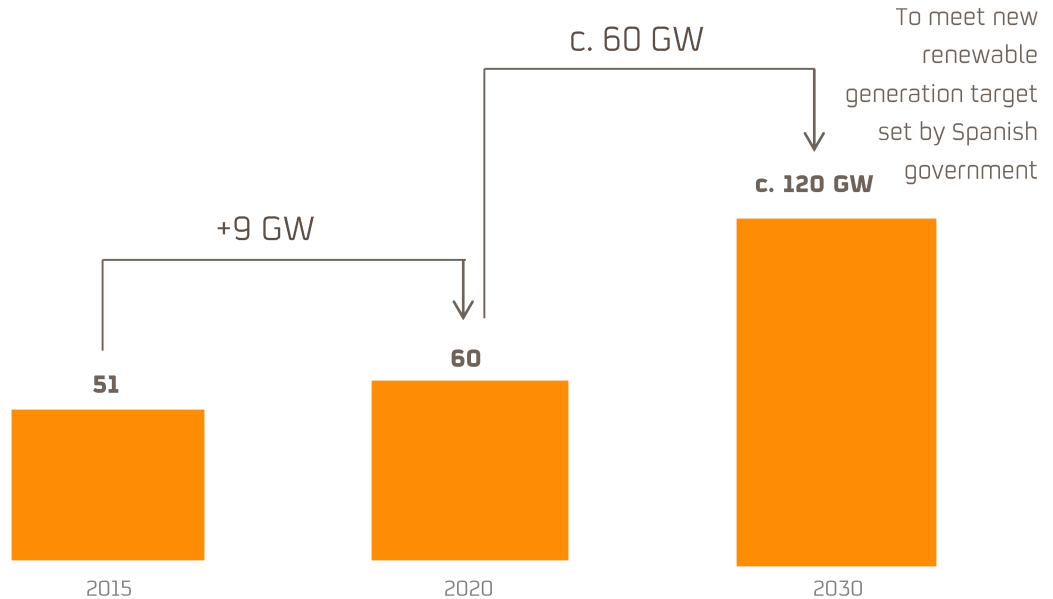


Renewables



Renewable generation will double till 2030 to meet environmental targets

INSTALLED CAPACITY OF RENEWABLE TECHNOLOGIES IN SPAIN [GW]



Note: Capacity of national system

Source: Ministerio para la Transición Ecológica, 2019
[Ministry for the Ecological Transition, 2019]

Draft Plan Nacional Integrado de Energía y Clima (PNIEC)
2021-2030

Competitive among power generation technologies

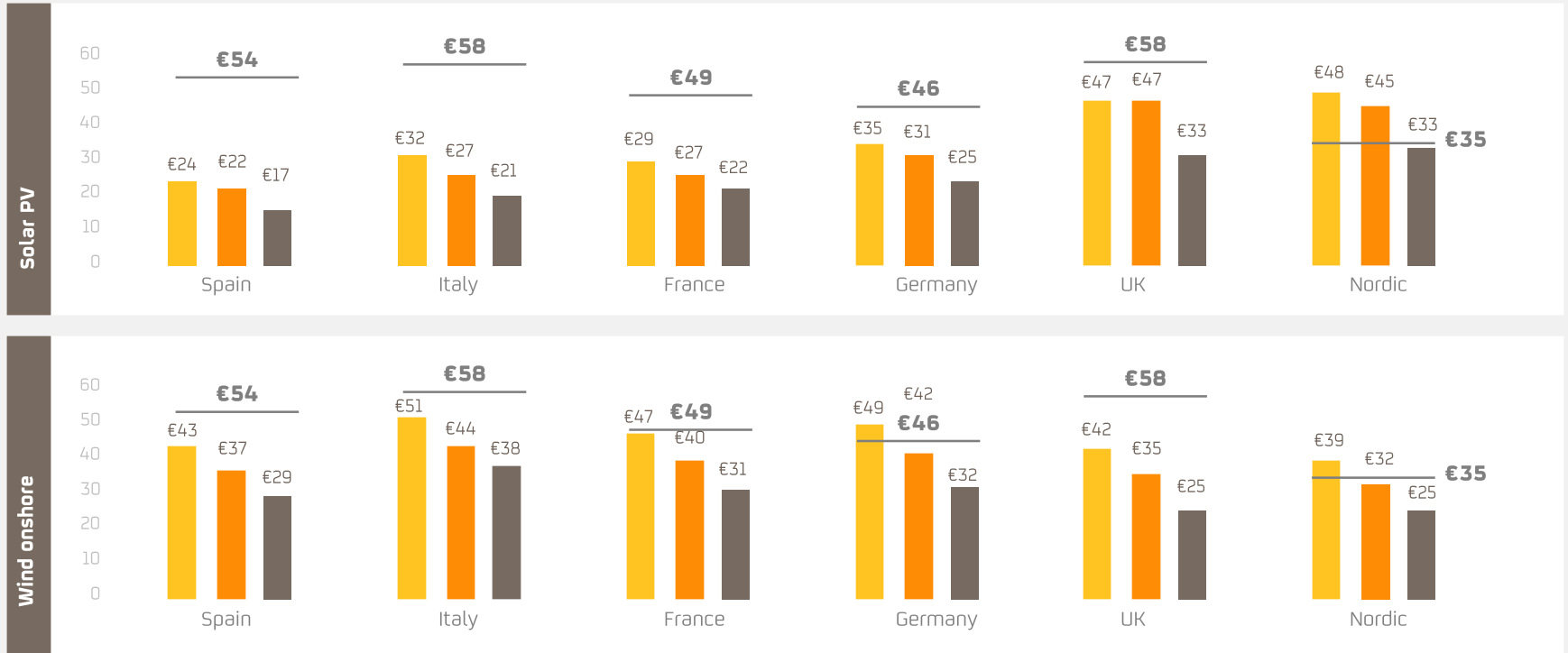
LCOE [Levelized Cost Of Electricity]
€/MWh

Power prices [1 year forward]

2019E

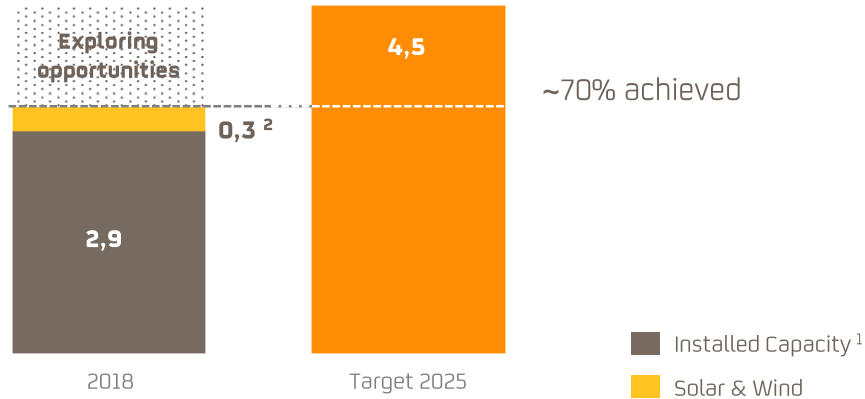
2023E

2030E



Exploring opportunities of low carbon generation

Technological vocation oriented to solar, wind, CCGT and other low carbon technologies



¹ Installed Capacity: CCGT 1.6 GW, Pumping 0.4 GW, Hydro 0.3 GW and CHP 0.6 GW

² Valedesolar [264 MW] and WindFloat [25 MW]

Investments in low carbon businesses with IRR above 10%

Valdesolar PV Project

264 MW greenfield photovoltaic solar plant

Acquisition of the greenfield Valdesolar project in **Sep-2018** (100% owned by Repsol)

One of the **biggest photovoltaic** solar plants in Spain

Significant CO₂ reduction
c. 150.000 tCO₂/y

Features an expected capacity of
264 MW

Valdesolar is expected to be in operation in 2020

WindFloat Atlantic Project^[1]

25 MW next generation offshore wind farm

Structure designed to anchor itself at depths **greater than 40 meters**

The Iberian Peninsula's **first floating wind farm**

Capable of withstanding **17-meter waves** and winds reaching 60 knots

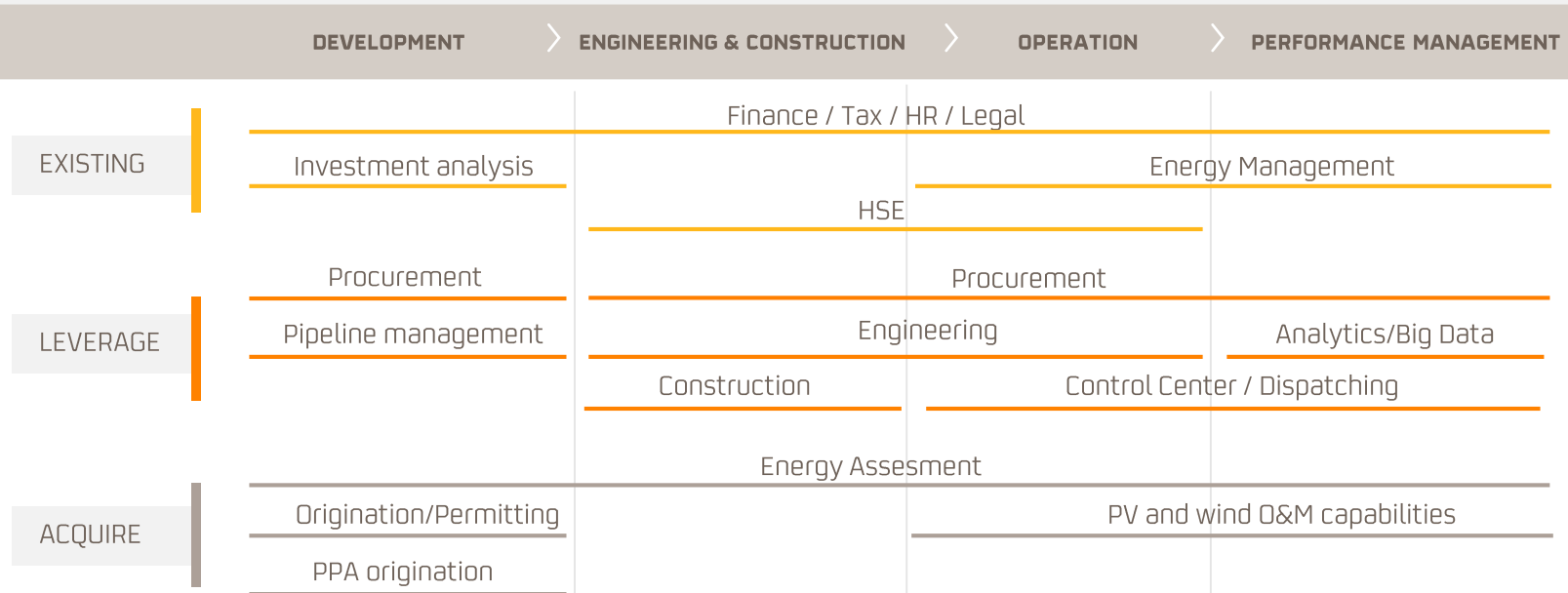
Features an expected capacity of up to **25 MW** (enough to power 60,000 homes)

WindFloat is expected to come into operation by end 2019

[1] WindFloat Atlantic project (EDP Renewables, Mitsubishi Corp., Chiyoda Corp., Engie, and Repsol)

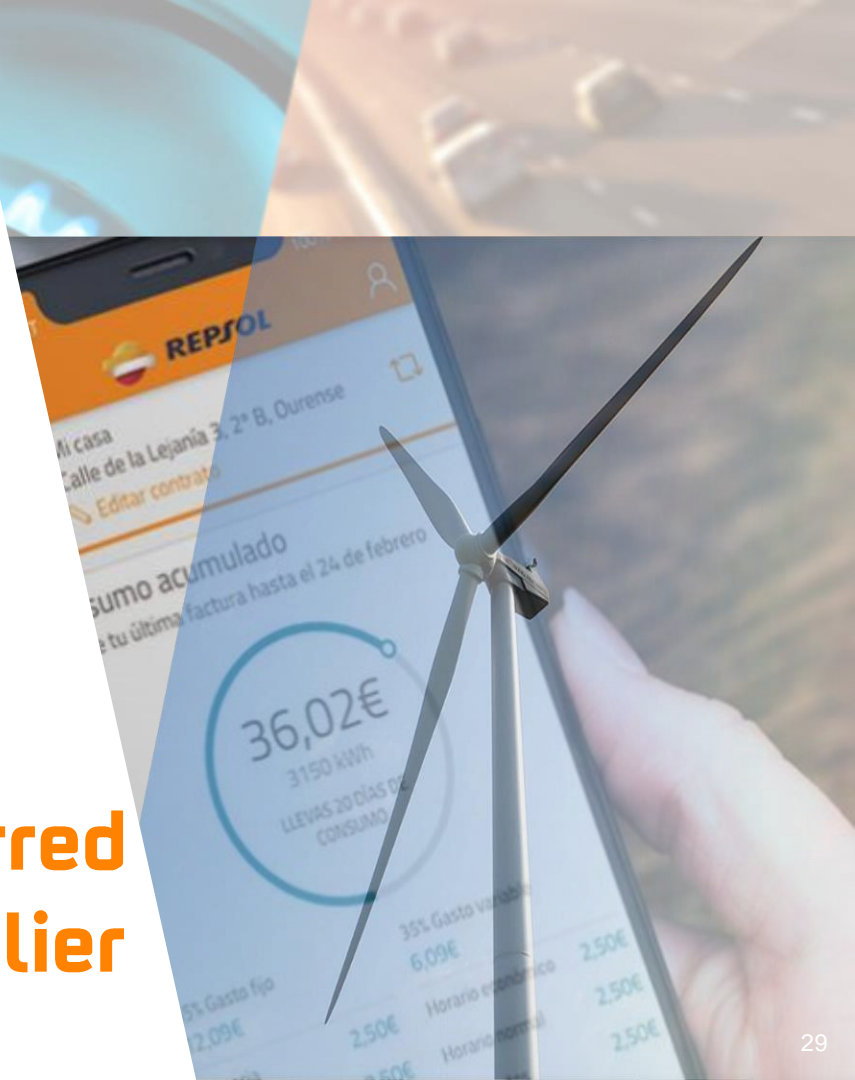
Renewables business to be developed with an industrial approach, requiring new skills across value chain

Repsol will leverage on existing key capabilities and is already developing the necessary new ones...



Embracing the energy transition...

...making Repsol the preferred multi-energy supplier





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