



AGM 2017
Translation of the original in Spanish.
In case of any discrepancy, the Spanish version prevails

ORDINARY SHAREHOLDERS' MEETING 2017

PROPOSED RESOLUTIONS



Resolution proposal related to the first point on the Agenda (“Review and approval, if appropriate, of the Annual Financial Statements and Management Report of Repsol, S.A., the Consolidated Annual Financial Statements and Consolidated Management Report, for fiscal year ended 31 December 2016.”)

To approve the Annual Financial Statements (Balance Sheet, Income Statement, 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 2016, and the Consolidated Annual Financial Statements and Consolidated Management Report for the same year.



Resolution proposal related to the second point on the Agenda (“Review and approval, if appropriate, of the proposed application of profits for 2016.”)

To approve the following proposal for the application of profits of Repsol, S.A. for 2016:

2016	Euros
Profit for the year 2016	3,431,646,655.56
Legal reserve	24,342,126.80
Voluntary reserves	3,407,304,528.76
Total	3,431,646,655.56



Resolution proposal related to the third point on the Agenda ("Review and approval, if appropriate, of the management of the Board of Directors of Repsol, S.A. during 2016.")

To approve the management of the Board of Directors of Repsol, S.A. corresponding to the fiscal year 2016.



Resolution proposal related to the fourth point on the Agenda ("Appointment of the Accounts Auditor of Repsol, S.A. and its Consolidated Group for fiscal year 2017")

To re-elect as Accounts Auditor of Repsol, S.A. and of its Consolidated Group, for the fiscal year 2017, the company Deloitte, S.L., with registered office in Madrid, Plaza Pablo Ruiz Picasso, number 1 (Torre Picasso) and Tax ID number B-79104469, registered in the Official Registry of Auditors of Spain with number S-0692, and registered in the Mercantile Registry of Madrid, in volume 13.650, sheet 188, section 8, page M-54414. They are equally entrusted with carrying out other auditing services required by Law that may be specified by the Company corresponding to the year 2017.



Resolution proposal related to the fifth point on the Agenda ("Appointment of the Accounts Auditor of Repsol, S.A. and its Consolidated Group for fiscal years 2018, 2019 and 2020")

To appoint as Accounts Auditor of Repsol, S.A. and of its Consolidated Group, for the fiscal years 2018, 2019 and 2020, the company PricewaterhouseCoopers Auditores, S.L., with registered office in Madrid, Paseo de la Castellana number 259 B and Tax ID number B-79031290, registered in the Official Registry of Auditors of Spain with number S-042, and registered in the Mercantile Registry of Madrid, in volume 9.267, book 8.054, sheet 75, section 3, page M-87250-1.

The Board of Directors submits this agreement to the approval of the General Shareholders Meeting upon recommendation by the Audit and Control Committee that has launched a selection procedure in accordance with the applicable legislation, having participated in said process, following transparent and non-discriminatory criteria, PricewaterhouseCoopers, EY and KPMG. PricewaterhouseCoopers has been the entity selected by the Committee to perform the auditing of accounts during the aforementioned period 2018-2020.

They are equally entrusted with carrying out other auditing services required by Law that may be specified by the Company.



Resolution proposal related to the sixth point 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 voluntary reserves, offering the shareholders the possibility of selling the scrip dividend 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 voluntary reserves from retained earnings. 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-of-charge 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 673,382,183 euros.

3. Free-of-charge allocation rights

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

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

If the number of free-of-charge 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-of-charge 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-of-charge 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-of-charge 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-of-charge 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-of-charge 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.

4. Irrevocable undertaking to purchase free-of-charge allocation rights

The Company irrevocably undertakes, at the prices indicated below, an irrevocable commitment to purchase the free-of-charge 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 on the market or otherwise acquired, 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-of-charge 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-of-charge 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-of-charge allocation rights acquired under the Purchase Commitment so the capital will be increased only by the amount corresponding to the free-of-charge allocation rights in respect of which there has been no waiver.

The acquisition of the free-of-charge allocation rights by the Company, as a result of the Purchase Commitment, will be made, in whole or part, against voluntary reserves from retained earnings.

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 2016, duly audited and approved by this Ordinary Shareholders' Meeting.

As mentioned earlier, the Capital Increase will be made entirely against the voluntary reserves from retained earnings. When implementing 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 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-of-charge 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-of-charge allocation rights. If any New Shares are still pending allocation three (3) years after the end of the trading period of the free-of-charge 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-of-charge allocation rights in respect of the Capital Increase:

- (a) The New Shares will be allocated to those shareholders who hold free-of-charge 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-of-charge 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-of-charge 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 number of New Shares corresponding to 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, with express power to substitute to the Delegate Committee or the CEO, 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, with express power to delegate to the Delegate Committee or the CEO, 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-of-charge 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-of-charge 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-of-charge 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-of-charge 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.

The Board of Directors is expressly authorized to delegate, in turn, the powers vested in it by this resolution, pursuant to Article 249bis.l) of the Companies Act.



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 voluntary reserves, offering the shareholders the possibility of selling the free-of-charge 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 voluntary reserves from retained earnings. 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-of-charge 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 2017 and not exceeding 617,000,000 euros.

3. Free-of-charge allocation rights

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



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

If the number of free-of-charge 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-of-charge 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-of-charge 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-of-charge 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-of-charge 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-of-charge 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.

4. Irrevocable undertaking to purchase free-of-charge allocation rights

The Company irrevocably undertakes, at the prices indicated below, an irrevocable commitment to purchase the free-of-charge 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, 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-of-charge 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-of-charge 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-of-charge allocation rights acquired under the Purchase Commitment so the capital will be increased only by the amount corresponding to the free-of-charge allocation rights in respect of which there has been no waiver.

The acquisition of the free-of-charge allocation rights by the Company, as a result of the Purchase Commitment, will be made, in whole or part, against voluntary reserves from retained earnings.

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 2016, duly audited and approved by this Ordinary Shareholders' Meeting.

As mentioned earlier, the Capital Increase will be made entirely against the voluntary reserves from retained earnings. When implementing 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 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-of-charge 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-of-charge allocation rights. If any New Shares are still pending allocation three (3) years after the end of the trading period of the free-of-charge 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 fifth 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-of-charge allocation rights in respect of the Capital Increase:

- (a) The New Shares will be allocated to those shareholders who hold free-of-charge 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-of-charge 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-of-charge 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 number of New Shares corresponding to 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, with express power to substitute to the Delegate Committee or the CEO, 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, with express power to delegate to the Delegate Committee or the CEO, 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-of-charge 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-of-charge 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-of-charge 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-of-charge 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.

The Board of Directors is expressly authorized to delegate, in turn, the powers vested in it by this resolution, pursuant to Article 249bis.l) of the Companies Act.

Proposed resolution on point eight on the Agenda (“Delegation to the Board of Directors on the power to issue fixed income, convertible and/or exchangeable securities for Company shares, as well as warrants (options to subscribe new shares or acquire circulating Company shares). Setting of criteria to determine the terms and types of the conversion and/or exchange and allocation to the Board of Directors of the powers to increase capital as necessary, as well as fully or partially remove shareholders' pre-emptive subscription rights in these issuances. Authorisation for the Company to guarantee security issuances made by its subsidiaries. Nullify the portion of resolution thirteen B) of the General Shareholders' Meeting held on 31 May 2012 that were not used.”)

A) Nullify resolution thirteen B) of the General Shareholders' Meeting held on 31 May 2012 with respect to the part not used.

B) Delegate to the Board of Directors, pursuant to the general rules on the issuance of obligations and pursuant to art. 511 of the Spanish Companies Act (*Ley de Sociedades de Capital*) and 319 of the Mercantile Registry Regulations, applying by analogy the provisions of art. 297.1b) of the Spanish Corporate Enterprises Act, and in accordance with the provisions of art. 12, 12 bis and 13 of the Company Bylaws, the power to issue, once or numerous times, negotiable securities in accordance with the following conditions:

1. Securities for issue. The negotiable securities referred to in this delegation may be bonds, notes or other similar fixed income securities convertible into newly issued shares in the Company and/or outstanding shares in the Company. Likewise, this delegation may also be used to issue warrants and other similar securities that may offer direct or indirect subscription or acquisition rights for Company shares, whether newly issued or outstanding, to be settled by physical delivery or by offset.
2. Term. The issue of securities may be made on a single or multiple occasions, within five (5) years from the date of adoption of this resolution.
3. Maximum Amount. The maximum total amount of securities issuances agreed under this delegation will be eight billion, four hundred million euros (€8,400,000,000) or its equivalent in foreign currency. In order to calculate this limit for warrants, the sum of premiums and prices for the year of the warrants of each issue approved under this delegation will be taken into account.
4. Scope of the delegation. The Board of Directors will determine the following for each issue, among other elements: (i) amount (respecting the applicable maximum amount at all times), (ii) the number of securities and their face value, (iii) applicable legislation, (iv) the location of issue (national or foreign), and (v) currency, should this be foreign, and equivalent in euros; (vi) the type, whether notes or bonds (including subordinated) or any other admitted by Law; (vii) the date or dates of issues; (viii) the interest rate, (ix) the procedures and dates of payment of the coupon; (x) whether or not they are

redeemable (including, if appropriate, the possibility of redemption by the issuer) and, if appropriate, the terms and scenarios of redemption (total or partial), whether perpetual or their term and, in the latter case, maturity date; (xi) the circumstances of being securities that are necessarily or voluntarily convertible and/or exchangeable, including contingent in nature, and if voluntary, as chosen by the securities holder or the issuer, or if purely and simple exchangeable and not convertible, whether necessarily or voluntarily, at the choice of the holder or issuer, (xii) the guarantees, reimbursement type and batches and premiums; (xiii) the form of representation, whether through securities (registered or bearer) or interim notes; (xiv) if appropriate, the pre-emptive subscription right and rules of subscription; (xv) if appropriate, request admission to trading on secondary official markets or not, organised or not, national or foreign, of securities that are issues with the requirements demanded by the legislation in force; (xvi) if appropriate, anti-dilution clauses, and (xvii) in general, any other issue condition, (xviii) and where applicable, to appoint the Commissioner or the person or entity representing the securities holder and approve the fundamental rules to govern legal relations between the Company and the syndicate or collective organisation mechanism of the holders of securities issued existing, if appropriate.

Likewise, the Board of Directors is authorised so that, when deemed appropriate and subject (if applicable) to the obtainment of the appropriate authorisations and the approval of securities holders through the meetings of the corresponding syndicates or of any other collective organisation mechanisms thereof that may be pertinent, it can change the redemption conditions of fixed income securities issued, their term, interest rate and, in general, any other conditions of the issuances made under the scope of this authorisation.

The Board of Directors is also authorised to appoint and, where necessary, dismiss or remove, all persons and entities that must participate in the issuances, including placement entities, listing agents and payment agents, etc., and to formalise with these entities the contracts, agreements or other documents necessary, setting their commissions or remuneration terms.

5. Terms and types of the conversion and/or exchange. For the issue of notes or bonds convertible into new Company shares and/or that can be swapped for outstanding shares in the Company, and for the purposes of determining the terms and types of conversion and/or swap, the following criteria will be established:
 - (i) Securities issued pursuant to this resolution may be convertible into new Company shares and/or exchangeable for outstanding shares according to a conversion and/or exchange relationship that is fixed (which has been determined or which may be determined) or variable (potentially including upper and/or lower limits of the conversion and/or exchange price). The Board of Directors will be authorised to determine whether they are convertible and/or exchangeable, as

well as to establish if they are voluntarily or necessarily convertible and/or exchangeable, or even contingent, and, if they are voluntary, if this is at the choice of the holder of the issuer, the frequency and term, which will be established in the issue resolution and may not exceed fifty (50) years from the date of issue.

- (ii) Should the issue be convertible and exchangeable, the Board of Directors may resolve that the issuer is reserved the right to choose at any time between converting new shares or exchanging them for outstanding shares, defining the nature of the shares to be delivered when the conversion or exchange takes place, and being able to deliver a mixture of new and pre-existing shares. In any event, the issuer shall observe equal treatment of all holders of fixed income securities that are converted and/or exchanged on a single date.
- (iii) In the event of a fixed conversion and/or exchange relationship, for the purposes of the conversion and/or exchange, fixed income securities will be measured by their face value, and the shares by exchange established by the Board of Directors in the resolution under this delegation, or by exchange to be determined on the date or dates indicated in such resolution, and according to the Stock Market list price of the Company shares on the date(s) or period(s) taken as a reference in the same resolution, with or without discount and, in any event, at least with the greater of the following two (the "Minimum Value"): (a) the average exchange (whether mathematical or weighted) of the shares in the Continuous Market of the Spanish stock market, according to closing prices, average prices or another price reference, for the period to be determined by the board of Directors that shall be no longer than three (3) months or shorter than three (3) calendar days, which shall end no later than the day prior to the adoption of the resolution to issue the securities by the Board of Directors, and (b) the exchange of shares in the Continuous Market according to closing price of the day prior to that of adoption of the aforementioned issue resolution.
- (iv) The issue of convertible and/or exchangeable fixed-income securities with a variable conversion and/or exchange relationship may also be resolved. In such case, the price of shares for the purpose of the conversion and/or exchange will be the mathematical average of closing prices, average prices or another price reference of the Company shares in the Continuous Market during a period to be determined by the Board of Directors that shall be no longer than three (3) months and no shorter than three (3) days, and that shall end no later than the day before the date of conversion and/or exchange, with a premium or, if appropriate, discount on the said price per share. The premium or discount may differ on each date of conversion and/or exchange of each issue (or, if appropriate, each change of an issue), although if a discount is set on the share price, it may not be greater than 30%. Additionally, in the terms decided by the

Board, a minimum and/or maximum reference price for the shares in their conversion and/or exchange may be established.

- (v) Where conversion and/or exchange is pertinent, the fractions of a share that may be due to the holder of fixed income securities will be rounded down, by default, to the immediately lower whole number, and each holder will receive the resulting difference in cash.
- (vi) In accordance with art. 415 of the Spanish Companies Act, share value for the purpose of the bonds for shares conversion relationship may never be lower than their face value. Likewise, convertible bonds may not be issued for a lower figure than their face value.

In accordance with the foregoing criteria, the Board of Directors is authorised to develop and define the terms and types of conversion and/or exchange including, among other issues, the determination of when the conversion and/or exchange takes place.

At the same time as resolving on an issue of convertible and/or exchangeable bonds pursuant to the authorisation granted by the Meeting, the Board of Directors shall issue a report that develops and defines, in light of the criteria detailed above, the terms and types of the conversion specifically applicable to each issue. This report will be accompanied by the corresponding report of the financial auditor envisaged in art. 414.2 of the Spanish Companies Act, in the understanding that, under a systematic interpretation, following the changes introduced by the Spanish Companies Act, and especially art. 417.2 b), by Law 22/2015, of 20 July, on Financial Auditing, the reference to the figure of "financial auditor" other than the Company's financial auditor must be understood as to an "independent expert" other than the Company's financial auditor.

- 6. Rights of the holders of convertible securities. Where the conversion and/or exchange of fixed income securities or the exercise of warrants is possible, such holders will enjoy all rights available to them under prevailing regulations.
- 7. Capital increase and exclusion of the pre-emptive subscription right in convertible securities. The delegation to the Board of Directors also includes but not is limited to, the following powers:
 - (i) Under art. 308, 417 and 511 of the Spanish Companies Act, the power for the Board of Directors to fully or partially exclude shareholders' pre-emptive subscription rights, when so demanded in order to capture financial resources in international markets, in order to employ demand prospecting techniques, to facilitate the Company's acquisition of appropriate assets to pursue the corporate propose or when otherwise justified by the Company's interest in the context of a specific issue of convertible securities decided by the Board of Directors under this

authorisation. In this case, the Board of Directors will issue a report at the same time it adopted the issue resolution, which details the specific corporate interests that justify this measure, and that will be subject to an obligatory report by its financial auditor (or independent expert, under a systematic interpretation, following the changes introduced by the Spanish Companies Act, and especially art. 417.2 b), by Law 22/2015, of 20 July, on Financial Auditing), in accordance with the provisions of the said art. 417.2 b) and art. 511.3 of the Spanish Companies Act. Both reports will be made available to shareholders and will be communicated to the first General Shareholders' Meeting held following adoption of the issue resolution, and will be immediately posted on the Company's website.

- (ii) The ability to increase capital in the amount necessary in order to meet conversion requests for convertible bonds. This option may only be exercised insofar as the capital increased to perform the conversion of convertible notes and the remaining capital increases agreed under the authorisations granted by the Meeting do not together exceed the limit of half of share capital under art. 297.1.b) of the Spanish Companies Act or the lower limit set in case the issue does not include a pre-emptive subscription right, all pursuant to the authorisation of General Meeting in force at each moment and without affecting the application of possible anti-dilution adjustments that may be required at any time. Currently, and as agreed under point nineteen of the agenda of the Ordinary General Shareholders' meeting of 28 March 2014, these limits, applicable to the capital increase intended for the conversion, are a maximum nominal amount of 662,258,010 euros (50% of capital on the indicated date) and, for the specific case of issues with no pre-emptive subscription right, a maximum nominal amount of 264,903,204 euros (20% of capital on the same date).

This authorisation to increase capital includes that of issuing the shares and putting them into circulation, on one or multiple occasions, that are required to perform the conversion, as well as that of re-wording the article of the Corporate Bylaws concerning share capital amount and, to, if appropriate, void the part of such capital increase that was not necessary for the conversion.

- (iii) In general and in its broadest terms, the ability to determine any issues and conditions necessary or appropriate for the issue.
8. Convertible warrants: The rules set out in paragraph 5 and 7 above will be applicable *mutatus mutandi* to the issue of warrants or other similar securities that may give the direct or indirect right to the subscription of newly created Company shares. The delegation shall include the broadest powers, with the same scope as in the paragraphs above, to decide everything deemed appropriate to this class of securities.



9. Non-convertible securities: For issues of securities that do not include a conversion option, due to being purely exchangeable for Company shares, the rules established in section 5, 6 and 7 above shall not apply.
10. Admission to trading. The Board of Directors is authorised to request, when appropriate, the admission to trading on secondary markets or other trading centres, whether official or unofficial, organised or not, national or foreign, of the bonds, notes, warrants and other securities issued by the Company under this delegation, carrying out the processes and actions necessary for admission to trading before the competent bodies of the various national or foreign securities markets, and for which it is granted the broadest powers.
11. Guarantee of fixed income securities issues. The Board of Directors is also authorised, for a period of five (5) years and on behalf of the Company, to guarantee fixed income securities issues referred to in this delegation resolution that are performed by companies of its group.
12. Substitution of powers. The Board of Directors is authorised to delegate the powers delegable hereunder to the Delegate Committee and the CEO.



Resolution proposal related to the point ninth on the Agenda (“Re-election of Mr. Rene Dahan as Director.”)

To re-elect Mr. Rene Dahan as Director, following a report by the Nomination Committee, for a statutory term of four years, with the consideration of Proprietary External Director.



Resolution proposal related to the point tenth on the Agenda (“Re-election of Mr. Manuel Manrique Cecilia as Director.”)

To re-elect Mr. Manuel Manrique Cecilia as Director, following a report by the Nomination Committee, for a statutory term of four years, with the consideration of Proprietary External Director.



Resolution proposal related to the point eleventh on the Agenda (“Re-election of Mr. Luis Suárez de Lezo Mantilla as Director.”)

To re-elect Mr. Luis Suárez de Lezo Mantilla as Director, following a report by the Nomination Committee, for a statutory term of four years, with the consideration of Executive Director.



Resolution proposal related to the point twelfth on the Agenda (“Ratification of the appointment by co-optation and re-election as Director of Mr. Antonio Massanell Lavilla.”)

To ratify the appointment by co-optation of Mr. Antonio Massanell Lavilla as Director approved by the Board of Directors in its meeting held on September 28, 2016, and to re-elect him, following a report by the Nomination Committee, for a statutory term of four years, with the consideration of Proprietary External Director.



Resolution proposal related to the point thirteenth on the Agenda (“Appointment of Ms. María Teresa Ballester Fornés as Director.”)

To appoint Ms. María Teresa Ballester Fornés as Director, upon recommendation by the Nomination Committee, for a statutory term of four years, with the consideration of Independent External Director.



Resolution proposal related to the point fourteenth on the Agenda (“Appointment of Ms. Isabel Torremocha Ferrezuelo as Director.”)

To appoint Ms. Isabel Torremocha Ferrezuelo as Director, upon recommendation by the Nomination Committee, for a statutory term of four years, with the consideration of Independent External Director.



Resolution proposal related to the point fifteenth on the Agenda (“Appointment of Mr. Mariano Marzo Carpio as Director.”)

To appoint Mr. Mariano Marzo Carpio as Director, upon recommendation by the Nomination Committee, for a statutory term of four years, with the consideration of Independent External Director.



Resolution proposal related to the point sixteenth on the Agenda (“Advisory vote on the Repsol, S.A. Annual Report on Directors’ Remuneration for 2016”)

To approve in an advisory vote the Annual Report on the Remuneration of the Directors of Repsol, S.A. for 2016, the text of which has been made available to shareholders on calling this Shareholders’ Meeting together with the other relevant documents.

Resolution proposal related to the point seventeenth on the Agenda (“Implementation of a compensation system referred to the share value for the CEO of the Company”)

Further to the provisions of article 219 of the Spanish Companies Act and article 45 of the Bylaws and, within the framework of the Directors Remuneration Policy for years 2015, 2016 and 2017 (“**Remuneration Policy 2015-2017**”) approved by the General Shareholders' Meeting on April 30, 2015, to establish a compensation system tied to the value of Repsol's stock on the Continuous Market for the CEO of the company Mr. Josu Jon Imaz San Miguel, as one of the elements of his annual variable remuneration for 2017. This system would have a weight of 10% on the CEO's whole annual variable remuneration for 2017 and the corresponding amounts payable under the aforementioned system shall be paid entirely in cash.

Its level of compliance would be determined by the evolution Repsol's share price compared to a selected sample of five international benchmark companies (Total S.A., Royal Dutch Shell p.l.c., BP p.l.c., ENI S.p.A. and OMV Aktiengesellschaft). The benchmark information will consider the average daily closing quote (arithmetic mean) of December 2017 and its evolution in respect of the average daily closing quote (arithmetic mean) of December 2016 that has been the following for the selected companies: Total, S.A. 47.15 euros, Royal Dutch Shell, p.l.c. 25.45 euros, BP p.l.c. 486.33 British pence, ENI S.p.A. 14.73 euros, OMV Aktiengesellschaft 32.76 euros and Repsol 13.25 euros.

The level of achievement of the objective, measured as the percentage evolution of the share price between the arithmetic mean at the close of December 2016 and the arithmetic mean at the close of December 2017, will be calculated in accordance with the following table:

Comparison Position	Achievement Level
5 th to 6 th position	0%
4 th Position	50%
3 rd Position	80%
2 nd Position	100%
1 st Position	120%

In any case, in accordance with the Remuneration Policy 2015-2017, the degree of overall achievement of the objectives to which the annual variable remuneration of the CEO is linked cannot be greater than 100%. Therefore, in the event that, in accordance with the aforementioned rule, the variation in the Repsol share price were to determine that Repsol must occupy 1st position in the comparison group and, therefore, the level of fulfillment of the objective referred to in this proposal were 120%, it would be possible to compensate the additional 20% with the fulfillment percentages relating to other objectives to which the variable remuneration of the CEO is linked when these are below 100% without, when said compensation is possible, proceeding to pay amounts greater than 100% objective fulfillment.



Without this preventing that generally provided for in point twenty first of the agenda, to expressly empower the Board of Directors for the implementation of the resolution proposed to the Meeting. In particular, to empower the Board of Directors to make the necessary calculations, and to specify and interpret, in all matters necessary or convenient, the rules provided for and the content of the documentation to be used, as well as to complete any actions and sign any documents that are necessary or convenient. In any case, the resolutions of the Board of Directors will be adopted, as appropriate, with the proposal or prior report of the Compensation Committee.



Proposed resolution on point eighteen of the Agenda ("Approval, if appropriate, of the inclusion of a target related to the performance of total shareholder return in the 2017-2020 Long Term Multi-Year Variable Remuneration Plan").

In accordance with article 219 of the Spanish Companies Act (*Ley de Sociedades de Capital*) and article 45 of the Company Bylaws and given that if the proposal is approved, the remuneration system for the Company's executive directors will be partially tied to Repsol share price performance, to include a target tied to total shareholder return ("**Total Shareholder Return**" or "**TSR**") of the Company among the targets or parameters of the Long Term Multi-Year Variable Remuneration Plan for the period of 1 January 2017 to 31 December 2020 ("**IMP 2017-2020**").

This TSR will have 10% weight on the total multi-year variable remuneration of the IMP 2017-2020 and will contemplate the relative performance of Repsol's TSR in the indicated period 2017-2020 against the TSR of a benchmark group of five international oil companies (the "**Benchmark Group**"). A level of compliance will be allocated according to the relative position of the Repsol TSR against the Benchmark Group, which will be determined according to the following table:

Repsol TSR	Level of compliance
1 or 2	100%
3	75%
4	25%
≥ 5	0%

"**TSR**" will be understood as the difference (expressed as a percentage relationship) between the final value of an investment in ordinary Repsol shares and its initial value in the considered period, taking into account that the calculation of final value will include dividends or other similar gross amounts (such as the Repsol Flexible Dividend programme) received by the shareholder for the investment during the corresponding period, as if there had been an investment of more shares of the same type on the first date on which the dividend or similar becomes due to shareholders and the closing price on the said date. The TSR will be obtained using the Bloomberg tool function Cumulative_Tot_Return_Gross_DVDS (or similar should this be unavailable), taking as a reference the average value for the month of December of each appraisable year and, for each company of the Benchmark Group and Repsol, adjusting the resulting TSR by the percentage variation of the benchmark index of each market.

The **Benchmark Group** shall be formed of the following companies: Total S.A., Royal Dutch Shell p.l.c., BP p.l.c., ENI S.p.A. and OMV Aktiengesellschaft.



Pursuant to the explanation given in the proposal of point nineteen of the agenda, the amount due to Executive Directors will be paid 70% in cash and 30% in shares. Likewise, pursuant to the resolution already approved by the Board of Directors, the TSR metric will be applied in the same way and in the same percentage of 10% for the calculation of the IMP 2017-2020 multi-year variable remuneration for beneficiaries of the said Plan other than the Executive Directors (currently the CEO and the General Counsel-Director).

Notwithstanding the general content of point twenty first of the agenda, the Repsol Board of Directors is expressly authorised to implement this resolution. In particular, the Board is authorised to perform the necessary calculations and define and interpret, as deemed necessary or appropriate, the rules herein established and the content of the documentation to be used, as well as perform all actions and sign all documents necessary or appropriate. In any event, the resolutions of the Board of Directors will be adopted, if appropriate, at the proposal of or following a report by the Remuneration Committee.

Proposed resolution concerning point nineteenth of the Agenda ("Approval, if appropriate, of the delivery of shares to the Executive Directors as partial payment of their remuneration under the Long-Term Multi-Year Remuneration Plans.")

In accordance with article 219 of the Spanish Companies Act and article 45 of the Company Bylaws, in respect of a remuneration system that includes the delivery of shares to executive directors of the Company, to approve the application of the following changes to Repsol's multi-year variable remuneration plans already approved by the Board of Directors, so that part of the amount payable to Executive Director beneficiaries under such plans is be paid through the delivery of Company shares, all in accordance with the following terms and conditions:

- I. **Scope of application:** the partial payment of the Multi-Year Variable Remuneration of the Executive Directors through Company shares will be applicable to all long-term Multi-Year Variable Remuneration Plans currently in force (the "Plans"). namely:
 - Long Term Variable Remuneration Plan 2014-2017
 - Long Term Variable Remuneration Plan 2015-2018
 - Long Term Variable Remuneration Plan 2016-2019
 - Long Term Variable Remuneration Plan 2017-2020
- II. **Beneficiaries of the partial payment in Company shares:** the Executive Directors (currently the CEO and the General Counsel-Director).
- III. **Method of payment of the multi-year variable remuneration to Executive Directors:** The multi-year variable remuneration corresponding to each of the Executive Directors under each of the Plans will be paid on the same dates originally envisaged in the Plan and according to the following proportion:
 - 70% of the total will be paid in cash.
 - 30% of the total will be paid in Company shares.

The Executive Directors may not transfer Company the shares delivered or directly or indirectly hedge them for one year following each share award. Likewise, shares may not be directly or indirectly hedged prior to their delivery.

The shares delivered to the Executive Directors under the Plans may be included for the purpose of the share investment envisaged in the Beneficiaries' Share Purchase Plan for Multi-Year Variable Remuneration Programmes approved by the Company's General Shareholders' Meeting of 15 April 2011 under point fourteen of its agenda (with respect to cycles one to five) and by the General Shareholders' Meeting of 20 May 2016 under point seven of its agenda (with respect to cycles six to ten).



IV. **Multi-year variable remuneration cap for Executive Directors:** the maximum multi-year variable remuneration for Executive Directors for each of the Plans currently in force and mentioned above is as follows:

- CEO: 1,377,000 euros for the Long-Term Variable Remuneration Plan 2014-2017 and 1,728,000 euros for the remaining Plans.
- General Counsel-Director: 982,975 euros.

The final number of shares to be delivered to the Executive Directors in each year of the Plan will be calculated taking into account: (i) the amount of the multi-year variable remuneration that is effectively payable to each Director following application of the corresponding taxes (or withholdings) ; and (ii) the weighted average for the daily volume of average weighted Repsol share prices in the fifteen trading sessions before the Friday of the week preceding the date on which the Board of Directors agrees payment of the multi-year variable remuneration for Executive Directors in each of the Plans (the "**Benchmark Price**").

Following such calculation, the maximum amount payable in Company shares across all four Plans is 3,147,870 euros, corresponding to a maximum of 707,992.50 for the Long-Term Variable Remuneration Plan 2014-2017 and a maximum of 813,292.50 euros for each of the remaining Plans (each of these caps in relation to each Plan, the "**Share Distribution Cap per Plan**"). With respect to the foregoing, the maximum number of Repsol shares that may be delivered to Executive Directors under this resolution in each of the four Plans ("**Share Limit**") will be determined by application of the following formula, following deduction of corresponding taxes (or withholdings):

$$\text{Share Limit} = \frac{\text{Share Distribution Cap per Plan}}{\text{Benchmark Price}}$$

The formula and criteria to determine the maximum number of shares will also be applicable to any long-term variable remuneration plans similar to those indicated that the Board may agree to implement up to and including the 2020 financial year, in which the Executive Directors must receive a percentage of variable remuneration accrued in the form of Company shares, being the "Share Distribution Cap per Plan" 30% of the maximum multi-year variable remuneration available to the Executive Directors under each plan, in accordance with the limits established in the 2018-2020 Directors' Remuneration Policy of Repsol, S.A.

V. **Other conditions and rules:**

If necessary or appropriate for legal, regulatory or other similar reasons, or as a result of the early settlement of Plans in the corresponding cases in accordance with their general conditions, delivery mechanisms indicated may be adapted on a case by case basis,

without changing the Plan caps or the core conditions of accrual of the multi-year variable remuneration. These adaptations may include replacing share award with a cash payment of an equivalent value or vice versa, when so required by regulations or similar.

Share price will be determined by taking the corresponding data from the stock market.

The Company shares to be delivered to Executive Directors may be owned by the Company or any of its affiliates, or be new shares or shares acquired from third parties under agreements entered into to cover the obligations assumed.

VI. **Delegation of powers:** notwithstanding the general content of point twenty first and the remuneration powers of the Board of Directors under the Company Bylaws and other applicable internal regulations, the Repsol Board of Directors is authorised insofar as necessary to implement this resolution, the rules therein envisaged and the content of contracts and other documentation to be used. In particular, and for merely illustrative purposes, the Board of Directors will have the following powers:

- (i) Approval of the basic contents of contracts and any additional documentation required or appropriate.
- (ii) Approval of any and all additional communications and documentation necessary or appropriate for submission before any public or private body, including, where necessary, the corresponding prospectuses.
- (iii) Performance of any action, arrangement or declaration before any entity or public or private body to obtain any necessary authorisation or verification.
- (iv) Determination of the specific number of shares corresponding to each of the beneficiary Executive Directors of the plan referred to in this resolution, respecting the established caps.
- (v) Interpretation of the foregoing resolutions, and their adaptation to changing circumstances (provided their basic content is not affected), including in particular, adaptation of award mechanisms, with no change to the maximum number of shares tied to the Plan or the core conditions for awarding, which may include replacing shares for cash payments in the equivalent amount or the changing of net share award mechanisms according to tax payment procedures.
- (vi) In general, performance of any actions and signature of any documents deemed necessary or appropriate.



The Board of Directors is expressly authorised in order that, in turn, it may delegate the powers stated in this agreement, under article 249.2bis.1) of the Spanish Companies Act.



Resolution proposal related to the point twentieth on the Agenda (“Examination and approval, if appropriate, of the Remuneration Policy for Directors of Repsol, S.A. (2018-2020)”)

To approve, pursuant to 529 *novodecies* of the Companies Act and article 45 *bis* of the Bylaws, the Remuneration Policy for Directors of Repsol, S.A. for the years 2018, 2019 and 2020, the text of which has been made available to shareholders on calling this Shareholders’ Meeting.



Resolution proposal related to the point twenty-first 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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