



Otelo Ruivo

Head of Investor Relations

Ladies and gentlemen, welcome to Galp's virtual Capital Markets Day! Our team is thrilled to have so many of you joining us online. Today's agenda will begin with a strategy presentation by our CEO, Andy Brown, which will demonstrate how Galp plans to thrive through the energy transition.

During the presentation, Andy will be joined by our CFO, Filipe Silva, when covering our next 5 years financial plan. We will then have a short five minutes break and open up our Q&A session, where the remaining executive members of the board will also participate.

At the Q&A, we invite analysts and investors to submit their questions by using the chat tool available on the streaming platform. The questions may be submitted during and after the presentation, and I will read them out in the Q&A session. We've invited all sell-side analysts that cover Galp to participate live in video and therefore we expect to have some of them joining at that time. We may need to limit the number of questions made during the session to control the total event's time length.

Disclaimer

This document may include forward-looking statements, including, without limitation, regarding future results, namely cash flows, dividends, and shareholder returns; liquidity; capital and operating expenditures; performance levels; operational or environmental goals, targets or commitments and project plans, timing, and outcomes; production rates; developments of Galp's markets; and impacts of the COVID-19 pandemic on Galp's businesses and results, any of which may significantly differ depending on a number of factors, including supply and demand for oil, gas, petroleum products, power and other market factors affecting them; the outcome of government policies and actions, including actions taken to address COVID-19 and to maintain the functioning of national and international economies and markets; the impacts of the COVID-19 pandemic on people and economies; the impact of Galp's actions to protect the health and safety of its employees, customers, suppliers and communities; actions of Galp's competitors and commercial counterparties; the ability to access short- and long-term debt markets on a timely and affordable basis; the actions of consumers; other legal and political factors, including changes in law and regulations and obtaining necessary permits; unexpected operating events or technical difficulties; the outcome of commercial negotiations, including negotiations with governments and private entities; and other factors discussed in Galp's Management Report & Accounts filed with the Portuguese Securities Market Commission (CMVM) for the year ended December 31, 2020 and available on our website at galp.com. This document may also contain statements regarding the perspectives, objectives, and goals of Galp, including with respect to energy transition, carbon intensity reduction or carbon neutrality. An ambition expresses an outcome desired or intended by Galp, it being specified that the means to be deployed may not depend solely on Galp. It is important to note that as of June 2, 2021, Galp's business plans and budgets do not fully reflect Galp's Net Zero Emissions target. Galp aims that, in the future, its business plans and budgets will progressively change to reflect in full this movement towards its Net Zero Emissions target. All statements other than statements of historical facts are, or may be deemed to be, forward-looking statements. Forward-looking statements express future expectations that are based on management's expectations and assumptions as of the date they are disclosed and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Accordingly, neither Galp nor any other person can assure that its future results, performance or events will meet those expectations, nor assume any responsibility for the accuracy and completeness of the forward-looking statements. Forward-looking statements include, among other things, statements concerning the potential exposure of Galp to market risks and statements expressing management's expectations, beliefs, estimates, forecasts, projections, and assumptions. These forward-looking statements may generally be identified by the use of the future, gerund or conditional tense or the use of terms and phrases such as "aim", "ambition", "anticipate", "believe", "consider", "could", "develop", "envision", "estimate", "expect", "goals", "intend", "may", "objectives", "outlook", "plan", "potential", "probably", "project", "pursue", "risks", "schedule", "seek", "should", "target", "think", "will" or the negative of these terms and similar terminology.

Financial information by business segment is reported in accordance with the Galp's management reporting policies and shows internal segment information that is used to manage and measure the Group's performance. In addition to IFRS measures, certain alternative performance measures are presented, such as performance measures adjusted for special items (adjusted operational cash flow, adjusted earnings before interest, taxes, depreciation and amortisation, adjusted earnings before interest and taxes, and adjusted net income), return on equity (ROE), return on average capital employed (ROACE), investment return rate (IRR), equity investment return rate (eIRR), gearing ratio, cash flow from operations and free cash flow. These indicators are meant to facilitate the analysis of the financial performance of Galp and comparison of results and cash flow among periods. In addition, the results are also measured in accordance with the replacement cost method, adjusted for special items. This method is used to assess the performance of each business segment and facilitate the comparability of the segments' performance with those of its competitors. This document also contains non-financial performance indicators, including a carbon intensity indicator for energy products sold by Galp, that measures the amount of greenhouse gas emissions of those products, from their production to their end use, per unit of energy delivered. This indicator covers the direct GHG emissions of production and processing facilities (scope 1) and their indirect emissions associated with energy purchased (scope 2), as well as the emissions associated with the use of products by Galp's customers (scope 3). The same emissions are considered for products purchased from third parties and sold or transformed by Galp. For a complete definition of scopes 1, 2 and 3 and the methodology used by Galp for this indicator please refer to Galp's website at galp.com. This document may include data and information from sources that are publicly available. This document may also include data and information provided by third parties, including Wood Mackenzie, Rystad and market analysts, which are not publicly available. Such data and information should not be interpreted as advice and you should not rely on it for any purpose. You may not copy or use this data and information except as expressly permitted by those third parties in writing. To the fullest extent permitted by law, those third parties accept no responsibility for your use of such data and information except as specified in a written agreement you may have entered into with those third parties for the provision of such data and information.

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Before we start, please note that today's presentation will include forward looking statements based on the plans, estimates and projections. We refer you to our initial cautionary statement for further information. We will now start the presentation. Andy, the floor is yours.



Andy Brown

CEO

Thank you, Oteló, and good day to all of you, wherever you are. It's a pleasure for me to be able to present Galp's 2021 Capital Markets Day. I've been in the company for four months now and I've got to know the people, the assets, the opportunities, and the challenges. And we've undertaken a comprehensive strategic review together with the Board of Directors, and I'm really pleased to be able to present our plans to you today. What I found in Galp are great assets, great people, great opportunities, a company that can grow and decarbonize and distribute competitively.

Well, what I'm going to do? I'm going to discuss some of the conclusions first from the strategy refresh before deep diving into the individual businesses. I am going to touch on our ESG performance before handing to Filipe to talk about the financial framework, and I'm going to come back and make some concluding remarks.



In our strategy refresh, we really challenged ourselves to offer shareholders a resilient investment case against an accelerated energy transition. But also, one that offered an upside in the base case.

Upcoming decade of deep transformation

accelerating towards a cleaner future

2021

Social and regulatory pressure accelerating the **decarbonisation** pace

Growing share of electricity with expected significant **increase in EV sales**

Solar and wind becoming a relevant energy source for power generation

Green/blue H₂ gaining momentum with viable options emerging

EU setting the strategic ambition to build an integrated **Li-ion battery** value chain

Significant **decrease in oil demand in Europe**, leading to a wave of refinery rationalisation

2030

More electrified global energymix, although Oil & Gas maintain a crucial role

5

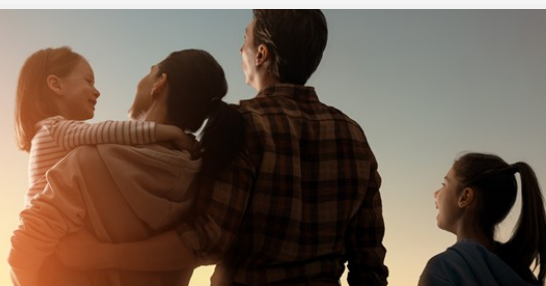
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If we look at the next decade, our industry is not going to be static.

The pace of energy transition will accelerate. Our markets will change, so it's not just economically appropriate for us to change, it's also the right thing to do. And we're lucky that we have such a strong portfolio. It is resilient with a growing upstream coupled with Galp's size, its agility, its innovation, places us really strong for the energy transition. We are already a leading player in the markets we operate in. And we've already started to change.

We have a leading position in solar in Iberia, we're a leader in sustainability, we have a very low CO₂ emissions in our upstream business. So, we have a strong starting point for the energy transition. But our traditional markets in Iberia will decline in oil and gas. But every change is also an opportunity. An opportunity in renewable power generation, in renewable electricity sales, in renewable fuels, in hydrogen, in the battery value chain. So, Galp can and will thrive through the energy transition, but we know this is going to require change.

Strategy with a purpose
for a truly sustainable path



Let's regenerate the future together!

**Reshape
Portfolio**

**Refresh
Relations**

**Reenergise
People**

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That change will be a better portfolio, but also about our culture, and that's why, with the board we've agreed a new purpose in Galp: let's regenerate the future together. This is a purpose that will be about our portfolio. About our relationships, but also about our people. A portfolio that would shift to lower carbon products. Prudently, stepwise, but we will have made significant progress by the end of this decade. We want to refresh our relationships with our customers and with society, offering new products to the almost a half a million people that come to our forecourts every day or the hundreds of thousands of people we serve at home.

To expand our brand. To expand from quality and service, to also be innovative and caring. But thirdly, we want to reenergize our people to develop and acquire new skills to thrive through the energy transition. To bring increased agility to the way we work, to motivate our staff, to allow everyone to achieve their potential. Today we will cascade our new purpose. It will set a direction for us, internally and externally, to adapt into that future. And for me, regeneration means a new chapter in Galp, one that is refreshed and energetic.

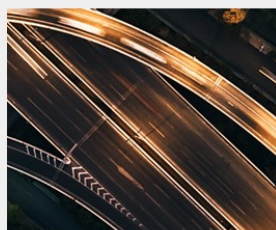
Key business pillars

built upon solid foundations



Upstream Growth

Unique high-quality cash generative projects



Downstream Transformation

Commercial | Industrial & Energy Management

Opportunity to transform and extract more value from strong asset base



Renewables Growth

Expand our portfolio to deliver continued growth



New Energies

Develop future options & value pools leveraging on existing portfolio and skills

Now, let's look at the businesses and how do we think about these businesses and how we allocate capital. We see four discrete themes, which kind of reflects our thinking. The cornerstone of our business is still our upstream growth. It's high quality, it's high margin, it's cash generative and it's low CO₂. We also have a downstream transformation business, predominantly in Iberia. This is a business with an opportunity to grow and transform at the same time, moving to lower carbon products.

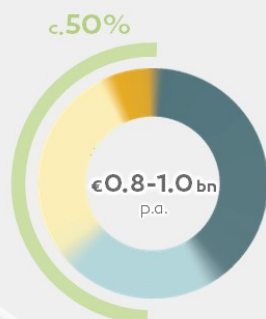
Thirdly, we've got our renewable growth business, we made an important step last year, already in a material position, but we want to expand that in size, in geographies, in technologies, and to integrate down the electricity value chain. And fourthly, we have a new segment, our New Energies business. This is a business that will be fast moving, low CO₂ with complementary skills and assets to what we hold today, and particularly looking at hydrogen and the battery value chain.

So, we have two growth themes, one transformation theme and one new business theme.

Reshaping portfolio

to thrive through the energy transition

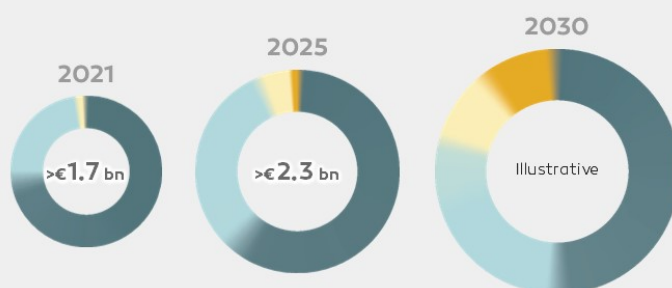
Net Capex 2021-25



>20%	Upstream
≥15%	Industrial & EM
10-20%	Commercial
>9%	Renewables (eIRR)
>10%	New Energies

Upstream Growth Downstream Transformation Renewables Growth New Energies Low carbon

Adjusted Operational Cash Flow (OCF)²



So, what does this mean in capital investment? Well, firstly, it will be a disciplined net capital investment of between €0.8 and €1.0 bn per year over the 5 years. 50% of that will be in traditional oil and gas and 50% will be in low and zero CO₂ products. These low carbon products will be fast growing renewable energy, advanced biofuels, electrical mobility, convenience and other value pools in commercial, but also future opportunities like hydrogen and the battery value chain.

Now, our distribution of that capital will be 40% in our upstream growth. 25% in our downstream transformation businesses. 30% in our renewables' growth and c.5% in New Energies over the 5 years. We're expecting strong IRRs. Of more than 20% in our upstream business at a \$60/bbl oil price. At between 10 and 20% in our commercial business and c.15% in Industrial & Energy Management and on a lifecycle basis, above 9% in our renewables' growth business. And in New Energies, at least 10% IRRs.

Over time, we see our upstream growth business growing in cash flows. But upstream proportion of the total pie will reduce and why is that? Because our low CO₂ businesses will grow even faster. So, this is a strategy of growth and decarbonisation.

Clear capital allocation

to support a value driven growth story

Maintaining **Net Debt/Ebitda at c.1.0x**

01 Net Capex

€0.8-1.0 bn p.a.

2021-25 average

(2021 maintained at €0.5-0.7 bn)

-20% vs previous plan

02 Shareholder distributions

Base dividend
annual cash dividend

€0.5/share
paid semi-annually

Variable distributions
subject to

<1.0x ND/Ebitda¹
paid once a year

+

Total distributions up to **1/3 CFFO²**

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¹ Ratio excludes the effects from the application of IFRS 16 leases in both Net Debt and RCA Ebitda. ² CFFO differs from Adj. OCF as the latter excludes inventory effects, working capital changes and special items.

We want to set clear capital allocation guidelines. Our current leverage is close to c.1x net debt/Ebitda. We want to maintain this level of balance sheet strength. We want to allocate between €0.8-1.0 bn net capex to grow and transform the business, and we may need to rotate some assets to stay in this range. But the quality of our investment portfolios means that we can marry growth and decarbonisation but using less than 50% of our OCF.

We also want to offer a resilient base dividends of €0.50/sh. When there are additional cash flows and our balance sheet allows, we will distribute dividends up to 1/3 of our CFFO. And we'll distribute the base two times per year with a variable element, after approval at the AGM and with full year results.

Distinctive investment proposition

combining sustainable growth and value

Growth from established businesses

Upstream growth from low cost & carbon intensity assets

Transforming downstream businesses

Growth from Renewables businesses

Expanding renewables portfolio

Developing options in new energies

Competitive shareholder distribution

Robust baseline dividend

Variable component linked to cash delivery

Progressive decarbonisation towards **Net Zero by 2050**



So, this is a unique investment opportunity to reshape the portfolio and to provide a competitive yield. We have growth from our established legacy businesses, our renewable growth business, our New Energies business, as well as competitive distributions with upsides. In our base case premise, we can grow our OCF by 35%, by 2025, and we can distribute 35% of our current market capitalization in dividends.

And for the first time, we are committing to be a net zero CO₂ emission Company by 2050.



So, let's look at the individual businesses. Firstly, our upstream growth business.

Upstream: value focused growth proposition

from a low breakeven cash contributor



Growth

Continue to deliver peer leading production increase



Resilience

Top tier low cost & low carbon intensity portfolio



High-return developments

Focused value maximisation from core projects



Value options

Manage portfolio for value

This upstream business is the envy of our industry. We built it up over the last decade, and this decade is a decade of FCF and growth. In my career in upstream, I think this portfolio has all you want in an upstream portfolio. The core is the Brazilian pre-salt: long-life, high margin, low decline rates, large resource base with longevity and growth.

This is also a resilient portfolio with low unit operating costs and low CO₂ intensity. It also has an enviable growth panel of opportunities that we are ready now to commit to. So, it's a portfolio with medium term growth and a lot of options for the future.

Delivering unique upstream growth

whilst developing further value options

WI Production from sanctioned projects (kboepd)



● Net entitlement production

2025 +

Further growth options

<\$3/boe

Production costs

>20%

IRR new developments¹

c.€6 bn

2021-25 OCF accumulated

So, in numbers, we aim to grow our production by 25%, by 2025. Offering very low production costs, c.\$3/boe. We have a portfolio with IRRs at \$60 of more than 20%.

The OCF from this business over 5 years will deliver more than \$6 bn. We have future growth opportunities beyond 2025, but we must extract value from these opportunities in a disciplined way.

Leading Upstream profitability and carbon intensity allowing top portfolio competitiveness and longevity

New developments breakeven \$/bbl



Source: Rystad¹; Galp's internal NPV₁₀ portfolio breakeven

Industry carbon intensity kgCO₂e/boe



Source: Wood Mackenzie companies benchmark; IOGP; Galp's 2020 internal carbon intensity assessment

So, putting this portfolio in graphical context, it is one of the most competitive, attractive, lowest CO₂ portfolios in the world. The average NPV₁₀ breakeven of our projects is c.\$25/bbl. That puts us in the top quartile of all projects.

And our CO₂ intensity is less than 10 kgCO₂e/boe, this is half of the IOGP average. So, as you can see, this is truly a leading portfolio.

Short-term cash engine

with significant value still to be captured

Tupi & Iracema (Brazil)

> 2 bn boe produced, a small fraction of total recoverable resources

Further attractive development opportunities

New development plan to enhance value and pursue field life extension

Other projects

Berbigão, Sururu and Atapu (Brazil)

Continue fields ramp-up
Pursue in-field opportunities

Sépia (Brazil)

Sépia first oil in 3Q21
High productivity project with further potential

Blocks 14 & 32 (Angola)

Drive operational excellence
Evaluate near-field leads

Coral (Mozambique)

FLNG construction and drilling & completion ongoing
First gas in 2022

The jewel in the crown of this is Tupi and Iracema, almost 80% of our production comes from those fields that produced more than 2 bn barrels already, but still just a fraction of the ultimate recovery that we can get from these fields. It is still early days in the full field development of Tupi and Iracema, and there are attractive investment opportunities still to come. And this year, we will be submitting and agreeing a plan of development for the fields. And within that, that's a possibility for a field lifetime extension.

But we have other fields, Iara in particular, with Berbigão, Sururu, Atapu, this is still ramping up this year. In Angola, in Block 14 and 32, to harvest and with strong cash flows from those fields. This year, we're going to start up Sepia in Brazil, a 180 kbpd FPSO. And next year. We think Coral FLNG will also start up in Area 4 in Mozambique.

Since last year and the Covid crisis, we've taken strong capital discipline in our upstream, but still, we have a healthy production outlook from short term cash engines alone.

Bacalhau I growth lever

one of the most attractive projects in the industry

Recent Final Investment Decision for Phase I

220 kbpd FPSO, one of the largest and most technologically advanced



c.\$8 bn

Total investment
(100% basis – Galp's stake 20%)

+40 kbpd

WI production at plateau (net to Galp)

2024 (2H)

First oil expected date

<\$35/bbl

Highly competitive
NPV₁₀ breakeven

>1 bn bbl

Recoverable volumes

c.9 kgCO₂e/bbl

Low carbon intensity

We have some significant growth opportunities ready to launch, and this week, you will have seen that we have FIDed the Bacalhau project. This is an amazing project. It's a project which we have 20% stake in, costing c.\$8 bn. It's a project we actually made good progress already with the 220 kbpd FPSO. It's a project that will recover more than 1 bn barrels of recoverable reserves. It is a low CO₂ intensity project, c.9 kgCO₂e/boe. With the breakeven price well below \$35/bbl. We expect this project to come online in 2024. And yield a working interest volume for Galp of 40 kbpd. This is really our next step in our upstream growth story and a significant boost to our cash flows from 2025.

Further high-potential optionality

exploring 2025+ opportunities



Area 4 | Rovuma LNG (Mozambique)

One of the most competitive LNG projects worldwide

Pre-FID activities focused on cost and concept optimisation

Exploring synergies with Area 1

Local security key to unlock development

First gas expected during 2H of the decade

Exploration activities

Delivering selected high-potential wells

Block 6 (São Tomé and Príncipe)

Prospective wildcat well to be spud in 2021

C-M-791 (Brazil)

Pre-salt potential play

Well to be spud in 2021/22

But our opportunities don't stop there. Coral FLNG is just the tip of the iceberg in Area 4. There are significant gas resources. And we're working with our partners to reduce the cost of the Rovuma development. This is a multi-train development. And we see also potential to improve it further through synergies with Area 1. Of course, we're awaiting the security situation to stabilise before proceeding. But we're confident the efforts are being made to engage the communities, to improve the security apparatus. And we expect the right conditions to emerge over the coming years.

I've been really impressed with Galp's depth and quality of resources, but also the exploration portfolio. The next two frontier wells in Jaca in São Tomé and Bob in the deep water in Brazil are world-class. I really want to drill these at the end of this year and perhaps into next. But such is the depth and quality of the resources discovered already that after these two wells and the follow up, we are going to halt frontier exploration. We believe because of the lead time to bring those online that it is prudent to preserve our capital for the low carbon opportunities that are emerging.



Now, our downstream transformation.

Transforming Commercial business

capturing more value from a differentiated client driven offer



Strong brand

A leading player in Iberia and selected African markets



Integrated offer

Enhancing cross and up selling opportunities



Digitalisation

Integrated approach using digital tools & data analytics



Client focused

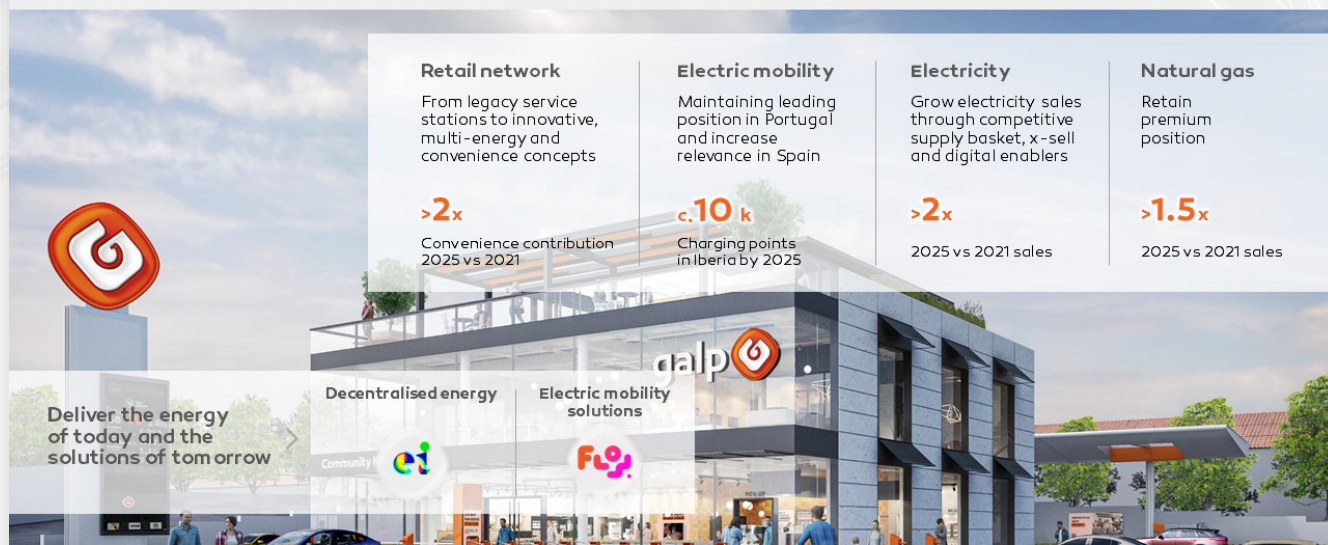
Expanding the customer experience

And first, the Commercial business. This is a strong business, particularly in Portugal, but also in Spain and some African countries. It's a business that spans oil products, gas, LPG, renewable electricity sales, but spans B2C and B2B.

In Portugal, we are a market leader. We have a strong reputation as the flag carrier of Portugal. We're known for the quality of our services. The merging of our gas and power and oil products businesses has allowed us to expand and cross-sell all types of products, leveraging our digital tools, expanding and strengthening our brand to our loyal customers. And we believe we can expand our offer and our customer experience over time.

Key value levers on Commercial transformation

focused on strong network, digitalisation and electrification



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There are almost half a million people that come to our forecourts every day, these are unique touch points with customers where we can sell more than traditional fuels.

We're privileged to have such a great network. A network that can provide key convenience to customers, where already our non-fuel receipts exceed our fuel receipts. We are the largest coffee seller in Portugal. We want to modernise and expand our offering with a new hub concept, offering new products, new services, including EV charging up to 10,000 EV charges by 2025. As a result, we believe we can double our non-fuel contribution to our OCF by 2025.

So, we're strong today, we have a lot more to offer with relatively minor investments and innovative solutions. But not only can we expand on the forecourt, we can expand in the home as well. We have a strong position in gas which we can expand, particularly in renewable electricity, both through the grid, but also from solar panels through our new spin-off company, Energia Independente (Ei).

We have an ability to cross-sell using digital tools. Just to give you an example, in April we added 10,000 customers and a lot of those actually through what we call the 3-minute app. You can get it online, but you can also find it in our retail stations. And that app will allow you to switch just in 3 minutes.

But also, we have an excellent B2B business and a strong market share in gas and oil products. Here, we think we can expand our renewable electricity sales. We think we can do this profitably and we think we can more than double our electrical sales by 2025. The foundation of this is a competitive supply portfolio of renewable electricity.

And integrating potentially also to a renewable generation position, it's about cross-selling, it's about integrating customer solutions.

Innovation and digital tools are going to be key in this journey. Where we tailor individual consumer and business solutions. To give you an example, we have a promising new e-mobility application for fleets, it's called Flow. That is also building our capabilities around accessing customers, so EI and Flow are a demonstration of Galp's agility, ability to innovate, which has a very short time to market. We will continue to expand those innovative solutions to customers.

Commercial: a resilient cash contributor
with business transformation to unlock more value

OCF generation



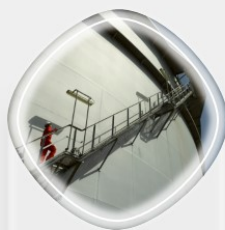
21 Capital Markets Day 2021 ¹ Includes convenience, electricity, gas, mobility and other solutions.



As a result, we believe that we can grow contribution from Commercial up to €400 m OCF by 2025, we think we can do so in a capital light way, a high return way, growing the bottom line, despite a shrinking oil product demand. And the cornerstone of this is going to be the non-fuel contribution, expanding from 20 to 40% by 2025.

Industrial & Energy Management: transforming operations

whilst adapting to market trends



Resilience

Ensure Sines' industrial site competitiveness



Decarbonisation

Improve energy efficiency and reduce emissions



Investments

Capital efficient investments, balancing risks & returns



Energy management

Maximise value across the energy chain

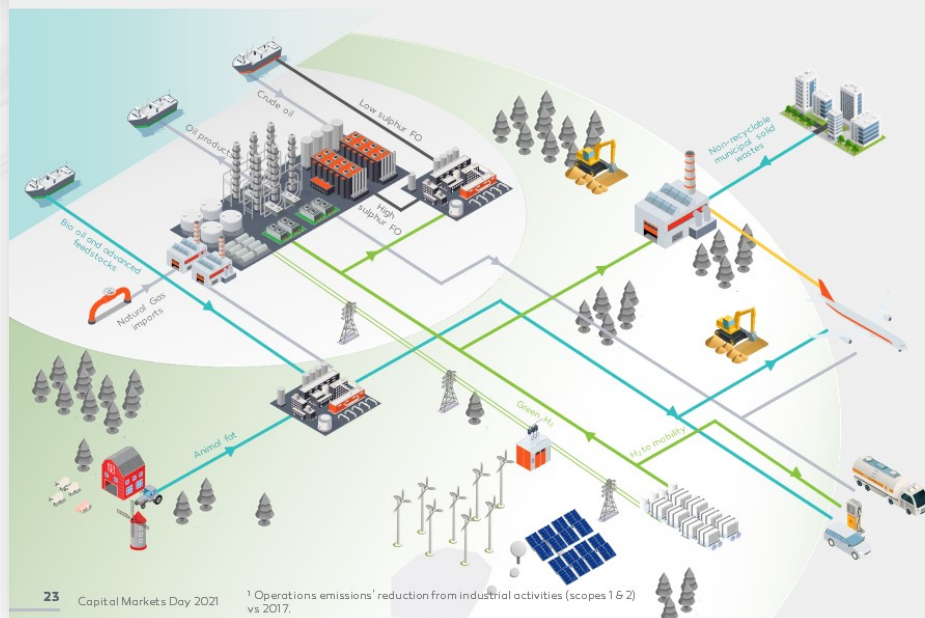
The other half of our downstream transformation business is Industrial & Energy Management.

Within industrial, and particularly in refining, improving resilience is going to be key, but also decarbonising the products that we produce. We want to focus on good high-return projects with short paybacks.

But also, Energy Management is key here to taking a fully integrated approach across our oil, gas, and renewable electricity value chains.

From a grey refinery to a green energy hub

improving energy efficiency and reducing carbon footprint



2017

Grey refinery

Concentrating operations in **Sines**

Energy efficiency optimisation

Expand advanced **biofuels** production

Enhance crude **sourcing flexibility**

Grow **green H₂** opportunities

2030

Green energy hub

-50%

operations emissions¹

Our decision to close Matosinhos in 2020 has significantly improved the resilience of our refinery position. It has allowed us to focus on the gradual conversion of Sines from a grey to a green energy hub.

From 2017 to 2030, we aim to reduce the scopes 1 & 2 CO₂ emissions from our refining business by 50%. We're going to do this prudently. We're going to do it stepwise. Decarbonising Sines whilst improving our refining margin, expanding our proportion of low carbon products. There will be low hanging fruits in high-return efficiency projects. But important additions, particularly in biofuels. But also, desulphurisation to improve the flexibility of our crude sourcing and to reposition Sines higher up in the Iberian refinery league table.

At the end of the decade, with hydrogen, we can decarbonise further, but this will also be a platform for new fuels. Sines is in an excellent location with low-cost renewable electricity, fundamental for green hydrogen in the long-term. But more of that later.

Improve Sines' resilience and sustainability

through selective investments

Optimise refining efficiency

Low cost improvements with fast time to market

Energy
efficiency
initiatives

Predictive
business
management

Digitalisation
and cost
optimisation

\$3-4/boe
Galp refining
margin¹

\$1.7/boe
Target opex¹

Enhance resilience

Evaluating fuel desulphurisation project (20 kbbl/d)

Additional flexibility
on crude diet
leveraging margin

Compliance
with 0.1%
sulphur specs

Capital efficient
technology

<€0.3 bn
Investment
over 4 years

c.15 %
Expected IRR²

2025 +
Start up



24 Capital Markets Day 2021 ¹ Galp refining margin expected in 2021-25; opex expected to be progressively reduced during the period. ² Considering 2014-19 average sweet-sour spreads.

Looking specifically at our projects, firstly, optimisation.

Optimisation in energy and operational efficiency will allow us to reduce our underlying opex by 15% to c.\$1.70/boe by 2025. We're going to leverage the digital applications we're already installing to fully harvest the potential of fully digitising our refinery.

We're also going to put in a desulphurisation project that will desulphurise the 200 kbpd of fuel oil fraction. This will allow us to expand the crude diet. This is a high-return project, costing a little less than €300 m, but it improves our long-term resilience right into the next decade.

Decarbonise Sines' hub

through advanced biofuels

Integrating HVO production

Developing 270 ktpa of renewable products

Products aligned with future regulation on road and aviation (RED II and CORSIA)

Diversified waste feedstock base, with sourcing strategy under development

Pre-engineering works to consider reuse of Matosinhos equipment



Industrial synergies to support project competitiveness

<€0.2 bn

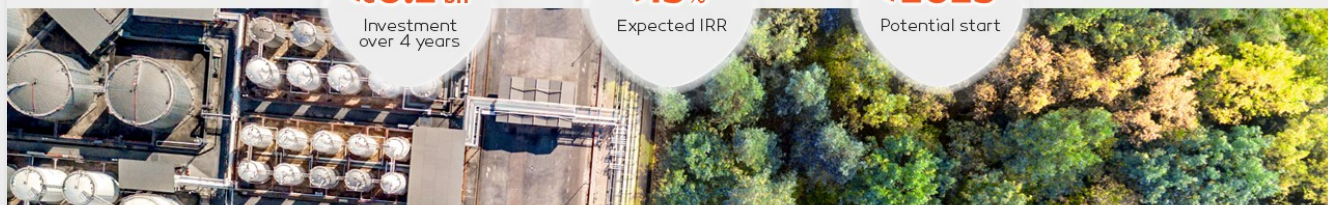
Investment over 4 years

>15%

Expected IRR

< 2025

Potential start



We want to do more than just survive with our refinery, we want to thrive, so we want to expand into biofuels, particularly developing a 270 ktpa HVO renewable fuel unit. A unit that is aligned to RED II but also has capability to produce a drop in sustainable aviation fuels. We think this is going to be positioned as one of the most competitive HVO units in the world. Why? Because we can recycle equipment from Matosinhos, we can drive synergies from Sines, particularly surplus hydrogen available there, a project we believe we can deliver for less than €200 m. We fully appreciate that securing long-term feedstock is going to be crucial for this project and we will do that ahead of FID, which we plan to have next year.

Enhancing the role of Energy Management

enabling additional value creation across the energy chain

Strong asset & client base

Upstream equity
production growth

NG/LNG contracts
diversification

Industrial transformation
and logistic assets

Renewable power business
scale-up

Advanced biofuels
integration

Carbon & derivatives
management

Value creation levers

Integrated margin & risk
management

Capture supply & trading
opportunities

Incorporating low carbon

Bundle multi-energy
solutions

Support and develop new
products and services

Optimise value chain
leveraging 3rd parties assets

Boosting EM

Extract value from existing asset base

Leverage Galp's growth

Open new markets & value chain
opportunities

Support client offer expansion

>€120m

OCF by 2025

Moving then to Energy Management. When we did this full strategy refresh, the recurrent theme in almost every workstream was Energy Management.

Whether it's how do we market associated gas in Brazil, it's about placing the very competitively priced LNG volumes we're going to pick up in 2023, how would we optimise our LNG from Nigeria or our gas from Sonatrach? How do we get competitive crude sourcing? What opportunity do we have to trade crude and products, particularly around Sines, which has a world-scale storage facility c.3 mm³? How do we source competitively feedstocks for the HVO unit? How do we place our renewable energy, electricity with maximum value, trading of value and risk, looking at merchant and PPA solutions? But also integrating to our own consumption. Sourcing electricity competitively for our customers, also for our hydrogen business.

There is an enormous opportunity to focus on that integrated margin and risk management. Deliver value through our supply and trading. To offer low carbon and bold bundled solutions.

To drive four different products and services, we're currently reinforcing our Energy Management team considerably because we really think we can extract more value from Galp's expanding asset and customer base and we believe we can deliver more than €120 m OCF on an annual basis.



Moving to renewables growth.

Renewables: growing a competitive portfolio

capable to deliver long-term growth



Expansion

Expand existing portfolio, diversifying geographies and technologies



Risk management

Adjusting risk profile to market conditions



Partnerships

Maximising value



Integration

Value pools and synergies with other businesses

We made a really important move last year. 75% acquisition of ACS, this is a material position and today, here in Lisbon, the sun is shining, we have 1 GW of capacity online.

The solar capture price in last weeks have been c.€70/MWh. So, we're happy with this new business we have. Of course, going forward, we have a much more conservative assumption on the solar capture prices, but we're making really good progress on the energy transition. We want to expand firstly in Iberia and then diversify our geographies, but also the technology moving to wind and storage, battery storage, that is. But also leveraging partnerships.

At the same time, being very financially disciplined with project financing and selling down our positions once they are de-risked, leveraging up our own equity returns. But then through integration of risk management, unlocking the most value from the electrons that we're producing.



As I say, today, we've got c. 1 GW in operation. We have 2.8 GW of deals done with projects under development, 2 GW with ACS in that Zero E joint venture, and c.800 MW outside that joint venture in Spain and Portugal.

The development funnel of opportunities we're looking at today is much bigger than that even. But today, we're focused mainly on Iberia, but already exploring new geographies, recruiting a strong team with global capabilities. By 2025, we want to have an operation of 4 GW. And then up to 12 GW operating by 2030. Most of that growth in the second half of the decade, we'll be outside Iberia with a particular focus around the Americas.

Balancing risks and returns

whilst delivering sustainable value

Expected returns



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¹ Equity IRR based on full life cycle. Average portfolio returns considering renewables off-takes sold predominantly under PPAs, with part of the Iberian portfolio under merchant conditions now reflecting an increasing discount to baseload prices.



This is not about bragging about gigawatts, this is about returns and cash flow, as I said before, on a lifecycle basis, we want to get more than 9% IRR contribution from our equity in this business. We've taken a more conservative solar capture price in our premises going forward, we think we can leverage up with financing of 60 to 70%. And as I say, we want to rotate our assets c.50%. This means we keep real discipline with our net capital, but we will retain the energy and asset management for all these assets.

We're also building some distinctive capabilities, we're behind the meter battery storage options around hybridisation between solar and wind, particularly in Spain. We're taking a varied approach on risk management in Iberia. We will have a mix of long- and short-term PPAs and merchant risk. Outside Iberia, we're more likely to take long term PPAs early in the process, lowering our merchant risk.

Generating profitable growth

with potential to further expand

OCF generation¹



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¹ Pro-forma Adj. OCF considering all Renewables' projects as if they were consolidated according to Galp's equity stakes. Considers 50% equity stakes on gross operating capacity (equivalent to 6 GW in 2030).



On a proforma basis, we want to deliver in excess of €100 m OCF by 2025 and €250 to €300 m by 2030.

This business will be deconsolidated off our balance sheet, so this will take the form of cash injection or dividends. We hope to be free cash flow positive, in other words, receiving dividends in the second half of the decade, contributing income to Galp's bottom line, but still growing at the same time. This will become a rateable long term cash flow with, I think, increased options for value capture around Energy Management and storage all the time.



Moving then to our New Energies business.

New Energies: developing future options

and value pools with scaling up potential



Transition

Pursuing projects that fit decarbonisation and electrification trends



Innovation

Developing innovative solutions based on new technologies



Scalability

Assessing high potential businesses



Synergies

Adjacent solutions leveraging industrial skills

An additional to our renewable energy business, we have other exciting opportunities, particularly New Energies, where there are value pools with adjacent to our assets or transferable skills, where Galp's innovation capabilities will come into play, but more industrial in scale than what we were doing in Commercial. Two focus areas in new business development for us today are hydrogen and battery value chain. We believe this can be really important for Galp in the future, but also aligns to what Portugal and Europe are focusing on at the moment.

Now we talk about c.5% capital in five years, this may be more in a success case. But in the 2H of the decade, we do believe we will be ramping up more capital investment in these businesses.

Privileged position to develop green hydrogen solutions

taking advantage of the energy hub's industrial skillset

Green H₂ crucial role in decarbonisation, with various use cases becoming economic during the decade

Sines perfectly located to be a highly competitive H₂ producer

Leveraging integration with industrial site and low cost renewable electricity

Replace Sines' grey with green H₂, aligning with RED II regulation, whilst reducing emissions

Deploy green H₂ in adjacent segments such as mobility, e-fuels and industrial applications

Developing a 100 MW electrolyser during the 1H of the decade

Pursue first

100 MW

by 2025

Expanding, throughout the decade, to

0.6 – 1.0 GW

as business cases are proven

galp 

Let's look at those business!

Firstly, green hydrogen. We believe we have everything that's needed for success in this business: low-cost renewable energy, cost effective execution with a skilled workforce and ability to build its scale and to calm down the cost curve, but also a conducive regulatory environment.

Sines in south Portugal has all of these and allows us to move Sines over time from a grey to a green energy park. It does this by offsetting the cost of gas, the CO₂ costs, but also utilising the RED II directive. So, this decade, we hope to reduce or replace all of our grey hydrogen with green hydrogen. That's c.600 MW of electrolysis capacity, 60 ktons of hydrogen. And we aim to have the first 100 MW already in the first half of this decade.

Because we're building in scale, we think that's just a start because Sines is one of the most competitive places in Europe for green hydrogen. We see other opportunities like spiking hydrogen into the gas network, distributing to heavy-duty vehicles through our retail positions, but also new opportunities for e-fuels or other green applications, such as ammonia or industrial applications, particularly in hard to abate sectors of the global industry.

Assessing entry into the Li-ion battery value chain

capturing an early mover advantage on this high-potential business



Pursue first

25 kton
LCE production capacity¹

by 2025

with potential to further expand throughout the decade

In addition, we believe there's an opportunity in the battery value chain. The growth in battery demand, particularly because of the growth of EVs, is going to be more than tenfold in Europe by 2030. Securing a European battery value chain becomes actually a point of energy security in the European Union (EU), an end-to-end battery value chain with green credentials has a particularly important place in the thinking of the EU. Portugal is really well-placed. Portugal and northeast Iberia boasts some of the best lithium geology in Europe. And Galp is already in discussions for an offtake of the raw materials from a mine here in Portugal.

But our focus isn't mining. Our focus is going to be lithium processing, and today in the whole of Europe, there are no lithium hydroxide processing facilities. In a continent that looks to need 400 ktons of what's called lithium carbonate equivalent demand by the end of the decade. Portugal is really well placed. It has the geology, it has the deep seaports, it has the competitive and skilled workforce, but also the cost-effective renewable energy. And Galp as a Company has transferable skills, but we're also building partnerships and we're in advanced discussions with a leading EU battery manufacturer considering a first lithium processing facility of at least 25 ktons.

Both the hydrogen and the battery value chain are in business development, but with the right condition, this could be fast moving. This is a 5% of capital allocation in the first five years but gaining weight in the second half of the decade.

06

Decarbonisation Path

Those were the four themes. Now to our decarbonisation path.

ESG: Actively engaged
and continually improving transparency and performance

Environment

Defining measurable decarbonisation targets

Promoting eco-efficiency

Protection of water resources and biodiversity

Social

Safety as a core value

Developing talent and promoting diversity

Positive impact on the communities

Governance

Balanced BoD independence & diversity

Active risk, audit and sustainability committees

Reinforcing climate and safety pay-for-performance



If we look, Galp has a strong ESG performance, a strong track record, we think our business plan strengthened our ESG position and we have an ambition to remain a leader in ESG.

We've embraced transparent reporting on environmental and social issues. We have an active Board who has the desire to lead Galp through the energy transition. We've already been acknowledged in ESG by the Dow Jones Sustainable Index to be the leader in Oil & Gas sector in Europe. We aim to retain this lead.

Reinforcing our decarbonisation targets

supported by a reshaped portfolio

Galp Decarbonisation Roadmap



And in this regard, we are going to increase the number of decarbonisation parameters we were going to disclose, but also the pace in which we plan to decarbonise.

Last year, we committed to a carbon intensity index of the products we sell to reduce by 15% by 2030. We're increasing that now to 20%. But in this update, we have two more parameters, firstly is our scope 1 and 2 CO₂ emissions, the CO₂ we're emitting in our operations from 2017 to 2030, we are going to reduce that by 40%. Now, admittedly, the Matosinhos closer was a big step forward, but we are going to also decarbonise Sines.

But we're also introducing a new parameter, and that's about the CO₂ intensity of the energy we produce, whether this is scope 1, 2 and 3, whether it's an upstream or renewable energy. And by 2030, we want to have reduced that by 40%. We introduced this because this is where we're spending most of our money. We also in this update have moved from saying that we're going to move in line with Europe on getting to net zero by 2050 by unequivocally saying that we are fully committed to be net zero by 2050. And as you can see, by 2030, we will be already making good progress.

I'll hand over now to Filipe, who will talk about the financial framework.



Filipe Crisóstomo Silva
CFO

Thank you, Andy. Let's then see how this refreshed strategy translates into over 2021-25 numbers.

From strategy to reporting

Maintaining business units' structure unchanged

Key business pillars

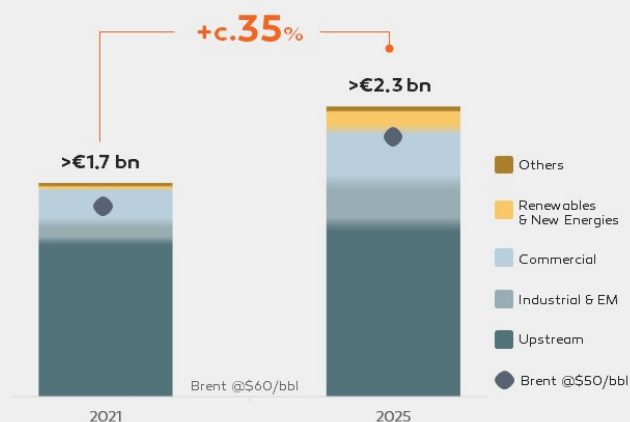


First, for reporting purposes, we are not changing the four business segments you already know. We have only renamed Refining & Midstream to Industrial & Energy Management. Now this new name serves to highlight we want to broaden the scope, and to decarbonise, our industrial activities beyond traditional refining. We also want to highlight the bigger role we want Energy Management to play going forward.

Cash generation growth

from a robust and resilient long-term portfolio

OCF generation¹



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¹ Adj. OCF considers all consolidated businesses and Renewables & New Energies assuming pro-forma figures as if they were consolidated according to Galp's equity stakes. Brent \$60/bbl RT2020, refining margin of \$3-4/boe and EUR/USD exchange rate of 1.20.

Cash generation, at group level: our key guidance is based on OCF. So, OCFs, that's our measure of clean CFO, without working capital variations, inventory effects and special items. And as most of Renewables will be deconsolidated, we add here their pro-forma OCF contribution, as if Renewables were consolidated, and that's proportionate to our equity stakes. Now, this year Group OCF should be over €1.7 bn, with Refining and Commercial still recovering from a rather difficult Q1. Group OCF should increase to over €2.3 bn in 2025. And that's using our base case macro deck, which includes Brent at \$60/bbl. Now, be mindful that this growth in OCF is relatively back-ended. So, with Bacalhau operating at close to full capacity in 2025. So, we are not factoring in a lot of OCF growth over the next couple of years, other than the growth we see coming from the gradual transformation of our downstream businesses.

For 2021, we have revised up our Ebitda guidance, to over €2 bn and this should be over €3 bn by 2025.

Disciplined investment plan

supporting portfolio reshape and growth

Net capex

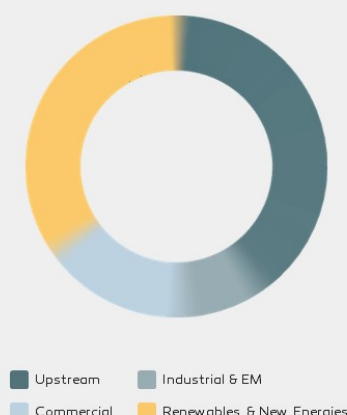
€0.8-1.0 bn p.a.

2021-25 average

2021 at €0.5-0.7 bn

c.20%

reduction vs previous plan

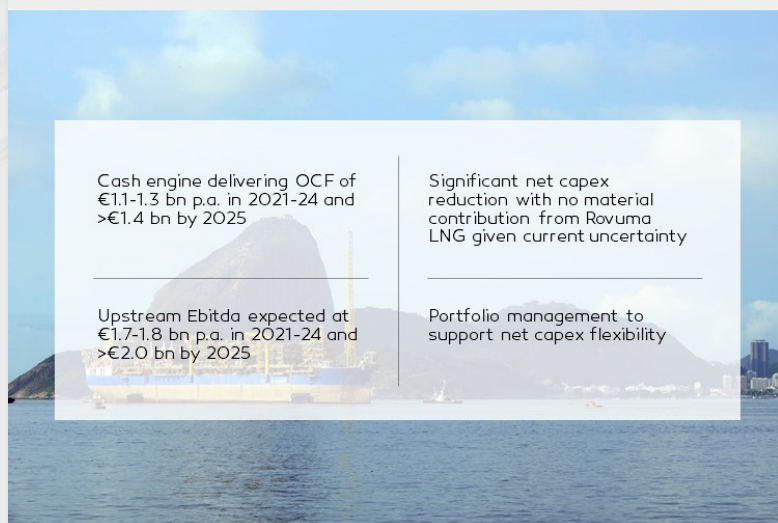


Capex guidance for this year, it remains unchanged at €0.5-0.7 bn, and that is net of the recent GGND divestments. Now, the plan has an average of €0.8-1 bn in net capex per year. This represents a 20% reduction versus the previous plan and comes mainly from project realignment and cash preservation measures.

Now, most of this capex is underway with a very good line of sight, I would say, such as Bacalhau and the existing solar pipeline in Iberia, plus the recurring investments in Tupi and Commercial. We will continue to keep our capex discipline. What is different in this plan is also that c.50% of net capex will be allocated to low-to-no carbon, such as renewables, biofuels, convenience, hydrogen, and the battery value chain. For renewables, we assume that we project finance off balance sheet at around the time of COD (Commercial Operation Date) and we monetize half of what we have just developed very soon thereafter. So, we want to keep this business as reasonably asset light.

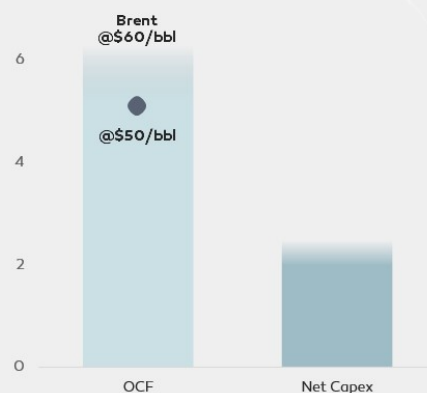
Upstream: continue to deliver superior value

supported by investment discipline



Sources & Uses

2021-25 accumulated (€bn)



Now, if I zoom-in on Upstream, we have over €6 bn in OCF during the plan period. Until 2024, OCF should be stable within €1.1-1.3 bn, and this will increase to over €1.4 bn in 2025 with Bacalhau.

Ebitda follows a very similar trend, rather stable until 2024, €1.7-1.8 bn, and then increasing to over €2 bn from 2025 onwards. Now, we saw on the previous slide that Upstream had some 40% of group capex. This will have to be supported by potential portfolio management to control overall investment levels in the group and to keep the balance sheet strong. And given the current uncertainty around Rovuma LNG, we are not including much capex for the onshore projects within the plan period. Coral FLNG is on track, so that's obviously included in our plans.

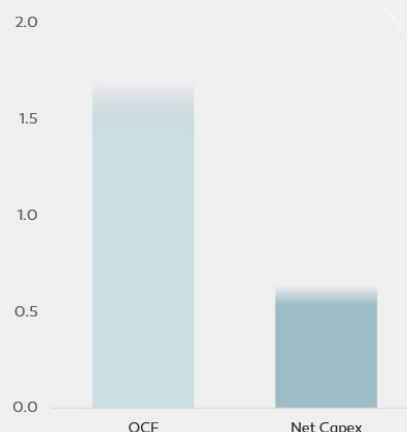
Commercial: strong cash contributor

supported by the ongoing transformation



Sources & Uses

2021-25 accumulated (€bn)



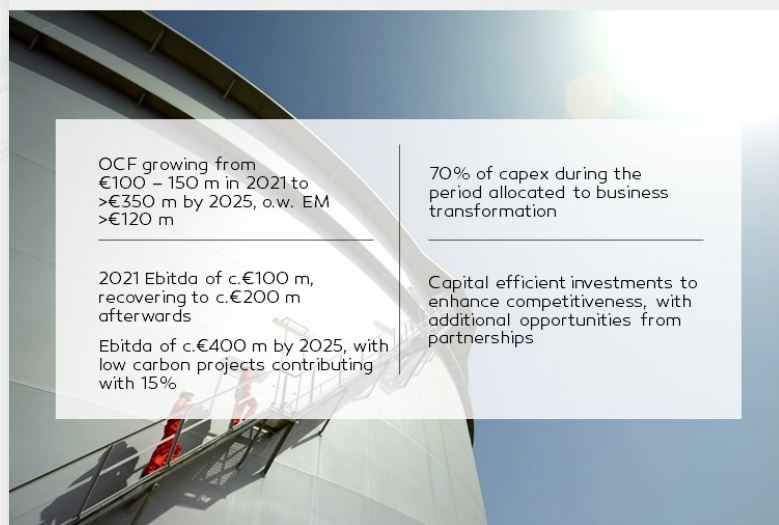
Commercial activities are picking up really nicely now, but after the slow Q1, we keep a prudent OCF of c.€300 m for the full year 2021.

OCF should gradually rise to c.€400 m and Ebitda to €450 m by 2025. So, and for the entire five year period, we have over €1.6 bn in cumulative OCF in Commercial, and that's across all products and all geographies.

Now, diversifying the Commercial offer is obviously important to offset declining hydrocarbon demand. By 2025, 40% of Commercial OCF should come from C-stores, convenience gas & power sales, electric mobility and decentralised solar, for example. So, this should continue to be a high multiple business. And for that, we have allocated €500-600 m in Commercial capex during the year.

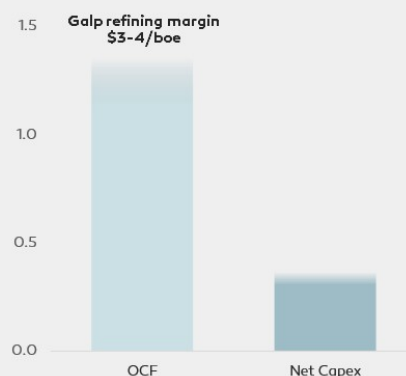
Industrial & Energy Management: transformation plan

to increase resilience and offer low carbon products



Sources & Uses

2021-25 accumulated (€bn)



On Industrial & Energy Management, the plan is, as Andy said very clearly, to improve resilience and to decarbonise. So, for now, OCF will be largely driven by refining margins, which currently are relatively weak. Hopefully, this will improve soon as jet fuel demand normalises. In 2021, we also have the one-off costs related to the access to the regassification terminal in Portugal. So, for this year, 2021, OCF from Industrial & Energy Management is expected to be only €100-150 m and Ebitda lower than that, c.€100 m, as it does not include the associates contribution from our stakes in the gas pipelines, which will expire anyways this year.

Cogeneration, logistics and other non-refining industrial businesses should bring in some €25-30 m per year in Ebitda, and HVO will add another €50 m or so to Ebitda once it starts-up before 2025. Overall, Industrial & Energy Management OCF should be over €350 m by 2025, with Energy Management contributing with over €120 m. The majority of capex will be directed to transformation, HVO, desulphurisation. These are investments which are adjacent to our very core operations. So, it reinforces the competitiveness and the decarbonisation of the overall Sines complex. On an accumulated basis, we have some €1.2 bn in OCF during the period, and some €700 m in capex. Now, the capex bar on the right-hand side is already net of the recent divestment in GGND.

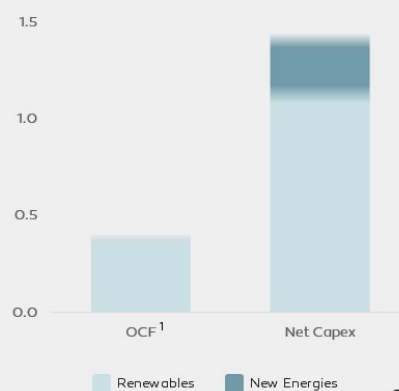
Renewables & New Energies: expanding renewables portfolio

whilst developing upcoming energies



Sources & Uses

2021-25 accumulated (€bn)



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¹ Pro-forma Adj. OCF considers all Renewables & New Energies' projects as if they were consolidated according to Galp's equity stakes.

On Renewables, the plan is to keep this business fully deconsolidated, with its own capital structure and project finance. And our pipeline is gradually built, by 2025 proforma OCF should be c.€100 m. This assumes we have c.50% of the equity on the over 4 GW we expect to have operating by 2025.

Our share of the projects should generate over €300 m in OCF during the plan period. But this, however, becomes very meaningfully higher from 2026 onwards. Renewables' capex should total some €1.2 bn during the five year plan, and that's already net of asset rotation. So, the plan is to keep and fund 100% of the projects during the develop and build phases, project finance at about the time of COD, and then rotate half of our equity very soon thereafter. So, this supports our overall capex plan and leverages the returns of Renewables.

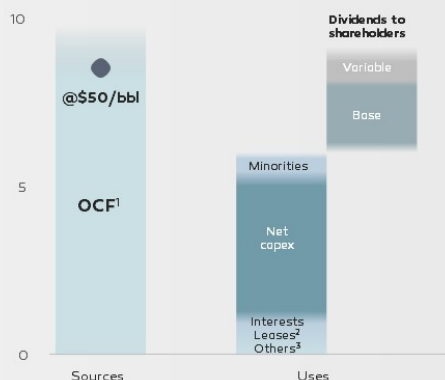
New Energies, green hydrogen, the battery value chain, this should make up c.5% of group net capex. This is ballpark. It will depend on how quickly these projects gets off the ground. And most likely we'll have partners in some of these projects and will be raising finance also at the asset level. So, we expect OCF from New Businesses to be positive in 2025. Now, the OCF bar here doesn't show New Businesses OCF as 2025 positive OCF, is actually eaten up by negative flows during the initial years.

Robust financial framework

to drive sustainable growth throughout the decade

Group Sources & Uses

2021-25 accumulated (€bn)



Resilient cash delivery

\$20/bbl

2021-25 Brent
FCF neutrality

Portfolio management and

asset rotation

to crystallise value and support capex plan

Solid financial position

1.0x Net debt/Ebitda⁴

Target leverage

Competitive dividends

up to 1/3 CFFO⁵

Base + variable distributions

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Capital Markets Day 2021

¹ Group's Adj. OCF as reported, i.e. only considering consolidated businesses. Note: for macro assumptions, refer to slide 52 in the Appendix. ² Leases include both interests and principal payments. ³ Others includes changes in working capital. ⁴ Ratio excludes the effects from the application of IFRS 16 leases in both net debt and RCA Ebitda. ⁵ CFFO differs from Adj. OCF as the latter excludes inventory effects, working capital changes and special items.

Now, putting it all together, we have c.€9 bn in OCF over the five years and here OCF is as we report. So, not with a pro-rata OCF from the deconsolidated business. This is just with the dividends that we actually receive from, say, Renewables, after renewables has serviced its own project financed debts. So where are the €9 bn going to? Around 45% is going to capex, about one third is going to dividends to the Galp shareholders – and that's the base dividend and the variable component – c.10% to minorities and the rest for finance costs, and there's a little bit of deleveraging in the plan as well. Because we have much lower sustaining capex than our peers given the youth and the long-life nature of our Upstream portfolio, we have room to grow our business and decarbonise significantly faster.

On the dividends, now, we should be already under 1x net debt to Ebitda this year, so which will support the variable component of the dividends. And the way this will work is as follows: the base dividend of €0.50/sh is paid semi-annually. Say half is distributed this fall and half is paid in May, after the AGM, and that is when the variable component is added as well. I will stop here, just highlighting that the plan has FCF, covering 1.2x total distributions. So, the quality of the dividend policy is quite robust, we think.

Andy, back to you.

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Concluding Remarks

Andy Brown
CEO

Thank you, Filipe for that impressive deep dive into the financials. I'd like to make some concluding remarks before we go to the Q&A.

Thriving through the energy transition

delivering growth and shareholder value whilst reshaping portfolio

Accelerating
decarbonisation

Highly resilient
and value driven
growth

Competitive
shareholder
returns

Robust
financial
position

Ensuring
sustainable long-term value creation

I hope you've seen we can thrive through the energy transition, we can and will accelerate the decarbonisation of our portfolio. We will grow in a resilient and value driven way, whilst maintaining a robust financial position. But we will also offer competitive shareholder returns.

Distinctive investment case in the industry

superior growth from capital light asset base ensuring competitive distributions

Delivering superior growth...

OCF increase
2021-25



... from low capital intensive plan...

Net capex/CFFO
2021-25



... driving to superior distribution

Distributions/CFFO
2021-25



Can I illustrate and compare with our peers? We are offering leading cash flow growth of 35% of OCF to 2025. A strong pace of decarbonisation versus our peers. We're growing in a capital disciplined way, with only 45% of our OCF put into that growth and we are offering a third of our CFFO in dividends.

This is truly distinctive. We are going to work with the Board, with the support of my Excom colleagues and we are committed to take on this challenge. So, let's regenerate the future together!

Thank you.