

Remuneration policy of members of the Company's corporate bodies approved at the Annual General Meeting of 23 April 2021 by a majority of 97.93% of the share capital and voting rights

I. General Principles

The corporate bodies' Remuneration Policy aims at reinforcing values, skills, abilities and behaviors, in view of the Company's long term interest, culture, sustainability and strategy, and is, particularly, guided by the following underlying principles:

- (i)* Attract, motivate and retain the best professionals for the roles to be performed at the Company and ensure the stability on the same roles of the members of the governing bodies elected;
- (ii)* Appropriately reward, in line with market conditions, the work, know-how and results obtained, in a way that is consistent with the skills and responsibilities inherent to the roles of the corporate bodies' members;
- (iii)* Reward the efficiency and productivity increase and the long term value created for the shareholders, by defining and implementing an incentive-based system related to the attainment of pre-defined, measurable economic, financial and operational goals, with a view to foster sustained results growth and discourage excessive risk taking;
- (iv)* Reward safety, environmental sustainability and energy efficiency in activities material to the Company, through incentives related with the execution of objectives and targets, including within the context of the appropriate management of the respective carbon intensity.

This policy contributes to the achievement of the Company's strategy by defining assessment criteria (indicators defined by the Remuneration Committee) aligned with the Company's strategic goals, as detailed below.

These indicators combined with the definition of multi-year variable remuneration components - deferring a significant part of the variable remuneration for a period of 3 years that is, therefore, associated with the performance of the Company during that period and long-term - further contributes to the performance of the members of the corporate bodies aligned with the long-term interests and sustainability of the Company. The conditions of employment and remuneration of Galp employees were taken into account, through the analysis of the salary difference between high positions at Galp and

members of the corporate bodies and the respective responsibilities and level of risk that the specific duties of each one of these employees represents.

1. Board of Directors

1.1 Non-executive Directors

The remuneration of non-executive members of the Board of Directors will amount to a fixed monthly remuneration paid 12 times a year, at an amount determined by the Remuneration Committee in line with market practices.

Equally in line with these market practices, the non-executive directors' remuneration may be different for the Chairman, due to the distinct roles of Company's representation attributed to him, as well as for non-executive members of the Board of Directors which undertake distinct supervisory and monitoring duties within the Company, as a result of a special charge given by the Board of Directors or under the framework of Committees, existing or that may be created by the Board of Directors.

The remuneration of non-executive members does not include any component dependent on the performance of the Company or its value, nor any other additional benefits.

No contracts were entered into with the non-executive Directors.

1.2 Executive Management

The remuneration of Galp's Executive Directors comprises two components: one fixed and one variable.

1.2.1 Fixed remuneration

The fixed component will correspond to a fixed monthly remuneration, paid 14 times a year, to be determined by the Remuneration Committee after considering the duties and responsibilities assigned and practices observed in the market for equivalent position in large Portuguese and international companies.

1.2.2 Variable remuneration

The variable remuneration component, in the form of one-off payments, is determined by the Remuneration Committee and is dependent upon the achievement of certain economic, financial, operational and sustainability goals with a view of creating a

competitive remuneration framework and to implement a system of rewards which ensure the alignment of the interest of the executive management with the interests of the Company and their respective stakeholders, from a long-term economic and financial sustainability perspective.

In order to best stimulate the alignment of the executive directors' practices with the Company's long term sustainable interests, a multi-annual objectives policy was introduced in 2012, and entered into force in 2013, postponing during a period of 3 years a significant part of the variable remuneration, which is linked to the performance of the Company during this period.

On an annual basis, objectives are defined for the subsequent three-year period, with the final three-year assessment being made at the end of each three-year period.

This policy allows Galp to approach the good practices of the market as well as the IPCG Governance Code recommendations with regard to corporate governance of listed entities.

The variable remuneration of executive directors includes two components:

- Annual variable remuneration, which maximum potential cap represents 50% of the maximum potential cap of the total variable remuneration;
- Tri-annual remuneration, which maximum potential cap represents 50% of the maximum potential cap of the total variable remuneration.

The amount of annual variable remuneration for each year is determined by the Remuneration Committee in accordance with the achievement of specific goals previously defined, with the maximum potential cap of 60% of the total annual fixed remuneration for each variable remuneration component. This is in line with generally recognized practice in the Portuguese market and internationally and is considered to represent a reasonable proportion between the variable and fixed remuneration components.

As from 2019, the indicators defined by the Remuneration Committee to determine the annual variable remuneration, in addition to the economic dimension, which is now evaluated by reference to the generation of cash flow by business, incorporates the achievement of objectives and targets related to safety and environmental sustainability of activities material to the company, in the context of the proper management of their respective carbon intensity, namely through the Accident Frequency and the Carbon Intensity Indexes.

Thus, the indicators set by the Remuneration Committee for determining the annual variable remuneration are as follows:

- (i) Cash Flow From Operation (CFFO), with a weight of 75%;
- (ii) Energy Production Growth with a weight of 10%.
- (iii) Total Recordable Injury Rate (TRIR), with a weight of 10%;
- (iv) Carbon Intensity Index (CII), with a weight of 5%.

As regards the tri-annual variable remuneration, in line with the best market practices, the following indicators have been defined:

- (i) Cash Flow From Operations (CFFO), with a weight of 55%;
- (ii) Galp's Total Shareholder Return (TSR) vs the Peer Group; the Peer Group is composed by Total, Repsol, OMV and ENI, as well as by the indexes PSI20TR and SXEGR, references of the national market and the European energy sector, respectively, with a weight of 25%;
- (iii) Return on Average Capital Employed (ROACE), with a weight of 20%.

As a reference for the determination of the performance of the above-mentioned indicators, the amounts are used from the business plans approved by the Board of Directors, and these commitments are compared, at the end of each period, with the results actually obtained.

The effective determination and payment of the multiannual component of the variable remuneration will take place not before the end of each three-year period, after approval of the accounts of the last financial year.

The above mentioned indicators contribute in 65% to the definition of the annual and three-year variable remuneration applicable. The remaining 35% of each of the components of the variable remuneration alluded to the result of qualitative assessment by the Remuneration Committee of the activity performed by the executive directors yearly or during the relevant three-year period, as the case may be, taking into consideration a holistic perspective not only of the results achieved, but also the context in which they were achieved.

In order to ensure consistency between the release of cash flow and the total variable remuneration, this depends on the level of cash flow achieved by Galp. Thus, if every year the Company has a CFFO lower than 80% of the target for the respective year, there will be no scope for paying the variable remuneration.

The determination of the annual and three-year variable remuneration may consider adjustments that are reasonable regarding exogenous factors and unforeseen economic decisions, as well as those necessary to ensure comparability, that are adequate to

encourage management objectives, as previously defined by the Remuneration Committee.

The indicators' nature, their respective relative-weight on the determination of the actual variable remuneration, the deferred payment of a substantial part of the remuneration and the limits to the application of the variable remuneration set out a remuneration model based on the merits by reference to the effective performance of the Company and in the disincentive of excessive risk taking, while ensuring the alignment of the interests of the executive management with the long-term interests of the Company.

1.3 Chairman of the Executive Committee

In addition to the remuneration, benefits and conditions applicable to the other Executive Directors, the remuneration of the Chairman of the Executive Committee of Galp is part of a long-term incentive through the right to a set of Galp shares, attributable to after 3 years.

The number of shares provisionally allocated in each year will be calculated based on the average price of Galp shares in Euronext Lisbon during the 10 (ten) business days following the announcement to the market of the results of the preceding tax year, with the overall nominal value of these shares being equivalent to 60% of the gross annual fixed remuneration of the Chairman of the Executive Committee of Galp.

The number of shares effectively attributed, at the end of the 3-year period, will be calculated by multiplying the number of provisional shares attributed by a performance factor, graded from 0 to 2.25, based on the following 3 categories, all with the same relative weight:

- (i) Total Shareholder Return (TSR);
- (ii) Peer ranking in terms of TSR and growth of Cash Flow From Operations, using EDP, Repsol, OMV, ENI and Total as a Peer Group;
- (iii) Carbon Intensity Index (CII).

Performance is evaluated, regarding the first category, by applying a compound formula that considers the variation of the Galp share price and the value of dividends distributed per share over the 3 reference years. The evaluation of the second category, in turn, is carried out by comparing the performance of the Company in the two sub-indicators with the aforementioned Peer Group. Finally, the assessment of the third category is made by reference to the CO2 intensity reduction goals in force.

If the TSR is negative at the end of the 3-year period, the long-term incentive will not be due.

The value of the long-term incentive that is calculated may be liquidated through the delivery of shares or in cash, being, in any case, increased by an amount equivalent to the dividends distributed, by reference to the 3 years in question, corresponding to the number of shares effectively allocated.

1.4. Other benefits

Pursuant to article 402 of the Companies Code and article 18, no. 3 of the Company's by-laws, the board of directors' executive management is entitled to the creation by the Company of retirement benefits or other financial product of a similar nature to the benefit thereof.

The value of the aforementioned plan will be calculated annually by the Remuneration Committee, and shall be subject to the necessary adjustments so that in the year which sees the beginning or ending of director's functions, this value is calculated on a pro-rata basis for the period in which these functions were performed.

For executive directors whose permanent residence is outside the area where the Company is based, the Remuneration Committee shall set a housing allowance.

Executive directors are also granted the following non-pecuniary benefits: the use of a fuelled vehicle and the respective maintenance and insurance, mobile phone, iPad and laptop, health insurance, life insurance and occupational accident insurance. These non-pecuniary benefits have corresponded to a percentage between 5% and 10% of total remuneration.

1.5 Other conditions

The remuneration of Galp's board members includes all the remuneration due for the performance of office in management bodies in other group companies.

No contracts were entered into with the Executive Directors, with the exception of the Chairman of the Executive Committee, who entered into a management contract with Galp on February 5, 2021 with the duration of the remaining period of the term of the Board of Directors (2019-2022). Unless otherwise agreed, the Chairman of the Executive Committee may terminate the contract at any time with six months of prior written notice,

and the company shall continue to pay the fixed remuneration and all other benefits until the date of termination.

The members of the Board of Directors shall not enter into contracts with the Company or with third parties that have the effect of mitigating the risk inherent in the variability of the remuneration set by the Company.

In case of a judicial decision for unlawful action against one or more members of the Executive Committee that results or has resulted in a restatement or an impairment of the financial statements in terms detrimental to the Company, the Remuneration Committee may request the Board of Directors to adopt the adequate measures for the clawback of an amount of the variable remuneration paid to said member(s) that is deemed appropriate in relation to the relevant period of said unlawful action.

In addition to the long-term incentive of the Chairman of the Executive Committee, the payment of the remaining variable remuneration may be partially carried out through shares or stock options plans, or other payment methods, to be approved in internal regulations by the Remuneration Committee, which in the first case must establish, among other things, the number of shares or stock options granted, and the main conditions for the exercise of the respective rights, including the price and date of that exercise and any change in those conditions.

There were no divergent situations from the procedure for implementing the remuneration policy.

2. Supervisory Board and Statutory Auditor

The remuneration for the members of the Supervisory Board and the Statutory Auditor of the Company is based on the national and international market practice and is aligned with the interests of the Company and its stakeholders.

The remuneration of the members of the Supervisory Board amounts to a fixed monthly remuneration, paid 12 times a year, being the remuneration of its Chairman different from that of the remaining Supervisory Board members, considering the specific functions performed by such member.

The remuneration of the Supervisory Board members does not include any component dependent on the Company's performance or value or any additional benefits. No contracts were entered into with the members of the Audit Board.

The Statutory Auditors' remuneration rewards the review and legal certification of the Company's accounts and is in line with market conditions.

3. Board of General Shareholders Meeting

The remuneration of the Board of the General Shareholders Meeting corresponds to a fixed annual amount defined by the Remuneration Committee and is different for the Chairman, Vice-chairman and the Board Secretary, being linked to the Company's performance and practices observed in the market.

4. Remuneration Policy Decision-Making Process

The Remuneration Policy of members of the corporate bodies defined for the mandate is approved and, when applicable, revised, by the General Assembly, upon proposal by the Remuneration Committee, at least every four years, and whenever there is a relevant change in the remuneration policy in force.

If the proposal submitted by the Remuneration Committee is not approved, the Remuneration Committee shall submit a new proposal at the next General Meeting.

The Regulations of the Remuneration Committee establish the rules of operation and the decision-making process of the Committee, specifically establishing that it must meet ordinarily twice a year, and that its decisions must be made by a simple majority, and it may deliberate by written vote, by mail or electronically.

The Regulations include an obligation under which the members must promptly inform the Chair with regard to any facts that may represent, or give rise to, a conflict between the members' interests and the company's interests, and, if there is a conflict, they must not participate in the respective decision-making process, notwithstanding their duty to provide information and any clarification requested.

5. Publication

This Policy will be published on the Galp website immediately after its approval by the General Meeting, including the results of the vote and the respective date of approval, remaining available to the public, free of charge, while in force.