

Tax Policy

Company's Position

Galp's tax policy is based on the following 6 principles:

1. **Corporate Citizenship:** Galp's tax policy and practices are at the basis of its corporate citizenship, creating also value for the governments, regions and communities where it conducts its businesses through the proper payment of taxes, reinforcing long-term relations and contributing to the sustainable local economic and social development.
2. **Compliance:** Galp Group complies with tax requirements and tax information disclosure applicable in each jurisdiction in which the Group operates, according to the spirit and letter of the applicable laws and regulations taking appropriate measures to that effect.
3. **Risk and Control:** Galp monitors, measures and manages its exposure to tax risks, within the appropriate governance model, involving the relevant corporate bodies of the company, according to the best practices, experiences and viewpoints and taking into account the specifics of each jurisdiction where it operates. Galp ensures appropriate oversight of its tax practices aiming at minimizing the potential financial and reputational risks in decision-making on tax issues.
4. **Transparency and Trust:** With the purpose of fostering appropriate relations, based on transparency and trust with the local tax authorities, governments and other related parties, Galp:
 - Manages relations with the tax authorities with the purpose of minimizing the risk of objection, dispute or other related damages;
 - Participates in formal consultation processes from the tax authorities in relation to matters that may have a material impact to the Group, ensuring the continuous monitoring of all relevant changes in tax law;
 - Participates in public discussions and in the development of tax-related proposals with national and international organizations;
 - Shares information/requests for information in relation to matters under consultation, namely regarding their duration, application and monitoring in other jurisdictions;
 - Ensures appropriate tax advice, involving in-house experts and external advisers, thus reinforcing the internal risk and control environment;
 - Ensures appropriate and effective disclosure of its tax policy and related payments to governmental entities.

5. **Materiality:** Galp's presence in different jurisdictions is based on business reasons, development of synergies with the activity developed and/or the achievement of stability, predictability and tax security. Galp adopts efficient tax solutions that support and boost its economic activity, according to economic and commercial substance, not guiding its business decisions on tax motives, not using structures located in so-called "tax havens", nor participating and/or constituting artificial tax structures in low tax jurisdictions.
6. **Best practices:** Related to intra-group relationships, Galp is guided by best market practices, following for instance the transfer pricing rules and the other principles laid down in this regard by the OECD.

Final statement

Galp is committed to implement its tax policy and practices according to the above 6 principles, in order to achieve continuous improvement.