

Final Investment Decision on Green Hydrogen and HVO/SAF projects in Sines

Galp has taken the final investment decision on two large scale projects to reduce the carbon footprint of the Sines refinery and of its products.

The projects include a 270 ktpa advanced biofuels unit, in partnership with Mitsui, and 100 MW of electrolyzers for the production of green hydrogen. Both units are expected to have their first start up during 2025.

“These projects are some of the largest of their kind, representing an overall investment of c. €650 m. This is a significant contribution to the transformation and growth of the industrial sector in Portugal, placing Galp at the forefront of the development of low carbon solutions necessary for the energy transition. These investment decisions were made on the expectation that the fiscal and regulatory developments in Portugal will not hinder the success of such large-scale projects, ensuring that our industrial operations remain long-term competitive in a global playing field.”

Paula Amorim, Chairman

Advanced biofuels unit

Galp and Mitsui are joining forces to produce and market advanced biofuels from Sines by creating a 75/25 joint venture (JV) and invest in a large scale 270 ktpa unit adjacent to the Sines refinery.

The unit will use waste residues to produce renewable diesel (hydrotreated vegetable oil - HVO) and sustainable aviation fuel (SAF), allowing to avoid c.800 ktpa of greenhouse gas emissions (Scope 3, CO₂e), when compared to its fossil fuels alternatives.

This partnership brings together the vast industrial expertise of both companies, combining Galp’s market and operational synergies with Mitsui’s global presence, also supporting the procurement of the plant’s feedstock needs.

The plant will use Axens’ technology and the consortium Technip Energies / Technoedif Engenharia has been selected as the main Engineering, Procurement and Construction Management (EPCM) provider.

The total investments in the new plant are estimated at c.€400 m.

Galp will operate the plant and plans to consolidate proportionally (75%) all businesses related with the JV.

Green hydrogen unit

Galp will invest in the construction of a 100 MW electrolysis plant, to produce up to 15 ktpa of renewable hydrogen. This large-scale project will allow the replacement of c.20% of the existing grey hydrogen consumption of the Sines refinery and may lead to greenhouse gas emissions reduction of c.110 ktpa (Scope 1 & 2, CO₂e).

The electrolyzers will be supplied by renewable power, originated from long-term supply agreements, also leveraging on the Galp renewable power asset base. The unit will use industrial recycled water, with expected annual consumption representing less than 3% of the average annual needs of the refinery.

Plug Power was awarded the order for the 100 MW proton exchange membrane (PEM) electrolyzers, whilst Technip Energies will be the main EPCM provider.

The total investments for this green hydrogen project are estimated at c.€250 m.

About Mitsui

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Galp Energia, SGPS, S.A.

Investor Relations:
Otelo Ruivo, Director
João G. Pereira
Teresa Toscano
Tommaso Fornaciari
César Teixeira

Contacts:
Tel: +351 21 724 08 66
Fax: +351 21 724 29 65
Address:
Rua Tomás da Fonseca,
Torre A, 1600-209 Lisbon, Portugal

Website:
www.galp.com/corp/en/investors
Email: investor.relations@galp.com
Reuters: GALP.LS
Bloomberg: GALP PL

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