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**Galp Integrated Report 2018
Corporate Governance**

This report is part of the Galp Integrated Report 2018, published on 12 March 2019 and available on Galp's website.

Corporate Governance

A photograph of a tunnel interior. The wall is composed of large, hexagonal concrete panels. A person is walking on the right side of the frame. The word "FORWARD" is overlaid in large, white, semi-transparent letters across the center of the image. The lighting is warm and orange, creating a sense of depth and movement.

FORWARD

An observer's view
of construction
and deconstruction
by Frederico van Zeller.

Calhariz de Benfica tunnel,
Lisbon.

The world needs energy. With our eyes on the future, we know the direction we want to go. This is what makes us look for new solutions and a new sense of mobility. We analyse and implement new business models in line with our **perspective** on societies.



This chapter on this report complies with article 245.º-A of the Portuguese Securities Code, and Governance Code model as established by CMVM Regulation No. 4/2013 on Corporate Governance, which is available online at the CMVM website: www.cmvm.pt/en/Legislacao/National_legislation/Regulamentos/Documents/Reg4_2013.Governo.das.Sociedades.en.pdf

PART I

Information on the company's shareholding structure, organisation and corporate governance

A - Shareholding structure

I - Capital structure

1. Capital structure (share capital, number of shares, distribution of capital by shareholders, etc.), including an indication of any shares that are not admitted to trading, different classes of shares, rights and duties of the same, and the capital percentage that each class represents (Article 245(A)(1)(a) of the Securities Code).

Galp's share capital is €829,250,635.00, fully paid, and represented by 829,250,635 shares with a par value of €1.00 each.

771,171,121 shares, representing 93% of the share capital and voting rights, are ordinary shares listed on Euronext Lisbon.

The remaining 58,079,514 shares are indirectly held by the Portuguese state through Parpública and are not listed, representing 7% of Galp's share capital. These shares are undergoing a privatisation process, which, in accordance with the applicable privatization legal regime, must be sold in a regulated market, as they were not used for the reimbursement of the exchangeable bonds to which those shares were related to, according to the legal obligation imposed on Parpublica. These may become fungible with the other shares by means of a simple request to Galp, without requiring the need for approval from any of the Company's corporate bodies. No special rights are attached to this category of shares.

2. Restrictions on the transfer of shares, such as clauses on consent for disposal or limits on the ownership of shares (Article 245(A) (1) (b) of the Securities Code).

Galp shares are freely transferable under the terms of the applicable law, with no restrictions under the By-laws that may prevent their transferability or ownership.

3. Number of treasury shares, the percentage of share capital that these shares represent, and the corresponding percentage of voting rights that corresponded to these treasury shares (Article 245(A)(1) (a) of the Securities Code).

On 31 December 2018, Galp held no treasury shares or treasury bonds.

4. Important agreements to which the company is a party and that come into effect, are amended, or are terminated following events such as a change in the control of the company after a takeover bid, and the respective consequences, except where due to their nature the disclosure thereof would be seriously detrimental to the company. This exception does not apply where the company is specifically required to disclose such information pursuant to other legal requirements (Article 245(A) (1) (j) of the Securities Code).

Galp is not a party to any significant agreements that will take effect, be amended, or be terminated in the event of a change of the control of the Company. In accordance with normal market practice, certain financing agreements and bond issues include change of control provisions, with the possibility of the respective creditors/bond holders requesting early debt repayment up to an amount of €545 million.

Galp has not adopted any mechanisms that imply payments or the responsibility for costs in the event of a change of control or a change in the composition of the Board of Directors, which are likely to constrain the free transferability of the shares and the free appraisal of the performance of the members of the Board of Directors by the shareholders.

5. Any systems subject to the renewal or withdrawal of countermeasures, particularly those that provide for a restriction on the number of votes that are capable of being held or exercised by one shareholder individually or together with other shareholders.

The By-laws enshrine the “one share, one vote” principle, and there are no provisions or other legal instruments imposing any limitations on the number of votes that can be held or exercised by a single shareholder or by agreement with other shareholders.

Similarly, the By-laws do not contain any provisions preventing takeover bids or establishing voting caps.

6. Any shareholder agreements that the company is aware of and that may result in restrictions on the transfer of securities or voting rights (Article 245(A) (1) (g) of the Securities Code).

The Board of Directors is not aware of any shareholder agreements relating to Galp which could lead to restrictions on the transfer of securities or the exercise of voting rights.

II - Shareholding and bonds held

7. Details of the natural or legal persons who, directly or indirectly, are the holders of any qualifying holdings (Article 245(A) (1) (c) and (d) of the Securities Code), with details of the percentage of capital, votes attributed, and the sources and causes of attribution.

The shareholders and other entities must report to CMVM and to Galp qualifying holdings, especially when the holding that is attributable to such a shareholder or entity reaches, exceeds, or falls below the thresholds of 2%, 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3, and 90% of the voting rights corresponding to Galp's share capital. These reporting duties are generally applicable in the European Union countries. In Portugal, these reporting duties are set out in Article 16 of the Portuguese Securities Code, which is available online at the CMVM website: www.cmvm.pt.

As at 31 December 2018, the qualifying holdings in Galp's share capital, and as calculated in accordance with Article 20 of the Portuguese Securities Code and reported to Galp in accordance with Article 16 of the Portuguese Securities Code, were as follows.

Shareholders	No. of shares	% of voting rights
Amorim Energia, B.V.*	276,472,161	33.34%
Parpública - Participações Públicas (SGPS), S.A.*	62,021,340 ¹	7.48%
BlackRock, Inc.*	41,448,338	4.998%
T. Rowe Price Group, Inc.*	17,424,072	2.10%

¹ 58,079,514 of which are subject to a privatisation process.
* Direct holdings

In 2018, the following transactions related to qualifying holdings occurred in Galp's share capital:

In early 2018, BlackRock, Inc., Janus Henderson Group plc and Templeton Global Advisors Limited held 2.45%, 2.34%, and 2.03% of the voting rights in Galp's share capital, respectively, based on the information that was provided to the Company in April 2014, September 2016, and April 2013, respectively.

On 2 March 2018, Templeton Global Advisors Limited notified Galp that it had reduced its indirect holding in Galp's share capital to 1.97% on 1 March, which is below the 2% disclosure threshold, and thus no longer holding a qualifying holding.

On 5 March, Black Creek Investment Management, Inc. notified the Company that it had increased its holding in Galp's share capital on 5 March, as well as its respective voting rights, from 1.99% to 2.02%, but that it would cease to have a qualifying holding soon after, as it intended to decrease its holding in Galp's share capital and respective voting rights from 2.02% to 1.99%, on 7 March, and thus no longer holding a qualifying holding.

In July, Janus Henderson Group plc notified Galp that it had decreased its indirect holding in Galp's share capital, on 13 July, and its respective voting rights, from 2.34% to 1.84%, and thus no longer holding a qualifying holding.

During September, BlackRock, Inc. notified Galp that it had increased its indirect holding in Galp's share capital on 26 September, from 2.45% to 5.00%, reaching the 5% disclosure threshold.

During October, BlackRock, Inc. notified the Company that its subsidiary, BlackRock Investment Management (UK) Limited, had increased its indirect holding in the Company's share capital and voting rights to 2.01%, above the 2% disclosure threshold, on 28 September.

Since then, BlackRock Inc. has notified Galp of several further changes in its indirect holding. On 14 November, BlackRock Investment Management (UK) Limited decreased its total voting rights relating to Galp's share capital to below the 2.00% disclosure threshold. In addition, on 18 December, BlackRock, Inc. decreased its voting rights relating to Galp's share capital to 4.998%, below the 5% disclosure threshold.

During November, T. Rowe Price Group, Inc. notified Galp that, on 19 November, its indirect holding in Galp's share capital corresponded to 2.10%, above the 2.00% disclosure threshold.

8. A list of the number of shares and bonds that are held by the members of the management and supervisory boards.

The number of shares held by, or attributed to, members of the Board of Directors and the Audit Board, as well as the changes that occurred during the 2018 financial year, under Article 447 paragraph 5 of the Commercial Companies Code (CSC), are presented in Appendix 9.8 to this report.

On 31 December 2018, none of the members of the Board of Directors held any bonds issued by the Company.

On 31 December 2018, the Chairman of the Audit Board held one Galp Energia, SGPS, S.A. EMTN Note, with an interest rate of 4.125%, and maturing on 25 January 2019, but performed no transactions involving those debt instruments during 2018.

9. Any special powers of the Board of Directors, especially with regard to resolutions on the capital increase (Article 245(A) (1) (i) of the Securities Code), with an indication as to the allocation date, the time period within which such powers may be carried out, the upper ceiling for the capital increase, the amount already issued pursuant to the allocation of the powers, and the mode of implementing the powers assigned.

The Board of Directors has the typical powers relating to a company's management, as set forth in the corporate legislation for the applicable corporate governance model. The By-laws do not provide for any special powers to the Board of Directors, including with respect to the increase of the Company's share capital.

The annual General Shareholders' Meeting held in 2018 granted the Board of Directors the power to acquire and dispose of the Company's own shares and bonds. The timing and size of the transactions are determined depending on market conditions and criteria approved at the General Shareholders' Meeting, in accordance with the applicable laws and regulations, including, inter alia, the CSC and the provisions of Regulation (EU) No. 596/2014 of the European Parliament and of the Council, of 16 April 2014. The relevant resolution is available online at the Galp website: <https://www.galp.com/corp/Portals/O/Recursos/Investidores/SharedResources/Assembleias/EN/2018/Proposal%207.pdf>

10. Information on any significant business relationships between the holders of qualifying holdings and the company.

In 2018, there were no significant relationships of a commercial nature between holders of qualifying holdings and Galp.

B - Corporate Bodies and Committees

I - General Shareholders' Meeting

a) Composition of the Board of the General Shareholders' Meeting

11. Details and positions of the members of the Board of the General Shareholders' Meeting and their respective terms of office (beginning and ending).

Under Article 11(2) of the By-laws, the Board of the General Shareholders' Meeting consists of Vice-Chairman, and a Secretary, each of whom are elected at the General Shareholders' Meeting.

The members of the Board of the General Shareholders' Meeting who have been elected for the 2015–2018 term of office, which started on 16 April 2015 and ended on 31 December 2018 (although the present members will remain in office until the new members are elected), are as follows:

Chairman: Daniel Proença de Carvalho
Vice-Chairman: Victor Manuel Pereira Dias
Secretary: Maria Helena Claro Goldschmidt

b) Exercising the right to vote

12. Any restrictions on the right to vote, such as restrictions on voting rights subject to holding a number or a percentage of shares, the deadlines for exercising voting rights, or any systems whereby the financial rights attaching to securities are separated from the holding of securities (Article 245(A)(1)(f) of the Securities Code).

The By-laws enshrine the “one share, one vote” principle, with no provisions or other legal instruments restricting the exercising of voting rights.

Galp has not established any mechanism to create a discrepancy between the right to receive dividends or subscribe to new securities and the voting rights relating to each share.

The right to vote is exercised pursuant to Article 10(1) of the By-laws, in accordance with the Shareholders' Rights Directive. Therefore, any shareholder may participate in, discuss issues, and vote at the General Shareholders' Meeting in person or by proxy, by meeting the following requirements:

- a) on the record date, i.e., 00:00 (WEST) of the fifth trading day prior to the date of the General Shareholders' Meeting, s/he is a holder of at least one share;
- b) s/he proves the ownership of share(s) by sending to the Chairman of the Board of the General Shareholders' Meeting a declaration issued and sent by the financial intermediary with information relating to the number of shares that have been registered and their registration date, by 23:59 (WEST) of the record date;
- c) s/he must state an intention to participate in the General Shareholders' Meeting, in writing, and send this to the Chairman of the Board of the General Shareholders' Meeting and the financial intermediary with whom the individual registration account is open by the end of the sixth trading day prior to the date of the General Shareholders' Meeting.

The exercise of these rights is not affected by the transfer of the shares at any time after 00:00 (WEST) on the record date, and it does not require any blocking between that date and the date of the General Shareholders' Meeting. In any event, shareholders who – having declared their intention to participate in the General Shareholders' Meeting – transfer the ownership of shares between 00:00 (WEST) on the record date and the end of the General Shareholders' Meeting shall immediately inform the Chairman of the Board of the General Shareholders' Meeting and the CMVM.

Article 10(6) to (9) of the By-laws permits voting by mail, without any restrictions.

The right to voting by mail may be exercised electronically, in accordance with the requirements defined by the Chairman of the Board of the General Shareholders' Meeting in the convening notice for the respective General Shareholders' Meeting, in order to guarantee authenticity and confidentiality.

As specified in the convening notice for the relevant General Shareholders' Meeting, shareholders may also participate in the General Meeting by means of telecommunications, namely through a conference call. Detailed instructions for participating are included in the applicable convening notice and the preparatory General Shareholders' Meeting information, which is published on the Company's website as well as on CMVM's website. The possibility of participation by means of telecommunications was available during the Annual General Shareholders' Meeting held on 15 May 2018.

13. Details of the maximum percentage of voting rights that may be exercised by a single shareholder or shareholders in any relationship asset, as established in Article 20(1) of the Securities Code.

The By-laws do not include any limitations on the voting rights that may be exercised by a single shareholder or shareholders in any of the relationships established under Article 20 of the Portuguese Securities Code.

14. Details of any shareholders' resolutions that, in accordance with the By-laws, may only be taken with a qualified majority, in addition to those that are legally provided, and the details of such majority.

The resolutions of the General Shareholders' Meeting are passed by a simple majority of the votes cast, except where the law or the By-laws require a qualified majority. Abstentions are not counted as votes cast.

Pursuant to the By-laws, a qualified majority of two-thirds of the votes cast is required for the following matters:

- resolutions on matters relating to the Company's management submitted to the General Shareholders' Meeting by the Board of Directors;
- amendments to the By-laws, including capital increases, and the limitation or suppression of any pre-emption rights of the shareholders;
- mergers, demergers, or the transformation or winding up of the Company.

According to the By-laws, any resolutions on the matters referred to in a), b), or c) of article 12 of the By-laws, or on any other matters for which the law requires a qualified majority, two-thirds of the votes cast are necessary in both the first and second call of the General Shareholders' Meeting, even if shareholders holding shares representing at least half of the capital are present or represented (this is higher than the number required by the CSC, in the case of the second call, and also for some matters included in a), in the case of the first call).

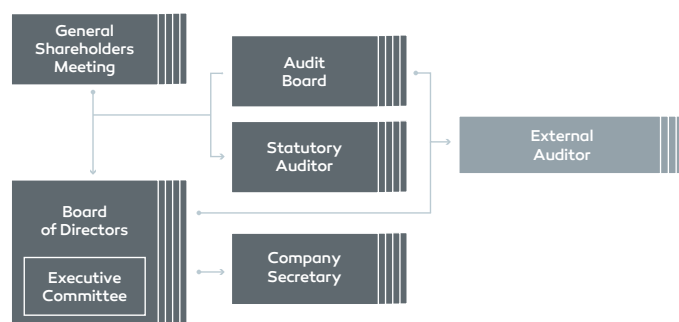
These provisions of the By-laws have the purpose of ensuring the adequate representation of shareholders when passing resolutions on matters of strategic importance for the Company.

II - Management and supervision

(Board of Directors, Executive Board and General and Supervisory Board)

a) Composition

15. Details of the corporate governance model that has been adopted.



Galp's corporate governance model comprises: (i) a management structure that is composed of a Board of Directors and an Executive Committee; (ii) a strengthened supervisory framework, including the Audit Board and the Statutory Auditor; and (iii) a Company Secretary providing specialist support to the Company's corporate bodies.

Galp has the corporate bodies which are mandatory for companies with shares listed in a regulated market and which adopt the one-tier model under Article 278(1)(a), Article 413(1)(b) and (2)(a) and Article 446(A)(1) of the CSC.

Galp's governance model is designed to ensure the transparency and effectiveness of the Group by means of a separation of powers between the different corporate bodies. While the Board of Directors exercises the oversight, definition, and supervision of the strategic guidelines, as well as of the management supervision and the relations between shareholders and other corporate bodies, the duties of the Executive Committee, as delegated by the Board of Directors, are operational in nature and entail the day-to-day management of the business and corporate services.

The existence of matters which are the exclusive remit of the Board of Directors (i.e. that are not subject to delegation in the Executive Committee) ensures that the Board of Directors defines and monitors Galp's strategic guidelines.

The allocation of responsibility for coordinating specific management areas between each member of the Executive Committee, without prejudice to the collective nature of the exercise of management functions by this corporate body, promotes the effective monitoring of the Company's management and the use of synergies within each business unit, as well as in the Company as a whole. For a description of this allocation, please refer to section 29 of this chapter non this report.

The regulations of the Board of Directors set out that its members have, strictly for the performance of their duties, and in compliance with the applicable legal limits, access to any necessary information, particularly by means of access to documents or information or clarifications provided by Company's employees, in order to assess the Company's performance, status, prospects, and developments, including minutes, documents, supporting decisions that have been taken, convening notices, and papers of the Executive Committee meetings.

The Chairman of the Board of Directors has, among other responsibilities provided by law, by the By-laws, and by the regulations, the authority to coordinate and supervise relations between the Company and its shareholders, in accordance with the Company's objectives, to ensure the long-term interests of the shareholders, and to ensure the sustainable development of Galp's business.

Under the legal provisions applicable to the relationship between the non-executive members of the Board of Directors and the Executive Committee, including the monitoring of the Executive Committee's activity by non-executive members (in accordance with Article 407(8) of the CSC), the Chairman of the Board of Directors has the right to attend to the meetings of the Executive Committee.

The Audit Board is responsible for exercising the oversight functions of the Company's business in five key areas:

- (i) the supervision of the Company's activity;
- (ii) the control of the Company's financial information;
- (iii) the oversight of the internal risk management, internal control, and internal auditing systems;

(iv) the receipt (and processing) of whistle-blowing notifications; and

(v) the protection of the External Auditor's independence.

The Statutory Auditor is also responsible for controlling the Company's financial information.

16. The rules of the By-laws relating to the procedural requirements governing the appointment and replacement of members of the Board of Directors, the Executive Board, and the General and Supervisory Board, where applicable (Article 245(A)(1)(h) of the Securities Code).

The members of the Board of Directors, including the Chairman, are appointed and replaced at the General Shareholders' Meeting.

The shareholders also decide on the continuity of each director, on an annual basis, by vote of praise and/or confidence, in the event of a positive appraisal of their performance.

The absence of a positive annual appraisal, through the attribution of a vote of no confidence, may lead to the dismissal of the director in question, in accordance with the law.

In the event of the permanent absence or impediment of any member of the Board of Directors, the latter shall proceed to co-opt a replacement member, and they must submit this replacement for endorsement at the following General Shareholders' Meeting.

The members of the Board of Directors are appointed for a term of four calendar years, with the year of appointment counting as a full year, and they may be re-elected one or more times. Members of the Board of Directors take office at the time of appointment and they remain in office until the nomination, co-option, or appointment of a substitute, except in the case of a member who has resigned or who has been removed, who remains in office for the period established in the CSC.

In view of the Portuguese legal framework, which attributes the power to elect the members of the Board of Directors to the shareholders, and limits the participation of the Board of Directors in matters of shareholder competence, Galp does not have a nomination committee within the structure of the Board of Directors. In fact, such a committee could

not replace the competency of the shareholders, according to Article 391 of CSC.

The Company has been involved in the identification of specific profiles and in the selection processes for different management positions by using reputable international companies specialized in matters of executive selection.

Members of the Board of Directors are elected from a list, with an indication of the proposing shareholders, and with the vote applying only to the list as a whole and not to each of its members, as provided by the law and the By-laws.

Minority shareholders that, either individually or as an established group, have a voting interest in the Company of at least 10% and not greater than 20%, have the right to nominate one director, as per the following terms of Article 14(2) of the By-laws:

- a) each list must propose at least two candidates for each position to be filled;
- b) the same shareholder cannot subscribe to more than one list;
- c) if lists for an individual election are presented by more than one group of shareholders, then voting will be based on all of the lists;
- d) The General Shareholders' Meeting cannot proceed to elect other directors until the successful election of a director who has been proposed by minority shareholders;
- e) the above rules apply to the election of the substitute member director.

If no list is submitted under the above provisions, or once the above procedure has been concluded, then the other directors can be elected, including the Chairman of the Board of Directors. The shareholders who have successfully voted in favour of a director who has been proposed under the procedure outlined above may not participate in this election.

The other directors, including the Chairman of the Board of Directors, are to be elected by a vote from any lists

submitted for this purpose, with the proposal that obtains the highest number of votes in favour being deemed to have been approved.

If the approved proposal includes the maximum number of directors that are allowed by the By-laws, and a director has been elected by the minority shareholders, then the director thus elected shall replace the person who appears in thirteenth place in the proposal that has been successful. If the approved proposal does not include the maximum number of directors allowed by the By-laws, then a director elected under the procedure referred to in a) to d) above is added to the number of directors who have been elected, under the terms mentioned above.

In accordance with Article 393(1) of the CSC, and for the purpose of the replacement of a director due to her/his permanent absence, the By-laws state that a director is deemed permanently absent when, without justification accepted by the Board of Directors, s/he misses three consecutive meetings or five non-consecutive meetings.

In accordance with the By-laws, if the proposal for the election of directors (except the director who is to be elected by the minority shareholders) is not approved by a majority of 55% of the votes cast, and with at least 40% of the share capital with voting rights, then the shareholders that: (i) are eligible to participate in this election (not having voted in the election of the director appointed by the minority shareholders); (ii) have voted against that proposal or in favour of a proposal that did not prevail in this election; and (iii) hold, themselves or in a group formed for this purpose, shares representing at least 25% of the share capital with voting rights, may submit and vote on proposals, electing between themselves a number corresponding to one third of the elected directors (not including the director who is elected by the minority shareholders under the above terms).

If the total number of elected directors is not divisible by three, then the number of directors to be elected will be rounded up to the next whole number. The directors who are elected under this procedure automatically replace those who are in the final places of the initially approved list.

17. The composition of the Board of Directors, the Executive Board, and the General and Supervisory Board, where applicable, with details of the by-law regulations regarding the minimum and maximum number of members, the duration of the term of office, the number of effective members, the date when first appointed, and the end date of the term of office for each member.

In accordance with the By-laws, the Board of Directors has a minimum of 19 and maximum of 23 directors, who are appointed for four-year terms.

The 19 current members of the Board of Directors, elected for the four-year term 2015–2018, as well as the date of their election and end of term of office are listed in the following table and available online at the Galp website (www.galp.com/corp/en/corporate-governance/governing-model-and-bodies/board-of-directors).

Members of the Board of Directors

Name	Position	Date of first appointment	Term end date
Paula Amorim	Chairman	2012.04.24	2018.12.31
Miguel Athayde Marques	Vice-Chairman and Lead Independent Director	2012.11.23	2018.12.31
Carlos Gomes da Silva	Vice-Chairman	2007.04.26	2018.12.31
Filipe Crisóstomo Silva	Member	2012.07.26	2018.12.31
Thore E. Kristiansen	Member	2014.10.03	2018.12.31
Sérgio Gabrielli de Azevedo	Member	2012.07.26	2018.12.31
Abdul Magid Osman	Member	2012.07.26	2018.12.31
Marta Amorim	Member	2016.10.14	2018.12.31
Raquel Vunge	Member	2014.10.03	2018.12.31
Carlos Costa Pina	Member	2012.04.24	2018.12.31
Francisco Teixeira Rêgo	Member	2015.04.16	2018.12.31
Jorge Seabra de Freitas	Member	2012.11.23	2018.12.31
José Carlos Silva	Member	2012.11.23	2018.12.31
Pedro Ricardo	Member	2015.04.16	2018.12.31
Tiago Câmara Pestana	Member	2015.04.16	2018.12.31
Rui Paulo Gonçalves	Member	2008.05.06	2018.12.31
Luís Todo Bom	Member	2012.11.23	2018.12.31
Diogo Tavares	Member	2006.02.22	2018.12.31
Joaquim Borges Gouveia	Member	2008.05.06	2018.12.31

18. The distinction to be drawn between executive and non-executive directors and, as regards non-executive members, the details of members that may be considered independent or, where applicable, the details of independent members of the General and Supervisory Board.

18.1. The independence of the members of the General and Supervisory Board and the members of the Audit Board shall be determined in accordance with the applicable law. As regards the other members of the Board of Directors, the independence of those who are not associated with any specific interest group within the company, nor are under any circumstances that may be capable of affecting their impartiality in terms of their analysis and decision-making, shall be determined with particular regard to the following:

- a) whether s/he has been an employee of the Company, or a company which is in a controlling or a group relationship, in the past three years;
- b) whether, in the past three years, s/he has provided services to or established a significant business relationship with the Company, or a company with which it is in a controlling or a group relationship, either directly or as a partner, Board member, manager, or director of a legal person;
- c) whether s/he is receiving remuneration that is paid by the Company, or by a company in a controlling or a group relationship, in addition to the remuneration that is derived from carrying out tasks as a member of the Board of Directors;
- d) whether s/he is living with a partner or a spouse, or next of kin up to and including third degree relatives, of a member of the Board of Directors, or someone who directly or indirectly holds individual qualifying holdings; and

- e) whether s/he is a qualifying shareholder or representative of a qualifying shareholder.

On 31 December 2018, the Board of Directors had 12 non-executive members (who remain in office on this date) from 19 directors, corresponding to more than half (i.e. 63%) of the total number of directors, which is an adequate number, particularly given Galp's shareholder structure, capital dispersion, and the size of the Company and the complexity of the Company's activity. The non-executive members engage in monitoring activities as well as continuous evaluation of the risks of its management in order to ensure its effective capacity for monitoring, supervising, overseeing, and evaluating the activities of the executive members, ensuring, with efficiency, the duties which have been attributed to them.

The composition of the Board of Directors and its distribution in terms of executive and non-executive members is indicated below:

Executive Directors



Carlos Gomes da Silva



Filipe Crisóstomo Silva



Thore E. Kristiansen



Carlos Costa Pina



José Carlos Silva



Pedro Ricardo



Tiago Câmara Pestana

Non-Executive Directors



Paula Amorim



Miguel Athayde Marques



Sérgio Gabrielli de Azevedo



Abdul Magib Osman



Marta Amorim



Raquel Vunge



Francisco Teixeira Rêgo



Jorge Seabra de Freitas



Rui Paulo Gonçalves



Luís Todo Bom



Diogo Tavares



Joaquim Borges Gouveia

Considering the criteria for determining the independence of the non-executive members of the Board of Directors mentioned above, and in the Corporate Governance Code of the Portuguese Institute of Corporate Governance (“IPCG Corporate Governance Code”), the Board of Directors includes the following five independent directors, based on their self-assessment for the 2018 financial year:

Non-Executive Independent Directors
Miguel Athayde Marques (Lead)
Sérgio Gabrielli de Azevedo
Abdul Magid Osman
Luís Todo Bom
Joaquim Borges Gouveia

Given the Company’s governance model, its shareholder structure, and its free float, Galp believes that the proportion of independent directors – which is over one third (i.e. 42%) of the non-executive members of the Board of Directors – is suitable and compliant with the recommendations of the IPCG Corporate Governance Code.

Through the Board of Directors, and as provided for in its regulations, the non-executive members of the Board of Directors promote and participate in the definition of the Company’s strategy, its major policies, its corporate structure, and its decisions that are deemed strategic due to their amount or risk, as well as in the assessment of the accomplishment of these actions.

The Board of Directors decided to assign two non-executive independent directors – Sérgio Gabrielli and Abdul Magid Osman – the special responsibility of monitoring the evolution of the markets in Brazil and Mozambique, respectively, to ensure a detailed strategic analysis of these two key markets for the Company.

On 14 October 2016, Galp reinforced the participation of independent Directors in the Board of Directors through the appointment of the non-executive independent director Miguel Athayde Marques (who has been a member of the Board since 2012 and who has enjoyed a respected professional career in the financial sector) to the position of Vice-Chairman of the Board of Directors.

In addition, on 26 October 2018, Miguel Athayde Marques was also appointed the lead independent director, with a purpose, among other things, of: (i) acting, whenever necessary, as an intermediary between the Chairman of the Board of Directors and the rest of the members; and (ii) ensuring that they have all of the necessary means and conditions for the performance of their functions.

19. Professional qualifications and other relevant curricular information for each member of the Board of Directors, the General and Supervisory Board, and the Executive Board, where applicable.

The members of the Board of Directors have a range of acknowledged skills, professional experience, and academic backgrounds, as shown on the table below, which provides evidence of the diversity within the Board of Directors, which is in line with the Diversity Policy of the management and supervisory bodies (and which is available online at the Galp website: http://www.galp.com/Portals/O/Recursos/Governo-Societario/SharedResources/Documents/EN/Diversity_policy_for_the_board_of_directors_and_audit_board_-_Versao_publicada_-_EN.pdf).

In order to strengthen the competencies of the members of the Board of Directors, and to ensure the adequate knowledge and monitoring of the activities that are pursued by the business units by the non-executive members, an annual knowledge development plan has been implemented since 2017. In 2018, members of the Board of Directors participated in four training initiatives relating to Galp’s businesses and governance issues.

The diversity among the members of the Board of Directors is appropriate in light of the activities that are pursued by the Company and the strategy which has been defined for the coming years, especially in terms of the origin and background of its members. In fact, the Board includes members who originate from some of the countries in which Galp is present – Portugal, Brazil, Angola, and Mozambique.

The biography of each member of the Board of Directors has been included in Appendix 9.9 of this report.

Skills matrix of the members of the Board of Directors

		Education		Main area of expertise										Operational experience							Others										
		Engineering	Economics/Finance	Business Administration and Management (including Risk Management)	Law	Scholar	Energy/Oil and Gas Organisations	Financial Services	Paper and Forest Products	Real Estate /Hotels and Resorts	Public Offices	Beverage Industry	Securities and Derivatives Market	Telecommunications	Textile Industry	Retail	Experience as Chairman of Board of Directors	Experience as Chairman of Executive Committee (CEO)	Experience as Chief Financial Officer (CFO)	International experience	Finance	Investor Relations	Marketing	Asset Procurement/Purchase and Management	Legal	Climate Change	Oil and Gas Organisations	Environmental Associations	United Nations Development Programmes	Social Responsibility Associations	
Paula Amorim (Chairman)	Non-Executive		●			●	●	●							●	●	●				●	●									
Miguel Athayde Marques (Vice-Chairman and Lead Independent Director)	Non-Executive	●	●		●	●	●				●				●	●	●			●	●	●	●			●				●	
Carlos Gomes da Silva (Vice-Chairman and CEO)	Executive	●	●			●				●					●	●	●			●	●	●			●	●				●	
Filipe Crisóstomo Silva	Executive	●	●			●	●				●						●	●		●	●	●				●					
Thore E. Kristiansen	Executive	●	●			●											●	●		●	●	●				●					
Sérgio Gabrielli de Azevedo	Non-Executive	●			●	●				●							●	●		●	●	●									
Abdul Magid Osman	Non-Executive	●				●				●					●	●				●							●	●			
Marta Amorim	Non-Executive	●	●				●	●	●						●					●	●		●								
Raquel Vunge	Non-Executive		●			●	●										●			●	●										
Carlos Costa Pina	Executive	●			●	●	●	●		●	●				●					●	●	●			●	●	●	●	●	●	
Francisco Teixeira Rêgo	Non-Executive	●	●			●		●	●								●			●	●		●								
Jorge Seabra de Freitas	Non-Executive	●	●											●			●			●	●	●									
José Carlos Silva	Executive	●				●			●						●					●		●			●	●					
Pedro Ricardo	Executive	●	●			●								●	●							●	●			●					
Tiago Câmara Pestana	Executive	●	●											●		●				●	●		●	●							
Rui Paulo Gonçalves	Non-Executive		●	●	●	●				●															●						
Luís Todo Bom	Non-Executive	●	●			●	●	●	●	●			●		●	●				●										●	
Diogo Tavares	Non-Executive	●	●			●	●	●	●											●	●										
Joaquim Borges Gouveia	Non-Executive	●	●			●	●								●	●									●	●				●	

Description of the Diversity Policy of the management and supervisory bodies (Article 245(A)(1)(r) of the Portuguese Securities Code):

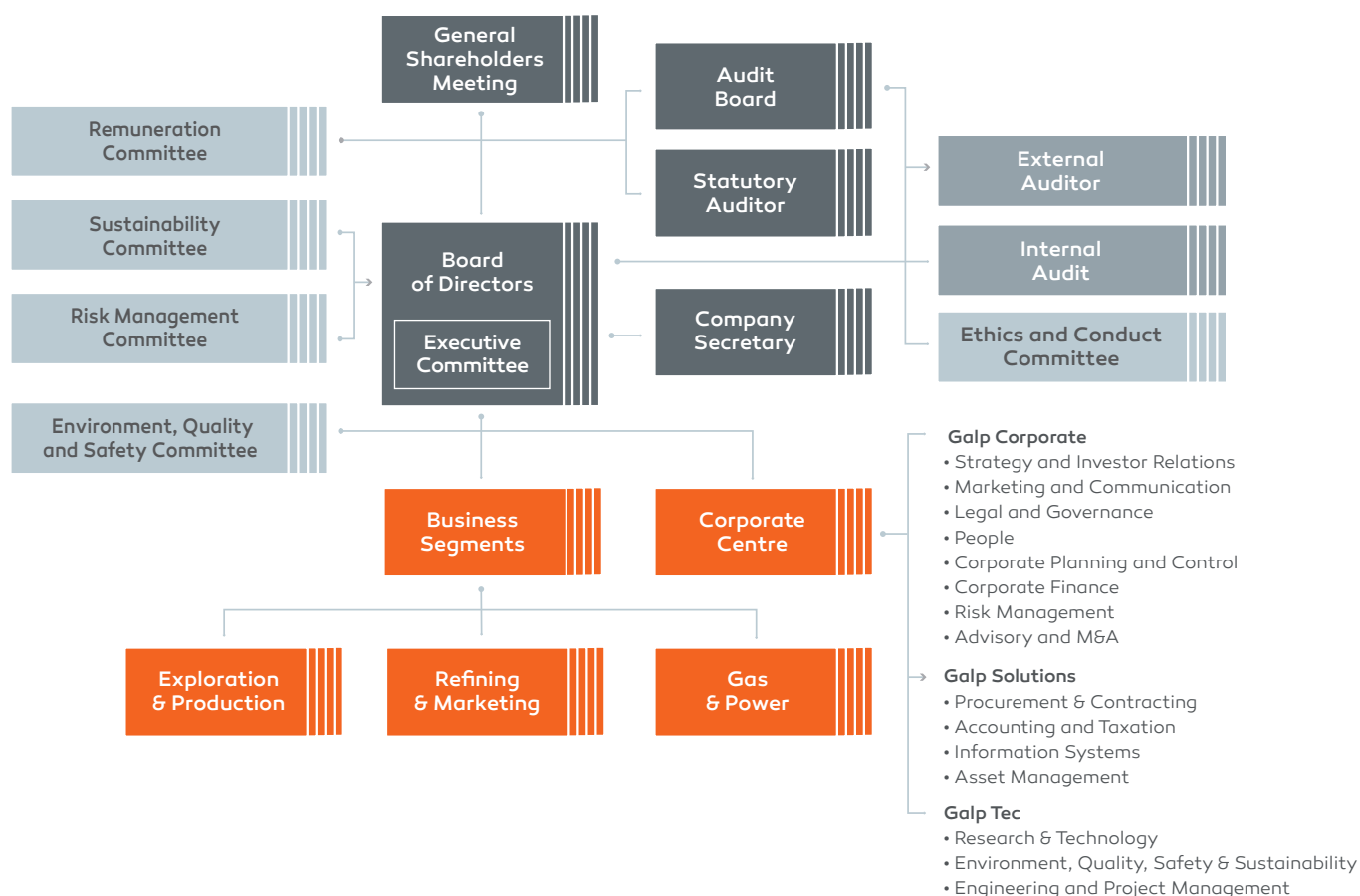
In the Diversity Policy of the management and supervisory bodies, Galp commits, according to the competences of each body, to develop efforts to promote diversity in its Board of Directors and Audit Board, particularly with respect to the following criteria: age, gender, geographical origin, academic background, and professional experience. Galp recognizes the benefits of diversity in the core of its Board of Directors and Audit Board, as a means of ensuring the greater balance of its composition, enhancing the performance of its members, reinforcing the quality of its decision-making and control processes, avoiding the group thinking effect, and contributing to the Company’s sustainable development.

The implementation of the Diversity Policy began with its approval by the Board of Directors on 15 December 2017, and its results will be reported in the governance report for 2019, the year in which the next General elective Meeting of Galp will be held.

20. Customary and meaningful family, professional, and business relationships of the members of the Board of Directors, the General and Supervisory Board, and the Executive Committee, where applicable, with shareholders that are assigned qualifying holdings greater than 2% of the voting rights.

Director	Shareholder with qualifying holding	Relationship
Paula Amorim	Amorim Energia	Director
Marta Amorim	Amorim Energia	Director
Francisco Teixeira Rêgo	Amorim Energia	Director
Jorge Seabra de Freitas	Amorim Energia	Director
Rui Paulo Gonçalves	Amorim Energia	Director

21. Organisational charts or flowcharts concerning the allocation of powers between the Company's various corporate bodies and committees and/or departments, including information regarding the delegating powers, particularly in relation to the delegation of the Company's daily management.



Galp's current organisational structure is based on three business segments and a corporate centre that is coordinated by each of the executive directors, as described in section 29 of the present chapter of this report.

The guiding principles of this structure are horizontality, flexibility, simplicity, efficiency, and the delegation of responsibility, in order to create value for shareholders, particularly by capturing synergies within and between the business units.

The corporate centre provides various services for the business units and the Group companies, including planning and control, accounting, legal advice, and human resources, and it consists of the three following clusters of functions:

Galp Corporate – brings together the main functions of governance, strategy, guidelines, and corporate control, monitoring the implementation of the Company's policies and goals. It integrates the following departments:

Strategy and Investor Relations	Defining Galp's strategic guidelines and promoting a clear, strategic, financial and operational perception of the Company for its stakeholders.
Marketing and Communications	Defining the Galp group's communication strategy, coordinating and managing the Company's corporate responsibility policy.
Legal and Governance	Exercising and managing the legal, governance, and compliance functions as well as the corporate secretariat for the Galp group.
People	Defining and implementing Group's people management strategy, ensuring its alignment with the Company's culture, values and strategy.
Corporate Planning and Control	Setting, monitoring, and consolidating the budgeting, planning, and control processes of the Company, challenging the performance of the business and the corporate centre, and ensuring their alignment with Galp's strategic objectives.
Corporate Finance	Proposing and implementing the Galp group's financing strategy, thereby ensuring the optimisation and the diversification of its financial resources and integrated Treasury management.
Risk Management	Promoting the implementation of the risk management policies in conjunction with the business, proposing insurance policies, negotiating and managing the related contracts at the whole Group level, as well as managing health plans.
Advisory and M&A	Developing mechanisms for identifying and evaluating strategic opportunities and coordinating the merger and acquisition operations.

Galp Solutions – brings together service functions of a more transactional nature, with clear objectives of maximizing efficiency/effectiveness and focusing on the metrics and quality of the services that are provided at competitive levels. It integrates the following departments:

Procurement & Contracting	Maximizing Galp's negotiating power within the procurement function, by obtaining better value for money, while also safeguarding health, safety, and sustainable criteria and practices in the purchasing of goods and services.
Accounting and Taxation	Ensuring the preparation of the Galp group's accounts, drafting the respective management information reports from general and cost accounting perspectives, ensuring compliance with the tax obligations deriving from the tax laws of the countries where Galp operates as well as international taxation regulations.
Information Systems	Promoting the development and sustainability of Galp's business through efficient, effective, reliable, consistent, and innovative information system management, which is oriented towards controlled processes and costs.
Asset Management	Ensuring the management of Galp's assets which are not directly related to the business.

Galp Tec - brings together critical expertise in order to increase and protect the value of Galp. It integrates the following departments:

Research and Technology	Defining and implementing integrated policies and projects in innovation, technology, and energy efficiency research, within the structure of the Galp group's strategy and given its principles of value creation.
Environment, Quality, Safety and Sustainability	Promoting the efficiency of processes, with a view to protecting environments and assets, while creating value for all stakeholders.
Engineering and Project Management	Managing Galp's projects in order to support its business, from the design phase through to commercial commissioning, ensuring the quality of the execution and compliance with project budgets and deadlines.

The Company's three business segments are Exploration & Production, Refining & Marketing, and Gas & Power. For further detail, see Note 4 in Appendix 9.1.a of this report.

The Company's organisational model also foresees the existence of a number of specialized committees, as described in sections 27 and 29 of this chapter.

b) Functioning

22. The availability of and location where the rules of the functioning of the Board of Directors, the General and Supervisory Board, and the Executive Board, where applicable, may be viewed.

The Board of Directors operates in accordance with the regulations governing its organisation and operation approved by the same body at its meeting of 16 April 2015 and reviewed at its meeting of 26 April 2018, and that took effect during the 2015–2018 term, in accordance with Article 16 of the By-laws, which are available online at the Galp website: https://www.galp.com/corp/Portals/O/Recursos/Governo-Societario/SharedResources/Documentos/EN/Regulamento_CA_EN_Web.pdf

23. The number of meetings held and the attendance report for each member of the Board of Directors, the General and Supervisory Board, and the Executive Board, where applicable.

In accordance with the provisions of Article 16(2) of the By-laws, the Board of Directors ordinarily meets once a month, unless otherwise determined by the Board of Directors, and whenever a meeting is convened by the Chairman or by any two directors.

The By-laws allow for meetings of the Board of Directors to be held by electronic means and they also allow postal voting. In 2018, the Board of Directors held nine meetings, two of which were held by means of electronic communications.

The minutes of all the meetings were duly taken.

The levels of attendance, and the representation of the members of the Board of Directors at the body's nine meetings in 2018, were as follows:

Name	Present	Represented	Absent	% Attendance (*)
Paula Amorim	9	0	0	100%
Miguel Athayde Marques	9	0	0	100%
Carlos Gomes da Silva	9	0	0	100%
Filipe Crisóstomo Silva	9	0	0	100%
Thore E. Kristiansen	9	0	0	100%
Sérgio Gabrielli de Azevedo	5	3	1	55.6%
Abdul Magid Osman	7	2	0	77.8%
Marta Amorim	7	2	0	77.8%
Raquel Vunge	8	1	0	88.9%
Carlos Costa Pina	9	0	0	100%
Francisco Teixeira Rêgo	9	0	0	100%
Jorge Seabra de Freitas	9	0	0	100%
José Carlos Silva	9	0	0	100%
Pedro Ricardo	9	0	0	100%
Tiago Câmara Pestana	9	0	0	100%
Rui Paulo Gonçalves	9	0	0	100%
Luís Todo Bom	9	0	0	100%
Diogo Tavares	9	0	0	100%
Joaquim Borges Gouveia	6	3	0	66.7%

(*) excludes representation

24. Details of competent corporate boards undertaking the performance appraisal of executive directors.

The Remuneration Committee, which is elected by the General Shareholders' Meeting according to article 8 of the By-laws, conducts the annual performance review of the executive and non-executive directors.

The committee consults non-executive members in order to assess the qualitative performance of the executive members of the Board of Directors, and considers their compliance with the economic, financial, and operational objectives, as annually defined in the remuneration policy.

Furthermore, the non-executive members, as part of their oversight role, monitor the performance of the executive directors.

Also, pursuant to Article 376 of the CSC, at each General Shareholders' Meeting, the shareholders make a general appraisal of the Company's management. That appraisal is expressed through a vote of confidence or no confidence which may lead to the removal of the director concerned.

In addition, the Board of Directors reviews its performance (including the executive members) and the performance of its committees on an annual basis, taking into account the accomplishment of the Company's strategic plan and budget, its risk management, its internal functioning, and the contribution of each member to these objectives, as well as their relationships with the Company's other bodies and committees. At its meeting of 8 February 2019, the Board of Directors carried out this performance review.

25. Pre-defined criteria for assessing the executive directors' performance.

The performance of the executive directors is evaluated according to the fulfilment of certain economic, financial, and operational objectives, as annually defined by the remuneration policy that is submitted by the Remuneration Committee and, through the approval of the annual statement on the remuneration policy, at the General Shareholders' Meeting.

The predetermined criteria for the performance evaluation of the executive directors for the 2018 financial year are set out in section 69 of this chapter.

26. The availability of each member of the Board of Directors, the General and Supervisory Board, and the Executive Board, where applicable, and the details of any positions held at the same time in other companies both within and outside the Galp group, and any other relevant activities undertaken by the members of these boards throughout the financial year.

The positions held by the members of the Board of Directors in other companies both inside and outside the Galp group, and any other relevant activities carried out by the members of these bodies in the 2018 financial year, are presented in Appendix 9.10 of this report.

In general, the members of the Board of Directors have a high degree of availability for exercising their functions, as confirmed by their attendance at the meetings of the Board of Directors and the Executive Committee, and by their work at Galp, as annually verified by the Remuneration Committee in the qualitative performance assessment of the directors.

Compliance with these requirements is evidenced in Appendix 9.10 of this report, since the members of the Executive Committee only perform other duties in the management bodies of Galp's direct or indirect subsidiaries. Accordingly, they are fully available and dedicated to their positions as executive members of the Board of Directors.

In addition, with respect to the non-executive directors with the highest number of positions held in other companies outside the Galp group, it is noted that they comply with the above-mentioned rule and perform their other functions within the same group - the Amorim or Américo Amorim Group, which does not affect their availability in terms of exercising their positions and functions, including those of monitoring, evaluating, and supervising the executive management of Galp.

In accordance with the regulations of the Board of Directors: (i) the members of the Executive Committee may not perform executive management functions in listed companies outside the Galp group; and (ii) the non-executive directors may not perform management functions in more than four listed companies outside the Galp group.

In accordance with the By-laws and the regulations of the Board of Directors, a director shall be considered definitively absent when, without a justification that has been accepted by the Board of Directors, he/she has not attended any three consecutive or any five meetings in total.

Should any member of the Executive Committee fail to attend more than 20% of the Executive Committee's meetings, the CEO informs the Board of Directors, conveying to the latter the reasons that have been communicated with respect to such absences. Following such absences, the Board of Directors may replace the member of the Executive Committee with another director, causing the former to become a non-executive director.

In addition, Galp complies with the legal, statutory, and regulatory mechanisms for preventing and dealing with any conflicts of interest between the directors and the Company in the exercise of their other positions outside the Galp group.

Pursuant to Article 398 of the CSC, the directors shall not:

- engage in any activity in competition with the Company, or a company in a controlling or group relationship with it, alone or on behalf of a third party, or perform duties in a competing company or be appointed to it, unless authorized by the General Shareholders' Meeting;
- hold any position under an employment contract (the latter will be deemed to have been terminated if entered into less than one year before becoming a director or suspended if entered into more than one year earlier).

In accordance with the regulations of the Board of Directors, the members shall promptly inform the corporate body, specifically the chairman, of any facts that may constitute or give rise to a conflict between their interests and the Company's interests.

In addition, the Company has approved an internal regulation, which is applicable inter alia to members of the Board of Directors, and which establishes that members who have been identified as being in a conflict of interest situation must refrain from discussing, voting, taking decisions, giving opinions about, taking part in, or exerting any influence on any decision-making processes directly related to the conflict of interest situation. This is without prejudice of providing any necessary information or clarifications.

In addition, the regulation of the Board of Directors have also established special mechanisms for access to sensitive information applicable to members of the Board of Directors in a conflict of interest situation, due to exercising an activity in competition with Galp, as authorized by the General Shareholders' Meeting.

Also, in order to protect Galp group's interest in possible situations of conflict of interest between the Company and its directors, that arise from any business between them and the Company, or companies in a controlling or Group relationship with the Company, Galp's regulatory standards, which govern the Group's transactions with related parties, subjects significant transactions with related parties prior approval, as described in Sections 89 and 91 of this chapter.

c) Committees within the Board of Directors or Supervisory Board and Board Delegates

27. Details of the committees that have been created within the Board of Directors, the General and Supervisory Board, and the Executive Board, where applicable, and the place where the rules of their functioning are available.

Executive Committee

On 16 April 2015, the Board of Directors appointed the Executive Committee, which consists of seven directors, and approved the delegation of powers and regulations that define the principles and rules of its organisation and operation, which are available online at the Galp website: https://www.galp.com/corp/Portals/O/Recursos/Governo-Societario/SharedResources/Documentos/EN/Regulamento_CE_EN_Web.pdf

Sustainability Committee

The Sustainability Committee was set up in 2012, with the aim of creating sustainable value, and an accompanying mission to ensure the integration of the principles of sustainability in the management of the Group, by promoting good industry practices in all business and corporate areas.

The committee is chaired by the lead independent director and vice-chairman of the Board of Directors, and its other permanent members are the Chairman of the Executive Committee, the executive director who coordinates the area of sustainability, the chief financial officer, the head of the EQS and Sustainability Department, the heads of the business areas, and the relevant corporate departments. Its regulations are available at: <https://www.galp.com/corp/Portals/O/Recursos/Governo-Societario/SharedResources/Documentos/EN/Sustainability-Committee.pdf>

Ethics and Conduct Committee

The Ethics and Conduct Committee comprises three members of proven expertise in ethics and compliance, auditing and human resources, appointed by the Audit Board at the proposal of the Executive Committee. The Ethics and Conduct Committee's regulations are available at <https://www.galp.com/corp/Portals/O/Recursos/Governo-Societario/SharedResources/Documentos/EN/Regulations-Ethics-Conduct-Committee.pdf>.

Risk Management Committee

The mission of the Risk Management Committee is to support and monitor the development and implementation of Galp's risk management strategy and policy. This is a joint effort with the Risk Management Department and the heads of the Company's business units, which comprise the executive director who is responsible for the Risk Management Department (Chief Risk Officer), the Head of the Internal Audit, the Head of the Risk Management Department, and the Chief Financial Officer. Since 2018, this committee has also included the Heads of the following corporate departments: Strategy and Investor Relations, EQSS, Information Systems, Legal and Governance. The regulations of the Risk Management Committee are available at <https://www.galp.com/corp/Portals/O/Recursos/Governo-Societario/SharedResources/Documentos/EN/NT-O-018%20-%20Risk%20Management%20Committee.pdf>

Environment, Quality and Safety Committee

The mission of the Environment, Quality and Safety (EQS) Committee is to assist the Executive Committee and the Board of Directors in promoting the principles that underpin the EQS culture of Galp, by ensuring the implementation of the EQS strategic policies and objectives throughout the Group, as well as promoting practices leading to the improvement of the Integrated Management System.

The EQS Committee is chaired by the member of the Executive Committee responsible for the EQS and Sustainability Department and secretariat by the head of such department, and the members include the heads of the business units and the relevant corporate departments. Its regulations are available at <https://www.galp.com/corp/Portals/O/Recursos/Governo-Societario/SharedResources/Documentos/EN/NT-O-HSEQ%20Organisation%20and%20Relationship.pdf>.

Other committees

The Company has created specialized committees to address corporate bodies' remunerations and performance assessment, risk, sustainability, EQS, ethics and conduct.

Considering the Company's governance model and Portuguese corporate law, the Audit Board is the internal body responsible for assessing matters of corporate governance.

Under Portuguese law, the appointment of directors is a responsibility attributed to the shareholders. In order to avoid any conflicts of interest or agency issues, the Board of Directors has not appointed any committee to address matters related with the appointment of its members or of members of other governing bodies (such as the members of the Audit Board).

28. The composition of the Executive Committee and/or details of the Board Delegates, where applicable.

Galp's Executive Committee currently consists of the following seven directors:

Chairman: Carlos Gomes da Silva (CEO)

Members: Filipe Crisóstomo Silva (CFO)
Thore E. Kristiansen
Carlos Costa Pina
José Carlos Silva
Pedro Ricardo
Tiago Câmara Pestana

29. A description of the powers of each of the committees established and a summary of activities undertaken in exercising such powers.

Executive Committee

The Executive Committee is the corporate body responsible for Galp's ongoing management, in accordance with the strategic guidelines defined by the Board of Directors, and under the powers delegated to it by the Board, pursuant to Articles 17 and 18 of the By-laws and article 407(3) and (4) of the CSC, and with the following limits:

1. The following powers have not been delegated to the Executive Committee:

- a) Selection of the Chief Executive Officer;
- b) Co-opting directors;
- c) Requests to convene the General Shareholders' Meeting of the Company;
- d) Approval of the annual management reports and accounts;
- e) Provision of performance bonds and personal or real guarantees by the Company;
- f) Change of the registered office and share capital increases, under the terms provided for in the Company's articles of association;
- g) Merger plans, de-merger plans, and plans involving the transformation of the Company.

2. For the purposes of delegation, the following are not considered day-to-day management powers of the Company, and have not therefore been delegated to the Executive Committee:

- a) Approval of the strategic investments of the Company and of the companies directly or indirectly controlled by the Company, and approval of the respective funding;
- b) Approval of the strategic divestments of the Company and of the companies directly or indirectly controlled by the Company;
- c) Participation, particularly through the direct or indirect acquisition of holdings, in companies that are not engaged in the core operational activities that are undertaken by the companies directly or indirectly controlled by the Company (i.e. oil and gas exploration,

production, refining, transportation, marketing, and distribution);

- d) Establishment of strategic partnerships within the context of the core operational activities undertaken by the companies controlled by the Company;
- e) Approval and modification of the strategic plans of the Company and of the companies controlled by the Company that are engaged in the core activities of Galp group;
- f) Approval of Galp group's annual budget and business plans, and any changes exceeding 20% of the value of the relevant item in the budget or 10% of the total amount of the annual budget;
- g) Transactions of the Company or of the companies that are controlled by the Company with related entities, or with any of the Company's shareholders, in excess of a single or aggregate amount of €20 million;
- h) Definition and organisation of the corporate structure of Galp group;
- i) Making proposals and exercising voting rights in the election of the Boards of Directors of the companies controlled by the Company;
- j) Issuing bonds or other debt instruments by the Company or by the companies controlled by the Company;
- k) De-merger plans, merger plans and winding up plans, of the companies controlled by the Company; and
- l) Signing of peer agreements or subordinated group agreements by any company controlled by the Company.

Notwithstanding the limits on the delegation of powers referred to in paragraphs 1 and 2 above, the Executive Committee has special duties of initiative and proposal, to the Board of Directors, in respect of the acts and matters that are referred to in section 2 above.

At the meeting of the Board of Directors held on 16 April 2015, the chairman of the Executive Committee defined a functional allocation among the members of the Executive Committee in respect of the business and the activities of the Company and the Group companies under the terms set out in its regulations, notwithstanding the collective exercise of the powers of this body, as mentioned below.

Specific areas of operation of the executive directors

	Carlos Gomes da Silva CEO	Filipe Crisóstomo Silva CFO	Thore E. Kristiansen COO	Carlos Costa Pina COO	José Carlos Silva COO	Pedro Ricardo COO	Tiago Câmara Pestana COO
Business Units			Exploration & Production	New Energies	Sourcing, Refining, and Planning	Gas & Power	Iberian and International Oil Marketing
Corporate Centre	Marketing and Communication Strategy and Investor Relations People Legal and Governance Research and Technology	Corporate Planning and Control Corporate Finance Advisory and M&A Accounting and Taxation		Risk Management Information Systems EQS and Sustainability	Procurement & Contracting Asset Management Engineering and Project Management		

For the ongoing management issues relating to the requests of the operators of the various oil exploration blocks in which Galp is involved, including the development plans of the blocks and the approved budget and action plans, the Executive Committee has delegated the approval of the respective decisions – namely the authorisation of expenditures, cash calls, and ballots – to the executive directors Thore Kristiansen, Filipe Crisóstomo Silva and José Carlos Silva.

A range of mechanisms have been adopted in order to ensure the efficient and effective monitoring and control of the activities of the Executive Committee by the non-executive members and to facilitate the related duty to inform.

In fact, in accordance with the regulations of the Board of Directors, the Chairman of the Executive Committee regularly informs the Chairman of the Board of Directors about the agenda of the meetings of the Executive Committee, the resolutions taken in its meetings, and any other matters deemed relevant for the proper use of the powers and responsibilities of the Board of Directors. The Chairman of the Board of Directors and any two other non-executive directors may directly ask the Chairman of the Executive Committee for information about the business of the Executive Committee.

The convening notices and the minutes of the meetings of the Executive Committee are sent to the Chairman of the Board of Directors and to the Chairman of the Audit Board.

In addition, in accordance with the Executive Committee regulations, the Company's Secretary must address any notice to convene a meeting and the minutes of the Executive Committee's meetings to the Chairman of the Board of Directors and to the members of the Board of Directors who have been specially designated to attend the Executive Committee's meetings, as well as to the Chairman of the Audit Board.

In accordance with its regulations, the Executive Committee must meet once a week. In 2018, it met 47 times. The minutes of all the meetings were duly taken.

The main activities performed by the Executive Committee in 2018 within the limits of its responsibilities included, among other things:

- Approval of the operations to be carried out by the Galp group's business units and companies;
- Assessment of monthly results;
- Approval of proposals for submission to the Board of Directors on matters pertaining to its exclusive powers, as set out in the By-laws and regulations of the Board of Directors;

- d) Approval of significant transactions;
- e) Assessment of information from specialist committees, particularly in the areas of risk management and sustainability;
- f) Approval of capital increase and reduction operations for the Galp group companies, and the performance and reimbursement of ancillary capital contributions and shareholders' loans;
- g) Changes to the By-laws of the Galp group companies;
- h) Real estate purchases and sales;
- i) Approval of the comfort letters from the Galp group companies; and
- j) Definition of the voting behaviour and the appointment of the representatives in the General Shareholders' Meetings of subsidiaries and other companies.

Sustainability Committee

At Galp, management with a view to sustainability is deemed strategic, and it involves the incorporation of principles, approaches, and practices that favour the long-term value creation component. Therefore, this approach involves managing the creation of sustainable and lasting value that generates confidence in the future for various stakeholders.

The main responsibilities of the Sustainability Committee are:

- a) Analyse and incorporate the expectations of stakeholders in policies and processes that are relevant to the strategic development of the Group's activities;
- b) Promote and ensure the adoption of policies, principles and practices that contribute to generating sustainable value;
- c) Approve and propose to the Board of Directors and to the Executive Committee the sustainability commitments linked to objectives and goals, while identifying the resources necessary for their implementation;
- d) Monitor and report to the Board of Directors and to the Executive Committee, in a systematic manner, the performance on the economic, social and environmental dimensions, in accordance with established policies and commitments;
- e) Guide and ensure the harmonisation of the strategic plans of the business units, contributing to the

achievement of sustainability commitments, ensuring continuous improvement;

- f) Ensure, at a stakeholder level, the implementation of the communication strategy of the sustainability policies and commitments.

This committee reports directly to the Board of Directors and the Executive Committee. The Chairman of the Sustainability Committee reports the activities and the most relevant conclusions of the Sustainability Committee, regarding compliance with the policies, principles, and practices that contribute to generating sustainable value, to the Board of Directors and to the Executive Committee. All of the decisions taken by the Sustainability Committee recorded in the minutes, validated by all participants, and forwarded to the Board of Directors and to the Executive Committee.

In 2018, the Sustainability Committee met four times, which minutes were duly taken, covering the following matters:

- Analysis of the context of Galp's sustainability, especially human rights, safety, and the environment, in order to support the strategy and development of operations in different geographies;
- Analysis of Galp's sustainability and environmental performance, and a definition of its commitments, objectives, and goals, as aligned with best practices and benchmarked against peers and other benchmark performers;
- Analysis of the energy transition context, with a focus on climate-related information disclosure, as aligned with reference standards;
- Definition of the sustainability requirements for business development, the mitigation plans for any deviations, and an analysis of the management of risks and opportunities.

Ethics and Conduct Committee

The Ethics and Conduct Committee is the independent and impartial internal forum responsible for monitoring the implementation and interpretation of the Code of Ethics and Conduct, as defined in the respective regulations. The Ethics and Conduct Committee is also responsible for receiving and processing any information sent to it under the Reporting of Irregularities Procedure ("Open Talk" Ethics Line) that is in force in Galp and its affiliated companies, in relation to any alleged violations of the provisions of the Code of Ethics and Conduct, its implementing regulations, or the rules that deal with the topics listed therein, in the fields of accounting, internal accounting controls, auditing, and the fight against bribery, banking, and financial crime.

The Audit Board is the governing body responsible for overseeing the proper operation and implementation of the Code of Ethics and Conduct, through the frequent and regular reporting of the Ethics and Conduct Committee.

Each semester, the Ethics and Conduct Committee sends a report to the Audit Board with an account of the communications received, the procedures adopted, and the actions or measures proposed, as well as a review of the implementation and performance of the Code of Ethics and Conduct.

During the 2018 financial year, the Ethics and Conduct Committee held seven meetings, which minutes were duly taken, for analysing and deciding on forwarding reports of irregularities received, and participated in four meetings of the Audit Board, during which the reports due were provided to this body. In 2018, seventeen cases were reported to the Ethics and Conduct Committee and investigated under the Reporting of Irregularities Procedure. These cases were analysed and reported to the Audit Board for its decision. Out of the seventeen cases only six situations required measures to be adopted by the company in order to adjust conduct to the standards set out in the Code of Ethics and Conduct.

Risk Management Committee

The following responsibilities are assigned to the Risk Management Committee:

- a) Monitor compliance with Galp's Risk Management Policy by the business units and corporate centre;
- b) Approve every year and review, whenever necessary, Galp's main risks matrix and inform the Executive Committee and the Board of Directors;
- c) Assess the tolerance levels submitted by the business units regarding their main risks;
- d) Recommend the review of Galp's key policies and procedures that have relevant impact on the risk tolerance levels and monitor compliance with those limits;
- e) Monitor Galp's main risks, its level of effective exposure and its potential evolution;

- f) Monitor mitigation plans effectiveness of Galp's main risks and propose actions to surpass identified constrains.
- g) Recommend corrective actions whenever risk appetite is potentially exceeded;
- h) Assess every year and review, whenever necessary, the Disaster Recovery Plan of Galp and resolve on actions deemed necessary to ensure Business Continuity;
- i) Promote the dissemination of a corporate risk culture at Galp;
- j) Regularly inform the Executive Committee, the Board of Directors and the Audit Board of Galp on the activity of the Committee and the most relevant decisions it has adopted, proposing and recommending measures and procedures to improve the efficacy of risk management at Galp.

This Committee met four times during 2018, with minutes duly taken, and it addressed the issues identified as being most relevant to the Galp group from a risk perspective, including the risks associated with project execution, markets, legal and compliance, portfolio management, disruptive events, competition, partner dependency, cybersecurity, geopolitical and counterparty, as well as the results of risk assessment.

Whenever deemed appropriate, these topics were elaborated with presentations from the business unit "risk owners", ensuring their effective communication with the Risk Management Committee.

There are also Risk and Credit Committees at the business unit level, in which the Risk Management Department takes part. This department also participates in working groups dedicated to the Galp's main projects, ensuring the alignment of risk management practices and effective communication with the Risk Management Committee.

The Chairman of the Risk Management Committee is responsible for reporting on the activity of the committee and its most relevant decisions to the Executive Committee, the Board of Directors, and the Audit Board of Galp. The Secretary of the Risk Management Committee is responsible for informing the Executive Committee, the Board of Directors, and the Audit Board of Galp about the minutes of the meetings.

Environment, Quality and Safety Committee

The main duties and responsibilities of the EQS Committee involve:

- a) Propose EQS policies for approval by the Executive Committee;
- b) Propose Galp's EQS strategic objectives;
- c) Assessing the adequacy of the EQS plans of the organisational units, in relation to the defined strategic objectives;
- d) Creating transversal specific intervention groups, when necessary;
- e) Monitoring the EQS performance level, including compliance with external commitments and regulatory obligations;
- f) Assessing the adequacy of the resources allocated to EQS management (human, financial and material), in relation to the defined objectives.

In 2018, the EQS Committee met twice, which minutes were duly taken, addressing the EQS performance (objectives and targets) and monitoring the strategic EQS initiatives in the business. Notably, the Committee:

- addressed the information concerning the Implementation Plan for the Integrated Management System; addressed the review that was conducted by the management of the Integrated Management System; and monitored the implementation of the strategic initiatives for 2018-2019;
- resolved on the presentation of the Portuguese Association of Certification (APCER) Audit results regarding the certification audit of the Integrated Management System, including the Environmental, Quality, Security, Energy, and Social Responsibility dimensions; became aware of the information that was provided in the Corrective Action Plan for the internal audit of the Integrated Management System; approved the Corrective Action Plan for the APCER Audit of the Integrated Management System; and discussed the EQS proposals on strategic initiatives for 2019-2020 to be presented to the representatives of Galp's business units.

III - Supervision

(Audit Board, Audit Committee or General and Supervisory Board)

a) Composition

30. Details of the Supervisory Body (Audit Board, Audit Committee, or General and Supervisory Board) representing the model that has been adopted.

According to the adopted government model, the Audit Board is the corporate body in charge of supervising the management of the Company.

Pursuant to Article 413 (1) (b) of the CSC, since Galp is a public company, its financial statements have to be examined by a Statutory Auditor who is not a member of the Audit Board, with their responsibilities being stated in Article 446 of the CSC.

31. The composition of the Audit Board, the Audit Committee, the General and Supervisory Board, or the Commission for Financial Affairs, where applicable, with details of the By-laws' minimum and maximum number of members, term of office duration, number of effective members, date of first appointment, end date of the term of office for each member, and reference to the section of the report where such information is already included, pursuant to section 17.

Under the By-laws, the Audit Board consists of three permanent members and one alternate member, as elected by the General Shareholders' Meeting, which also elects its chairman.

The members of the Audit Board are elected for a four-year term, together with the members of the remaining corporate bodies.

The following table lists the members of the Audit Board who were elected at the General Shareholders' Meeting on 16 April 2015 for the term 2015-2018 (although they will stay in office until the new Audit Board is appointed), their appointment dates, and the end date of their term are included below and available at Galp's website.

Name	Position	Date of first appointment	Term end date
Daniel Bessa	Chairman	2006.10.05	2018.12.31
Gracinda Raposo	Member	2011.05.30	2018.12.31
Pedro Antunes de Almeida	Member	2012.11.23	2018.12.31
Amável Calhau	Alternate member	2006.10.05	2018.12.31

Given the Company's governance model, and the support of several corporate departments to the Audit Board, in particular the Risk Management and Internal Audit departments, Galp considers that the number of members of its Audit Board, which is the standard number adopted by most comparable Portuguese companies, is adequate in relation to the size of the Company and complexity of the risks, as well as being sufficient for efficiently carry out their duties.

32. Details of the members of the Audit Board, the Audit Committee, the General and Supervisory Board, or the Commission for Financial Affairs, where applicable, which are considered to be independent, pursuant to Article 414 (5) of the CSC, and the reference to the section of the report where such information already appears to be pursuant to section 18.

Under Article 414 (5) of the CSC, a member of the Audit Board is considered independent if s/he is not associated with any specific interest group in the Company, and is not in a situation that might affect his/her exemption from analysis or decision-making, including because:

- s/he is a holder or is acting on behalf of a holder of qualifying shareholdings greater than or equal to 2% of the Company's share capital;
- s/he has been re-elected for more than two terms, whether or not they are consecutive.

The Audit Board currently has two independent members: Gracinda Raposo and Pedro Antunes de Almeida. As for the Chairman of the Audit Board, Daniel Bessa, his appointment to complete the 2005-2007 term occurred following changes in the shareholder structure of Galp and the rules that were agreed upon by the shareholders regarding the election of the members of the corporate bodies (Shareholders' Agreement, entered into in 2006 and terminated in 2015). In this sense, the 2008-2010 term should be considered as the first appointment. Taking the above into account, and considering the prestigious reputation and the acknowledged scientific and business quality of the Chairman of the Audit Board, his independence must also be recognized.

33. The professional qualifications of each of the members of the Audit Board, the Audit Committee, the General and Supervisory Board, or the Commission for Financial Affairs, where applicable, and any other important curricular information, and reference to the section of the report where such information already appears, pursuant to section 20.

The members of the Audit Board have professional skills and qualifications which are suitable for their roles. Each member's professional profile is presented in Appendix 8.9 of this report.

b) Functioning

34. The availability of and location where the rules of the functioning of the Audit Board, the Audit Committee, the General and Supervisory Board, or the Commission for Financial Affairs, where applicable, may be viewed, and reference to the section of the report where such information already appears, pursuant to section 22.

The operating rules and powers of the Audit Board are defined in its regulations, which were approved on 16 April 2015 and reviewed on 4 October 2018, and which are available online at the Galp website: <http://www.galp.com/Portals/0/Recursos/Governo-Societario/SharedResources/Documentos/EN/Supervisory-board-regulations-2015.pdf>.

35. The number of meetings that have been held and the attendance report for each member of the Audit Board, the Audit Committee, the General and Supervisory Board or the Commission for Financial Affairs, where applicable, and reference to the section of the report where such information appears, pursuant to section 23.

Pursuant to Article 10(2) of its regulations, the Audit Board meets at least once per quarter, and whenever the Chairman convenes it, at his own initiative or at the request of the Chairman of the Board of Directors, the Chief Executive Officer, or the Statutory Auditor.

In 2018, the Audit Board held sixteen meetings. The attendance of the members of the Audit Board at the meetings held in 2018 was 100%, except in the case of Gracinda Raposo, who attended fourteen of the sixteen meetings held.

The minutes of all the meetings were duly taken.

36. The availability of each member of the Audit Board, the Audit Committee, the General and Supervisory Board, or the Commission for Financial Affairs, where applicable, indicating any positions held simultaneously at other companies inside and outside the Galp group, and any other relevant activities undertaken by members of these boards throughout the financial year, and reference to the section of the report where such information already appears, pursuant to section 26.

In general, the members of the Audit Board have a high level of availability for the performance of their roles.

Appendix 9.10 of this report presents the positions held by the members of the Audit Board at other companies during 2018.

c) Powers and roles

37. Description of the procedures and criteria applicable to the supervisory body for the purpose of hiring additional services from the External Auditor.

In accordance with the legal framework for audit supervision, as approved by Law no. 148/2015 of 9 September, which transposed Directive 2014/56/EU of the European Parliament and of the Council of 16 April 2014 into national law, procurement of additional services by Galp or by any of its subsidiaries or Group companies from the External Auditor, or from any entity with which there is an investment relationship or which is part of the same network, depends upon previous and grounded authorisation from the Audit Board, in accordance with procedures approved by the Audit Board, and set in the internal standards. These internal standards also establish the non-audit services that cannot be provided by the External Auditor, and how this is controlled.

The Audit Board analyses compliance with the independence requirements of the External Auditor and Statutory Auditor, the possibility of any services being provided by the External Auditor and Statutory Auditor, and the compliance with legal limit on fees charged, particularly by defining the criteria, the selection process, the methodology of communication and the inspection

procedures in place to ensure the independence of the External Auditor and Statutory Auditor.

The additional services that were provided by the External Auditor and Statutory Auditor in 2018 are described in sections 46 and 47 of this chapter.

38. Other duties of the supervisory body and, where applicable, of the Commission for Financial Affairs.

Pursuant to the relevant legal regime, By-laws, and Audit Board regulations, this corporate body is responsible for the general monitoring of the Company's activities and the supervision of the Company's management, namely, the processes of preparing and disclosing financial information; having the competence to present recommendations or proposals to ensure the Company's integrity; and ensuring the Company's compliance with the law and its By-laws.

With regard to risk management, in accordance with its regulations, the Audit Board is in charge of checking the effectiveness of the risk management, internal control, and internal audit systems, including all aspects relating to the process of preparing and disclosing financial information; and proposing any necessary amendments including suitable accounting policies, estimates, judgments, relevant disclosure and its consistent application between financial I years, in a duly documented and communicated form. In addition, it is also responsible for the supervision of the Company's adoption of principles and policies to identify and manage the principal financial and operational risks linked to the Company's activities, as well as any other relevant risks accompanying the actions aimed at monitoring, controlling, and disclosing those risks an adequate and timely fashion.

In terms of specific monitoring competences and powers, the Audit Board: (i) monitors the operation of the corporate governance system adopted by Galp and its compliance with legal and By-laws requirements, as well as any legislative and regulatory changes in the area of corporate governance, particularly recommendations and regulations; (ii) receives through Ethics and Conduct Committee notices of irregularities presented by shareholders, employees, or others; (iii) monitors the statutory audit of the individual and consolidated annual accounts, and taking into account any findings and conclusions of the CMVM, in its capacity as the competent authority for audit supervision; (iv) monitors, evaluates and weighs in, within the powers legally conferred to the Audit Board, on the strategic lines and the risk policy defined by the Board of Directors; (v) supervises the management of the Company and, in particular, the compliance with the Company's strategic plan and budget,

risk management, the internal functioning of the Board of Directors and its committees, as well as the relationship between the Company's corporate bodies and committees, (vi) issues an opinion on the work plans and resources that have been allocated to internal control services, including compliance services and the internal audit, (vii) obtains information or clarifications from the Company's management about the business performance of the Company, any changes in equity holdings, or the terms and conditions of completed transactions, and the content of any resolutions that have been taken.

In relation to the Audit Board's competences regarding the overseeing of the audit of the Company's accounts, it is responsible for checking the accuracy of the accounts, as well as checking whether the accounting principles and valuation criteria adopted by the Company have led to the correct evaluation of its assets and results. Furthermore, the Audit Board issues an opinion on the integrated report, the accounts, and proposals presented by the management.

In its relations with other corporate bodies, the Audit Board, inter alia: (i) selects and proposes the Statutory Auditors to the General Shareholders' Meeting and propose, his remuneration; (ii) verifies and monitors the independence of the Statutory Auditor and verifies the adequacy and approval of the provision of any non-audit services; (iii) holds regular meetings with the Statutory Auditor, namely when assessing the accounts; (iv) evaluates the work performed by the Statutory Auditor on an annual basis, and its suitability for exercising the necessary functions, as well as proposing the dismissal or termination of the service agreement to the General Shareholders' Meeting whenever just cause is present; (v) monitors the internal procedures for control and audit with the Company's Executive Committee, as well as any issues that may have been raised in relation to the Company's accounting practices, and presents recommendations.

The Audit Board represents the Company, for all purposes, to the External Auditor. In accordance with the Audit Board regulations, the Board is also responsible for ensuring that, within the Company, adequate conditions are established for the provision of the Statutory Auditor's services.

The Audit Board on an annual basis prepares a report on its supervisory actions, issues prior opinions on related-party transactions, in accordance with internal regulations. Also it has the capacity to hire experts who are able to help its members in their assigned roles. The hiring terms and the remuneration shall take into account the importance of the matters in question and the Company's financial situation.

The Statutory Auditor openly, constructively, and efficiently shares the information in the scope of the statutory audit with the Audit Board, through adequate communication channels, especially any relevant issues relating to the environment and the company's risk profile, its corporate governance and internal controls, the ability for the Company to continually pursue its activity, financial statements, valuations of assets and liabilities, as well as any relevant situations that have been identified in their respective reports or that have arisen during the process of supervision.

In addition, the Audit Board is also responsible for the appointment or removal of the Company's External Auditor and it, as part of its relation to such a body, assists the External Auditor by creating conditions and providing access to the information that is necessary for the effective performance of its activities. The Audit Board also evaluates the activity of the Company's External Auditor on an annual basis, through a critical appraisal of the reports and documentation produced by them in the performance of their duties.

The members of the Audit Board have access to the necessary information strictly for the performance of their duties, and in compliance with the applicable legal limits, particularly through access to documents or the provision of information or clarifications from employees of the Company, for the purpose of evaluating the performance, situation, and prospects of the Company and its development – including, in particular, the minutes, the documentation supporting the decisions that have been taken, the convening notices, and the archives of the meetings of the Executive Committee, without prejudice of access to any other documents or persons from whom clarification may be requested.

In accordance with the Audit Board regulations, its members shall promptly inform its chairman, of the facts that may constitute or give rise to a conflict between their interests and the Company's interests.

In addition, the Company has approved an internal regulation, which is applicable inter alia to the members of the Audit Board, and which establishes that any members in a conflict of interest situation must refrain from discussing, voting, making decisions, giving opinions, taking part in, or exerting any influence on any decision-making processes directly related to this conflict of interest situation. This is without prejudice of providing any necessary information or clarifications.

In 7 February 2019, and in accordance with its duties, the Audit Board performed its annual assessment of the Board of Directors, considering in particular the accomplishment of the Company's strategic plan and its budget, its risk management, and the internal functioning of the Board of Directors and its committees, as well as the relationship with the Company's other bodies and committees.

IV - Statutory Auditor

39. Details of the Statutory Auditor and the partner that represents the Statutory Auditor.

Under Article 420(2)(b) of the CSC, the Audit Board is responsible for proposing the appointment of the Statutory Auditor or a Company of Statutory Auditors to the General Shareholders' Meeting.

The following Statutory Auditors were proposed by the Audit Board and approved by the General Shareholders' Meeting on 16 April 2015, for the 2015-2018 four-year term:

PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda., registered in the Institute of Statutory Auditors under No. 183 and registered with CMVM under No. 20161485, represented by António Joaquim Brochado Correia, Statutory Auditor No. 1076, or by Ana Maria Ávila de Oliveira Lopes Bertão, Statutory Auditor No. 902, for the role of Statutory Auditor; and by José Manuel Henriques Bernardo, Statutory Auditor No. 903, as the alternative Statutory Auditor.

40. State the number of years that the Statutory Auditor has consecutively carried out duties with the Company and/or with Galp group.

Galp's Statutory Auditor has been consecutively in the role since 16 April 2015.

41. A description of other services that the Statutory Auditor provides to the Company.

The description of the other services that the Statutory Auditor provides to the Company has been included in sections 46 and 47 of this chapter.

V - External Auditor

42. Details of the External Auditor appointed in accordance with Article 8 of the Securities Code, and the partner that represents such an External Auditor in carrying out these duties, and the respective registration number at the CMVM.

The Galp group's External Auditor as at 31 December 2018 was PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda., registered with CMVM under No. 20161485, represented by its partner Ana Maria Ávila de Oliveira Lopes Bertão, Statutory Auditor No. 902.

Following a competitive procedure promoted by the Audit Board, as described in section 44 of this chapter, the External Auditor of the Galp group since 1 January 2019 is Ernst & Young Audit & Associados, SROC, SA, registered with CMVM under No. 20161480, represented by its partner Rui Abel Serra Martins, Statutory Auditor No. 20160731.

43. State the number of years that the External Auditor and that respective partner that represents such an External Auditor carrying out these duties consecutively with the Company and/or Group.

The previous External Auditor, PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda., and the respective partner had been operating consecutively with Galp and its Group since 2011 and 2018 respectively.

The current External Auditor and the respective partner have started their activities in Galp as at 1 January 2019.

44. The rotation policy and the schedule of the External Auditor and the partner that represents such an External Auditor in carrying out such duties.

The External Auditor's rotation policy, which has been applied, ensures the Audit Board's selection of the External Auditor and the related Statutory Auditor partner at the end of three terms, through a process of prior consultation with the main internationally renowned Auditors for a period of four years, corresponding to the corporate body's term.

The selection of the Statutory Auditor should be based on a commercial evaluation and on the technical evaluation, which is determined according to the following criteria:

- a) Knowledge of the Galp group business;
- b) Experience as a Statutory Auditor in companies listed in both national and international markets;
- c) Methodologic approach to the accounting process applicable to Galp;
- d) Job planning/allocation of people/articulation with Galp (Audit Board, Accounting);
- e) Curriculum Vitae of those responsible for the statutory audit and respective team.

Taking into account the aforementioned rotation policy, and the recently published legislation on this matter, the Audit Board has selected a new Statutory Auditor/External Auditor, following a tender process in accordance with the legal rules and internal procedures, which will be proposed to be elected at the Annual General Meeting.

45. Details of the Board responsible for assessing the External Auditor and the frequency of such assessments.

The Audit Board, which is the primary contact point in the Company, and the first recipient of the information prepared by the External Auditor, evaluates the activity, suitability, and independence of the External Auditor on an annual basis, producing a critical appraisal of its reports and any other relevant documentation and information.

Each year, the Audit Board, in its annual business report, presents an assessment of the External Auditor.

In turn, the External Auditor collaborates with the Audit Board by immediately providing it with information relating to any irregularities when performing its duties, as well as any difficulties in carrying out its duties, as legally provided and contractually established with the External Auditor.

The Statutory Auditor specific role in the legal audit and the examination of accounts includes checking that the remunerations that have been paid to the members of the corporate bodies are in line with the remuneration policy and the Remuneration Committee's resolutions on such matters.

With reference to the internal control mechanisms, the Statutory Auditor/External Auditor verifies its operations and efficiency on an annual basis, and it reports any

deficiencies and any suggested improvements to the internal procedures both to the Audit Board and to the Executive Committee.

46. Details of any services, other than auditing, carried out by the External Auditor for the Company and/or companies in a control relationship, and an indication of the internal procedures for approving the recruitment of such services, and a statement on the reasons for such recruitment.

In 2018, the External Auditor and the entities belonging to the same network provided the Company and its subsidiaries with the following non-audit services:

- Limited review on the accounts of a Group company required by a concession contract;
- Translation of Galp's financial statements into English;
- Verification of the physical quantities, underground occupancy rates annual statement relating to extraordinary social support to the energy consumer, and accounts of the Group's natural gas companies for regulatory purposes;
- Verification of replacement cost calculation;
- Verification of financial ratio;
- Certification of the annual declaration of assets for the insurance company's Oil Insurance policy;
- Reports of Galp Energia España, S.A.U. for regulatory purposes;
- Verification of the consistency of the financial information included in the report «Country by Country report» with the audited financial statements;
- Verification of Galp Gás Natural's trading activity for the period 2014-2017;
- Verification of sustainability report information;
- Consultancy on sustainability information;
- Certification of the manpower rate applicable to the provision of services;
- Support to the winding-up of Galp Sinopec Brazil Services (Cyprus) B.V.
- Professional training.

In addition to the non-audit services that are mentioned above, the External Auditor / Statutory Auditor provided the following services in 2018, as required by law, which were excluded from the calculation of the fee limits applicable to the non-audit services:

- Validation of the natural gas acquisition costs by Galp Gás Natural, S.A., and other costs, as required by the Energy Services Regulatory Authority;
- Validation of the clearing criteria and natural gas sales prices of Galp Gás Natural, S.A. to the wholesale suppliers of last resort;
- Validation of the “annual statement package” of Galp Energia España, S.A.U., as required by Ecoembalafes España, S.A.;
- Validation of the annual statement of stocks, purchases, and sales of petroleum products and LPG for Galp Energia España, S.A.U., as required by the Corporación de Reservas Estratégicas de Productos Petrolíferos;
- Validation of the “annual statement of acquisitions, sales and production of biofuels, and other renewable fuels with the purpose of transportation” for Galp Energia España, S.A.U., as required by the Corporación de Reservas Estratégicas de Productos Petrolíferos.

When procuring services from the External Auditor and Statutory Auditor, sufficient internal procedures are in place in order to safeguard the independence, through a careful definition of the work that is to be performed. In order to safeguard the independence of the External Auditor and Statutory Auditor, it is expressly forbidden to purchase any type of service that might compromise such independence.

Service provision proposals submitted by the External Auditor and Statutory Auditor are analysed and evaluated and, where possible, undergo market consultation. Subsequently, they are sent to the Audit Board for approval, as described in section 37 of this chapter.

47. Details of the annual remuneration paid by the Company and/or legal entities in a control or group relationship to the Auditor, or to other natural or legal persons pertaining to the same network, and the percentage breakdown of the following services: (For the purposes of this information, the network concept results from the European Commission Recommendation No. C (2002) 1873, dated 16 May 2002).

In 2018, the remuneration that was paid to the External Auditor, and to other natural or legal persons belonging to the same network, was as presented in the following table.

By the Company		
Value of audit services	€62,158	6%
Value of assurance services	€12,500	1.2%
Value of tax advice services	€0	0.0%
Value of other non-audit services	€19,200	1.9%
By Other Group Companies		
Value of audit services	€615,856	59.4%
Value of assurance services	€180,450	17.4%
Value of tax advice services	€0	0.0%
Value of other non-audit services	€145,516	14.1%

The non-audit services represented 47.7% of the average of the fees that were paid to the External Auditor over the last three years (2015, 2016 and 2017) for audit services to Galp and for entities under Galp's control. Therefore, this figure is below the limit of 70% established in article 4 paragraph 2 of EC Regulation number 537/2014 (European Audit Regulation).

C - Internal Organisation

I - By-laws

48. Rules governing the amendment of the By-laws (Article 245-A(1)(h) of the Securities Code).

Any resolutions of the General Shareholders' Meeting on any amendments to the By-laws must be approved by a qualified majority of two-thirds of the votes cast (Article 12(4) of the By-laws).

II - Reporting of irregularities

49. Reporting means and policy on the reporting of irregularities in the Company.

The submission of complaints at Galp is regulated by the Reporting of Irregularities Procedure – Ethics Line, which was adopted by the Audit Board on 3 December 2015, and distributed internally to all employees via the normal means of communication, and externally through the official Galp website: https://www.galp.com/corp/Portals/O/Recursos/Governo-Societario/SharedResources/Documentos/EN/Procedure_on_Reporting_Irregularities_EthicsLine.pdf.

The Reporting of Irregularities Procedure enables any party related to Galp – including employees, members of corporate bodies, shareholders, investors, customers, suppliers, and business partners – to report to CEC any knowledge or suspicion of irregularities, or any instances of non-compliance with the Code of Ethics and Conduct, of any standards that refer to them, or that deal with the topics that they refer to, in the areas of accounting, internal accounting controls, auditing, anticorruption measures, banking, and financial crimes.

Such procedures apply to Galp and all of the companies in which Galp directly or indirectly exercises management control, in all countries where the Galp group operates.

Galp's CEC receives, processes, and reports all of the complaints submitted via the ethical line to the Audit Board, which is responsible for oversight of the Company.

The security of the Reporting of Irregularities information and related records is ensured by Galp's internal rules, in accordance with the relevant legislation on data protection and information security.

Personal data under the Reporting of Irregularities Procedure will be strictly processed in accordance with the General Data Protection Regulation provisions and the Portuguese National Data Protection Commission's (CNPD) Decision No. 765/2009.

Notwithstanding the provisions of the Code of Ethics and Conduct, the Reporting of Irregularities Procedure is of a voluntary nature, so failure to apply does not entail any penalties.

The person identified by the complaint is entitled to receive information regarding the entity responsible, the content of the complaint, and the purpose of the processing, as well as to access the data about him/her and the right to demand its correction or deletion, if it is inaccurate, incomplete, or ambiguous.

Galp and its subsidiaries ensure that entities reporting an irregularity or a suspected irregularity, or providing information as part of a Reporting of Irregularities investigation, shall not be subject to any retaliation, intimidation, or discrimination, including disciplinary action or the withholding or suspension of payments.

For confidentiality purposes, access to Reporting of Irregularities cases is only granted to the Audit Board and the CEC members, and, on a strictly need to know basis, to the Executive Committee members and the employees or external consultants specifically appointed to support the work of the CEC.

Employees who report irregularities are required to provide the CEC with all of the information in their possession and to cooperate during the investigation process.

All instances of reporting of irregularities must be submitted to the CEC in writing, by email, or by letter, at the following addresses:

Email:
opentalk@galp.com

Postal address:
Comissão de Ética e Conduta da Galp Energia, SGPS, S.A.
Edifício Galp, Torre A
Rua Tomás da Fonseca, Torre A, 1600-209 Lisboa, Portugal

It is also possible to access Galp's website and to fill in the available form.

III - Internal control and risk management

50. Individuals, boards or committees responsible for the internal audit and/or implementation of internal control systems.

Galp's internal control system is based on the guidelines set out by the Committee of Sponsoring Organisations of the Treadway Commission (CoSo) in relation to control environment, evaluation, control activities, information and communication and monitoring of risk exposure.

The **Internal Control Manual**, approved by the Board of Directors, establishes the general principles of, and requirements for, the internal control components, as well as the organisational model associated to the integrated and uniform management of internal control within the Galp group. This is defined as the series of processes implemented by the governing bodies, specialized committees, internal auditor and by Galp's personnel, with a view to conferring reasonable assurance of the achievement by Galp of its objectives related to the operations, reporting and compliance.

The **Internal Audit Department** is responsible for evaluating, in an independent and systematic way, the proper functioning of Galp's internal control and risk management systems, as well as the efficiency and effectiveness of the implementation of the controls and mitigation actions. The Internal Audit Department reports hierarchically to

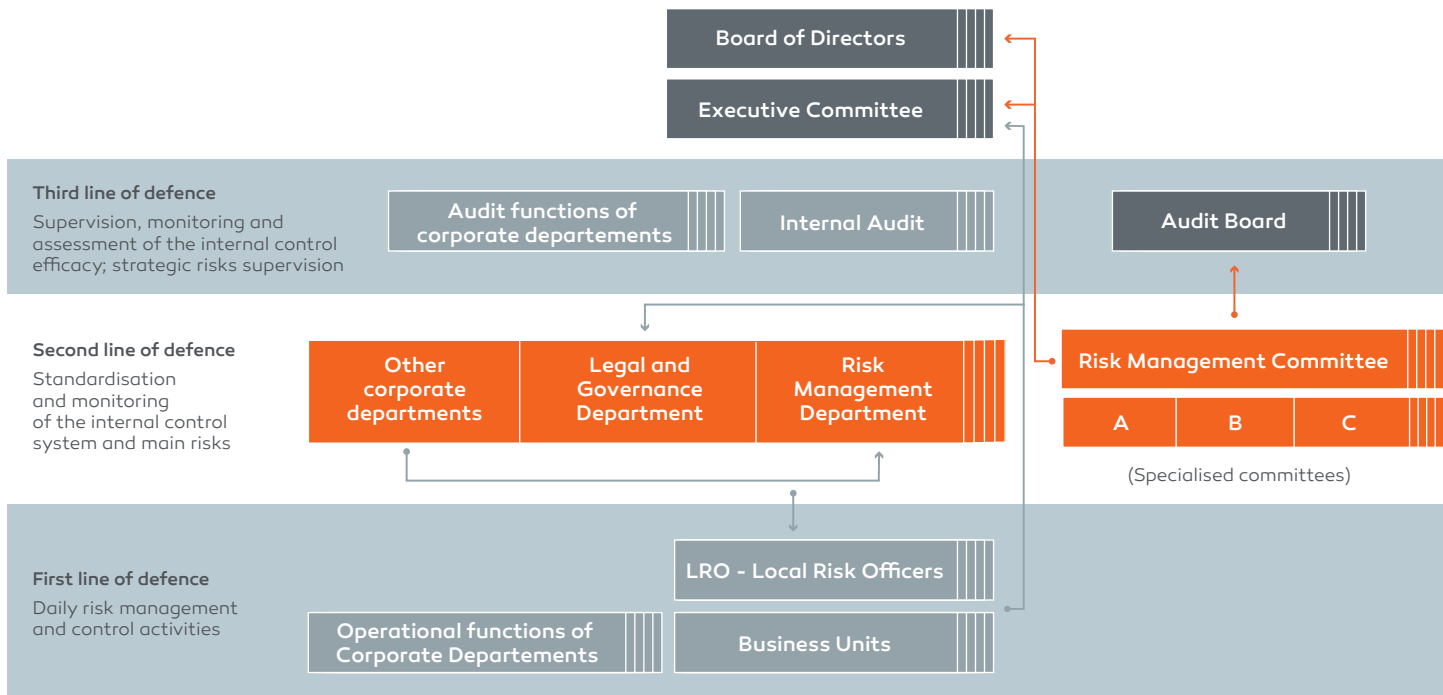
the Chairman of the Board of Directors, functionally to the Audit Board and administratively to the Executive Committee, respecting the reporting lines that have been recommended by the Institute of Internal Auditors (IIA). The Internal Audit Department defines an Audit Plan on an annual basis, which includes the assessment of the risk management system, based on the strategic priorities of Galp and on the results of the risk assessment of the processes in the various business units. The Audit Board approves the annual Audit Plan and monitors its execution. It informs and regularly alerts the Chairman of the Board of Directors and the Audit Board about any relevant facts, identifying opportunities for improvement and promoting their implementation.

In 2017, the Internal Audit Department carried out a quality check, conducted by the IIA, which concluded that Galp's audit practices comply with international standards. Besides the Internal Audit Department, also the External Auditor, the Statutory Auditor, the corporate functional areas responsible for the conduct of audits on the environment, quality, safety and sustainability and audits on ethical and regulatory compliance and the Audit Board, are responsible for monitoring the effectiveness of the internal control system and assessing its functioning and internal procedures.

The implementation of the internal control activities is the responsibility of the operational areas of the Group's business units, corporate functions and Galp group companies.

51. Details, including the organisational structure, of the hierarchical and/or functional dependencies in relation to other boards or committees of the Company.

The organisation and governance structure of internal control and risk management is based on the three lines of defence model, in accordance with generally accepted best practices, as outlined in the chart below.



The three lines of defence approach ensures that:

- The first line of defence identifies and understands the risk environment, assesses and communicates the potential risk exposure, and determines and implements the best way of capturing opportunities or mitigating risk;
- The second line of defence monitors risk at the corporate level, defines the risk standards and regularly reports the risk and status of mitigation action to the Risk Management Committee, the Executive Committee, the Audit Board, and the Board of Directors.
- The third line of defence supervises and assesses the effectiveness of risk management and the internal control process.

The **Board of Directors** is responsible for defining the strategy, approving the risk policy, including the risk appetite, and supervision of the risk management, monitoring the performance of the duties delegated to the Executive Committee.

The **Executive Committee** is responsible for designing and implement high level controls, promote organisational culture and commitment to internal control, define reporting lines, competencies and responsibilities of internal control and attribute responsibilities over internal control.

The **Chief Risk Officer (CRO)**, as a member of the Board of Directors and of the Executive Committee, ensures that discussions about risk are consistent and effective at all levels. The CRO is also the chairman of the Risk Management Committee and is responsible for overseeing and coordinating the risk assessment processes and the respective mitigation actions throughout the organisation, as well as for their proper management, ensuring that the guidelines that have been defined by the Board of Directors and the Executive Committee are fulfilled by and reflected in the internal rules.

The role of the **Audit Board** is to monitor the effectiveness of the internal control and internal audit systems, as well as assessing the functioning of the systems and their respective internal procedures on an annual basis, thereby strengthening the internal rules.

Within the scope of its supervisory function, the Audit Board monitors the work plans and the resources that have been assigned to Internal Audit and to Legal and Governance Departments and receives their periodic reports, as well as information regarding accountability, the identification or resolution of conflicts of interest and detection of potential illegalities. It also receives documentation and outputs of Risk Management Committee meetings and meets with the Head of Risk Management Department to discuss the Group's most important risk management issues on a quarterly basis, at least.

The Audit Board also provides its assessment regarding the annual strategic guidelines and the risk policy defined by the Board of Directors.

The relationship model between governing bodies, departments and committees responsible for the implementation of the internal control system privileges the centralized management of risks by the **Risk Management Department**. This department is responsible for: defining, monitoring and evaluating the risks and mitigation measures, maintaining alignment with the approved policies and strategies; defining and monitoring, through its information security team, policies and procedures regarding cybersecurity; promoting consistency of principles, concepts, methodologies and risk management tools across all business units and companies.

Additionally, the Risk Management Department is responsible for: assessing whether the risks that have been identified by the business units (risk 'owners') are within Galp's defined tolerance levels; ranking risks according to their priority, probability and impact; reporting the risks to the CRO and Risk Management Committee; promoting effective implementation of the risk management system promoting a risk culture by demonstrating the relevance of matters to the Executive Committee, Risk Management Committee and the Group's business units and companies.

The **Risk Management Committee**, based on documentation prepared by the Risk Management Department, monitors and evaluates the identified risks, tolerance levels and mitigation measures on a quarterly basis and reports all documentation and outputs of the meetings to the Audit Board.

The **Legal and Governance Department** establishes ethical and compliance controls. It monitors the internal control system by conducting internal inquiries, audits or risk assessments on ethics and compliance matters (such as bribery and corruption, money laundering and terrorism financing, fraud, conflict of interest, political, economic and financial sanctions and other restrictive measures, compliance with markets and financial regulations), or by conducting due diligences on the same issues for relevant partners and transactions. Additionally, it delivers training to Galp's employees on the aforementioned compliance matters and evaluates the performance of the ethics and compliance function in the various business units; and develops special projects with a view to consistently improving Galp's compliance with ethics and regulatory compliance matters.

Local Risk Officers (LRO) support the business units risk "owners" in identifying, assessing and managing risks in their respective business units, as foreseen in the risk management standards. They are also responsible for incorporating risk information into their decision-making processes and ensuring compliance with the approved risk management policies and procedures. Moreover, they prepare and report information on risk exposure in their business units.

52. Existence of other functional areas that are responsible for risk control.

In addition to those described above, the Environment, Quality, Safety and Sustainability (EQSS), Information Systems and Planning and Control departments are also involved in controlling risk.

The EQSS Department is responsible for the corporate management of environmental risk (including those arising from climate change, safety, security and product quality) and has competencies for defining and proposing assessment and monitoring methodologies. These shall be carried out in conjunction with the business units, thereby ensuring the definition and scheduling of actions to minimise and eliminate those risks.

The cybersecurity area within the Information Systems Department is responsible for implementing the cybersecurity policy and the procedures that have been defined by the Risk Management Department.

LROs report hierarchically to the business units's Planning and Control departments and functionally to the Risk Management Department.

53. Details and description of exposure to major economic, financial and legal risks in pursuing its business activity.

The nature of Galp's long-term commercial operations implies that many of the risks to which it is exposed to may be considered as permanent. However, the triggering factors for internal or external risks and the opportunities may develop and evolve over time and may vary in probability, impact and detectability.

Galp understands that the main challenges facing the energy sector at this moment come from securing access to different energy sources that could be used in the context of the decarbonisation of the economy.

The Company recognises that there are potential impacts on its business model resulting from regulatory changes and shifts in consumption patterns and technology. In parallel, it also considers there are risks associated with the physical impacts due to climate change. However, Galp highlights

opportunities such as development of new products and services, energy efficiency gains, access to new markets and creation of a more resilient supply chain.

In its decision-making process, the Company sets a price on carbon emissions (which is currently set at \$40/tCO₂), with a view to valuing the potential CO₂ emissions cost for different alternatives that are being evaluated and, differentiating the ones that ensure portfolio resilience in a lower-carbon world.

To ensure a holistic approach to risk, Galp uses a risk taxonomy, which is based on the new COSO framework-Enterprise Risk Management (ERM), which incorporates the key uncertainties that may influence its business model, whether these be risks or opportunities, regardless of their nature. Identified uncertainties are managed at the level of the counterparty, the project, the sector or the geography, as appropriate.

This approach to uncertainties ensures that the impacts that are associated with a transition to a lower-carbon economy are incorporated into the analysis. We identify below the risks that may influence Galp's operational and financial performance or reputation, and the way in which they are managed and mitigated. Please note that the identified risks and their materiality may change over time due to exogenous or endogenous factors. Therefore, Galp's "Value at Risk" assessment is performed on an annual or "ad-hoc" basis, if there is a substantial change to its risk profile.

Risk	Risk factors	Mitigation measures
Project Execution	<p>Galp's organic growth depends on its ability to build and maintain a resilient portfolio in a variety of market contexts, which entails the creation of a portfolio of high-quality assets resulting not only from an efficient selection process, but also from guaranteeing its execution, development and operation in the best conditions.</p> <p>However, the execution of the project is exposed to a diversity of technical, economic, legal, regulatory, commercial and EQSS risks that may compromise: deliverability, observance of budgets and deadlines; fulfilment of defined specifications and operational reliability.</p> <p>In addition, any sanctioned projects that are based on incorrect assumptions or inadequate information may result in material deviations from initial estimates. On the other hand, most projects execution also depends on the performance of third parties, including partners, service providers and other contracted parties - that Galp does not control, becoming exposed to execution risk through these entities.</p> <p>Any event that prevents the execution of the best investment projects under the best technical and financial conditions may negatively influence the value of assets and the Group's results.</p>	<p>At Galp, the Final Investment Decision on a project is only taken after considering: its adequacy to the Company's strategy; a detailed review of the feasibility studies; evaluation of the key variables in implementation phase; definition of the development concept; and the mitigation measures that are necessary to assure project 's execution.</p> <p>In execution phase, the Company constantly monitors critical factors in order to identify any potential risks as soon as possible, ensuring the timely implementation of any corrective measures. In projects in which Galp is not the operator, the Company monitors the activities and participates in the various phases of the project, through internal multidisciplinary teams and benefiting from the knowledge acquired.</p> <p>Also, due to its partnerships with leading companies in the energy sector, which are recognized for their knowledge and experience and with a low credit risk, Galp mitigates the risks resulting from its partners' performance.</p> <p>As for risks associated with suppliers, service providers and other third parties, Galp analyses and implements a selection and contracting process that combines several operational, compliance and EQSS criteria.</p>

Risk	Risk factors	Mitigation measures
<p>Markets</p>	<p>Galp is exposed to commodity risk, with the prices of its oil, natural gas, LNG and electricity being affected by market supply and demand dynamics. Factors such as economic/operational circumstances, natural disasters, weather conditions, political instability, conflicts or supply constraints influence these variables.</p> <p>Although the prices that are charged by the Company reflect the prices of the raw materials and products, the adjustments to Galp's sales prices following such increases and decreases in the prices of those raw materials and products may not fully reflect those changes immediately. Thus, lower prices may undermine Galp's investment plans, and, on the other hand, the rising prices of oil or natural gas may affect the value and profitability of Galp's assets.</p> <p>Changes in consumption patterns, especially those resulting from greater demand for solutions with lower carbon intensity, which may have a negative impact on the demand for oil and gas, may enhance Galp's risk exposure.</p> <p>Exchange rates and interest rates further expose Galp to risk. Exchange rate fluctuations, namely in currencies from countries where Galp develops commercial activities, directly or indirectly, affect the revenues and, consequently the results and the cash flow that is generated by the Company's sales. The book value of its financial assets and investments, mainly those denominated in U.S. Dollars and in Brazilian Real, are influenced by foreign exchange risk when Galp's consolidated financial statements are expressed in Euros.</p> <p>On the other hand, the volatility of the interest rates can affect Galp's financing costs and influence its results.</p> <p>Despite the ability to access market instruments to cover exchange rate and interest rate risks, adverse changes in the market may have a negative impact on the value of the Group's assets and results.</p>	<p>Galp's simultaneous presence in the upstream and downstream businesses has allowed a natural hedge of the Company's activities.</p> <p>In order to evaluate new projects and potential investments, Galp develops resilience tests to different scenarios for commodity prices and capital requirements and for demand and impacts in terms of carbon emissions.</p> <p>The business unit that is responsible for balancing the purchase and supply obligations also manages risks associated with Brent and refining margin volatilities. Galp manages these risks through instruments that are available at Intercontinental Exchange (ICE) and OTC markets.</p> <p>Galp manages the interest rate risk, exchange rate risk and other financial risks, including financial investments and debt risks, centrally at the corporate level. The management of the interest rate risk aims to reduce volatility of the interest charges, using a mix of fixed and variable rate funding instruments. In order to mitigate the exchange rate risk, Galp may hedge its position using derivatives for which there is a net market, where it considers necessary.</p>

Risk	Risk factors	Mitigation measures
<p>Legal and Compliance</p>	<p>Galp's main E&P projects and its natural gas supply have their origins in non-European countries with an unstable legal and regulatory framework. Any changes at this level may lead to shifts in the context in which the Company carries out its activities, potentially affecting in an adverse manner its profitability.</p> <p>The Company's downstream activities in Iberia are subject to political, legal and regulatory risks, with an emphasis on regulation and competition laws. Any changes at this level may also adversely impact the business context in which Galp operates.</p> <p>In addition, recent treaties, international agreements and regulations favouring lower-carbon sources of energy, which require companies to implement measures to reduce greenhouse gas and other associated emissions, give rise to additional compliance obligations with respect to emissions, the capture and use of carbon dioxide, which may result in higher investments and project execution costs (e.g. Sulphur IMO).</p> <p>Galp acts in accordance with international standards and with specific laws and regulations of the various countries in which it operates. However, any irregularities (actual or alleged) or lack of compliance performed by the company, its employees, suppliers/service providers and counterparties could have a materially adverse effect on the Company's ability to carry out its activity.</p>	<p>As part of the process for assessing any potential investments in different geographies, Galp evaluates the risk of the country's legal and regulatory framework. This risk is continuously monitored, following the investment decision, in order to assess any changes that have been introduced by the country's legislators or regulators. Galp analyses potential impacts and decides accordingly, in order to protect the interests of its stakeholders.</p> <p>To ensure its compliance with international best practices and legislation, and to prevent irregular conduct or misbehaviour, Galp has a Code of Ethics and Conduct, as well as a Policy and Standard Regulation on Corruption and Bribery Prevention, which defines the principles, rules and procedures relating to expected conduct in accordance with the principles of fairness, honesty, transparency and integrity. These are applicable to all of the companies in which Galp exercises management control and in all of the geographies where it operates.</p> <p>Galp also conducts compliance due diligence on its most relevant business partners, service providers and suppliers prior to engaging in transaction therewith, in order to ensure that such entities also possess appropriate and effective policies and procedures in relation to the prevention of corruption and bribery.</p>
<p>Portfolio Management</p>	<p>Galp operates along the Oil, Gas and Power value chains and these activities remain the focus of the Company's strategy.</p> <p>However, the achievement of a value driven upstream Oil & Gas portfolio depends upon Galp's success in acquiring, discovering and developing, in a consistent and profitable way, new reserves to replace those that are in a declining phase. However, the Company's ability to acquire, find and develop new resources and reserves is subject to a number of uncertainties. In addition, the new energy paradigm, towards a shift in the way energy is produced, distributed and used, with a more or less accelerated transition to a low-carbon economy, involves changes in consumption and technological patterns that are very important challenges for Galp. The Company must be able to incorporate this trend into its strategy; otherwise, it will have a competitive disadvantage.</p> <p>Any event that prevents the implementation of Galp's strategy may affect the profitability and, ultimately, the sustainability of the company.</p>	<p>Galp conducts a scenario-based strategic planning process, with the ultimate objective of ensuring the Company's sustainability and the creation of sustainable long-term value to its stakeholders.</p> <p>Depending on investment amounts, the projects undertaken by the Company are rigorously analysed, including resilience tests to different scenarios, and then submitted for approval to the Board of Directors or the Executive Committee. Projects' approval process implies the expectation of not exceeding the estimated cost of capital and allowing an appropriate estimated return.</p> <p>Being aware of the risks and opportunities accompanying the transition to a lower-carbon economy, Galp has committed to gradually diversifying its portfolio and to increasing its low-carbon power generation. For additional information, please see chapter 2 of this report, on the Strategic Framework.</p>

Risk	Risk factors	Mitigation measures
Disruptive events	<p>The nature, technical complexity and diversity of Galp's operations - particularly exploration and production in ultra-deep waters and in the refining process - expose the Company to a broad spectrum of disruptive EQSS risks.</p> <p>Included in this category are <i>chronic physical risks</i> (long-term changes in climatic patterns such as sustained high temperatures, the occurrence of successive droughts, change in precipitation patterns); <i>acute physical hazards</i> (civil unrest, war and terrorism, and natural disasters such as cyclones, hurricanes and floods); and <i>operational contingencies</i> relating to the characteristics of Galp's activities.</p> <p>In particular, E&P develops its undertakings in extremely challenging environments, there being a risk of technical failures and exposure to potential natural disasters. Factors such as unexpected drilling conditions, pressure or irregularities in geological formations, equipment failure or accidents, and extreme weather events can lead to loss of life, environmental damage, and compromise operating reliability or installations.</p> <p>This type of event may negatively influence the Company's reputation as well as the value of the Group's assets and its profits.</p>	<p>Galp understands that the preservation of the environment, and the health and safety of its employees, clients and community, as well as the protection of its assets, is a key element for the Company's sustainability.</p> <p>Galp is committed to integrating the fundamental aspects of EQSS into its strategy and decision-making processes throughout each project life cycle, having implemented a system that allows the business units to identify and manage operational risks in the various stages of development of their projects, equipment and assets.</p> <p>Galp also regularly promotes specific internal and external HSE audits and performs assessments on all of the assets it operates, with the objective of preventing accidents, protecting people and preserving operational performance, reputation and assets, through greater risk control in terms of operations and processes. In addition, the Company regularly monitors the operations of assets that are operated by third parties, within the powers that have been agreed under the Joint Operating Agreements.</p> <p>Furthermore, Galp has an insurance program that includes, among other things, property damage and civil liability, to minimize the impact of any potential risks that materialize.</p>
Competition	<p>The energy sector is extremely competitive. Additionally, due to technology developments, Galp may face competition from entities intervening in other industries or sectors that may integrate into the energy space.</p> <p>Competition puts pressure on access to raw materials, technology and product prices and it also affects the distribution activities for energy products, demanding a constant focus on cost control and efficiency enhancement, while ensuring operational safety.</p> <p>The Company's performance may be affected if its competitors develop or acquire intellectual property rights or technology that it requires, or if the Company is unable to follow the industry in terms of innovation, namely in the context of a changing energy paradigm and new oil market trends.</p> <p>Some of Galp's competitors are larger and well-established operators in the reference markets, with access to relevant resources, which is an important competitive advantage.</p> <p>The intense competition may adversely affect Galp's activity, as well as its operational and financial performance.</p>	<p>In view of the existing competition in the Energy sector, the Company has defined an innovation agenda, being committed to the development of competences, both internally and through partnerships, that enable it to study, create and implement new and better technical and technological solutions.</p> <p>In spite of the fact that some of Galp's competitors are larger, with a potentially stronger financial capacity that may facilitate access to more resources, Galp has a diversified and competitive portfolio. This includes stakes in two of the largest development projects worldwide - the pre-salt play in the Santos basin in Brazil and the Rovuma LNG project in Mozambique. In addition, Galp has a number of competitive advantages including a long-standing presence and strong operational experience in the industry and markets where it operates. Furthermore, Galp maintains a strong capital structure that supports its E&P activities.</p> <p>In the downstream, Galp develops a wide range of activities along the value chain, being the sole refiner in Portugal and a reference operator in Iberia - its core market - and having developed relevant skills that contribute to consolidate and expand its activity in international markets.</p>

Risk	Risk factors	Mitigation measures
<p>Partner Dependency</p>	<p>Galp develops several projects in its various business segments in partnership with other entities, in particular its major E&P projects, which are mostly operated by partners and managed through Joint Operation Agreements.</p> <p>In the execution of any project that is conducted in partnership with others, Galp may depend on partners and/or be vulnerable to events that influence those partners, even if they are not directly related to the Company. In particular, the partners may reveal financial, technical or operational fragilities in meeting their obligations relating to the project or towards third parties, thereby affecting the reliability or the feasibility of the execution of the project that they have jointly developed with Galp.</p> <p>In particular, in E&P business, and under Joint Operating Agreements, partners may be able to approve certain matters without Galp's consent, albeit within limits.</p> <p>All of these factors could jeopardize the execution of projects and, ultimately, constrain and interfere with the implementation of Galp's strategy. In this way, these types of events can negatively influence the value of Galp's assets and its financials.</p>	<p>In E&P business, although Galp is not the operator of most projects, it is actively involved in their execution. In fact, Galp monitors the activity of each project on a regular basis, through multidisciplinary teams, and it maintains direct contact with the operators, which are generally highly reputed international companies.</p> <p>The Company also carries out long negotiation processes with its partners, which includes signing Joint Operating Agreements in order to ensure Galp's rights and powers in joint venture governance structures, including the possibility of exercising any veto rights over certain decision-making processes. Joint Operating Agreements govern acquisitions of goods and services within joint ventures, for example. This ensures alignment between all partners in terms of the quality, social responsibility and EQSS criteria for the pre-qualification of suppliers in purchasing processes.</p> <p>In other business segments, partner selection also involves a rigorous process for ensuring the selection of companies with high financial, technical and operational capacity.</p>
<p>Cybersecurity</p>	<p>The information systems are a crucial component for the development of Galp's activities and any system failure, whether accidental (including those that are caused by network, hardware or software failures) or resulting from intentional actions (such as cyber-attacks), or even negligence, can have extremely negative impacts.</p> <p>These failures may, in particular, seriously compromise Galp's operations, affect the quality of its activities or cause interruptions/disruptions. These may lead to: loss, misuse or abuse of sensitive information; loss of lives; damage to the environment or to the Company's assets; non-compliance with legal or regulatory framework, with possible fines or any other type of penalties; and further undermining of the Company's reputation.</p> <p>These events may negatively affect the value of the Group's assets and its profitability.</p>	<p>Galp mitigates these risks through a set of preventive measures including, but not limited to, control procedures, backup systems and protection systems, such as firewalls, the use of antivirus software and building security.</p> <p>The company has recently created the function of Chief Information Security Officer, within the Risk Management Department, with the responsibility for defining and monitoring cybersecurity risks.</p> <p>In addition, Galp has implemented information security policies, regular cybersecurity surveys and audits, which are performed by Galp or by independent experts representing Galp, in order to better understand the level of the potential threats. These include monitoring the potential fragilities of (critical) suppliers.</p>

Risk	Risk factors	Mitigation measures
<p>Geopolitical</p>	<p>An increasingly significant share of Galp’s revenues are from countries with high economic and political risks.</p> <p>Galp’s main E&P projects (the Lula/Iracema project in Brazil and the Mamba project in Mozambique), its business in natural gas Supply & Trading and its marketing of petroleum products are all located or developed in countries with high political risk. This risk could result in issues of a diverse nature adversely affecting Galp’s ability to develop those projects in a safe, reliable and cost-effective manner.</p> <p>These matters include civil disruption, the expropriation and nationalisation of goods, changes to environmental regulations (e.g. increases in the price of greenhouse gas emissions), specific changes to Oil & Gas regulation, the allocation of exploration and production licenses, specific obligations relating to drilling and exploration activities, or significant increases in taxes and royalties on oil and natural gas production, among others.</p> <p>Materially adverse changes in the project selection assumptions may jeopardize the continuity of operations and adversely affect the value of Galp’s assets and results.</p>	<p>Galp is permanently vigilant to all of the events that occur in the countries in which it operates and that may have implications for the Company’s activity, especially in Brazil, Angola and Mozambique.</p> <p>In countries where exposure is higher, the Company is committed to developing a sustainable relationship with local stakeholders.</p> <p>On the other hand, Galp is building a balanced project portfolio, and is continually assessing the possibility of entry into new geographies, which contributes to the reduction of the Company’s geopolitical risk exposure.</p>
<p>Counterparty</p>	<p>Counterparty risk arises from the possibility that a counterparty may not fulfil its contractual obligations, meaning that the level of risk depends upon its credibility.</p> <p>This risk includes both the possibility that one party may not fulfil its agreed payment obligations in respect of financial investments and hedging instruments (relating to exchange rates, interest rates or others), as well as the risks that arise from the relationships between the Company and its customers, suppliers, service providers and other third parties.</p> <p>The increased exposure to this risk may affect, in an adverse material manner, Galp’s operational results and its financial condition.</p>	<p>Galp has a Credit Management Manual that ensures the transversal management of credit risk of each client and that defines procedures for evaluating exposure to credit risk, assigning a rating to each client, setting credit limits and calculating the risk-return ratio.</p> <p>Following the guidelines from the Executive Committee, the business units have the duty to manage risk by following the Credit Management Manual. This includes the management of collateral through banking guarantees and credit insurance; the monitoring of overdue credit; the adequate debt collection efforts and efficient litigation management; the attentive drafting of contracts, with inclusion of appropriate commercial conditions; the monitoring of customer profitability; and the optimisation of sales/distribution channels.</p> <p>With regard to risks associated with suppliers, service providers and other third parties, Galp analyses and implements a selection and contracting process that combines several operational, compliance and EQSS criteria.</p>

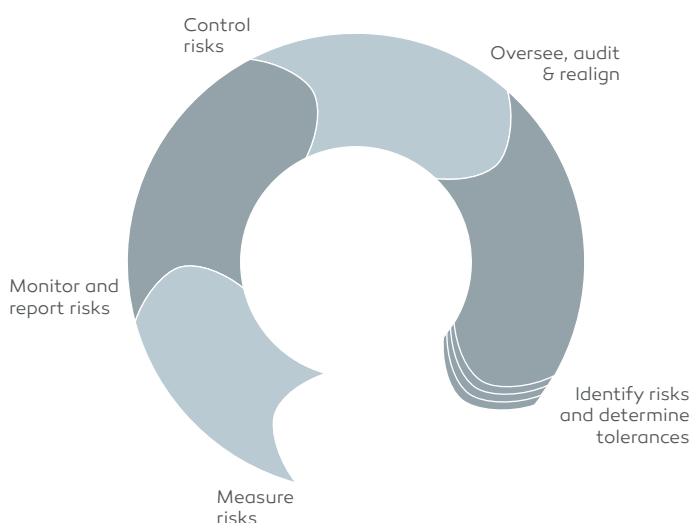
54. Description of the procedure for identification, assessment, monitoring, control and risk management.

Galp is an integrated energy operator, present in several geographies, and is exposed to internal/external factors, which bring uncertainty to its performance and achievement of strategic objectives.

The **Risk Management Policy**, which has been approved by the Board of Directors, defines objectives, processes and responsibilities that enable Galp to establish a solid risk management structure to ensure its compliance with strategic objectives.

Based on the guidelines defined in the Risk Management Policy, Galp identifies, evaluates and manages both the risks and opportunities inherent to its strategy, including emerging risks and opportunities.

Galp's **Enterprise Risk Management** approach is based on five general activities as defined by Culp in "The Risk Management Process" (see below).



Identify Risks and Determine Tolerances: In its strategic planning process, Galp identifies the key critical uncertainties - from political, economic, social, technological and environmental to regulatory factors - and incorporates them in its business models to build a set of future alternative scenarios that ensure the construction of a more resilient portfolio.

The Risk Management Policy establishes Galp's commitment to manage the inherent exposure in accordance with the Company's Risk Appetite, ensuring compliance with regulatory, legal and ethical conduct requirements.

The Executive Committee and the Board of Directors approved the Risk Appetite underlying the Budget and Plan for 2019-2023 proposed by the Risk Management Department, on 14 December 2018. Risk appetite and tolerances are annually reassessed, taking into account potential context changes.

Additionally, every quarter the Risk Management Department together with LROs review main risks, reassess the risk matrix and the mitigation measures and report them to the Risk Management Committee. This activity allows awareness to the main endogenous and exogenous risks and opportunities through a top-down and a bottom-up assessment.

Measure Risks: Based on the business units impact/probability matrices, the Risk Management Department quantifies the risks identified and determines Galp's risk matrix.

Additionally, the Risk Management Department analyses and integrates the various business models of Galp, taking into account the volatility of identified KRIs, to obtain both a holistic view of Galp's portfolio returns (Sharpe Ratio) and of its value at risk (V@R), in an 'as is' and 'to be' approach.

This activity allows an optimisation of the portfolio from a risk/return perspective.

Monitor and Report Risks: The Risk Management Department in conjunction with the LROs continuously monitors the KRIs of the risks previously identified and quarterly reports on their progress to the Risk Management Committee, providing justification for the changes registered. Whenever necessary, the Committee defines mitigation actions to be implemented by business units.

Also quarterly, the Risk Management Department reports risks and mitigation actions to the Audit Board.

Control Risks: On a monthly basis, the Risk Management Department controls the implementation of mitigation actions defined by the Risk Management Committee and quarterly reports its status to this Committee.

Galp classifies risks by response categories, depending on the decision to avoid, transfer, reduce or accept risk. This response strategy ensures that risks are within the guidelines issued by the Board of Directors and/or the Executive Committee.

The incorporation of the insurance activity in the Risk Management Department allows the optimisation of risk transfer, whenever this proves to be the best option.

Oversee, Audit & Realign: Galp's Risk Management Committee and Audit Board oversee the risk management process.

The information reported quarterly by the Risk Management Department to the Risk Management Committee (reassessment of risk matrix and mitigation measures and status of mitigation actions) allows this Committee to supervise, audit and realign the risk management process.

55. The core details of the internal control and risk management systems implemented in the Company, in relation to the procedure for reporting financial information (Article 245(A)(1)(m) of the Securities Code).

Galp has drafted and implemented rules and procedures that are applicable to the control activities relating to the preparation and reporting of financial information. Galp prepares its accounts in compliance with the IFRS international accounting rules, which have been approved by the European Union. In order to fulfil any situations of inexistence or insufficiency in the IAS/IFRS rules, or the SIC/IFRIC interpretations, Galp has an accounting manual that follows the market's best practices and that is applied internally as a complement to the IFRS rules.

With the objective of assessing operational performance, Galp also discloses its results on a replacement cost adjusted base (RCA), which exclude the non-recurring events and the inventory effect – the latter, because the cost of the merchandise that has been sold and the raw materials that have been consumed has been determined by the replacement cost method.

The "About the Report" section describes the directives and the globally recognized regulations that have been used in the preparation of this report. Recognizing the technological dependencies in the process areas, Galp has characterized the control activities for its financial information report in relation to the use of support technologies (in terms of implementation/information system) and it has also identified the control activities over those technologies.

The documents that present financial information to the capital markets are prepared by the Strategy and Investor Relations Department (DERI), based on the information that has been provided the Accounting and Taxation department, and by the Corporate Planning and Control department. In relation to the half-yearly and annual provision of accounts, the documents are sent to the Board of Directors and the Audit Board, which approve them before disclosure.

In 2018, Galp developed and implemented an information system for monitoring the registration of insiders and the people with access to this information (permanent and occasional insiders), including financial information, which meets the requirements arising from the recent European legislative reform in this area.

IV - Investor assistance

56. The department responsible for investor assistance, composition, functions, the information made available by such a department, and its contact details.

The service responsible for supporting investors is the Investor Relations division (IR), which is integrated as part of the Strategy and Investor Relations Department.

Composition

Head: Pedro Dias
Investor Relations Officer: Otelo Ruivo
Team: Cátia Lopes, João G. Pereira, João P. Pereira, Teresa Rodrigues

Main duties

The Strategy and Investor Relations Department performs all of the duties of the investor support office. This department reports directly to the Chief Executive Officer, and its duties include proposing Galp's strategic guidelines and promoting a clear perception of the Company at the strategic, operational, and financial levels to its stakeholders. In particular, with respect to the investor support duty, the IR team devises, manages, and coordinates all of the activities that are required in order to achieve Galp's objectives in respect of its relations with the capital markets, including shareholders, institutional investors, and financial analysts.

The IR team is responsible for ensuring that the Company's communications with the capital markets result in an integrated and consistent perception of Galp's strategy and operations, so that investors are capable of making informed decisions. For this purpose, the IR team produces and provides the market with relevant, clear, complete, updated and accurate information about Galp, and it does this regularly, transparently, and promptly, with a view to providing information symmetry in the market.

The IR team is also responsible for meeting the legal obligations in terms of reporting to the regulatory authorities and to the market, which include drawing up reports disclosing Galp's results and the Group's activities, drafting and disclosing communications on inside information, providing the information requested by investors, financial analysts, and other capital markets participants, as well as supporting the Executive Committee in aspects relating to Galp's status as a publicly traded company.

The IR team monitors the changes in Galp's share price, and those of comparable companies, and it supports the management team by means of direct and regular contact with national and foreign financial analysts and institutional investors, either in conferences and collective presentations addressed to investors, or in bilateral meetings.

Information disclosed

Galp's capital markets communication policy aims to provide all of the relevant information in order to allow reasoned judgments to be made about the evolution of the Company's activity, its expected and achieved results, and the various risks and opportunities that may affect its activity.

With this in mind, Galp promotes transparent and consistent communication, which is based on explanations of the criteria used in the provision of the information and the clarification of the reasons for any amendments to it, in order to facilitate the comparison of the information provided in different reporting periods.

Strategy execution

The website provides information on the Company's strategy and its implementation. The website includes a description of the Company's activities and strategy, including presentations directed to the capital markets.

Corporate governance

The website provides information on the Company's corporate governance, in compliance with the regulations and recommendations in force in the Portuguese market, and in accordance with best international practices.

Results

The information disclosed to the market includes a summary of the operating information for each quarter, which is called the Trading Update, and which is usually published two weeks before the announcement of the quarterly results. Reports and quarterly earnings presentations, and their supporting files, are usually released before the market opens, on a date that has previously been announced, and the audio and an accompanying transcript of the conference calls are published afterwards.

Consensus

Galp publishes its quarterly, medium, and long-term results as estimated by the analysts who cover the Company's share, and discloses a summary of the analysts' recommendations on the share price.

Galp share

With a greater focus on the capital markets, the website includes a section including Galp's share price history, comparisons with the evolution of PSI-20, and comparable company share prices. Additional information about the Company's shareholding structure, including a description of the qualifying holdings, as well as detailed and historical information about the payment of dividends, is also available in this section of the website.

Corporate Events Calendar

In accordance with best international practices, Galp announces in December the dates of the events that will be of interest to shareholders that will take place in the following year.

In 2018, the calendar was as follows:

Event	Date
4 th Quarter 2017 Trading Update	5 February
Capital Markets Day 2018 and 4 th Quarter 2017 Results	20 February
1 st Quarter 2018 Trading Update	13 April
Annual Report and Accounts 2017 (Audited)	16 April
1 st Quarter 2018 Results	27 April
Annual General Shareholders' Meeting	15 May
2 nd Quarter 2018 Trading Update	16 July
2 nd Quarter 2018 Results	30 July
3 rd Quarter 2018 Trading Update	15 October
3 rd Quarter 2018 Results	29 October

The calendar foreseen for 2019 is as follows: (*)

Event	Date
4 th Quarter 2018 Trading Update	28 January
4 th Quarter 2018 Results and Short-Term Outlook	11 February
Galp Integrated Report 2018 (Audited)	12 March
Annual General Shareholders Meeting	12 April
1 st Quarter 2019 Trading Update	15 April
1 st Quarter 2019 Results	29 April
2 nd Quarter 2019 Trading Update	15 July
2 nd Quarter 2019 Results	29 July
3 rd Quarter 2019 Trading Update	8 October
Capital Markets Day and 3 rd Quarter 2019 Results	22 October

(*) dates subject to adjustment.

The Company holds conference calls to present its quarterly results and to provide strategy execution updates on the dates when the results are released.

Communication to the market

All of the relevant information is disclosed, preferably before the opening or after the closing of the daily session of the Euronext Lisbon, and it is made available in Portuguese and in English through the CMVM's information disclosure system.

In order to facilitate access, the information is also provided, quickly and without specific costs, to a non-discriminatory database, as it is sent by email to all investors and to any other stakeholders who have previously requested so.

The database currently includes over 2,300 contacts. The relevant information is disclosed simultaneously on the "Investors" section of the Galp website: <https://www.galp.com/corp/en/investors>

Contacts

We promote a close relationship with the financial community, and we are actively involved in meetings with institutional investors and analysts, in order to inform them, on a regular and consistent basis, of the Company's strategy and its implementation of that strategy.

In February 2018, Galp organized an event for the capital markets, in order to provide information relating to the strategic update and the financial perspectives. The Company also held three conference calls, which were open to the capital markets, to discuss the quarterly results and to provide updates on its strategic executions.

In addition, throughout the year, Galp participated in seventeen conferences and eighteen roadshows. All in all, including ad-hoc meetings and conference calls, the IR team held more than 190 meetings with institutional investors, covering 236 investment funds in Europe, North America, Latin America, and Asia. Approximately 36% of these meetings were attended by at least one member of the Executive Committee, underlining the high level of the management team's commitment to communicating the Company's strategy and its implementation to the capital markets.

During the working hours of the Euronext Lisbon, contact with the IR team can be made through the e-mail address investor.relations@galp.com or by calling +351217240866.

57. Market liaison officer.

Galp's representative for market relations is Pedro Dias, Head of DERI.

58. Data on the extent of and the deadlines for replying to requests for information received throughout the year or pending from preceding years.

In order to promote a close relationship with the capital markets community, the Head of DERI ensures the response to all information requests received by telephone and email.

Responses and clarifications are provided as quickly as possible, adjusting the response time to the nature and complexity of the issues at hand, and always ensuring the transparency, symmetry, and consistency of the available market information.

During 2018, the IR team responded to over 370 information requests, and the average response time was one business day, which is in line with the defined target.

V - Website

59. Address(es).

Galp publishes information on its website: www.galp.com.

60. The place where information about the firm, its public company status, headquarters, and the other details that are referred to in Article 171 of the Commercial Companies Code, is available.

The information set out in Article 171 of the CSC can be found on the Galp website at: <https://www.galp.com/corp/en/footer/contacts>.

61. The places where the By-laws and regulations of the functioning of the boards and/or committees are available.

The corporate bodies and the internal commissions of Galp have regulations that define, inter alia, their duties, powers, and responsibilities, Chairmanship, the periodicity of their meetings, their functioning, and the duties of their members.

These regulations, as well as the Company's By-laws and its other relevant policies and procedures, are available at the Company's website, as follows:

- Board of Directors:
https://www.galp.com/corp/Portals/O/Recursos/Governo-Societario/SharedResources/Documentos/EN/Regulamento_CA_EN_Web.pdf
- Audit Board:
<https://www.galp.com/corp/Portals/O/Recursos/Governo-Societario/SharedResources/Documentos/EN/EN%20Regulamento%20Conselho%20Fiscal%20out2018.pdf>
- Executive Committee:
https://www.galp.com/corp/Portals/O/Recursos/Governo-Societario/SharedResources/Documentos/EN/Regulamento_CE_EN_Web.pdf
- Ethics and Conduct Committee:
<https://www.galp.com/corp/Portals/O/Recursos/Governo-Societario/SharedResources/Documentos/EN/Regulations-Ethics-Conduct-Committee.pdf>
- Sustainability Committee:
<https://www.galp.com/corp/Portals/O/Recursos/Governo-Societario/SharedResources/Documentos/EN/Sustainability-Committee.pdf>
- Risk Management Committee:
<https://www.galp.com/corp/Portals/O/Recursos/Governo-Societario/SharedResources/Documentos/EN/NT-O-018%20-%20Risk%20Management%20Committee.pdf>
- Remuneration Committee:
https://www.galp.com/corp/Portals/O/Recursos/Governo-Societario/SharedResources/Documentos/EN/Regulamento%20Comissao%20de%20Remuneracoes_EN_2019.pdf
- Bylaws:
https://www.galp.com/corp/Portals/O/Recursos/Governo-Societario/SharedResources/Documentos/EN/Estatutos_EN_rev%2010122018_1.pdf
- Other policies and regulations:
<https://www.galp.com/corp/en/corporate-governance/docume>

62. The place where information is available regarding the names of the corporate board members, the market liaison officer, the investor assistance officer, or, for a comparable structure, the respective functions and contact details.

The information about the members of the corporate bodies is available online at the Galp website: <https://www.galp.com/corp/en/corporate-governance/governing-model-bodies>

The information about the market liaison officer and the IR division is available online at the Galp website: <https://www.galp.com/corp/en/investors/investor-support/investor-relations-team>

In addition, the number of meetings held in 2018 by the corporate bodies and committees is available at Galp website under the tab of each corporate body and committee.

63. The place where the documents relating to the financial accounts reporting are available, which should be accessible for at least five years, and the half-yearly calendar on company events that is published at the beginning of every six months, including, *inter alia*, general meetings, disclosure of annual, half-yearly, and, where applicable, quarterly financial statements.

The accounting documents for at least ten years, are available online, at the Galp website: <https://www.galp.com/corp/en/investors/reports-and-presentations/reports-and-results>

The calendar of corporate events is available online at the Galp website: <https://www.galp.com/corp/en/investors>

64. The place where the notice convening the General Shareholders' Meeting and all of the preparatory and subsequent information relating to it is disclosed.

The notice convening the General Shareholders' Meeting, as well as all of the preparatory and subsequent information relating to it, are available online at the Galp website: <https://www.galp.com/corp/en/investors/information-to-shareholders/general-shareholders-meetings>

65. The place where the historical archive of the resolutions passed at the General Shareholders' Meetings, the share capital, and the voting results relating to the preceding three years are available.

The historical record for recent years of the resolutions passed at the General Shareholders' Meetings, the represented share capital, and the results of the votes can all be found online at the Galp website: <https://www.galp.com/corp/en/investors/information-to-shareholders/general-shareholders-meetings>

D - Remuneration

I - Power to establish

66. Details of the power to set the remuneration of the corporate boards, the members of the Executive Board or the Chief Executive, and the directors of the Company.

The Remuneration Committee is the corporate body responsible for setting the remuneration amounts payable to the members of Galp's corporate bodies and its Executive Committee, it consists of three shareholders who have been elected at the General Shareholders' Meeting and who are not members of the Board of Directors or the Audit Board, pursuant to Article 8 of the By-laws.

In accordance with Article 248(B)(3) of the Portuguese Securities Code, the only persons who are classified as Galp's senior executives are the members of the Board of Directors and the Audit Board.

II - Remuneration Committee

67. The composition of the Remuneration Committee, including details of any individual or legal persons that have been recruited to provide services to such a committee, and a statement on the independence of each member and advisor.

The Company's current Remuneration Committee was elected at the General Shareholders' Meeting of 16 April 2015, for the term 2015-2018, and it has the following members:

- Amorim Energia
- Jorge Armindo Carvalho Teixeira
- Joaquim Alberto Hierro Lopes

The members of the Remuneration Committee are independent from the members of the Board of Directors and of the Audit Board, in compliance with Article 8 of the By-laws, which stipulates that those positions are incompatible.

The fact that the non-executive directors – Paula Amorim, Marta Amorim, Francisco Teixeira Rêgo, Rui Paulo Gonçalves, and Jorge Seabra de Freitas – are members of Amorim Energia's Board of Directors does not affect its independence as a member of the Remuneration Committee, given that these members do not take, alone or together, the decisions of the Board of Directors of Amorim Energia.

The regulations of the Remuneration Committee include an obligation for its members to promptly inform the respective corporate body of any facts that may constitute or give rise to a conflict of interest between the members in question and the Company's interests.

In addition, the Company has approved an internal regulation, applicable inter alia to members of the Remuneration Committee, which establishes that members who have been identified as being in a conflict of interest situation must refrain from discussing, voting, making decisions, giving opinions, taking part in, or exerting any influence on any decision-making processes directly related to this conflict of interest situation. This is without prejudice of providing any necessary information or clarifications.

In 2018, the Remuneration Committee held three meetings and the respective minutes were duly taken.

The Chairman of the Remuneration Committee was present in the annual General Shareholders Meeting on 15 May 2018. The regulations of the Remuneration Committee include an obligation for the Chairman, or, in the event of his/her impediment, another member of the Remuneration Committee, to be present at the annual shareholders' meeting, as well as at any other meeting, whenever the respective agenda includes a matter that is linked with the remuneration of the members of the company's corporate bodies and committees or, if such a presence has been requested, by the shareholders.

The regulations of the Remuneration Committee set out the right to decide on the engagement of consultancy services in order to support the activities of the Remuneration Committee, which can be freely chosen by the latter, and which shall not provide any other services to the Company in order to ensure their independence. During 2018, the Remuneration Committee did not engage any consultancy services.

68. Knowledge and experience of Remuneration Policy issues by members of the Remuneration Committee.

The members of the Remuneration Committee have knowledge on remuneration policy matters, based on their academic background and their extensive corporate experience, and they are considered suitable for reflecting on making decisions on all of the matters that fall under the remit of the Remuneration Committee, as evidenced by their biographical information in Appendix 9.9 of this chapter.

Specifically, Remuneration Committee member Jorge Armindo Carvalho Teixeira has vast professional experience, involving work in listed companies, management positions, including as Chairman, which has provided him the appropriate knowledge relating to remuneration matters in governing bodies of this type of company.

III - Remuneration structure

69. Description of the remuneration policy of the Board of Directors and Supervisory Boards, as set out in Article 2 of Law No. 28/2009 of 19 June.

The Remuneration Committee submitted a statement on the 2018 Remuneration Policy for Galp's corporate bodies for approval of the General Shareholders' Meeting, which was held on 15 May 2018. This describes the processes for setting and implementing Galp's remuneration policy for 2018, as well as its general objectives and

principles, in accordance with Law 28/2009 of 19 June, and in accordance with CMVM Regulation No 4/2013 and the CMVM Corporate Governance Code (2013 Recommendations) – which also comply with the IPCG Corporate Governance Code, which the Company has adopted in the meantime – in order to ensure greater clarity and effectiveness in communicating the Remuneration Policy, both to the market and to shareholders. This policy is available at the Company’s website on: http://www.galp.com/Portals/O/Recursos/GovernoCorporativo/Shared%20folder/Documentos/Item_8.pdf.

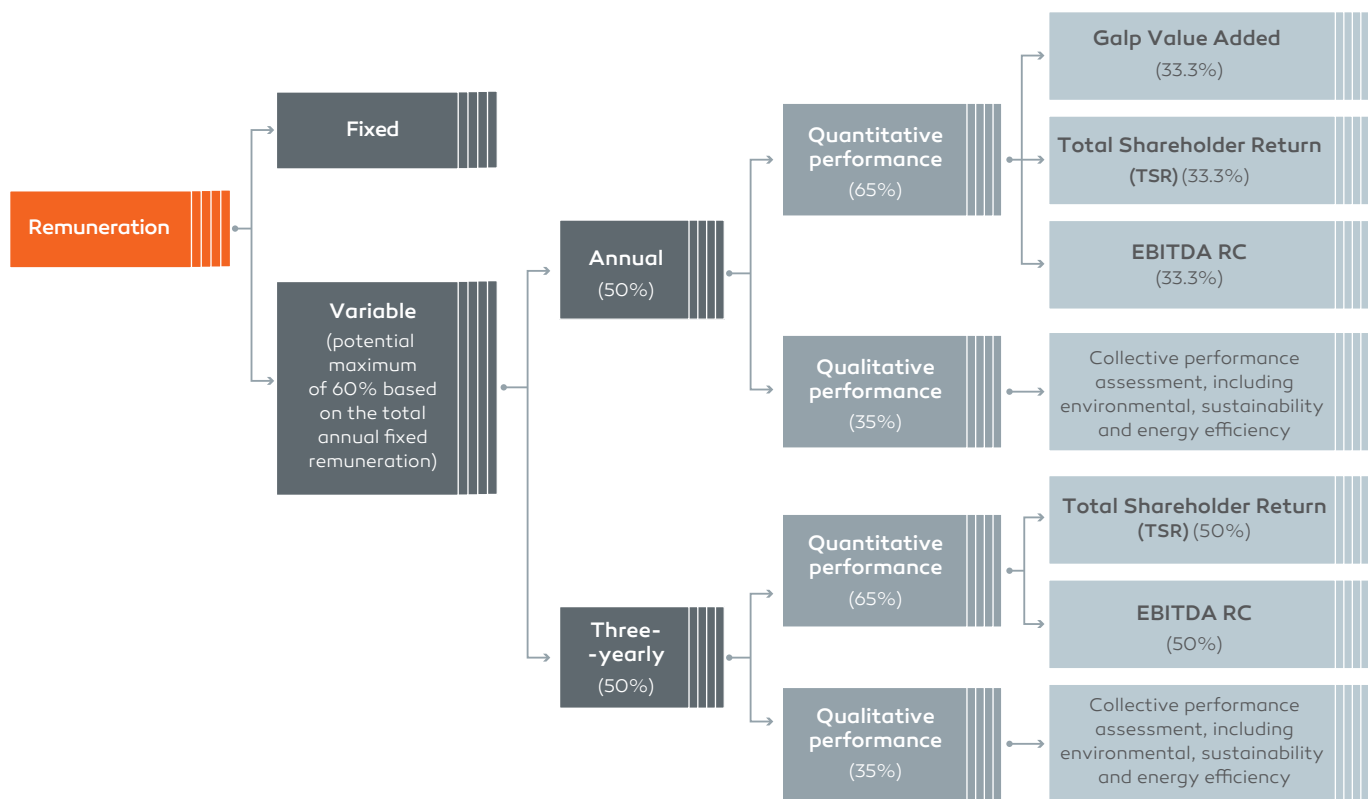
A brief description of the remuneration policy is given below.

Board of Directors

Non-executive members - fixed monthly sum, paid twelve times per year, in an amount set by the Remuneration Committee, taking into account standard market practice. This may be differentiated, in the case of the Chairman of the Board of Directors, in recognition of the special functions of the Company’s representation that have been assigned to her/him; and, in the case of the non-executive members of the Board of Directors, who perform the special functions of supervising and monitoring of the Company.

The remuneration of the non-executive members of the Board of Directors does not include any amounts based on the Company’s performance or its value.

Executive Members



The remuneration of the executive members in 2018 involves three main components:

Fixed remuneration - the fixed part of the remuneration is a monthly payment, paid fourteen times a year, the amount of which is set by the Remuneration Committee, and takes into account the nature of the assigned roles and responsibilities, and the market practice for equivalent positions in large national and international companies.

Annual variable remuneration - which maximum potential cap represents 50% of the maximum potential cap of the total variable remuneration, with the amount being set according to the following indicators:

- Galp Value Added (GVA), i.e. Galp's Economic Added Value, with a weight of 33.3%;
- Total Shareholder Return (TSR) Galp vs. Peer Group, with a weight of 33.3%; the Peer Group integrates Total, Repsol, OMV and ENI, together with the PSI 20 Index and the SXEP Index, which are respectively considered as references in the national and European energy market;
- Galp's EBITDA, at replacement cost, with a weight of 33.3%.

Three-year period variable remuneration - which maximum potential cap represents 50% of the maximum potential cap of the total variable remuneration, with the amount being based on the following indicators:

- TSR Galp vs. Peer Group (as detailed above), with a weight of 50%;
- Galp's EBITDA, at replacement cost, with a weight of 50%.

Other benefits

The executive members of the Board of Directors are also entitled to an amount equal to 25% of their fixed remuneration, which is paid twelve times a year, for the purpose of establishing a retirement savings plan or similar financial product, as better described in section 76 of this chapter.

Each executive member of the Board of Directors also receives the fringe benefits in force at Galp for the exercise of his/her role, in accordance with the Company's terms and conditions.

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 also benefit from using a light-duty vehicle and from health and life insurances.

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.

Audit Board

The remuneration of the members of the Audit Board consists of a fixed monthly payment, which is paid twelve times a year, with the chairman of the Audit Board receiving higher remuneration given the special functions that are assigned to the chairman.

The remuneration of the Audit Board members does not include a variable component.

Statutory Auditor

The Statutory Auditor is remunerated for the review of and the legal certification of the accounts of the Company at an amount that is contractually set under normal market conditions.

Board of the General Shareholders' Meeting

The remuneration of the members of the Board of the General Shareholders' Meeting is a fixed annual amount defined by the Remuneration Committee and is different for the Chairman, Vice-chairman and the Board Secretary, follows market practice for similar duties and is a fixed annual amount paid in a single instalment each year.

70. Information on how remuneration is structured so as to enable the alignment of the interests of the members of the Board of Directors with the Company's long-term objectives, and how it is based on the performance assessment, and how it discourages excessive risk-taking.

In order to achieve greater alignment between the activities of the directors and the Company's long-term objectives, a policy setting multi-year goals was introduced in 2012.

As provided by the remuneration policy described in section 69 of this report, the variable remuneration of the directors holding executive office roles includes both annual and three-yearly variable components, of the same weighting (maximum potential cap of 50% each). That weighting is based on the performance assessment that is carried out by the Remuneration Committee by using specific, measurable, and pre-defined criteria that, together, look at the Company's growth indicators and the wealth that has

been created for shareholders in a sustained manner over the short-, medium-, and long-term, there being a three-year time lag for the year in question, in the case of the multi-annual component, under the terms of the above-mentioned remuneration policy for 2018.

Accordingly, the use of qualitative criteria oriented towards a strategic medium-term perspective in the development of the Company, the three-year period that is used for setting the multi-annual variable remuneration amount, and the existence of a ceiling on variable remuneration are all key elements in promoting management alignment with the medium- and long-term interests of the Company and its shareholders.

The executive members of the Board of Directors shall not enter into contracts, either with the Company or with third parties, whose effect is to mitigate the inherent risk of their variable remuneration as set by the Company.

Taking into consideration the remuneration structure described above, particularly the balance between fixed and variable remuneration, the existence of both annual and three-year variable remuneration, and the criteria set out for determining the variable remuneration, Galp considers that its remuneration mechanism permits alignment between the interests of the Company and those of its executive directors, by incentivizing long-term and sustainable growth and avoiding short-termism as well as excessive risk taking.

71. Reference, where applicable, to any variable remuneration component, and information on any impact of performance appraisal on this component.

The total variable remuneration amount for each year is set by the Remuneration Committee, in accordance with the fulfilment of previously defined targets, with a maximum potential of 60%, by reference to the total of the fixed annual remuneration.

The remuneration of the executive directors includes a variable component that is based on the degree of compliance with certain economic, financial, and operational objectives with respect to the previous financial year (annual variable remuneration), as set out in the remuneration policy for 2018. This represents a maximum potential cap of 50% of the total variable remuneration, which is in line with the generally recognized practice in the national market.

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 appropriate, namely in relation to the execution of objectives and targets related with environmental sustainability and energy efficiency of activities material for the Company, within the context of the appropriate management of the respective carbon intensity. In order to ensure consistency between the results obtained and the total variable remuneration paid, this depends on the results achieved by Galp. Thus, if the Company has net earnings lower than 80% of the budget, there will be no scope for paying the variable remuneration.

The three-year variable remuneration represents a maximum potential cap of 50% of the total variable remuneration, which is in line with the generally recognized practice in the national market as well as the regime applicable to banking institutions, as defined in Appendix II (1) (n) of Directive 2011/61/EU of 8 June 2011, which sets a minimum amount of 40% for deferred variable remuneration.

72. The deferred payment of the remuneration's variable component and the specification of the relevant deferral period.

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, before coming into force in 2013. This policy postpones a significant part of the variable remuneration payment for a period of three years, which stays associated with and dependent upon the performance of the Company during this period.

The objectives are defined for the subsequent three-year period on an annual basis, with the three-year assessment being made at the end of each three-year period. The first three-year period for which multi-annual objectives were determined was 2013–2015. In 2019, the 2016–2018 tri-annual period will be assessed and the corresponding remuneration (if any is due) will be paid.

The three-yearly variable remuneration is set annually by the Remuneration Committee, which establishes a provisional amount based on an evaluation of each year of the three-year period. However, the actual deferred amount of the three-year variable remuneration depends on: (i) the fulfilment of the overall objectives for the three-year period; and (ii) a qualitative assessment by the Remuneration Committee, which means that the provisional amounts defined in year one of the three-year period may be reduced or increased at the end of the three-year period in question, as a result of the assessment.

73. The criteria on which the allocation of variable remuneration is based, and also the criteria for maintaining the Company's shares that the executive directors have access to, as well as the possible share contracts, including hedging or risk transfer contracts, the corresponding limit, and its relation to the total annual remuneration value.

Galp currently has no system for the allocation of variable remuneration in shares.

74. The criteria on which the allocation of variable remuneration on options is based and the details of the deferral period and the exercise price.

Galp currently has no system for the allocation of variable remuneration in options.

75. The key factors and the grounds for any annual bonus scheme and any other non-financial benefits.

Galp does not have an established annual bonus scheme, besides the variable remuneration described above. The executive directors are entitled to a car allowance and to health and life insurance.

76. The key characteristics of the supplementary pensions or early retirement schemes for directors, and the date when such schemes were approved at the General Shareholders' Meeting, on an individual basis.

The Remuneration Committee, pursuant to Article 8 of the By-laws, has the power to approve the pension or the pension compensation that is attributed to the executive directors, at the expense of the Company.

The remuneration policy for 2018, as approved by the General Shareholders' Meeting and described in section 69 of this report, provides the attribution of an amount of 25% of the annual fixed remuneration to the members of the Executive Committee for investment in a retirement savings plan or another financial product of their own choosing.

This savings plan involves no future costs for Galp, insofar as it represents the allocation of an amount for financial investment, while the members of the Executive Committee perform their duties, and it does not fall under the terms of Article 402(1) of the CSC.

IV - Remuneration disclosure

77. Details of the amounts relating to the annual remuneration paid as a whole and individually to the members of the Board of Directors, including the fixed and variable remuneration, and, as regards the latter, the reference to the different components that gave rise to the same.

The gross annual amount of remuneration received by the members of the Company's Board of Directors during the 2018 financial year, as set by the Remuneration Committee, and in aggregate form, was €6,947,406, of which €4,158,000 was fixed, €1,506,166 was variable remuneration, €982,275 was for the retirement savings plan, and €300,964 was for other benefits.

The table below presents the itemized gross remuneration that was received by each of the members of the Board of Directors in 2018 (€):

Executive Directors

Name	Position	Gross Fixed Remuneration (€)	Gross Variable Remuneration ⁽¹⁾ (€)	Gross Retirement Savings Plan (€)	Others (€)	Gross Total Remuneration (€)
Carlos Gomes da Silva	Vice-Chairman and CEO	980,000	420,000	245,000	110,769	1,755,769
Filipe Crisóstomo Silva	Executive director	420,000	180,000	105,000	0	705,000
Thore E. Kristiansen	Executive director	490,000	210,000	122,500	97,887	920,387
Carlos Costa Pina	Executive director	420,000	180,000	105,000	0	705,000
José Carlos Silva	Executive director	420,000	180,000	194,775	92,307	887,082
Pedro Ricardo	Executive director	420,000	168,083	105,000	0	693,083
Tiago Câmara Pestana	Executive director	420,000	168,083	105,000	0	693,083
Gross total amounts		3,570,000	1,506,166	982,275	300,963	6,359,404

⁽¹⁾ Corresponds to the variable annual remuneration for 2017 and the variable multiannual remuneration for the three-year period 2015-2017.

Non-executive Directors

Name	Position	Gross Fixed Remuneration (€)	Gross Variable Remuneration (€)	Gross Retirement Savings Plan (€)	Others (€)	Gross Total Remuneration (€)
Paula Amorim	Non-executive Chairman	0 ⁽²⁾	0	0	0	0
Miguel Athayde Marques	Non-executive Vice-Chairman and Lead Independent Director	84,000	0	0	0	84,000
Sérgio Gabrielli de Azevedo	Non-executive Director	84,000	0	0	0	84,000
Abdul Magid Osman	Non-executive Director	84,000	0	0	0	84,000
Marta Amorim	Non-executive Director	42,000	0	0	0	42,000
Raquel Vunge	Non-executive Director	42,000	0	0	0	42,000
Francisco Teixeira Rêgo	Non-executive Director	42,000	0	0	0	42,000
Jorge Seabra de Freitas	Non-executive Director	42,000	0	0	0	42,000
Rui Paulo Gonçalves	Non-executive Director	42,000	0	0	0	42,000
Luís Todo Bom	Non-executive Director	42,000	0	0	0	42,000
Diogo Tavares	Non-executive Director	42,000	0	0	0	42,000
Joaquim Borges Gouveia	Non-executive Director	42,000	0	0	0	42,000
Gross total amounts		588,000	0	0	0	588,000

⁽²⁾ The chairman of the Board of Directors donated in full the amount of her remuneration to the Galp Foundation.

The variable remuneration is set in accordance with the criteria set out in section 72 of this chapter.

78. Any amounts paid, for any reason whatsoever, by other companies in a control or group relationship, or are subject to a common control.

The remuneration of Galp's directors includes all of the remunerations due for any positions held on the management bodies of Galp group companies, therefore no other payments were made by companies in a controlling or group relationship or under common control.

79. Remuneration paid in the form of profit-sharing and/or bonus payments, and the reasons why such bonuses and/or profit-sharing packages were awarded.

Galp does not have any other remuneration system for its directors in the form of profit-sharing packages and/or payments of bonuses.

80. The compensation paid or owed to former executive directors concerning contract terminations during the financial year.

No compensation was paid or owed to former executive directors, because of the termination of their duties during the 2018 financial year.

81. Details of the annual remuneration paid, as a whole and individually, to the members of the Company's supervisory body, for the purposes of Law 28/2009 of 19 June.

The aggregate remuneration paid to the members of the Audit Board in 2018, as per the terms set by the Remuneration Committee, was €92,400. The respective individual remuneration amounts paid in 2018 were as follows:

Name / Position	Gross fixed remuneration (€)
Daniel Bessa (Chairman)	42,000
Gracinda Raposo (Member)	25,200
Pedro Antunes de Almeida (Member)	25,200
Total gross amount	92,400

82. The details of the remuneration in such a year of the Chairman of the General Shareholders' Meeting.

In 2018, the Chairman of the Board of the General Shareholders' Meeting received remuneration for the amount of €3,500.

V - Agreements with remuneration implications

83. Any envisaged contractual restraints on the compensation payable for the unfair dismissal of directors, and the relevance to the remunerations' variable component.

In accordance with the remuneration policy for 2018, Galp does not have any agreements in place that provide payments in the event of the unfair dismissal of a director. The amounts due are determined by legal provisions, but there is no payment of remuneration sums in respect of the variable component if the net profit of the Galp group is below 80% of the budget.

The remuneration policy for 2018 does not encompass any indemnity or compensation to Board members as a result of their dismissal or the termination of a director's time in office before its term, this being the legal instrument and mechanism to avoid, directly or indirectly, the payments to such a director of any amounts beyond those set out by law.

84. Reference to the existence and the description, with details of the sums involved, of any agreements between the Company and the members of the Board of Directors and managers, pursuant to Article 248(B)(3) of the Securities Code, that envisages compensation in the event of resignation or unfair dismissal or termination of employment following a takeover bid (Article 245(A)(1) (I) of the Securities Code).

Galp is not a party to any agreements with the members of the Board of Directors and with other senior executives (dirigentes), within the meaning of Article 248(B)(3) of the Portuguese Securities Code, which provides for compensation in the event of resignation, dismissal without a valid reason, or the termination of the employment relationship following a change in the Company's control.

VI - Share and/or stock options plans

85. Details of the plan and the number of persons included therein.

Galp has no share plans or stock option plans.

86. A characterisation of the plan (allocation conditions, any non-transfer of share clauses, the criteria for share pricing and exercising the option price, the period during which the options may be exercised, the characteristics of the shares or options to be allocated, and the existence of any incentives to purchase and/or exercise options).

Galp has no share plans or stock option plans.

87. Stock option plans for the Company's employees and staff.

Galp has no share plans or share purchase options.

88. Any control mechanisms for a possible employee-shareholder system, insofar as voting rights are not directly exercised by such employees (Article 245(A)(1)(e) of the Securities Code).

Galp has no share plans or share purchase options.

E - Transactions with related parties

I - Control mechanisms and procedures

89. The mechanisms implemented by the Company for the purpose of controlling transactions with related parties (for such purposes, reference is made to the concept resulting from IAS 24).

In order to safeguard the Galp group's interests in situations involving potential conflicts of interest, Galp has adopted internal standards for the control of transactions between Galp (or its subsidiaries or other companies that are under Galp's management control, i.e. "Galp group entities") and related parties for compliance with the relevant accounting standards, in particular IAS 24.

These internal procedures impose the following main principles:

- (i) Any commitment of a contractual nature between any Galp group entities and any related party shall be carried out under normal market conditions;
- (ii) The execution by any Galp group entities and a related party of any relevant transactions (as described below) requires the prior opinion of the Audit Board (please refer to section 91 below for further detail);
- (iii) The execution by any Galp group entities and a related party of any relevant transactions (as described below) that have a single economic value higher than €20 million is also subject to the prior approval of the Board of Directors.

For these purposes, relevant transactions include, in particular: (i) financial investments, funding, shareholder loans, the granting of guarantees, the acquisition or sale of products and services, as well as the supply of energy products and other similar transactions with an economic value exceeding €10 million (with certain exceptions); (ii) the acquisition or divestment of shareholdings or other assets; and (iii) any other transactions that have a high risk of conflict of interests.

90. Details of any transactions that were subject to control during the year.

In 2018, there were no transactions with related parties subject to the control of the Audit Board.

91. A description of the procedures and criteria applicable to the Audit Board when it provides a preliminary assessment of the business deals to be carried out between the Company and the holders of qualifying holdings or entities in any relationship with them, in accordance with Article 20 of the Securities Code.

Galp's engagement in business with related entities, as defined by IAS 24, is subject to the prior opinion of the Audit Board, in accordance with the internal standard "Galp group Transactions with Related Parties", in order to safeguard the Galp group's interest in situations of potential conflicts of interest, notwithstanding compliance with the legal provisions in force. The standard is available online at: <http://www.galp.com/Portals/O/Recursos/Governo-Societario/SharedResources/Documentos/EN/NT-R-Transacoes-Grupo-Galp-Partes-Relacionadas-EN.pdf>.

This regulation applies to any relevant transactions between Galp (or any Galp group entity) and related parties.

The Company Secretary is required to submit any relevant transactions with a related party to the Audit Board, in order to receive their prior opinion, along with the supporting information, including, in particular, its economic value, the specification of the contractual formation procedures that are to be adopted, and a demonstration of the compliance of the transaction conditions with normal market conditions.

The Audit Board must issue an opinion within five business days, otherwise the opinion will be deemed favourable.

In cases of urgency and exceptional nature, previously approved and duly justified in accordance with the applicable authorisation standard, when it is not feasible or possible to obtain the favourable prior opinion of the Audit Board without significant loss of value to the relevant transaction for the Galp group, the opinion shall be requested immediately afterwards.

If the Audit Board issues a negative prior opinion, then the Board of Directors of the Group Company may decide to go forward with the transaction, on the grounds that it will aim to pursue the relevant social interests of Galp or of the Galp group entity.

The transactions with related parties are communicated to the Audit Board by the Board of Directors and/or the Executive Committee on a semi-annual basis.

II - Data on business deals

92. Details of the place where the financial statements, including information relating to business dealings with related parties, are available, in accordance with IAS 24 – or, alternatively, a copy of such data.

Information on any transactions with related parties, in accordance with IAS 24, is available in Note 28 of Appendix 9.1. a of this report.

PART II

Corporate governance assessment

1. Identification of the Corporate Governance Code that has been adopted

Under, and for the purposes of Article 2 of CMVM Regulation No. 4/2013, Galp voluntarily decided to be governed by the Corporate Governance Code of the Portuguese Institute of Corporate Governance, as approved in 2018 (the “IPCG Corporate Governance Code”), and as available online at the Portuguese Institute of Corporate Governance website: <http://www.cgov.pt>.

2. Compliance analysis of the Corporate Governance Code that has been adopted

The Company has adopted the vast majority of the applicable recommendations of the IPCG Corporate Governance Code.

Out of a total of 60 recommendations, Galp has adopted forty-nine, seven are not applicable, while four have not been adopted for reasons explained in the table below. The evidence for the adoption of each recommendation, and the reference to the section of the chapter in this report where the respective matter is addressed (Section, Part, Chapter), are indicated in the following table. This includes an explanation for any non-adoption of a certain recommendation, as well as an indication of any alternative mechanisms that have been selected by the Company for the purpose of pursuing the same objective of the recommendation relevant.

IPCG Recommendation	Comply or explain	Reference to this report
Chapter I - General provisions		
I.1. Company's relationship with investors and disclosure		
I.1.1. The Company should establish mechanisms to ensure, in a suitable and rigorous form, the production, management and timely disclosure of information to its governing bodies, shareholders, investors and other stakeholders, financial analysts, and to the markets in general.	Adopted.	Sections 56 to 65, Part I, Chapter 7.
I.2. Diversity in the composition and functioning of the company's governing bodies		
I.2.1. Companies should establish standards and requirements regarding the profile of new members of their governing bodies, which are suitable according to the roles to be carried out. Besides individual attributes (such as competence, independence, integrity, availability, and experience), these profiles should take into consideration general diversity requirements, with particular attention to gender diversity, which may contribute to a better performance of the governing body and to the balance of its composition.	Not applicable. This recommendation is not applicable for 2018, as there were no elections of governing bodies at Galp.	
I.2.2. The company's managing and supervisory boards, as well as their committees, should have internal regulations — namely regulating the performance of their duties, their Chairmanship, periodicity of meetings, their functioning and the duties of their members —, and detailed minutes of the meetings of each of these bodies should be carried out.	Adopted.	Sections 22, 27 and 34, Part I, Chapter 7.
I.2.3. The internal regulations of the governing bodies — the managing body, the supervisory body and their respective committees — should be disclosed, in full, on the company's website.	Adopted.	Section 61, Part I, Chapter 7.

IPCG Recommendation	Comply or explain	Reference to this report
I.2.4. The composition, the number of annual meetings of the managing and supervisory bodies, as well as of their committees, should be disclosed on the company's website.	Adopted.	Section 62, Part I, Chapter 7.
I.2.5. The company's internal regulations should provide for the existence and ensure the functioning of mechanisms to detect and prevent irregularities, as well as the adoption of a policy for the communication of irregularities (whistleblowing) that guarantees the suitable means of communication and treatment of those irregularities, but safeguarding the confidentiality of the information transmitted and the identity of its provider, whenever such confidentiality requested.	Adopted.	Section 49, Part I, Chapter 7.
I.3. Relationships between the company bodies		
I.3.1. The bylaws, or other equivalent means adopted by the company, should establish mechanisms that, within the limits of applicable laws, permanently ensure the members of the managing and supervisory boards are provided with access to all the information and company's collaborators, in order to appraise the performance, current situation and perspectives for further developments of the company, namely including minutes, documents supporting decisions that have been taken, calls for meetings, and the archive of the meetings of the managing board, without impairing the access to any other documents or people that may be requested for information.	Adopted.	Sections 15 and 38, Part I, Chapter 7.
I.3.2. Each of the company's boards and committees should ensure the timely and suitable flow of information, especially regarding the respective calls for meetings and minutes, necessary for the exercise of the competences, determined by law and the bylaws, of each of the remaining boards and committees.	Adopted.	Sections 15, 29 and 38, Part I, Chapter 7.
I.4. Conflicts of interest		
I.4.1. The duty should be imposed, to the members of the company's boards and committees, of promptly informing the respective board or committee of facts that could constitute or give rise to a conflict between their interests and the company's interest.	Adopted.	Sections 26, 38, and 67, Part I, Chapter 7.
I.4.2. Procedures should be adopted to guarantee that the member in conflict does not interfere in the decision making process, without prejudice to the duty to provide information and other clarifications that the board, the committee or their respective members may request.	Adopted.	Sections 26, 38, and 67, Part I, Chapter 7.
I.5. Related party transactions		
I.5.1. The managing body should define, in accordance with a previous favourable and binding opinion of the supervisory body, the type, the scope and the minimum individual or aggregate value of related party transactions that: (i) require the previous authorisation of the managing board, and (ii) due to their increased value require an additional favourable report of the supervisory body.	Adopted.	Section 89 and 91, Part I, Chapter 7.
I.5.2. The managing body should report all the transactions contained in Recommendation 1.5.1. to the supervisory body, at least every six months.	Adopted.	Section 89 and 91, Part I, Chapter 7.

IPCG Recommendation	Comply or explain	Reference to this report
Chapter II - Shareholders and general meetings		
II.1. The company should not set an excessively high number of shares to confer voting rights, and it should make its choice clear in the corporate governance report every time its choice entails a diversion from the general rule: that each share has a corresponding vote.	Adopted.	Sections 5 and 12, Part 1, Chapter 7.
II.2. The company should not adopt mechanisms that make decision making by its shareholders (resolutions) more difficult, specifically, by setting a quorum higher than that established by law.	<p>Not adopted.</p> <p>According to the By-laws, any resolutions on the matters referred to in Article 12, paragraph 4, a), b), and c), or any other matters for which the law requires a qualified majority, two-thirds of the votes cast are necessary in both the first and the second call at the General Shareholders' Meeting, even if shareholders holding shares representing at least half of the capital are present or represented (which is higher than required by the CSC, in the case of the second call, and, in some cases included under a), also in the case of a first call).</p> <p>These provisions of the By-laws have the purpose of ensuring an adequate representation of shareholders when passing resolutions on matters that are strategically important for the Company.</p>	Section 14, Part 1, Chapter 7.
II.3. The company should implement adequate means for the exercise of voting rights through postal votes, including by electronic means.	Adopted.	Section 12, Part 1, Chapter 7.
II.4. The company should implement adequate means in order for its shareholders to be able to digitally participate in general meetings.	Adopted.	Section 12, Part 1, Chapter 7.
II.5. The bylaws, which specify the limitation of the number of votes that can be held or exercised by a sole shareholder, individually or in coordination with other shareholders, should equally provide that, at least every 5 years, the amendment or maintenance of this rule will be subject to a shareholder resolution — without increased quorum in comparison to the legally established — and in that resolution, all votes cast will be counted without observation of the imposed limits.	<p>Not applicable.</p> <p>The By-laws do not include any limitations on the number of votes that can be held or exercised by a sole shareholder, individually or in coordination with other shareholders.</p>	Section 13, Part 1, Chapter 7.
II.6. The company should not adopt mechanisms that imply payments or assumption of fees in the case of the transfer of control or the change in the composition of the managing body, and which are likely to harm the free transferability of shares and a shareholder assessment of the performance of the members of the managing body.	Adopted.	Section 4, Part I, Chapter 7.

IPCG Recommendation	Comply or explain	Reference to this report
Chapter III - Non-executive management, monitoring and supervision		
<p>III.1. Without prejudice to the legal powers of the chair of the managing body, if he or she is not independent, the independent directors should appoint a coordinator (lead independent director), from amongst them, namely, to: (i) act, when necessary, as an interlocutor near the chair of the board of directors and other directors, (ii) make sure there are the necessary conditions and means to carry out their functions; and (iii) coordinate the independent directors in the assessment of the performance of the managing body, as established in recommendation V.11.</p>	Adopted.	Section 18, Part I, Chapter 7
<p>III.2. The number of non-executive members in the managing body, as well as the number of members of the supervisory body and the number of the members of the committee for financial matters should be suitable for the size of the company and the complexity of the risks intrinsic to its activity, but sufficient to ensure, with efficiency, the duties which they have been attributed.</p>	Adopted.	Sections 18 and 31, Part I, Chapter 7.
<p>III.3. In any case, the number of non-executive directors should be higher than the number of executive directors.</p>	Adopted.	Section 18, Part I, Chapter 7.
<p>III.4. Each company should include a number of non-executive directors that corresponds to no less than one third, but always plural, who satisfy the legal requirements of independence. For the purposes of this recommendation, an independent person is one who is not associated with any specific group of interest of the company, nor under any circumstance likely to affect his/her impartiality of analysis or decision, namely due to:</p> <ul style="list-style-type: none"> i. having carried out functions in any of the company's bodies for more than twelve years, either on a consecutive or non-consecutive basis; ii. having been a prior staff member of the company or of a company which is considered to be in a controlling or group relationship with the company in the last three years; iii. having, in the last three years, provided services or established a significant business relationship with the company or a company which is considered to be in a controlling or group relationship, either directly or as a shareholder, director, manager or officer of the legal person; iv. having been a beneficiary of remuneration paid by the company or by a company which is considered to be in a controlling or group relationship other than the remuneration resulting from the exercise of a director's duties; v. having lived in a non-marital partnership or having been the spouse, relative or any first degree next of kin up to and including the third degree of collateral affinity of company directors or of natural persons who are direct or indirect holders of qualifying holdings, or vi. having been a qualified holder or representative of a shareholder of qualifying holding. 	Adopted.	Section 18, Part I, Chapter 7.
<p>III.5. The provisions of (i) of recommendation III.4 does not inhibit the qualification of a new director as independent if, between the termination of his/her functions in any of the company's bodies and the new appointment, a period of three years has elapsed (cooling-off period).</p>	Not applicable. There are no Directors in this situation.	

IPCG Recommendation	Comply or explain	Reference to this report
III.6. Non-executive directors should participate in the definition, by the managing body, of the strategy, main policies, business structure and decisions that should be deemed strategic for the company due to their amount or risk, as well as in the assessment of the accomplishment of these actions.	Adopted.	Section 18, Part I, Chapter 7
III.7. The supervisory body should, within its legal and statutory competences, collaborate with the managing body in defining the strategy, main policies, business structure and decisions that should be deemed strategic for the company due to their amount or risk, as well as in the assessment of the accomplishment of these actions.	Not applicable to Galp's governance model.	
III.8. The supervisory body, in observance of the powers conferred to it by law, should, in particular, monitor, evaluate, and pronounce itself on the strategic lines and the risk policy defined by the managing body.	Adopted.	Sections 38 and 51, Part I, Chapter 7.
III.9. Companies should create specialised internal committees that are adequate to their dimension and complexity, separately or cumulatively covering matters of corporate governance, remuneration, performance assessment, and appointments.	<p>Not adopted.</p> <p>The Company has created specialized committees to address corporate bodies's remuneration, performance assessment, risk, sustainability, EQS, ethics and conduct.</p> <p>Considering the Company's governance model and Portuguese corporate law, the Audit Board is the internal body responsible for assessing matters of corporate governance.</p> <p>The appointment of directors is a responsibility attributed by Portuguese corporate law to the shareholders. In order to avoid any conflicts of interest or agency issues, the Board of Directors has not appointed any committee to address matters related with the appointment of its members or of members of other Company's governing bodies (such as the members of the Audit Board).</p>	Section 27, Part I, Chapter 7.
III.10. Risk management systems, internal control and internal audit systems should be structured in terms adequate to the dimension of the company and the complexity of the inherent risks of the company's activity.	Adopted.	Sections 50 to 55, Part I, Chapter 7
III.11. The supervisory body and the committee for financial affairs should supervise the effectiveness of the systems of risk management, internal control and internal audit, and propose adjustments where they are deemed to be necessary.	Adopted.	Sections 38, 50 and 51, Part I, Chapter 7.
III.12. The supervisory body should provide its view on the work plans and resources of the internal auditing service, including the control of compliance with the rules applied to the company (compliance services) and of internal audit, and should be the recipient of the reports prepared by these services, at least regarding matters related with approval of accounts, the identification and resolution of conflicts of interest, and the detection of potential irregularities.	Adopted.	Sections 50 and 51, Part I, Chapter 7.

IPCG Recommendation	Comply or explain	Reference to this report
Chapter IV - Executive management		
IV.1. The managing body should approve, by internal regulation or equivalent, the rules regarding the action of the executive directors and how these are to carry out their executive functions in entities outside of the group.	Adopted.	Section 26, Part I, Chapter 7.
IV.2. The managing body should ensure that the company acts consistently with its objects and does not delegate powers, namely, in what regards: i) the definition of the strategy and main policies of the company; ii) the organisation and coordination of the business structure; iii. matters that should be considered strategic in virtue of the amounts involved, the risk, or special characteristics. iii) matters that should be considered strategic in virtue of the amounts involved, the risk, or special characteristics.	Adopted.	Section 29, Part I, Chapter 7.
IV.3. In matters of risk assumption, the managing body should set objectives and look after their accomplishment.	Adopted.	Sections 50 and 51, Part I, Chapter 7.
IV.4. The supervisory board should be internally organised, implementing mechanisms and procedures of periodic control that seek to guarantee that risks which are effectively incurred by the company are consistent with the company's objectives, as set by the managing body.	Adopted.	Sections 50 and 51, Part I, Chapter 7.
Chapter V - Evaluation of performance, remuneration and appointment		
V.1. Annual evaluation of performance		
V.1.1. The managing body should annually evaluate its performance as well as the performance of its committees and delegated directors, taking into account the accomplishment of the company's strategic plans and budget plans, the risk management, the internal functioning and the contribution of each member of the body to these objectives, as well as the relationship with the company's other bodies and committees.	Adopted. The first evaluation of its performance as well as the performance of Executive Committee and other committees was performed in 8 February 2019 with reference to 2018, and it will be included in the 2019 corporate governance report.	Section 24, Part I, Chapter 7
V.1.2. The supervisory body should supervise the company's management, especially, by annually assessing the accomplishment of the company's strategic plans and of the budget, the risk management, the internal functioning and the contribution of each member of the body to these objectives, as well as the relationship with the company's other bodies and committees.	Adopted. The first assessment in accordance with these rules was performed in 7 February 2019, with reference to 2018, and it will be included in the 2019 corporate governance report.	Section 38, Part I, Chapter 7
V.2. - Remuneration		
V.2.1. The remuneration should be set by a committee, the composition of which should ensure its independence from management.	Adopted.	Section 67, Part I, Chapter 7.

IPCG Recommendation	Comply or explain	Reference to this report
V.2.2. The remuneration committee should approve, at the start of each term of office, execute, and annually confirm the company's remuneration policy for the members of its boards and committees, including the respective fixed components. As to executive directors or directors periodically invested with executive duties, in the case of the existence of a variable component of remuneration, the committee should also approve, execute, and confirm the respective criteria of attribution and measurement, the limitation mechanisms, the mechanisms for deferral of payment, and the remuneration mechanisms based on the allocation of options and shares of the company.	Adopted.	Section 69, Part I, Chapter 7.
V.2.3. The statement on the remuneration policy of the managing and supervisory bodies, pursuant to article 2 of Law no. 28/2009, 19th June, should additionally contain the following: i. the total remuneration amount itemised by each of its components, the relative proportion of fixed and variable remuneration, an explanation of how the total remuneration complies with the company's remuneration policy, including how it contributes to the company's performance in the long run, and information about how the performance requirements were applied; ii. remunerations from companies that belong to the same group as the company; iii. the number of shares and options on shares granted or offered, and the main conditions for the exercise of those rights, including the price and the exercise date; iv. information on the possibility to request the reimbursement of variable remuneration; v. information on any deviation from the procedures for the application of the approved remuneration policies, including an explanation of the nature of the exceptional circumstances and the indication of the specific elements subject to derogation; vi. information on the enforceability or non-enforceability of payments claimed in regard to the termination of office by directors.	Adopted.	Sections 69 to 87, Part I, Chapter 7.
V.2.4. For each term of office, the remuneration committee should also approve the directors' pension benefit policies, when provided for in the bylaws, and the maximum amount of all compensations payable to any member of a board or committee of the company due to the respective termination of office.	Adopted.	Sections 76 and 83, Part I, Chapter 7.
V.2.5. In order to provide information or clarifications to shareholders, the chair or, in case of his/her impediment, another member of the remuneration committee should be present at the annual general meeting, as well as at any other, whenever the respective agenda includes a matter linked with the remuneration of the members of the company's boards and committees or, if such presence has been requested by the shareholders.	Adopted.	Section 67, Part I, Chapter 7.
V.2.6. Within the company's budgetary limitations, the remuneration committee should be able to decide, freely, on the hiring, by the company, of necessary or convenient consulting services to carry out the committee's duties. The remuneration committee should ensure that the services are provided independently and that the respective providers do not provide other services to the company, or to others in controlling or group relationship, without the express authorisation of the committee.	Adopted.	Section 67, Part I, Chapter 7.

IPCG Recommendation	Comply or explain	Reference to this report
V.3. - Director remuneration		
V.3.1. Taking into account the alignment of interests between the company and the executive directors, a part of their remuneration should be of a variable nature, reflecting the sustained performance of the company, and not stimulating the assumption of excessive risks.	Adopted.	Sections 69 to 71, Part I, Chapter 7.
V.3.2. A significant part of the variable component should be partially deferred in time, for a period of no less than three years, thereby connecting it to the confirmation of the sustainability of the performance, in the terms defined by a company's internal regulation.	Adopted.	Section 72, Part I, Chapter 7.
V.3.3. When variable remuneration includes the allocation of options or other instruments directly or indirectly dependent on the value of shares, the start of the exercise period should be deferred in time for a period of no less than three years.	Not applicable. Presently, variable remuneration does not include the allocation of options or other instruments that are directly or indirectly dependent on the value of shares, although the Remuneration Committee has expressed its intention to set up such a type of compensation mechanism in the Company's Remuneration Policy for 2018.	
V.3.4. The remuneration of non-executive directors should not include components dependent on the performance of the company or on its value.	Adopted.	Section 69, Part I, Chapter 7.
V.3.5. The company should be provided with suitable legal instruments so that the termination of a director's time in office before its term does not result, directly or indirectly, in the payment to such director of any amounts beyond those foreseen by law, and the company should explain the legal mechanisms adopted for such purpose in its governance report.	Adopted.	Section 83, Part I, Chapter 7.
V.4. Appointments		
V.4.1. The company should, in terms that it considers suitable, but in a demonstrable form, promote that proposals for the appointment of the members of the company's governing bodies are accompanied by a justification in regard to the suitability of the profile, the skills and the curriculum vitae to the duties to be carried out.	Not applicable This recommendation is not applicable for 2018, as there were no elections of the governing bodies at Galp.	
V.4.2. The overview and support to the appointment of members of senior management should be attributed to a nomination committee, unless this is not justified by the company's size.	Not applicable. With reference to the appointment of senior executives, in accordance with Article 248(B)(3) of the Portuguese Securities Code, the only persons who are classified as Galp's senior are the members of the Board of Directors and of the Audit Board (and who are therefore evaluated by the Remuneration Committee).	

IPCG Recommendation	Comply or explain	Reference to this report
V.4.3. This nomination committee includes a majority of nonexecutive, independent members.	Not adopted. The appointment of directors is a responsibility attributed by Portuguese corporate law to the shareholders. In order to avoid any conflicts of interest or agency issues, the Board of Directors has not appointed any committee to address matters related with the appointment of its members or of members of other Company's governing bodies (such as the members of the Audit Board).	
V.4.4. The nomination committee should make its terms of reference available, and should foster, to the extent of its powers, transparent selection processes that include effective mechanisms of identification of potential candidates, and that those chosen for proposal are those who present a higher degree of merit, who are best suited to the demands of the functions to be carried out, and who will best promote, within the organisation, a suitable diversity, including gender diversity.	Not adopted. The appointment of directors is a responsibility attributed by Portuguese corporate law to the shareholders. In order to avoid any conflicts of interest or agency issues, the Board of Directors has not appointed any committee to address matters related with the appointment of its members or of members of other Company's governing bodies (such as the members of the Audit Board).	
Chapter VI - Risk management		
VI.1. The managing body should debate and approve the company's strategic plan and risk policy, which should include a definition of the levels of risk considered acceptable.	Adopted.	Sections 50, 51 and 54, Part I, Chapter 7.
VI.2. Based on its risk policy, the company should establish a system of risk management, identifying (i) the main risks it is subject to in carrying out its activity; (ii) the probability of occurrence of those risks and their respective impact; (iii) the devices and measures to adopt towards their mitigation; (iv) the monitoring procedures, aiming at their accompaniment; and (v) the procedure for control, periodic evaluation and adjustment of the system.	Adopted.	Sections 50, 51, 52, 54 and 55, Part I, Chapter 7.
VI.3. The company should annually evaluate the level of internal compliance and the performance of the risk management system, as well as future perspectives for amendments of the structures of risk previously defined.	Adopted.	Sections 50, 51 and 54, Part I, Chapter 7.

IPCG Recommendation	Comply or explain	Reference to this report
Chapter VII - Financial statements and accounting		
VII.1. Financial information		
VII.1.1. The supervisory body's internal regulation should impose the obligation to supervise the suitability of the preparation process and the disclosure of financial information by the managing body, including suitable accounting policies, estimates, judgments, relevant disclosure and its consistent application between financial years, in a duly documented and communicated form.	Adopted.	Sections 38 and 55, Part I, Chapter 7.
VII.2. Statutory audit of accounts and supervision		
VII.2.1. Through the use of internal regulations, the supervisory body should define: <ul style="list-style-type: none"> i. the criteria and the process of selection of the statutory auditor; ii. the methodology of communication between the company and the statutory auditor; iii. the monitoring procedures destined to ensure the independence of the statutory auditor; iv. the services, besides those of accounting, which may not be provided by the statutory auditor. 	Adopted.	Sections 37, Part I, Chapter 7.
VII.2.2. The supervisory body should be the main interlocutor of the statutory auditor in the company and the first recipient of the respective reports, having the powers, namely, to propose the respective remuneration and to ensure that adequate conditions for the provision of services are ensured within the company.	Adopted.	Section 45, Part I, Chapter 7.
VII.2.3. The supervisory body should annually assess the services provided by the statutory auditor, their independence and their suitability in carrying out their functions, and propose their dismissal or the termination of their service contract by the competent body when this is justified for due cause.	Adopted.	Section 45, Part I, Chapter 7.
VII.2.4. The statutory auditor should, within their powers, verify the application of policies and systems of remuneration of governing bodies, the effectiveness and the functioning of the mechanisms of internal control, and report any irregularities to the supervisory body.	Adopted.	Section 45, Part I, Chapter 7
VII.2.5. The statutory auditor should collaborate with the supervisory body, immediately providing information on the detection of any relevant irregularities as to the accomplishment of the duties of the supervisory body, as well as any difficulties encountered whilst carrying out their duties.	Adopted.	Section 45, Part I, Chapter 7

Appendices



1.

Compulsory statements

1. Corporate bodies

The composition of Galp's governing bodies for the period 2015-2018 is as follows:

Board of the General Meeting

Chairman:

Daniel Proença de Carvalho

Vice-Chairman:

Victor Manuel Pereira Dias

Secretary:

Maria Helena Claro Goldschmidt

Board of Directors

Chairman:

Paula Fernanda Ramos Amorim

Vice-Chairmen:

Miguel José Pereira Athayde Marques

Carlos Nuno Gomes da Silva

Members:

Filipe Quintin Crisóstomo Silva

Thore Ernst Kristiansen

Sérgio Gabrielli de Azevedo

Abdul Magid Osman

Marta Cláudia Ramos Amorim Barroca de Oliveira

Raquel Rute da Costa David Vunge

Carlos Manuel Costa Pina

Francisco Vahia de Castro Teixeira Rêgo

Jorge Manuel Seabra de Freitas

José Carlos da Silva Costa

Pedro Carmona de Oliveira Ricardo

João Tiago Cunha Belém da Câmara Pestana

Rui Paulo da Costa Cunha e Silva Gonçalves

Luís Manuel Pego Todo Bom

Diogo Mendonça Rodrigues Tavares

Joaquim José Borges Gouveia

Executive Committee

Chairman:

Carlos Gomes da Silva (CEO)

Members:

Filipe Crisóstomo Silva (CFO)

Thore E. Kristiansen

Carlos Costa Pina

José Carlos Silva

Tiago Câmara Pestana

Pedro Ricardo

Company Secretary

Standing:

Rui Pedro de Oliveira Neves

Alternate:

Maria Helena Claro Goldschmidt

Audit Board

Chairman:

Daniel Bessa Fernandes Coelho

Member:

Gracinda Augusta Figueiras Raposo

Member:

Pedro Antunes de Almeida

Alternate:

Amável Alberto Freixo Calhau

Statutory Auditor

Standing:

PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda. represented by Ana Maria Ávila de Oliveira Lopes Bertão

Alternate:

José Manuel Henriques Bernardo

2. Treasury shares

Galp holds no treasury shares. During the financial year 2018, Galp did not acquire or sell any treasury shares.

3. Information on the shareholdings of the members of the management and supervisory bodies as at 31 December 2018

	Period from 1 January to 31 December 2018							
	Total shares as at 31.12.2017	Date	No. of shares	Purchase Value (€/share)	Date	No. of shares	Disposal Value (€/share)	Total shares as at 31.12.2018
Members of the Board of Directors								
Paula Amorim*	-							-
Miguel Athayde Marques	1,800							1,800
Carlos Gomes da Silva ¹	2,410							2,410
Filipe Crisóstomo Silva ²	10,000							10,000
Thore E. Kristiansen ²	-							-
Sérgio Gabrielli de Azevedo	-							-
Abdul Magid Osman	-							-
Marta Amorim *	19,263 ^[1]							19,263
Raquel Vunge	-							-
Carlos Costa Pina ²	-	2.3.2018	1,000	14,5				2,200
		14.11.2018	1,200	13,9				
Francisco Teixeira Rêgo*	17,680							17,680
Jorge Seabra de Freitas*	-							-
José Carlos Silva ²	275							275
Pedro Ricardo ²	5,230							5,230
Tiago Câmara Pestana ²	-							-
Rui Paulo Gonçalves*	-							-
Luís Todo Bom	-							-
Diogo Tavares	2,940							2,940
Joaquim Borges Gouveia	-							-
Members of the Audit Board								
Daniel Bessa	-							-
Gracinda Raposo	-							-
Pedro Antunes de Almeida	5							5
Amável Calhau	-							-
Statutory Auditor								
PricewaterhouseCoopers & Associados, Lda.	-							-
José Manuel Henriques Bernardo	-							-

*For the effects of Article 447, par. 2, sub-par. d) of the Commercial Companies Code, it is hereby provided that Amorim Energia B.V., for which the respective director also exercises management functions, is the holder of 276,472,161 Galp's shares.

¹ Stock ownership held by the CEO expressed as a multiple of the CEO's annual fixed salary: 0.0391.

² Average stock ownership by Executive Officers (other than the CEO) expressed as a multiple of the average Executive Officer's annual fixed salary: 0.1629.

4. Company Directors' business

During the fiscal year 2017, no authorisations were requested from the members of the Board of Directors of Galp to carry out business with the Company, or with companies that have an ownership or group relationship with the Company.

5. Exercise of other activities by the Directors

During the fiscal year 2017, none of the directors of Galp exercised any temporary or permanent functions under a labour, subordination or autonomous agreement, with the Company or companies that have an ownership or group relationship with the Company.

The employment agreement of the director José Carlos da Silva Costa with Galp Energia, S.A., a group company, has remained suspended since he was first nominated as a member of the Board of Directors of Galp on 23 November 2012.

On the date upon which the director Pedro Carmona de Oliveira Ricardo was nominated (16 April 2015), the employment agreement into which he entered into with Galp Gás Natural, S.A., a company that has an ownership or group relationship with Galp, was suspended.

6. Creditors' positions in relation to related companies

See Note 28 of the Appendix to the individual financial statements of Galp.

2.

Biographies of the members of the management and supervisory bodies and the members of the Remuneration Committee

Board of Directors

Chairman | Paula Amorim

Born in Porto, Portugal, Paula Amorim has been a member of Galp's Board of Directors since April 2012, Vice-Chairman from 2015 to 2016 and Chairman since October 2016.

Representing the fourth generation of the largest and most successful Portuguese Family Business Group, with almost 150 years of history, Paula Amorim is the Chairman of Amorim Investimentos e Participações, SGPS, S.A., which includes in its portfolio Corticeira Amorim, the world's largest cork producer.

She also holds the position of Chairman of the Américo Amorim Group, Amorim Holding II, SGPS.

In 2005, Paula Amorim founded her own company, Amorim Fashion. Five years later she founded the Amorim Luxury Group.

Her personal interest and experience in the fashion industry were determining factors in making the Family Group a major investor in Tom Ford International (TFI), where she is a member of the Board of Directors.

In November 2018 she acquired, in partnership with Vanguard, assets of the Herdade da Comporta Fund, marking a new and important step in her strategy of growth and positioning as a Portuguese and International Hotel and Lifestyle Brand of the highest quality.

Paula Amorim studied Real Estate Management at the Escola Superior de Atividades Imobiliárias.

Vice-Chairman | Miguel Athayde Marques

Miguel Athayde Marques was born in Lisbon, Portugal on 29 April 1955. He is an independent member of Galp's Board of Directors since November 2012 and Vice-Chairman since October 2016.

He is Vice-rector of the Universidade Católica Portuguesa and Professor at the Faculty of Economics and Management of Católica Lisbon School of Business & Economics, responsible for the areas of Corporate Governance and International Business. He has been non-executive independent director of Brisa, Concessões Rodoviárias, S.A. since December 2010 and a member of the Monitoring Committee of Novo Banco, S.A. since January 2018.

Before joining Galp he was Chairman of the Board of Directors of Euronext Lisbon S.A. and Interbolsa, S.A., and Executive Director of Euronext N.V. (Amsterdam), between January 2005 and June 2010. During this period, he was Non-executive Director of Euronext Amsterdam, Euronext Brussels and Euronext Paris. Between April 2007 and June 2010, he was a member of the Management Committee of the New York Stock Exchange. He was also Executive Director of Caixa Geral de Depósitos (between 2000 and 2004) and of Jerónimo Martins (between 1996 and 2000). Before that, he was Chairman of the Board of Directors of AICEP (between 1992 and 1996).

Miguel Athayde Marques holds a degree, with distinction, in Business Administration and Management from Universidade Católica Portuguesa and a Doctorate (Ph.D) in Business Management from the University of Glasgow, School of Financial Studies.

Vice-Chairman | Carlos Gomes da Silva

Carlos Gomes da Silva was born in Porto, Portugal, on 25 February 1967. He has been a member of Galp's Board of Directors since 2007 and Vice-chairman of the Board of Directors and Chairman of the Executive Committee since April 2015.

He is a professional with 30 years of experience in different industries, in particular in the energy industry. Carlos Gomes da Silva joined Galp/Petrogal early in the 1990s, where he played several management roles leading in the operating areas of Refining, Supply & Trading, Planning & Control and Strategy.

From 2001, and for a period of six years, he worked in the beverages industry (at Unicer, a Carlsberg group company) as Head of M&A and Strategy, and subsequently as Executive Director (COO). In his return to the energy industry in 2007 he was appointed member of the Board of Directors of Galp, having performed several executive roles as Executive Director namely

for the marketing of oil, gas & power, trading of oil & gas and corporate divisions.

Carlos Gomes da Silva holds a Degree in Electrical Engineering and Computer Science by the School of Engineering of the Porto University and an MBA by ESADE/IEP (Barcelona).

Member | Filipe Crisóstomo Silva

Filipe Crisóstomo Silva was born in Lisbon, Portugal, on 4 July 1964. He has been a member of the Board of Directors and Chief Financial Officer (CFO) of Galp since July 2012.

Since 1999 and before joining Galp, he was responsible for the investment banking areas of Deutsche Bank in Portugal, and since 2008 has also been the CEO of Deutsche Bank in Portugal.

Filipe Crisóstomo Silva is a graduate in economics and financial management and holds a Masters in financial management, both from the Catholic University of America, Washington D.C.

Member | Thore E. Kristiansen

Thore E. Kristiansen was born in Stavanger, Norway, on 4 July 1961. He is an executive member of Galp's Board of Directors and has been a member of the Executive Committee since October 2014, responsible for Galp's Exploration & Production business unit.

He was Senior Vice-Chairman for South America at Statoil, and was the CEO of Statoil Brazil from January 2013 until he joined Galp. He has been with Statoil for more than 25 years, with responsibility for the distribution of oil products, trading and business negotiation in Norway, the UK, Denmark and Germany, as well as in the areas of exploration and production, with a special focus on Norway, sub-Saharan Africa and South America, and also corporate functions, particularly in finance and M&A, as the Investor Relations Officer. He was also the CEO of Statoil Germany and Statoil Venezuela.

Thore E. Kristiansen holds a degree in Management from the Norwegian School of Management and a Master's of Science degree in Petroleum Engineering from the University of Stavanger, Norway.

Member | Sérgio Gabrielli de Azevedo

Sérgio Gabrielli de Azevedo was born in Salvador, Brazil, on 3 October 1949. He has been an independent non-executive member of Galp's Board of Directors since July 2012.

He was the Secretary of Planning of the State Government of Bahia between March 2012 and December 2014 and was a non-executive member of the Board of Directors of Itausa S.A. until March 2015. Before joining Galp he was a member of the Board of Directors and CEO of Petrobras between July 2005 and February 2012. He was also CFO and Director of Investor Relations of Petrobras between 2003 and 2005.

He was also a member of the Boards of Directors of Desenbahia – State Development Agency of Bahia and of CAR – Companhia de Desenvolvimento e Ação Regional.

Sérgio Gabrielli de Azevedo holds a degree and Masters in Economics from the Universidade Federal da Bahia and a doctorate in Economics from Boston University. He was a visiting researcher at the London School of Economics and Political Science in 2000.

Member | Abdul Magid Osman

Abdul Magid Osman was born in Maputo, Mozambique, on 11 June 1944. He is an independent non-executive member of Galp's Board of Directors since July 2012.

He is also founder and Chairman of the BIOFUND Foundation (biodiversity protection) since 2011, Chairman of the Board of Directors of Épsilon Investimento since 2007 and is Chairman of the Board of Directors and of the Executive Committee of Tchuma Cooperativa de Crédito e de Poupança.

Before joining Galp he was Minister of Finance from 1986 to 1991 and Minister of Mineral Resources of Mozambique between 1979 and 1983. He was a non-executive director of Mercantile Bank, in South Africa, from 2002 to 2007 and Chairman of the Board of Directors and of the Executive Committee of BCI - Banco Comercial de Investimentos.

He was Director of the Management, Development and Governance Division in the United Nations Development Programme (UNDP), managing the programme with projects in over 60 countries.

Abdul Magid Osman has a degree in Economic and Financial Sciences from the Instituto Superior de Economia of Lisbon.

Member | Marta Amorim

Marta Amorim was born in Espinho, Portugal, on 29 April 1972. She is a non-executive member of Galp's Board of Directors since October 2016.

Marta Amorim currently serves as Vice-Chairman of the Américo Amorim Group and is a member of the Board of Directors of Amorim Energia B.V.

Marta Amorim holds a degree in Business Administration and Management from the Universidade Católica Portuguesa and has several years of experience in the banking sector, namely in Banco Nacional de Crédito (currently named Banco Santander Totta, S.A.).

Member | Raquel Vunge

Raquel Vunge was born in Luanda, Angola, on 30 June 1967. She has been a non-executive member of Galp's Board of Directors since October 2014.

She is also a Member of the Board of Directors of Banco Comercial Português and Caixa Angola.

In recent years, she has also been a member of the Board of Directors and the CFO of Sonangol EP, as well as having other responsibilities with Sonangol EP from 1997, including being Director of Finance between 2010 and 2012, the Head of Central Treasury from 2001 to 2010 and an Accounts Analyst at the Accounting and Finance Department until 2001.

Raquel Vunge holds a degree in Management from the Lisbon Instituto Superior de Gestão (School of Management).

Member | Carlos Costa Pina

Carlos Costa Pina was born in Lisbon, Portugal, on 14 December 1970. He has been an executive member of Galp's Board of Directors and a member of the Executive Committee since April 2012, and he is responsible for corporate services and the New Energy business area.

Previously he worked in Technology, Media and Telecommunications, real estate and services companies in the Ongoing group (Portugal and Brazil). He was Secretary of

State for Treasury and Finance in the XVII and XVIII Portuguese Constitutional Governments (2005-2011) and therefore had roles at several international financial institutions. He has also been a director at CMVM (the Portuguese Securities Market Regulator) (2000-2005), a member of the Advisory Board of the Insurance Institute of Portugal (2001- 2005) and a lawyer with his own legal practice, particularly in oil exploration and production (1994-1998). He was also a lecturer at the Lisbon Law School, where he is studying for his doctorate.

Carlos Costa Pina is the author of numerous published works and holds a degree in Law and a Masters in Legal and Business Science from the School of Law, University of Lisbon.

Member | Francisco Teixeira Rêgo

Francisco Teixeira Rêgo was born in Porto, Portugal, on 9 July 1972. He has been a non-executive member of the Board of Directors since April 2015.

He has been a Director of Amorim Holding II and other companies in the Américo Amorim Group since 2004. From 2002 to 2004 he worked in the Commercial Department of SODESA, S.A., an electricity trading company. From 1997 to 2002 he was at ECOCICLO, an Energy Engineering, Audit and Consulting company.

Francisco Teixeira Rêgo graduated in Mechanical Engineering at the School of Engineering of Porto University and completed an Advanced Postgraduate course in Quantitative Management Methods at the School of Management from Porto University.

Member | Jorge Seabra de Freitas

Jorge Seabra de Freitas was born in Porto, Portugal, on 27 February 1960. He is a non-executive member of Galp's Board of Directors since November 2012.

He has also been a director of Amorim Holding II since August 2011. Before joining Galp, he was Chairman of the Board of Directors of Coelima Indústrias Têxteis, S.A., between January 1992 and May 2011.

Jorge Seabra de Freitas holds a degree in Economics from the Porto School of Economics, as well as from the International Executive and Competitive Strategy Programme, both from INSEAD.

Member | José Carlos Silva

José Carlos Silva was born in Porto, Portugal, on 5 January 1963. He has been a member of Galp's Board of Directors since November 2012 and a member of the Executive Committee since December 2012. As Chief Operating Officer (COO) is responsible for the corporate services of Engineering, Project Management and Procurement.

With over three decades of experience in Procurement, Supply Chain and Project Management, he is the Chief Operating Officer (COO) of Refining and Trading Oil, after several leadership roles at the Company, namely as Chief Corporate Officer in the 2012-2014 period as a member of the Executive Committee. His professional experience also includes working in the automotive and tourism industries.

José Carlos da Silva Costa holds a degree in Chemical Engineering from the Porto Instituto Superior de Engenharia (School of Engineering) and specialised training in Quality Management, Information Systems and Innovation.

Member | Pedro Ricardo

Pedro Ricardo was born in Lisbon, Portugal, on 20 December 1964. He is a member of Galp's Board of Directors and Executive Committee since April 2015, responsible for the Gas & Power business unit.

In 1994 he joined Transgás, the company which introduced natural gas to Portugal, where he was the head of Natural Gas Procurement and Sales. In 1998 he was appointed Executive Director of Transgás, responsible for supplies, engineering, operations and maintenance. Between 2002 and 2005 he was executive director of GDP Distribuição, Galp group's sub-holding company in the gas distribution sector, and the executive director of some natural gas distribution companies. Between 2006 and 2015 he was a board member of Galp Gás Natural, S.A. responsible for Supply and Trading of Gas and Electricity.

Pedro Ricardo holds a degree in Chemical Engineering from the Instituto Superior Técnico in Lisbon and holds an MBA from Universidade Nova de Lisboa.

Member | Tiago Câmara Pestana

Tiago Câmara Pestana was born in Porto, Portugal, on 4 September 1964. He is an executive member of Galp's Board of Directors and of the Executive Committee since April 2015, responsible for Iberian and International Oil Marketing.

Between 1999 and 2014, he was the CEO of Dia Portugal Supermercados. Prior to that, he was Executive Director of Lojas de Conveniência Extra, Executive Director of the Jumbo hypermarket network in Portugal and Spain, Executive Director of the Pão de Açúcar group, Portugal, where he was responsible for the management of the Minipreço chain, between 1998 and 1999.

Tiago Câmara Pestana holds a degree in Aeronautical Engineering from the University of Salford (UK) and a Masters in Administrative and Industrial Sciences from City University (UK).

Member | Rui Paulo Gonçalves

Rui Paulo Gonçalves was born in Porto, Portugal, on 30 May 1967. He has been a non-executive member of Galp's Board of Directors since May 2008.

He has also been a Director and General Manager of Amorim – Investimentos Energéticos, SGPS, S.A. since December 2007. He is still the Chairman of the Board of the General Shareholders' Meeting of Amorim Holding II, SGPS, S.A.

Before joining Galp, he practised Law in Porto and was visiting Lecturer at the Portuguese Institute of Administration and Marketing on the degree course and on various post-graduate courses between 2004 and 2007. He was legal adviser to the Unicer Group from 2002 and 2007 and, at the same time, the Deputy Director of the legal office of the same group.

Rui Paulo Gonçalves has a post-graduate degree in Management for law graduates from the School of Economic and Business Sciences of the Universidade Católica and a Degree in Law from the Law School of the same university.

Member | Luís Todo Bom

Luís Todo Bom was born in Luanda, Angola, 1 May 1948. He is an independent non-executive member of Galp's Board of Directors since November 2012.

He is also non-executive Chairman of Multitel Angola, non-executive director of Onyria SGPS and of Onyria Internacional (Onyria group), visiting lecturer at Universidade Europeia and visiting associate lecture at ISCTE between 1982 and March 2017.

Before joining Galp, he was Non-executive Director of Taguspark between 2010 and 2012, Non-executive Director of Chamartín Imobiliária, SGPS, S.A. between 2007 and 2009, Non-executive Director of Companhia de Seguros Sagres, S.A., between 2003 and 2009, Non-executive Director of Portugal Telecom International,

Portugal Telecom Brazil and Semapa, SGOS, between 2003 and 2006 and Non-executive Director of Amorim Imobiliária, SGPS, S.A., between 2002 and 2007. He was Chairman of the Board of AITECOEIRAS between 2008 and 2012 and a member of the MRG Group's Strategy Board between 2009 and 2012. He was Inspector-general and Chairman of the Advisory Board of the Portugal Telecom group and also a Non-executive Director of Inotec Angola – Ambiente, Energia e Comunicações, S.A.

Luís Todo Bom has a degree in Chemical-Industrial Engineering from the Instituto Superior Técnico and an MBA from the Universidade Nova de Lisboa/Wharton School of Pennsylvania. He attended the Stanford Executive Programme and the Executive Programme on Strategy and Organisation at Stanford University. He also attended the Doctor of Business Administration (DBA) Programme at the University of Cranfield and ISCTE.

Member | Diogo Tavares

Diogo Tavares was born in Montijo, Portugal, on 31 October 1945. He was non-executive member of Galp's Board of Directors between 2006 and 2008. He has been a member of Galp's Board of Directors since April 2012.

Before joining Galp, he was Advisor to the Chairman of Amorim Holding II, SGPS, S.A. between 2006 and 2011, and the Director of the same company between 2011 and 2013, and also the Non-executive Director at Galp, S.A. between 2006 and 2008. He was Chairman of UNIRISCO, the first venture capital company in Portugal and, among other positions, was Vice-Chairman of IAPMEI, Vice-Chairman of the Tourism Institute of Portugal, Director of IFADAP, Chairman of IPE-CAPITAL, Vice-Chairman of ICEP and Chairman of Urbimeta, S.A. Sociedade Imobiliária.

Diogo Tavares holds a degree in Mechanical Engineering from the Instituto Superior Técnico and is a graduate of the Advanced Business Management Programme (IAESE/Harvard Business School).

Member | Joaquim Borges Gouveia

Joaquim Borges Gouveia, was born in Porto, Portugal, 24 October 1950. He has been an independent non-executive member of Galp's Board of Directors since May 2008.

Joaquim Borges Gouveia is retired Professor at the Department of Economics, Management, Industrial Engineering and Tourism at the Universidade de Aveiro in 2001, and has also been the Director and Coordinator of several departments at the Universidade de Aveiro.

He was the coordinator of the Governance, Competitiveness and Public Policy (GOVCOPP) research unit of the Research Institute of the Universidade de Aveiro, between 2009 and 2011, and the Director of the Master's course in Sustainable Energy Systems, between 2007 and 2011. He was Chairman of the Board of the National Network of Energy and Environment Agencies (RNAE), and is now Chairman of the respective Board of General Meetings. He is also Chairman of the Board of Directors of Energia - Agência da Área Metropolitana do Sul do Porto.

Joaquim Borges Gouveia holds a degree in Electrical Engineering from the Engineering School of the Universidade do Porto, in 1973 and a doctorate in electrical and computer engineering from the Engineering School of the Universidade do Porto, in 1983. He is an associate lecturer in Engineering.

Audit Board

Chairman | Daniel Bessa

Daniel Bessa was born in Porto, Portugal, 6 May 1948. He has been the Chairman of Galp's Audit Board since 5 October 2006.

He was Chairman of the Board of Porto Business School between 2000 and 2009. He has held posts in teaching (Faculty of Economics and Faculty of Engineering of the Universidade do Porto and at Porto Business School), in the management of education units (Faculty of Economics and Vice-Chancellor's office, Universidade do Porto, and School of Technology and Management of the Instituto Politécnico de Viana do Castelo). He was director of Finibanco and Finibanco Holding, non-executive director of CELBI – Celulose Beira Industrial, of Efacec Capital and INPARSA – Indústrias e Participações, a member of the General and Supervisory Board of BCP – Banco Comercial Português, S.A., Chairman of the Audit Board of SPGM, and an external employee of Sonae group. He was the General Manager of COTEC Portugal – Business Association for Innovation – from 2009 to 2015. He was also a director of AICEP and Chairman of the Advisory Board of IGFCSS – Institute for the Management of Social Security Capitalisation Funds.

Daniel Bessa holds a degree in Economics from the Universidade do Porto, and a doctorate in Economics from Universidade Técnica de Lisboa.

Member | Gracinda Raposo

Gracinda Raposo was born in Arraiolos, Portugal, 19 March 1954. She has been a member of Galp's Audit Board since May 2008.

She is Director of ECS Capital – a Private Equity and Distressed Funds Management Firm. Between 2007 and 2009 she was an advisor to the Board of Directors of the Santander Group. Between 2004 and 2006, she was also a Director of Caixa Geral de Depósitos and non-executive Director of Caixa BI, among other functions. She was also a member of the Audit Board of Banco BIC Portugal until 2013.

Gracinda Raposo has a degree in management from ISCTE and a Master's degree in Operations Management from the University of Georgetown, Minneapolis, USA.

Member | Pedro Antunes de Almeida

Pedro Antunes de Almeida was born in Lisbon, Portugal, 31 December 1949. He has been a member of Galp's Audit Board since November 2012.

From 2006 to 2015, Pedro Antunes de Almeida was Consultant for Economic and Business Affairs to the President of the Portuguese Republic.

As an independent business consultant in the tourism industry, he was Chairman of the Board of Directors of ICEP, Chairman of the Executive Committee of ENATUR – Pousadas de Portugal, Secretary of State for Tourism (XV Government) and Ambassador of Portugal to the World Tourism Organisation. Between 2011 and 2012 he was Secretary of the Board of Galp's General Shareholders Meeting.

Pedro Antunes de Almeida has a degree in Economics and Sociology from the Universidade Nova de Lisboa, with a post-graduate qualification in European Economic Studies, from the Universidade Católica Portuguesa, a course on Public Relations, Marketing and Publicity, from the Graduate School of Media, Lisbon, and the Course for National Defence Auditors from the National Defence Institute.

Alternate member | Amável Calhau

Amável Alberto Freixo Calhau was born in Setúbal, Portugal, 20 November 1946. He has been a Deputy Member of Galp's Audit Board since 5 October 2006.

He is a Statutory Auditor, and has been a Managing Partner of Amável Calhau, & Associados, SROC, Lda. since 1981. He was an Accountant and Auditor for an auditing company between 1970 and 1979 and has been an individual Statutory Auditor since 1980.

He has been a Statutory Auditor for dozens of companies in various sectors since 1981, including: since 1991 to 2012, Statutory Auditor for the Portuguese Securities Market Commission Audit Board; since 2006 to 2014, Statutory Auditor for the Banco de Portugal Audit Board, and since 2008 to 2012, Statutory Auditor for Agência de Gestão da Tesouraria e da Dívida Pública – IGCP, E.P.E. Audit Board.

Amável Alberto Freixo Calhau is an accounting expert from the Army Pupils' Military Institute.

Remuneration Committee

Member | Jorge Armindo de Carvalho Teixeira

Jorge Armindo de Carvalho Teixeira is the Chairman of the Board of Directors of Amorim Turismo, SGSP, S.A. and associates.

He began his professional career in 1976 as an Assistant Lecturer at the Porto Faculty of Economics, teaching Business Management and International Financial Management until 1992. In 1982 he joined what is now the Amorim Group as Chief Financial Officer and in 1987 was appointed Vice-Chairman of the Group, a position he held until 2000. In 1997, at the invitation of the Government, he was appointed Chairman of Portucel – Empresa de Celulose e Papel de Portugal, SGPS, S.A. and he also took the chair of all of the companies in which Portucel, SGPS, S.A. had investments until its privatisation.

Jorge Armindo de Carvalho Teixeira has a degree in Economics from the Faculty of Economics of Universidade do Porto.

Member | Joaquim Alberto Hierro Lopes

Joaquim Alberto Hierro Lopes is a shareholder and managing partner of GED Partners and, at the same time, a member of the Board of Directors of the Management Companies of the Funds GED V España, GED Eastern Fund II, GED Iberian B, GED Sur (also CEO) and of the Board of Directors of several GED Fund subsidiaries, including Nuceri International, Iconsa Engineering, S.A., in Spain and FASE – Estudos e Projectos, S.A. and Serlima Services S.A., in Portugal. He is the Chairman of ISAG European Business School (Graduate School of Administration and Management).

Before joining Galp, he was Executive Director of Norpedip/PME Capital – Sociedade Portuguesa de Capital de Risco (now Portugal Ventures), Chairman and Board Member of several companies,

including FiberSensing, Altitude Software, Payshop, Cabelte, Bluepharma, TV Tel Grande Porto, Fibroplac, and participated in the launch and management of various investment funds. Between 2007 and 2014 he was a member of the Audit Board of Corticeira Amorim SGPS, S.A.

From 1990 to 2010 he was a Lecturer in Financial Mathematics and Management Accounting at the ISAG European Business School.

Joaquim Alberto Hierro Lopes completed a degree in Accounting and Administration at ISCAP - Porto Accounting and Business School, as well as in Mathematics from the Faculty of Sciences of the Universidade do Porto, and also completed an MBA at Porto Business School. He has a Master's Degree in Business Administration, from Universidade do Porto.

2. Biographies of the members of the management and supervisory bodies and the members of the Remuneration Committee
3. Positions held in other companies by the members of the management and supervisory bodies and the members of the Remuneration Committee

3.

Positions held in other companies by the members of the management and supervisory bodies and the members of the Remuneration Committee

Inside Galp group*

	Executive Members						
	Carlos Gomes da Silva	Filipe Crisóstomo Silva	Thore Kristiansen	Carlos Costa Pina	José Carlos Silva	Pedro Ricardo	Tiago Câmara Pestana
CLC - Companhia Logística de Combustíveis, S.A.					CBD		
Enerfuel, S.A.				CBD			
Europe Maghreb Pipeline, Ltd						D	
Galp Alentejo E&P, S.A.		D	CBD				
Galp Bioenergy B.V.	D	D		D			
Galp E&P Brazil B.V.	D	D	D				
Galp East Africa B.V.		D	D				
Galp Energia Brasil, S.A.	CBD	D	D	D	D		
Galp Energia E&P B.V.	D	D	D	D	D	D	D
Galp Energia España, SAU	CBD				D	D	D
Galp Energia Overseas B.V.	D	D	D				
Galp Energia Overseas Block 14 B.V.		D	D				
Galp Energia Overseas Block 32 B.V.		D	D				
Galp Energia Overseas Block 33 B.V.		D	D				
Galp Energia Overseas LNG, B.V.		D				D	
Galp Energia Portugal Holdings B.V.	D	D	D				
Galp Energia Rovuma B.V.	D	D	D				
Galp Energia, S.A.	CBD	D	D	D	D	D	D
Galp Energia São Tomé e Príncipe, Limitada		M	M				
Galp Exploração e Produção (East Timor), S.A.	CBD	D	D	D	D	D	D
Galp Exploração e Produção Petrolífera, S.A.	CBD	D	D	D	D	D	D
Galp Gas & Power, SGPS, S.A.	CBD	D	D	D	D	D	D
Galp Gás Natural Distribuição, S.A.						CBD	
Galp Gás Natural, S.A.						CBD	
Galp Marketing International, S.A.							CBD
Galp Power, S.A.						CBD	
Galp Sinopec Brazil Services B.V.	D	D	D		D	D	
Galp Swaziland, Limited							D
GALPEK, LDA.					CMB		
Gasoducto Al-Andalus, S.A.						D	
Gasoducto de Extremadura, S.A.						D	
GDP - Gás de Portugal, S.A.						CMB	
Metragaz - Société pour la Construction de L'Exploitation Technique du Gazoduc Maghreb Europe						D	
MIBGAS, S.A.						D	
Petrogal Angola, Lda.							CMB
Petrogal Brasil B.V.		D	D				
Petrogal Brasil, S.A.	CBD	D	D		D	D	
Petrogal Guiné-Bissau, Lda.							CMB
Petrogal, S.A.	CBD	D	D	D	D	D	D
Tagus RE, S.A.				CBD			
Windhoek PEL 23 B.V.		D	D				
Windhoek PEL 28 B.V.		D	D				

CBD - Chairman of the Board of Directors D - Director CMB - Chairman of the Management Board M - Manager

* For this purpose, all companies directly or indirectly affiliated with Galp are deemed to be included in the Galp group.

Outside Galp group

Paula Amorim

In the Américo Amorim Group

PORTUGAL

Chairman of the Board of Directors of Amorim Holding II, SGPS, S.A.
 Chairman of the Board of Directors of Projeto Inverso, SGPS, S.A.
 Chairman of the Board of Directors of Amorim Negócios, SGPS, S.A.
 Chairman of the Board of Directors of Amorim Investimentos Energéticos, SGPS, S.A.
 Chairman of the Board of Directors of I.I. – Investimentos Ibéricos, SGPS, S.A.
 Chairman of the Board of Directors of Imoeuro, SGPS, S.A.
 Director of GREAT PRIME, S.A.
 Vice-Chairman of the Board of GAIVINA – Empreendimentos Turísticos e Imobiliários, S.A.
 Vice-Chairman of the Board of PORTAL DO SOL – Sociedade Imobiliária Amorim, S.A.
 Director of STOCKPRICE, SGPS, S.A.
 Chairman of the Board of Directors of Alqueva Verde, S.A.
 Director of AMORIM E ALEGRE - Sociedade Imobiliária, S.A.
 Director of Sociedade Agroflorestal do Panasquinho, Lda.

NETHERLANDS

Director of Amorim Energia, B.V.
 Director of Power Oil & Gas Investments, B.V.
 Director of Investmark Holdings, B.V.

USA

Chairman of the Board of Directors of AHFB I, Inc.
 Chairman of the Board of Directors of DDM-B HOLDINGS, Inc.
 Chairman of the Board of Directors of AEHC-B HOLDINGS, Inc.
 Chairman of the Board of Directors of Amorim/TFI, Inc.
 Director of Tom Ford International, LLC.

UK

Director of Platforme International Limited, Inc.

MOZAMBIQUE

Chairman of the Board of Directors of AGS – Mozambique, S.A.

In the Amorim Group

Chairman of the Board of Directors of AMORIM – Investimentos e Participações, SGPS, S.A.

In the Amorim Luxury Group

Sole Director of Amorim Luxury, S.A.
 Sole Director of Amorim Fashion, S.A.
 Chairman of the Board of Directors of Amorim Guedes de Sousa, S.A.
 Manager of Amorim Five, Lda.
 Manager of Amorim Guedes de Sousa II, Lda.
 Manager of Amorim Guedes de Sousa III, Lda.

Others

Chairman of the Board of Directors of Fundação Galp

Miguel Athayde Marques

Vice-rector of Universidade Católica Portuguesa
 Professor at the Universidade Católica Portuguesa, School of Economics and Business
 Non-executive Independent Director of Brisa, Concessão Rodoviária, S.A.
 Member of the Monitoring Committee of Novo Banco, S.A.
 Chairman of the Association of Former Management and Economics Students of Universidade Católica Portuguesa
 Member of the Scientific and Pedagogical Council of the Higher Institute of Bank Management (Portuguese Banking Association)

Carlos Gomes da Silva

Chairman of the Board of ISPG – Institute of Oil and Gas, Association for Research and Advanced Training
 Chairman of the Board of AEM – Association of Companies Issuing Listed Securities
 Member of the Board of Directors of Fundação Galp
 Vice-Chairman of EPIS – Association of Entrepreneurs for Social Inclusion

Filipe Crisóstomo Silva

Member of the Board of ISPG – Institute of Oil and Gas,
Association for Research and Advanced Training

Member of the Board of Directors of Fundação Galp

Thore E. Kristiansen

Not applicable

Sérgio Gabrielli de Azevedo

Not applicable

Abdul Magid Osman

Chairman of the BIOFUND Foundation (biodiversity protection)

Chairman of the Board of Directors of Épsilon Investimentos, S.A.

Chairman of the Board of Directors of Banco Único

Chairman of the Board of the General Shareholders' Meeting
of FDC - Fundação de Desenvolvimento Comunitário

Marta Amorim

In the Américo Amorim Group

PORTUGAL

Vice-Chairman of the Board of Directors of Amorim
Holding II, SGPS, S.A.

Chairman of the Board of Directors of Amorim
Holding Financeira, SGPS, S.A.

Chairman of the Board of Directors of Solfim SGPS, S.A.

Chairman of the Board of Directors of Projeto Inverso, SGPS, S.A.

Vice-Chairman of the Board of Directors of Amorim
Negócios, SGPS, S.A.

Vice-Chairman of the Board of Directors of I.I. – Investimentos
Ibéricos, SGPS, S.A.

Vice-Chairman of the Board of Directors of Amorim
Investimentos Energéticos, SGPS, S.A.

Chairman of the Board of Directors of Gevisar, SGPS, S.A.

Vice-Chairman of the Board of Directors of IMOEURO, SGPS, S.A.

Chairman of the Board of Directors of FINANCIMGEST –
Sociedade de Consultoria de Gestão de Créditos, S.A.

Director of GREAT PRIME, S.A.

Chairman of the Board of Directors of SOTOMAR –
Empreendimentos Industriais e Imobiliários, S.A.

Director of LUSARES – Sociedade Imobiliária, S.A.

Chairman of the Board of Directors of PORTAL DO SOL –
Sociedade Imobiliária Amorim, S.A.

Chairman of the Board of Directors of GAIVINA –
Empreendimentos Turísticos e Imobiliários, S.A.

MOZAMBIQUE

Director of AGROMOZ – Agribusiness de Mozambique, S.A.

NETHERLANDS

Director of Amorim Energia, B.V.

Director of Power Oil & Gas Investments, B.V.

Director of Angola Real Estate Investments, B.V.

Director of Topbreach Holding, B.V.

Director of Amorim Financial Sector, B.V.

Director of Amorim Aliança, B.V.

Director of Itacaré, B.V.

Director of Praia do Forte, B.V.

Director of Oil Investments, B.V.

Director of Investmark Holdings, B.V.

LUXEMBOURG

Director of Amorim Investments II, S.A.

Director of Amorim Investments V, S.A.

USA

Director of AHFB I, Inc.

Director of AEHC-B Holdings, Inc.

Director of DDM-B Holdings, Inc.

Director of Amorim/TFI, Inc.

BRAZIL

Chairman of the Board of Directors of Banco Luso-Brasileiro, S.A.

Others

Director of A.P.I. – Amorim Participações Internacionais, SGPS, S.A.

Chairman of the Board of Directors of Paisagem do Alqueva, S.A.

Chairman of the Board of Directors of S.S.A. – Sociedade de Serviços Agrícolas, S.A.

Chairman of the Board of Directors of IMOBIS – Empreendimentos Imobiliários Amorim, S.A.

Chairman of the Board of Directors of MOSTEIRO DE GRIJÓ – Empreendimentos Turísticos, S.A.

Chairman of the Board of Directors of CASA DAS HERAS – Empreendimentos Turísticos, S.A.

Manager of AMAROKA, LDA

Raquel Vunge

Board member of Banco Comercial Português and Caixa Angola

Carlos Costa Pina

Chairman of the Scientific and Technological Council of ISPG – Institute of Oil and Gas, Association for Research and Advanced Training

Vice-Chairman of the Board of BCSD Portugal – Business Council for Sustainable Development

Member of the Board of AIPQR - Associação das Indústrias da Petroquímica, Química e Refinação (Association of Petrochemical, Chemical and Refining Industries)

Member of the Board of Directors of Fundação Portugal – Africa

Member of the General Board of IPCG – Portuguese Institute of Corporate Governance

Member of the General Board of EGP Porto Business School

Director of EPRA – European Petroleum Industry Association (FuelsEurope and Concawe)

Member of the Board of Founders of Fundação da Casa da Música

Chairman of the Board of the General Shareholders Meeting of APEEN – Portuguese Association for Energy Economics

Member of the Audit Board of IDEFF – Instituto de Direito Económico, Financeiro e Fiscal

Chairman of the Board of Auditors of Fundação Res Publica

Member of the Advisory Board of APDC – Associação Portuguesa para o Desenvolvimento das Comunicações

Vice-Chairman of the Board of Câmara de Comércio Portugal-Moçambique

Member of the Strategic Board of Câmara de Comércio e Indústria Portugal-Costa do Marfim

Francisco Teixeira Rêgo**In the Américo Amorim Group**

Vice-Chairman of the Board of Amorim Holding II – SGPS, S.A.

Vice-Chairman of the Board of Amorim Holding Financeira, SGPS, S.A.

Vice-Chairman of the Board of Solfim, SGPS, S.A.

Director of Amorim Negócios – SGPS, S.A.

Director of Projeto Inverso SGPS, S.A.

Director of Amorim Investimentos Energéticos, SGPS, S.A.

Director of Gevisar – SGPS, S.A.

Director of Financimgest – Sociedade de Consultoria e Gestão de Créditos, S.A.

Director of Imoeuro, SGPS, S.A.

Director of Gaivina, Empreendimentos Turísticos e Imobiliários, S.A.

Director of Portal do Sol – Sociedade Imobiliárias Amorim, S.A.

Director of SOTOMAR – Empreendimentos Industriais e Imobiliários, S.A.

Director of Vintage Prime – SGPS, S.A.

Chairman of the Board of SF Plus, S.A.

Director of AGROMOZ Agrobusiness de Mozambique, S.A.

Director of AGS – Mozambique, S.A.

Director of Angola Real Estate Investments, B.V.

Director of Topbreach Holding, B.V.

Director of Amorim Financial Sector, B.V.

Director of Amorim Aliança, B.V.

Director of Amorim Energia, B.V.

Director of Itacaré, B.V.

Director of Praia do Forte, B.V.
 Director of Oil Investments, B.V.
 Director of Amorim Investments II, S.A.
 Director of Amorim Investments V, S.A.
 Substitute of the Chairman of Banco Luso-Brasileiro, S.A.

Others

Chairman of the Board of Moreira, Gomes & Costas, S.A.
 Chairman of the Board of FRGALB – Investments, S.A.
 Director of Época Global, SGPS, S.A.
 Director of Actual, SGPS, S.A.
 Director of Cardan Grande Porto, S.A.
 Manager of Agência de Viagens Sandinense, Lda.
 Vice-Chairman of LUYNES – Investimentos, S.A .
 Vice-Chairman of the Audit Board of ANTROP – Assoc. Nacional
 de Transportadores Rodoviários de Pesados de Passageiros
 Director of Época Global, SGPS, S.A.
 Director of Actual, SGPS, S.A.
 Director of Cardan Grande Porto, S.A.
 Manager of Agência de Viagens Sandinense, Lda.
 Vice-Chairman of na LUYNES – Investimentos, SA

Jorge Seabra de Freitas

In the Américo Amorim Group

Director of Amorim Energia, B.V.
 Member of the Board of Directors of Amorim Holding II, SGPS, S.A.
 Member of the Board of Directors of Solfim, SGPS, S.A.
 Member of the Board of Directors of Amorim Financial, SGPS, S.A.
 Member of the Board of Directors of Amorim Holding
 Financeira, SGPS, S.A.
 Member of the Board of Directors of Amorim Negócios, SGPS, S.A.
 Member of the Board of Directors of Amorim Projetos, SGPS, S.A.
 Member of the Board of Directors of II – Investimentos
 Ibéricos, SGPS, S.A.

Member of the Board of Directors of Financimgest – Sociedade
 de Consultoria de Gestão de Créditos, S.A.

Member of the Board of Directors of AGS – Mozambique, S.A.

Chairman of the Board of Directors of Agromoz – Agribusiness
 de Mozambique, S.A.

Director of Angola Real Estate Investments B.V.

Director of Topbreach Holding B.V.

Director of Amorim Financial Sector B.V. Director
 of Amorim Aliança B.V.

Director of Power Oil & Gas Investments B.V.

Director of Ligardis Holding B.V.

Director of Itacaré, B.V.

Director of Praia do Forte B.V.

Director of Oil Investments B.V.

Director of Amorim Investments II, S.A.

Director of Amorim Investments V, S.A. Director of AHFB I, Inc.

Director of Amorim/TFI, Inc.

Member of the Board of Directors of Sotomar Empreendimentos
 Turísticos e Imobiliários, S.A.

Member of the Board of Directors of Porta do Sol
 Sociedade Imobiliária Amorim, S.A.

Member of the Board of Directors of Lusares
 Sociedade Imobiliária, S.A.

Others

Adviser to Banco Luso-Brasileiro, S.A.

Member of the Board of Directors of Banco Único, SGPS, S.A.

José Carlos Silva

Others

Member of the Scientific and Technological Council
 of ISPG – Institute of Oil and Gas, Association for Research
 and Advanced Training

Pedro Ricardo

Member of the Scientific and Technological Council of ISPG – Institute of Oil and Gas, Association for Research and Advanced Training

Chairman of the Board of AGN – Portuguese Association of Natural Gas Companies

Tiago Câmara Pestana

Member of the Scientific and Technological Council of ISPG – Institute of Oil and Gas, Association for Research and Advanced Training

Chairman of the Board of APETRO – Portuguese Association of Oil Companies

Rui Paulo Gonçalves

In the Américo Amorim Group

Director and general manager of Amorim Investimentos Energéticos, SGPS, S.A.

Director of Amorim Energia, B.V.

Chairman of the Board of the General Shareholders Meeting of Amorim Holding II, SGPS, S.A.

Others

Vice-Chairman of the Board of the General Shareholders Meeting of Banco Único, S.A.

Luís Todo Bom

Managing partner of Terfran – Investimentos e Serviços, Lda.

Managing partner of Angopartners Investments Consulting, Lda.

Non-executive Chairman of the Board of Directors of Multitel Angola – Serviços de Telecomunicações, Lda.

Non-executive director of Onyria SGPS and of Onyria Internacional, S.A. (Onyria group)

Assistant Lecturer at Universidade Europeia

Diogo Tavares

Non-executive Director of upK – Gestão de Facilities e Manutenção, S.A.

Joaquim Borges Gouveia

Retired Professor of the Department of Economics, Industrial Management, Engineering and Tourism of the Universidade de Aveiro

Chairman of the Board of APM – Portuguese Association of Management

Chairman of the General Shareholders Meeting of RNAE – National Network of Energy and Environment Agencies.

Chairman of the Board of Directors of ENERGAIA, Vila Nova de Gaia District Energy Agency

Member of the Board of Directors of ABAP/BIOCANT

Audit Board

Daniel Bessa

Chairman of the Audit Board of Fundação Galp

Chairman of the Audit Board of Galp Gás Natural Distribuição, S.A.

Chairman of the Audit Board of Sonae, SGPS, S.A.

Chairman of the Audit Board of Bial – Portela e Companhia, S.A.

Non-executive Chairman of Amorim Turismo, SGPS, S.A.

Non-executive Chairman of AEGI - Amorim Entertainment and Gaming International, SGPS, S.A.

Non-executive Chairman of Sociedade Figueira Praia, S.A.

Chairman of the Board of the General Shareholders Meeting of Amkor Technology Portugal, S.A.

Member of the Board of Directors and of the Executive Committee of Fundação Bial

Member of the Investment Board of PVCI – Portuguese Venture Capital Initiative (undertaking with investment from BEI Group, through the EIF – European Investment Fund)

Gracinda Raposo

Member of the Audit Board of Fundação Galp

Non-executive Director of Tagusgás – Empresa de Gás do Vale do Tejo, S.A.

Director of ECS-Capital – Private Equity and Distressed Funds Management Firm.

Pedro Antunes de Almeida

Member of the Audit Board of Fundação Galp

Member of the Audit Board of Galp Gás Natural Distribuição, S.A.

Chairman of the Audit Board of Fidelidade Seguros

Non-executive Chairman of the Board of Directors of NAU Hotels & Resorts Group

Amável Calhau

Substitute member of the Audit Board of Fundação Galp

Substitute member of the Audit Board of Galp Gás Natural Distribuição, S.A.

Member of the audit committees of several companies

Remuneration Committee

Jorge Armindo de Carvalho Teixeira

Member of the Board of Directors of Amorim – Entertainment e Gaming Internacional, SGPS, S.A.

Member of the Board of Directors of Amorim Turismo, SGPS, S.A.

Member of the Board of Directors of BLUE & GREEN – Serviços e Gestão, S.A.

Member of the Board of Directors of Bl&Gr, S.A.

Member of the Board of Directors of CHT – Casino Hotel de Tróia, S.A.

Member of the Board of Directors of ELEVEN – Restauração e Catering, S.A.

Member of the Board of Directors of Estoril Sol, SGPS, S.A.

Member of the Board of Directors of Fozpatrimónio, S.A.

Member of the Board of Directors of Fundação do Alto da Lixa, S.A.

Member of the Board of Directors of Goldtur – Hotéis e Turismo, S.A.

Member of the Board of Directors of Grano Salis Inv. Turísticos, Jogo e Lazer, S.A.

Member of the Board of Directors of Grano Salis II Investimentos Turísticos e de Lazer, S.A.

Member of the Board of Directors of Hotel Turismo, S.A.R.L.

Member of the Board of Directors of Iberpartners Gestão e Reestruturação de Empresas, S.A.

Member of the Board of Directors of Iberpartners Cafés, SGPS, S.A.

Member of the Board of Directors of Imofoz, S.A.

Member of the Board of Directors of Mobis – Hotéis de Mozambique, S.A.R.L.

Member of the Board of Directors of Newcoffee - Indústria Torrefatora de Cafés, S.A.

Member of the Board of Directors of Notel Empreendimentos Turísticos, S.A.R.L.

Member of the Board of Directors of Prifalésia Construção e Gestão de Hotéis, S.A.

Member of the Board of Directors of SGGHM Sociedade Geral de Hotéis de Mozambique, S.A.

Member of the Board of Directors of Sociedade Figueira Praia, S.A.

Member of the Board of Directors of SPIGH – Sociedade Portuguesa de Investimentos e Gestão Hoteleira, S.A.

Member of the Board of Directors of Troia Península Investimentos, SGPS, S.A.

Member of the Board of Directors of Turyleader, SGPS, S.A.

Member of the Executive Board of AHP - Hospitality Association of Portugal

Vice-Chairman of APC – Associação Portuguesa de Casinos

Vice-Chairman of the Board of Directors of the CTP Portuguese Confederation of Tourism

Chairman of the Audit Board of the APR Portuguese Resorts Association

Joaquim Alberto Hierro Lopes

Member of the Board of Directors of GED Partners, SL

Member of the Board of Directors of Capital Promoción Empresarial del Sur, S.A.

Member of the Board of Directors of GED Capital Development, S.A.

Member of the Board of Directors of GED Iberian Private Equity, S.A.

Member of the Investment Committees of all GED Funds

Chairman of the Board of FASE-Estudios e Projectos, S.A.

Member of the Board of Directors of Serlima Services, S.A.

Chairman of the Board of Directors of ISAG – Graduate School of Administration and Management

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EDITION



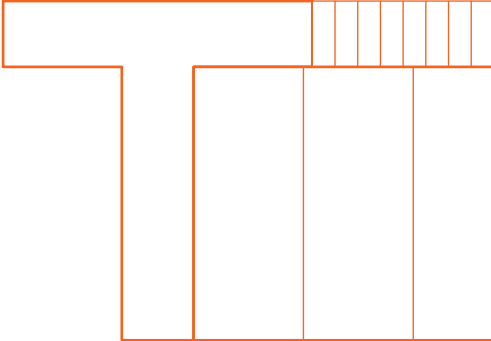
UNCREDITED PHOTOGRAPHS THROUGHOUT THE REPORT

Tab photos by Frederico van Zeller, with a Garage Films production, resorting to projection to create an anamorphic word illusion, which are only completely visible from one angle. The entire production was carried out in order to preserve the environment.

Pages 108 and 109

DESIGN AND CONCEPTION

J. Walter Thompson



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