

**Audit Board's
Regulations**
Galp Energia,
SPGPS, S.A.

UNOFFICIAL TRANSLATION

This is an unofficial translation of the Audit Board's regulations of Galp Energia, SGPS, S.A. prepared for information purposes only. In the case of any discrepancy between this translation and the Portuguese version of the Audit Board's regulations, the Portuguese version will prevail.

CHAPTER I

General Rules

ARTICLE 1.

Object

This document regulates the discharge of duties and the workings of the Audit Board of Galp Energia, SGPS, SA (hereinafter referred to as "the Company").

ARTICLE 2.

Interpretation and integration

1. The interpretation of the provisions in these regulations shall comply with the Company's articles of association and applicable legal and regulatory rules.
2. The integration of the present regulations shall be made in accordance with the recommendations on best practice for auditing listed companies.

CHAPTER II

Composition

ARTICLE 3.

Members of the Audit Board

1. The Audit Board of the Company is composed of three standing members and a deputy member who are elected by the general meeting.
2. The deputy member shall replace any standing member of the Audit Board who is temporarily hindered from performing their role or whose role has ended and shall remain in their position until the first general meeting when the vacancy shall be filled.
3. In case there are no deputy members, the hindered members of the Audit Board or those whose role has ended shall be replaced by means of a new election by the general meeting.

ARTICLE 4.

Chairman of the Audit Board

1. The general meeting shall appoint the chairman of the Audit Board or, in case this does not occur, the Audit Board shall elect its chairman.
2. If the chairman of the Audit Board ends his role for any reason before his term expires, the other members shall appoint one among them to perform the role of chairman until the end of the term.

ARTICLE 5.

Term

The term of the Audit Board is four years and its members are elected jointly with the members of the other governing bodies of the Company.

ARTICLE 6.

Members requirements

1. The members of the Audit Board comply at all times with the incompatibility, independence and specialisation requirements that are mandatory for issuers of securities traded on regulated markets.
2. To comply with the requirements referred to in the previous paragraph, no member of the Audit Board shall be in a situation of incompatibility and, at least, the majority of its members shall be independent according to article 414, paragraph 5, and article 414-A, paragraph 1, of the Companies Code. In addition, at least one of the independent members of the Audit Board shall have a university degree that is relevant for the performance of their role and be knowledgeable about audit and accounting.
3. If any one of the situations referred to in article 414-A paragraph 1 of the Companies Code should occur, the role of the relevant member shall immediately end.
4. Failure by the majority of the members of the Audit Board to comply with the requirements of article 414, paragraph 5, of the Companies Code shall imply for the last member to lose their independence the obligation to resign from their position.

ARTICLE 7.

Pledge or liability insurance

1. The members of the Audit Board shall, within 30 days of their election, back their liability by means of a pledge or an insurance policy, whose amount and terms shall be in accordance with the law.
2. The pledge or the insurance contract shall remain in force up to the end of the calendar year following the year when the member of the Audit Board has ended their role.

CHAPTER III

Competences

ARTICLE 8.º

Competences of the Audit Board

1. The competences of the Audit Board are:
 - a) to supervise the management of the company;
 - b) to ensure that the law and the articles of association are observed;
 - c) to check the regularity of the books, the accounting records and the documents underlying them;
 - d) to check, whenever deemed appropriate and in the manner it deems adequate, the size of the cash and the stocks of any goods or securities belonging to the Company or which it has received as a pledge, deposit or for any other reason;
 - e) to check the accuracy of the accounts;
 - f) to check whether the accounting principles and valuation criteria adopted by the Company lead to the right evaluation of its assets and results;
 - g) to prepare annually a report on its supervisory actions and issue an opinion on the report, accounts and proposals presented by management;
 - h) to convene the general meeting whenever the chairman of the general meeting, who shall do it, has not done it;
 - i) to check the effectiveness of the risk management system, the internal control system and the internal audit system, in case they exist, and propose the necessary adjustments;
 - j) to receive the notices of irregularities presented by shareholders, employees or others;
 - k) to hire experts who can help the members of the Audit Board in their assigned roles; the hiring terms and the remuneration shall take into account the importance of the matters and the Company's financial situation;
 - l) to supervise the process of preparing and disclosing financial information;
 - m) to propose to the general meeting the appointment of a statutory auditor or firm of statutory auditors;

- n) to oversee the audit of the Company's accounts;
- o) to check the independence of statutory auditors, namely with regard to the provision of additional services, in the terms defined in internal procedure, together with the statutory auditor examine any threats to its independence and the safeguard measures adequate to mitigate these threats and carrying out regular meetings with the statutory auditor, namely when assessing the accounts;
- p) Propose the remuneration of the statutory auditor and ensure that, within the Company, adequate conditions are established for the provision of services;
- q) Annually evaluate the work performed by the statutory auditor, its independence and suitability for the exercise of the functions and propose to the General Meeting its dismissal or termination of the service agreement whenever just cause is present;
- r) to monitor the Company's activities permanently;
- s) to check annually with the Company's executive committee the internal procedures for control and audit and any issues that may have been raised regarding the Company's accounting practice and present the recommendations it may deem as warranted;
- t) to supervise the adoption by the Company of principles and policies for identifying and managing principal financial and operations risks linked to the activities of the Company as well as other relevant risks and of actions aimed at monitoring, controlling and disclosing those risks in an adequate and timely fashion;

2. The competences of the Audit Board also includes:

- a) to appoint or dismiss the Company's statutory auditors;
- b) to assist the external auditor in obtaining access to the information required for their duties;
- c) to appraise annually the performance of the Company's statutory auditors by means of a critical assessment of the reports and documentation that have been prepared.

3. The selection of the statutory auditor or statutory auditor firm should be based in a commercial evaluation (overall value of the proposals) and in the technical evaluation which is based in the following criteria:

- a) Knowledge of 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 and statutory audit);
 - e) Curriculum Vitae of those responsible for the statutory audit and the teams assigned to it (Galp Group business experience).
4. The statutory auditor should openly, constructively and efficiently share, through the adequate communication channels, with the Audit Board the relevant information in the scope of the statutory audit, about relevant issues related with the external environment and the company's risk profile, corporate governance and internal controls, ability for the Company to continuously pursue, financial demonstrations, valuation of assets and liabilities, as well as related to any relevant situations identified in their respective reports or that arise during the process of supervision.

ARTICLE 9.

Powers and duties of the members of the Audit Board

1. For the rigorous and independent performance of their duties, the following powers, which may be exercised jointly or separately, are granted to the members of the Audit Board:
- a) to obtain from management, for examination and perusal, the books, records and documents of the Company, and check the stocks of any class of valuable item such as cash, securities or goods;
 - b) to receive in a timely fashion the consolidated and separate accounts, the management reports and the clarifications of the board of directors;
 - c) to obtain from the Company's management information or clarifications about the business performance of the Company, changes in equity holdings, terms and conditions of completed transactions and the content of taken resolutions;
 - d) to attend the meetings of the board of directors, whenever they deem it appropriate for the discharge of their duties;
 - e) to obtain from third parties that have entered into transactions on behalf of the Company the information needed to clarify such transactions;
 - f) to call, on their own initiative, the chief executive, the statutory auditors or any other senior managers or consultants to the Company, to attend the whole or part of their meetings or to meet with any of the members of the Audit Board to provide the information they may need to perform their supervisory duties;

- g) to hire the services of accountants and external auditors on behalf of the Company in accordance with article 421, paragraphs 3, 4 and 5 of the Companies Code;
- h) to have access to the necessary information for the strict performance of their duties, in compliance with the applicable legal limits, in particular through access of documents or the provision of information or clarification by employees of the Company, for performance evaluation, situation and prospects of the Company's development, including, in particular, the minutes, documentation supporting the decisions taken, the convening notices and the archiving of meetings of the Executive Committee, without prejudice of access to any other documents or persons to whom may be requested clarification;
- i) Comment on the work plans and the resources assigned to the internal control services, including the compliance services, and the statutory audit as well as receiving reports performed by the compliance office and internal audit services, at least when matters relating to rendering of accounts, the identification or resolution of conflicts of interest and the detection of potential irregularities;
- j) Immediately receive from the statutory auditor its reports, being its main interlocutor in the Company;

2. When performing their role, the members of the Audit Board have the following duties:

- a) to conduct a rigorous, conscious and impartial supervisory action with unconditional respect for the duty of secrecy regarding the facts that they may have become aware of in the performance of their role and not to use these facts to their own advantage;
- b) to participate in the meetings of the Audit Board and attend the general meetings of shareholders and the meetings of the board of directors, when they have been called to attend or when the annual accounts are reviewed;
- c) to peruse the separate and consolidated accounts and issue their opinions so these documents can be disclosed by the dates set in the law;
- d) to obtain the schedule for the external audit of the Company and control the quality and independence of the external auditors;
- e) to settle any differences between the executive committee and the external auditors regarding the financial information to be included in the financial statements;
- f) to inform the board of directors about any actions and initiatives it has taken and about their outcome;

- g) to inform the board of directors and the general meeting of all irregularities found and of the procedures undertaken to check them;
 - h) to record in writing all the checks, inspections and received charges as well as the actions and the procedures defined to resolve the found irregularities.
 - i) Monitor, evaluate and weigh in, within the powers legally conferred onto the Audit Board, on the strategic lines and the risk policy defined by the Board of Directors;
 - j) To supervise the management of the Company and, in particular, to evaluate annually 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.
 - k) To supervise the adequacy of the preparation and disclosure of financial information by the Board of Directors, including the adequacy of the accounting policies, estimates, judgements, relevant disclosures and their consistent application between years, in a duly documented and communicated manner;
 - l) Inform the Audit Board in a timely manner, in the person of its Chairman, of the facts that may constitute or cause a conflict between its interests and the social interest and, in the event of a conflict, do not interfere with the decision-making process, without prejudice of the duty to provide information and clarifications that are requested.
3. The Audit Board shall evaluate annually its own performance and shall update these regulations whenever it may improve its own workings.

CHAPTER IV

Workings

ARTICLE 10.

Meetings of the Audit Board

1. The Audit Board can validly meet and take resolutions only with the presence of the majority of its members.
2. The Audit Board shall meet at least once quarterly and when its chairman takes the initiative to convene it or the chairman of the board of directors, the chief executive officer or the statutory auditors request it.
3. The notice of call shall be sent by the chairman to its members, jointly with the agenda with the items for discussion and the supporting documentation, at least 5 working days in advance; in addition, meetings can be convened at any time provided all the members are present.
4. Minutes for each meeting, duly signed by the participants, shall be drawn up where mention shall be made of the participants, the absent members, the items discussed, the comments made and the resolutions taken.

ARTICLE 11.

Resolutions of the Audit Board

The resolutions of the Audit Board are taken by a majority vote; the reasons for dissenting votes shall be stated in the minutes.

CHAPTER V

Miscellaneous

ARTICLE 12.

Supporting services

The Audit Board shall be supported in the performance of its duties by the Company's administrative and accounting departments.

ARTICLE 13.

Aproval

These regulations have been unanimously approved by all Audit Board members on 2 May 2019, being immediately effective.

