Atish Jaientilal promises he will not run out of energy when it comes to help develop Mozambique.

At 31, he is the project engineer for Galp’s E&P business in sub-Saharan Africa.
PART I

Information on the Company’s shareholding structure, organisation and governance

A - Shareholding structure

I - Capital structure

1. Capital structure (share capital, number of shares, distribution of capital by shareholder, etc.), including an indication of shares that are not admitted to trading, different classes of shares, rights and duties of 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, 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 listed on Euronext Lisbon.

The remaining 58,079,514 shares are indirectly held by the Portuguese state through Parpública and are not listed. They represent 7% of the Galp’s share capital and are a special category of shares undergoing a privatisation process and may be converted into ordinary shares by simple request sent to Galp, without the need for approval from any of the Company’s corporate bodies.

Codes and tickers for the Galp share

<table>
<thead>
<tr>
<th>ISIN</th>
<th>Listed on Euronext Lisbon</th>
<th>State-owned shares subject to privatisation process</th>
</tr>
</thead>
<tbody>
<tr>
<td>PTGAL0AM0009</td>
<td>PTGALXAM0006</td>
<td></td>
</tr>
<tr>
<td>Sedol</td>
<td>B1FW751</td>
<td></td>
</tr>
<tr>
<td>WKN</td>
<td>AOLB24</td>
<td></td>
</tr>
<tr>
<td>Bloomberg</td>
<td>GALP PL</td>
<td></td>
</tr>
<tr>
<td>Reuters</td>
<td>GALP.LS</td>
<td></td>
</tr>
</tbody>
</table>

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 general scheme, with no restrictions under the By-laws that may impede their transferability or ownership.

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

On 31 December 2017, Galp held no treasury shares.

4. Important agreements to which the company is a party and that came into effect, amend or terminated in cases such as a change in control of the company after a takeover bid, and the respective effects, 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 take effect, is amended or terminated, in the event of a change of control of the Company following a takeover bid. In accordance with normal market practice, certain financing
agreements include change of control provisions with the possibility of debt holders to request early loan repayment amounting to €371.4 million.

Galp does not adopt any measures to demand payments or the assumption of costs in the event of change of control or change in the composition of the Board of Directors, which might damage 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. A system that is subject to the renewal or withdrawal of countermeasures, particularly those that provide for a restriction on the number of votes capable of being held or exercised by only one shareholder individually or together with other shareholders.

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

In the same way, the By-laws do not contain any provisions preventing the takeover bids or establish any voting caps.

6. Shareholders’ 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 - Shareholdings and bonds held

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

The shareholders and other entities must report to CMVM and to Galp qualifying holdings, in particular whenever the holding attributable to such shareholder or entity, reaches, exceeds or falls below the limits of 2%, 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 and 90% of the voting rights corresponding to the Galp share capital. These reporting duties are applicable in most of the European countries, being applicable the Article 20 of the Securities Code in the Portuguese case, which can be viewed at CMVM website www.cmvm.pt.

On 31 December 2017, qualifying holdings in Galp’s share capital, calculated in accordance with Article 20 of the Securities Code and reported to Galp, are presented in the following table.

Qualifying holdings in Galp’s share capital on 31 December 2017

<table>
<thead>
<tr>
<th>Shareholders</th>
<th>Number of shares</th>
<th>Percentage of voting rights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amorim Energia, B.V.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Holding</td>
<td>276,472,161</td>
<td>33.34%</td>
</tr>
<tr>
<td>Other attributable situations</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>Total attributed</td>
<td>276,472,161</td>
<td>33.34%</td>
</tr>
<tr>
<td>Parpública - Participações Públicas (SGPS), S.A.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Holding</td>
<td>62,021,340(^1)</td>
<td>7.48%</td>
</tr>
<tr>
<td>Other attributable situations</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>Total attributed</td>
<td>62,021,340</td>
<td>7.48%</td>
</tr>
<tr>
<td>BlackRock, Inc.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Holding</td>
<td>20,307,726</td>
<td>2.45%</td>
</tr>
<tr>
<td>Other attributable situations</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>Total attributed</td>
<td>20,307,726</td>
<td>2.45%</td>
</tr>
<tr>
<td>Janus Henderson Group plc(^2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Holding</td>
<td>19,465,726</td>
<td>2.34%</td>
</tr>
<tr>
<td>Other attributable situations</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>Total attributed</td>
<td>19,465,726</td>
<td>2.34%</td>
</tr>
<tr>
<td>Templeton Global Advisors Limited</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Holding</td>
<td>16,870,865</td>
<td>2.03%</td>
</tr>
<tr>
<td>Other attributable situations</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>Total attributed</td>
<td>16,870,865</td>
<td>2.03%</td>
</tr>
</tbody>
</table>

\(^1\) 58,079,514 of which are subject to a privatisation process.
\(^2\) Henderson Group plc changed its name to Janus Henderson Group plc, after having acquired Janus Capital Group Inc at 30 May 2017.
In 2017 the following transactions related to qualifying holdings occurred in Galp’s share capital:

In early 2017, BlackRock, Inc, Janus Henderson Group plc and Templeton Global Advisors Limited, held 2.45%, 2.34% and 2.03% shares, respectively, in Galp’s share capital, based on the information provided to the Company in April 2014, September 2016 and April 2013, respectively.

On 21 March 2017, Standard Life Investments (Holdings) Limited notified Galp that its subsidiary company, Standard Life Investments Limited, increased its holding in Galp’s share capital to 2.703% (above the 2% limit). Following this change, the indirect holding of Standard Life Investments (Holdings) Limited in Galp increased to 24,142,849 shares, representing 2.911% of the voting rights.

In July, Black Creek Investment Management Inc. notified Galp that on 24 July increased its holding in Galp’s share capital, and the respective voting rights from 1.97% to 2.00%, having communicated the following month that it decreased its holding in Galp’s share capital and respective voting rights from 2.00% to 1.99%, and thus no longer holding a qualifying holding.

Still in August, and following the merger of Aberdeen Asset Management PLC and Standard Life plc, with effects from 14 August 2017, Standard Life Aberdeen Plc communicated that its group’s holding in Galp’s share capital and the respective voting rights became 2.43%, 2.39% of which are held indirectly through shares and 0.04% are held through financial instruments.

In November, Standard Life Aberdeen Plc communicated to the Company that on 6 November decreased its indirect holding in Galp’s share capital and respective voting rights from 2.12% to 1.96%, thus no longer holding a qualifying holding.

8. A list of the number of shares and bonds held by the members of the management and supervisory board.

The number of shares held by, or allocated to, members of the Board of Directors and the Audit Board, as well as changes occurred during the 2017 financial year, under Article 447 paragraph 5 of the Commercial Companies Code (CSC), is presented in Appendix 8.7 to this Report.

On 31 December 2017, none of the members of the Board of Directors held any bonds issued by the Company.

On 31 December 2017, the Chairman of the Audit Board held one Galp Energia, SGPS S.A. EMTN Notes, with a rate of 4.125%, maturing on 25 January 2019 and had performed no transaction of those debt instruments during 2017.

9. Special powers of the Board of Directors, especially as regards resolutions on the capital increase (Article 245(A)(1)(i) of the Securities Code) with an indication as to the allocation date, 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 powers and mode of implementing the powers assigned.

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

The annual General Shareholders Meeting held in 2017 granted the Board of Directors the power to acquire and dispose of Company treasury shares and bonds. The timing and size of transactions are determined depending on market conditions and a set of criteria defined and approved by the General Shareholders Meeting, which are available on the Galp’s website http://www.galp.com/Portals/0/Recursos/Investidores/SharedResources/Assembleias/EN/2017AG/Item_9.pdf

On 31 December 2017, Galp held no treasury shares or bonds.

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

In 2017, there were no significant relationships of a commercial nature between owners of qualifying holdings and Galp.
B - Corporate Bodies and Committees

I - General Shareholders Meeting

a) Composition of the Board of the General Shareholders Meeting

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

The members of the Board of the General Shareholders Meeting elected for 2015-2018, starting on 16 April 2015 and ending on 31 December 2018, are the following:

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 of percentage of shares, deadlines for exercising voting rights, or 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 exercising of voting rights.

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

The right to vote is exercised pursuant to Article 10(1) of the By-laws, accordingly with the shareholders rights directive. Therefore any shareholder may participate, discuss and vote at the General Shareholders Meeting in person or by proxy, according to the following requirements:

a) on the date of registration, i.e., 00:00 (WEST) of the 5th trading day prior to the date of the General Shareholders Meeting, s/he is a holder of at least one share;

b) proves ownership of shares, by sending to the Chairman of the Board of the General Shareholders Meeting, until the date of registration, a declaration issued and sent by the financial broker with information on the number of shares registered and the registration date;

c) state the intention of participation in the General Shareholders Meeting, in writing, by sending, by the end of the 6th trading day prior to the date of the General Shareholders Meeting, to the Chairman of the Board of the General Shareholders Meeting and to the financial broker with whom the individual registration account is open.

The exercise of these rights is not affected by the transfer of the shares at any time after 00:00 (WEST) on the date of registration and is not affected by any blocking between that date and the date of the General Shareholders Meeting. In any case, shareholders who, having declared their intention to participate in the General Shareholders Meeting, transfer ownership of shares between 00:00 on the date of registration and closure 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 of postal vote may be exercised electronically, in accordance with the requirements defined by the Chairman of the Board of the General Shareholders Meeting, when notification is sent of each General Shareholders Meeting, to guarantee authenticity and confidentiality.

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

The By-laws do not provide any limitation on the voting rights that may be exercised by a single shareholder or shareholders in any of the relationships with such shareholder established in Article 20 of the Securities Code.
14. Details of shareholders’ resolutions that, imposed by the By-laws, may only be taken with a qualified majority, in addition to those legally provided, and details of such majority.

The resolutions of the General Shareholders Meeting are passed by simple majority of the votes cast, except where the law or By-laws require a qualified majority. Abstentions do not count in voting on resolutions of the General Shareholders Meeting.

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

a) resolutions on matters relating to the Company’s management submitted to the General Shareholders Meeting by the Board of Directors;

b) amendments to the By-laws, including capital increases and limitation or withdrawal of pre-emption rights of the shareholders;

c) merger, demerger, transformation or dissolution of the Company.

In relation to the resolutions of the General Shareholders Meeting on the matters referred to in b) and c) or other matters for which the law requires a qualified majority, the deliberating quorum of two-thirds of the votes is necessary in both the first and the second call, even if shareholders holding at least half of the capital are present or represented, in order to ensure an adequate representation of shareholders when passing resolutions about matters that are strategic for the Company.

II - Management and supervision

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

a) Composition

15. Details of corporate governance model adopted.

Galp’s corporate governance model uses a management structure comprising of a Board of Directors, an Executive Committee, a strengthened supervisory framework including the Audit Board and the Statutory Auditor, and a Company Secretary providing specialist support to the Company’s corporate bodies.

Galp’s corporate bodies are the ones that 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 through a clear separation of powers between the different corporate bodies. Whilst the Board of Directors exercises oversight, definition and supervision of strategic guidelines, as well as the management supervision and of relations between shareholders and other corporate bodies, the duties of the Executive Committee, delegated by the Board of Directors, are operational in nature and entail the day-to-day management of business and corporate services.

The existence of matters that are the exclusive remit of the Board of Directors ensures that this body defines and monitors Galp’s strategic guidelines.

The allocation of responsibility for coordinating specific management areas of the Executive Committee to each of its members, which can be seen at section 29 of this chapter, without prejudice to the collective nature of the exercise of management functions by this body, promotes the effective monitoring of the Company’s management and the use of synergies within each business unit and in the Company as a whole.

The Chairman of the Board of Directors has authority and responsibilities, in addition to those provided by law, By-laws and regulations, to coordinate and supervise relations between the Company and its shareholders, in accordance with the Company’s objectives, the long-term shareholders’ interests and ensuring 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, namely in respect of monitoring by non-executive members of the Executive Committee’s activity, in accordance with Article 407(8) of the CSC, the Chairman of the Board of Directors has the right to attend the meetings of the Executive Committee.

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

(i) supervision of the Company’s activity;
(ii) control of the Company’s financial information;
(iii) oversight of the internal risk management, internal control and internal auditing systems; and
(iv) receipt (and processing) of whistle blowing; and
(v) auditor independence protection.

The Statutory Auditor is responsible for control of the Company’s financial information.

16. By-laws rules on the procedural requirements governing the appointment and replacement of members of the Board of Directors, the Executive Committee 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 by the General Shareholders Meeting.

The shareholders also annually decide on the continuity of each director in the event of a positive appraisal of their performance, by vote of praise and/or confidence. The absence of a positive annual appraisal, through the attribution of a vote of no confidence, leads to the dismissal of the director in question, in accordance with the law.

In the event of permanent absence or impediment of any member of the Board of Directors, this body shall proceed to co-opt a replacement member and must submit this proposal for endorsement by the next 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 may be re-elected one or more times. Members of the Board of Directors take office at the time of appointment and remain in office until the nomination, co-option or appointment of a substitute, except that a member who has resigned or has been removed, remains in office for the period established in the CSC.

In view of the national legal framework, which attributes to the shareholders the power to elect the members of the Board of Directors and limits the participation of the Board of Directors on matters of shareholders’ competence, Galp doesn’t have a nomination committee. In fact, such committee couldn’t replace competency of the shareholders, according to Article 391 of CSC.

Usually, the Company has been involved in identification and selection processes of specific profiles to different management positions using international companies that are reputed and specialised in executive selection.

Members of the Board of Directors are elected from a list, with an indication of the proposing shareholders, with the vote only applying to the full list and not to every single one of its members, as provided by law.

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 individually 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 office to be filed;

b) the same shareholder cannot subscribe to more than one list;

c) if lists are presented by more than one group of shareholders for an individual election, voting will be based on all the lists;

d) General Shareholders Meeting cannot proceed to elect other directors until the election of the director proposed by the minority shareholders that, individually or grouped with other shareholders for this purpose, are holders of share capital with voting rights of between 10% and 20%, unless such lists are not submitted;

e) the above rules apply to the election of the substitute member director.
If no list is submitted under the above provisions, or when the above procedure is concluded, the other directors are elected, including the Chairman of the Board of Directors. The shareholders who voted successfully in favour of the director, proposed under the procedure outlined in the preceding paragraphs, may not participate in this election.

The other directors, including the Chairman of the Board of Directors, are elected by a vote from any lists submitted for this purpose, with the proposal obtaining the highest number of votes in favour being deemed approved.

If the approved proposal includes the maximum number of directors allowed by the By-laws, and a director has been elected under the procedure referred to in Article 14(2) of the By-laws, the director thus elected shall replace the person appearing in 13th 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, the director elected under the procedure referred to in a) to d) above is added to the number of directors elected under the terms above mentioned.

For the purposes of the replacement of the directors’ scheme due to permanent absence, in accordance with Article 393(1) of the CSC, 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 to be elected by the minority shareholders) is not approved by a majority of 55% of votes cast and with at least 40% of the share capital with voting rights, the shareholders that: (i) are qualified 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 has not been successful; 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 among themselves a number corresponding to one third of the elected directors (not including the director elected by the minority shareholders who, by themselves or grouped with others for this purpose, are holders of share capital with voting rights of at least 10% and not greater than 20% under the above terms).

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

17. Composition of the Board of Directors, the Executive Committee and the General and Supervisory Board, where applicable, with details of the By-law’s minimum and maximum number of members, duration of term of office, number of effective members, date when first appointed and end date of the term of office of 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 current 19 members of the Board of Directors, elected at the General Shareholders Meeting of 16 April 2015 for the four-year term 2015-2018 are listed in the following table.
## Members of the Board of Directors

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

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

18.1 The independence of the members of the General and Supervisory Board and members of Audit Board shall be determined in accordance with the applicable law and, as regards the other members of the Board of Directors, those who are not associated with any specific interest group within the company, nor under any circumstances capable of affecting their impartiality of analysing or decision-making is considered to be independent, particularly with regard to the following:

a) s/he has been an employee of the Company, or a company which is in a controlling or group relationship, in the past three years;

b) in the past three years, s/he has provided services or established a significant business relationship with the Company, or a company with which it is in a control or group relationship, either directly or as a partner, board member, manager or director of a legal person;

c) s/he is receiving remuneration paid by the Company, or a company that is in a controlling or group relationship, in addition to remuneration derived from carrying out the tasks as a member of the Board of Directors;

d) is living with a partner or a spouse, next of kin up to and including third degree, of member of the Board of Directors, or individually directly or indirectly holding qualifying holdings;

e) is a qualifying shareholder or representative of a qualifying shareholder.
On 31 December 2017, the Board of Directors had 12 non-executive members (who remain in office on this date), among 19, corresponding to 63% of the total number of directors, which is an adequate number, given in particular Galp’s shareholder structure and capital dispersion. The non-executive members engage in monitoring activities and continuous evaluation of the Company’s management to ensure effective capacity for monitoring, supervision, oversight and evaluation of the activity of the executive members.

The composition of the Board of Directors distributed between executive and non-executive members is in the next table:

<table>
<thead>
<tr>
<th>Executive directors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlos Gomes da Silva</td>
</tr>
<tr>
<td>Filipe Crisóstomo Silva</td>
</tr>
<tr>
<td>Thore E. Kristiansen</td>
</tr>
<tr>
<td>Carlos Costa Pina</td>
</tr>
<tr>
<td>José Carlos Silva</td>
</tr>
<tr>
<td>Pedro Ricardo</td>
</tr>
<tr>
<td>Tiago Câmara Pestana</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Non-executive directors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paula Amorim</td>
</tr>
<tr>
<td>Miguel Athayde Marques</td>
</tr>
<tr>
<td>Sérgio Gabrielli de Azevedo</td>
</tr>
<tr>
<td>Abdúl Magid Osman</td>
</tr>
<tr>
<td>Luís Todo Bom</td>
</tr>
<tr>
<td>Joaquim Borges Gouveia</td>
</tr>
</tbody>
</table>

Considering the criteria to determine the independence of non-executive members of the Board of Directors above mentioned and, based on their self-assessment for financial year 2017, the Board of Directors had the following five independent directors:

<table>
<thead>
<tr>
<th>Non-executive independent directors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Miguel Athayde Marques</td>
</tr>
<tr>
<td>Sérgio Gabrielli de Azevedo</td>
</tr>
<tr>
<td>Abdúl Magid Osman</td>
</tr>
<tr>
<td>Luís Todo Bom</td>
</tr>
<tr>
<td>Joaquim Borges Gouveia</td>
</tr>
</tbody>
</table>

Given the Company’s governance model, shareholder structure and respective free float, Galp believes that the proportion of independent directors (42% of the non-executive members of the Board of Directors) is suitable given the number of executive directors and the total number of directors.

The Board of Directors decided to assign two non-executive independent members, Sérgio Gabrielli and Abdúl Magid Osman, the special charge of monitoring the evolution of the Brazil and Mozambique markets, respectively, to ensure a detailed strategic analysis of these two central geographical markets for the Company’s activity.

On 14 October 2016, Galp reinforced the participation of independent directors in the Board of Directors with the appointment of the independent non-executive director since 2012 and with a respected professional career in the financial sector, Miguel Athayde Marques, to the role of Vice-Chairman of the Board of Directors.

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

The members of the Board of Directors have acknowledged skills, variety of academic backgrounds and professional experience, as shown in the table below, which evinces diversity within the Board of Directors, in line with the diversity policy of the Board of Directors and Audit Board. The biography of each member is shown in Appendix 8.8 of this report.
### Education

- Engineering
- Economics/Finance
- Business Administration and Management (including Risk Management)
- Law
- Scholar
- Energy/Oil & Gas
- Financial Services
- Paper & Forest Products
- Real estate /Hotels & Resorts
- Public offices
- Beverage Industry
- Securities and Derivatives Market
- Telecommunications
- Textile Industry
- Retail

### Main area of expertise

- Experience as Chairman of Board of Directors
- Experience as Chairman of Executive Committee (CE)
- Experience as Chief Financial Officer (CFO)
- International experience
- Finance
- Investor Relations
- Marketing
- Asset Procurement/Purchase and Management

### Operacional experience

- Energy/Oil & Gas organisations
- Financial Services
- Paper & Forest Products

### Others

- Environmental Associations
- United Nations Development Programmes
- Social Responsibility Associations

### Board Members

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Role</th>
<th>Non-executive</th>
<th>Executive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paula Amorim (Chairman)</td>
<td>Non-executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miguel Athayde Marques</td>
<td>Non-executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carlos Gomes da Silva</td>
<td>Executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Filipe Cristóstomo Silva</td>
<td>Executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thore E. Kristiansen</td>
<td>Executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sérgio Gabrielli de Azevedo</td>
<td>Non-executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Abdul Magid Osman</td>
<td>Non-executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marta Amorim</td>
<td>Non-executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raquel Vunge</td>
<td>Non-executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carlos Costa Pina</td>
<td>Executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Francisco Rêgo</td>
<td>Non-executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jorge Seabra de Freitas</td>
<td>Non-executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>José Carlos Silva</td>
<td>Executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pedro Ricardo</td>
<td>Executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tiago Câmara Pestana</td>
<td>Executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rui Paula Gonçalves</td>
<td>Non-executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Luís Todo Bom</td>
<td>Non-executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diogo Tavares</td>
<td>Non-executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Joaquim Borges Gouveia</td>
<td>Non-executive</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Diversity Policy of the Board of Directors and Audit Board, approved by the Board of Directors can be seen on Galp’s web site [https://www.galp.com/Portals/0/Recursos/Governo-Societario/SharedResources/Documentos/EN/Diversity_policy_for_the_board_of_directors_and_audit_board_-_Versao_publicada_-_EN.pdf](https://www.galp.com/Portals/0/Recursos/Governo-Societario/SharedResources/Documentos/EN/Diversity_policy_for_the_board_of_directors_and_audit_board_-_Versao_publicada_-_EN.pdf)

Galp commits, according with the competences of each body, to develop tending efforts to promote diversity in its Board of Directors and Audit Board, in particular in the following criteria: age, gender, geographical origin, academic background and professional experience, Galp recognises the benefits of diversity in the core of its Board of Directors and Audit Board, as a way to ensure better balance in its composition, enhance the performance of its members, reinforce the quality of the decision making and control processes, avoid the Group thinking effect and contribute to our sustainable development.
The current Board of Directors has appropriate and necessary diversity in light of the activities pursued by the Company and the strategy defined for the coming years, including in terms of origin and backgrounds. In fact, the Board includes members with origin from the countries where Galp is present – Portugal, Brazil, Angola and Mozambique.

In order to strengthen the competencies of the members of the Board of Directors, and ensure the adequate knowledge and monitoring by the non-executive members of the activities pursued by the business units, in 2017 it was implemented a knowledge development annual plan, having the members of the Board of Directors participated in training initiatives on Galp’s businesses and on governance issues.

The implementation of diversity policy began with its approval by the Board of Directors on December 15, 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 Executive Committee, where applicable, with shareholders that are assigned qualifying holdings that are greater than 2% of the voting rights.

<table>
<thead>
<tr>
<th>Director</th>
<th>Shareholder with qualifying interest</th>
<th>Relationship</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paula Amorim</td>
<td>Amorim Energia</td>
<td>Director</td>
</tr>
<tr>
<td>Marta Amorim</td>
<td>Amorim Energia</td>
<td>Director</td>
</tr>
<tr>
<td>Francisco Rêgo</td>
<td>Amorim Energia</td>
<td>Director</td>
</tr>
<tr>
<td>Jorge Seabra de Freitas</td>
<td>Amorim Energia</td>
<td>Director</td>
</tr>
<tr>
<td>Rui Paulo Gonçalves</td>
<td>Amorim Energia</td>
<td>Director</td>
</tr>
</tbody>
</table>
21. Organisational charts or flowcharts concerning the allocation of powers between the Company’s various corporate bodies, committees and/or departments, including information on the delegating powers, particularly as regards to the delegation of the Company’s daily management.

Galp’s current organisational structure is based on three business segments and a corporate center under the coordination of 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 delegation of responsibility, to create value for shareholders, in particular by the capture of synergies within and between the business units.

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

<table>
<thead>
<tr>
<th>Department</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy and Investor Relations</td>
<td>Define Galp’s strategic guidelines, promoting clear strategic, operational and financial perception of the Company for its stakeholders.</td>
</tr>
<tr>
<td>Marketing and Communication</td>
<td>Define the Galp Group’s communication strategy, coordinate and manage the corporate responsibility policy of the Company.</td>
</tr>
<tr>
<td>Legal and Governance</td>
<td>Exercise and manage legal, governance and compliance functions and the corporate secretariat, for the Galp Group, particularly in aspects of legal support for business decisions, monitoring legal compliance and policies for compliance, definition and implementation of the process of organisation, operation and decision-making of the governing bodies, litigation management and prevention of legal risks.</td>
</tr>
<tr>
<td>People</td>
<td>Act as agent and facilitator for change, by attracting, integrating and developing the best talents, as well as ensuring their alignment with the Company’s culture, values and strategy.</td>
</tr>
<tr>
<td>Corporate Planning and Control</td>
<td>Set, monitor and consolidate Galp’s budgeting, planning and control processes of the Company, challenge the performance of the business and the corporate centre and ensure their alignment with Galp’s strategic objectives.</td>
</tr>
<tr>
<td>Corporate Finance</td>
<td>Propose and implement the Galp Group’s financing strategy, ensuring the optimisation and diversification of its financial resources and integrated Treasury management.</td>
</tr>
<tr>
<td>Risk Management</td>
<td>Promote the implementation of the risk management policies in conjunction with business. Propose insurance policies, negotiate and manage the related contracts at whole Group level and manage health plans.</td>
</tr>
<tr>
<td>Advisory and M&amp;A</td>
<td>Develop mechanisms for evaluating organizational units, evaluate opportunities for strategic growth and its impact on the Company’s value, and coordinate M&amp;A operations.</td>
</tr>
</tbody>
</table>

**Galp Solutions** - brings together service functions of a more transactional nature, with the clear objective of efficiency/effectiveness and a focus on metrics and quality of service provided at a competitive conditions. It integrates the following departments:

<table>
<thead>
<tr>
<th>Department</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement and Contracts</td>
<td>Maximise Galp’s negotiation power, within the procurement function, by obtaining better value for money, while safeguarding health, safety and sustainable criteria and practices in the purchase of goods and services.</td>
</tr>
<tr>
<td>Accounting and Taxation</td>
<td>Ensure the preparation of accounts for the Galp Group. Draft the respective management information reports from a general and cost accounting perspective. Ensure compliance with tax obligations under international taxation and the tax laws of the countries where Galp operates.</td>
</tr>
<tr>
<td>Information Systems</td>
<td>Promote the development and sustainability of Galp’s business through efficient, effective, reliable, consistent, innovative information system management, oriented towards controlled processes and costs.</td>
</tr>
<tr>
<td>Asset Management</td>
<td>Ensure the management of Galp’s non-related to business assets.</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Department</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research &amp; Technology</td>
<td>Define and implement integrated policies and projects in innovation, technological and energy efficiency research, within the structure of the Galp Group’s strategy and given the principles of value creation.</td>
</tr>
<tr>
<td>EQS &amp; Sustainability</td>
<td>Promote the efficiency of processes, aiming at protecting people’s environment and assets, with the creation of value for all stakeholders.</td>
</tr>
<tr>
<td>Engineering and Project Management</td>
<td>Manage Galp’s projects to support its business, from the design phase until commercial commissioning, ensuring quality of execution and compliance with projects budgets and deadlines.</td>
</tr>
</tbody>
</table>
The Company’s business segments are Exploration & Production’s, Refining & Marketing and Gas & Power. For more detail see chapter 1.2 (Value Chain) of this report.

The Company’s organisational model also foresees the existence of specialised committees as presented below.

Ethics and Conduct Committee
The Ethics and Conduct Committee (CEC) is the independent and impartial internal structure responsible for monitoring the implementation and interpretation of the Code of Ethics and Conduct, as defined in the respective Regulation. The CEC is also responsible for receiving and processing information sent to it under the Reporting of Irregularities Procedure (“Open Talk” Ethics Line) in force in Galp and affiliated companies, relating to alleged violations of the provisions of the Code of Ethics and Conduct or its implementing regulations or 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 overseeing the proper operation and implementation of the Code of Ethics and Conduct through the frequent and regular reporting of the CEC.

During the year 2017, the CEC held four meetings for analysing and deciding on forwarding reports of irregularities that were received, and participated in three meetings of the Audit Board, during which the due reports were provided to this body.

Risk Management Committee
The Risk Management Committee’s mission is to support and monitor the development and implementation of Galp’s risk management strategy and policy, jointly with the Risk Management Department and the heads of the Company’s management units, which comprise of the executive director, who is responsible for the risk management Department (Chief Risk Officer), the Head of the Internal Audit Department, the Head of the Risk Management Department and the Chief Financial Officer.

This body met four times during 2017 and addressed the issues identified as most relevant from a risk perspective for the Galp Group, including risk associated with cybersecurity, compliance/reputation, disruptive events, project execution, business continuity, markets, dependence on partners, geopolitical issues, as well as the results from risk assessments that are deepened whenever deemed appropriate.

Within the Risk Management Committee, a working group operates focused on issues related to environment, quality and safety, compliance and regulatory changes. During 2017, the working group focused on the most critical risks in these matters and reported the findings of its evaluation to the committee.

At the level of the various business units works Risk and Credit Committees represented by the Risk Management Department, which participates also in working groups dedicated to the Galp Group’s main projects, ensuring the alignment of risk management practices and effective communication with the Risk Management Committee.

Environment, Quality and Safety Board
The Environment, Quality and Safety (EQS) Board’s mission is to assist the Executive Committee in promoting the principles that underpin the EQS culture of Galp by ensuring the implementation of the EQS strategic policies and objectives.

The Board is chaired by the executive director responsible for the EQS and Sustainability Department and secretariat by the head of such department and includes heads of the business units and relevant corporate departments.

In 2017, the EQS Board met twice and addressed the EQS performance (objectives and targets) and monitored the strategic EQS initiatives in the business.

b) Functioning
22. Availability and place where rules of the functioning of the Board of Directors, the General and Supervisory Board and the Executive Committee, where applicable, may be viewed.

The Board of Directors operates in accordance with the regulations governing organisation and operation approved by this body at its meeting of 16 April 2015, to take effect during the term of 2015-18, in accordance with Article 16 of the By-laws, available on the official Galp website at https://www.galp.com/Portals/O/Recursos/Governo-Societario/SharedResources/Documentos/EN/Regulamento_CA_EN_Web.pdf
23. Number of meetings held and the attendance report for each member of the Board of Directors, the General and Supervisory Board and the Executive Committee, where applicable.

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

The By-laws allow for the meetings of the Board of Directors to be held by electronic means and allow postal voting.

In 2017, the Board of Directors held 13 meetings, six of which were held by electronic communications.

The degree of attendance of the Members of the Board of Directors to this body’s seven in-person meetings in 2017 is as follows:

<table>
<thead>
<tr>
<th>Directors</th>
<th>% Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paula Amorim</td>
<td>100%</td>
</tr>
<tr>
<td>Miguel Athayde Marques</td>
<td>85.7%</td>
</tr>
<tr>
<td>Carlos Gomes da Silva</td>
<td>100%</td>
</tr>
<tr>
<td>Filipe Crisóstomo Silva</td>
<td>100%</td>
</tr>
<tr>
<td>Thore E. Kristiansen</td>
<td>71.4%</td>
</tr>
<tr>
<td>Sérgio Gabrielli de Azevedo</td>
<td>71.4%</td>
</tr>
<tr>
<td>Abdul Magid Osman</td>
<td>57.1%</td>
</tr>
<tr>
<td>Marta Amorim</td>
<td>85.7%</td>
</tr>
<tr>
<td>Raquel Vunge</td>
<td>85.7%</td>
</tr>
<tr>
<td>Carlos Costa Pina</td>
<td>100%</td>
</tr>
<tr>
<td>Francisco Rêgo</td>
<td>100%</td>
</tr>
<tr>
<td>Jorge Seabra de Freitas</td>
<td>100%</td>
</tr>
<tr>
<td>José Carlos Silva</td>
<td>100%</td>
</tr>
<tr>
<td>Pedro Ricardo</td>
<td>100%</td>
</tr>
<tr>
<td>Tiago Câmara Pestana</td>
<td>85.7%</td>
</tr>
<tr>
<td>Rui Paulo Gonçalves</td>
<td>100%</td>
</tr>
<tr>
<td>Luis Todo Bom</td>
<td>100%</td>
</tr>
<tr>
<td>Diogo Tavares</td>
<td>100%</td>
</tr>
<tr>
<td>Joaquim Borges Gouveia</td>
<td>100%</td>
</tr>
</tbody>
</table>

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

The Remuneration Committee, elected by the General Meeting, conducts the annual performance review of the executive and non-executive directors according to article 8 of the articles of association.

The Committee consults non-executive members to assess the qualitative performance of the executive members of the Board of Directors and considers compliance with economic, financial and operational objectives, as defined annually 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 appreciation of the Company’s management in general. That appreciation is expressed through a vote of confidence or distrust that may lead to the removal of the concerned director.


The performance of the executive directors is evaluated based on fulfilment of certain economic, financial and operational objectives, as defined annually by the remuneration policy submitted by the Remuneration Committee and approved by the General Shareholders Meeting.

The predetermined criteria for the performance evaluation of the executive directors for financial year 2017 are set out in section 69 of this Report’s chapter.

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

The positions held by the members of the Board of Directors in other companies inside and outside the Galp Group, and
other relevant activities carried out by members of these bodies in the 2017 financial year, are presented in Appendix 8.9 of this report.

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

As is apparent from the table in Appendix 8.9 of this report, the duties exercised by Galp’s executive directors in other companies are in the management bodies of Galp’s direct or indirect subsidiaries. Accordingly, they are fully available for the positions of executive members of the Board of Directors.

With respect to the non-executive directors with the highest number of positions held in other companies, it is noted that they perform these functions within the same group (Amorim or Américo Amorim Group), which do not prejudice the exercise of positions and functions of monitoring, evaluation and supervision of executive management of Galp.

The legal and bylaw’s regime of absences from the meetings of the Board of Directors provides for the removal from office or replacement of the member of the Executive Committee in question by another director, with the other director becoming non-executive.

In addition, Galp has the legal, statutory and regulatory mechanisms to prevent and deal with any conflicts of interest between directors and the Company in the exercise of other positions outside the Galp Group.

Pursuant to Article 398 of the CSC, 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 for it, except if authorised by the General Shareholders Meeting;
- hold any position under an employment contract, which will be deemed terminated if entered into less than one year earlier or suspended if entered into more than one year earlier.

In addition, Article 14 of the Board of Directors Regulation establishes special arrangements for access to sensitive information applicable to members of the Board of Directors in a conflict of interest due to the exercise of an activity in competition with Galp, as authorised by the General Shareholders Meeting.

Also, to protect the Galp Group’s interest in possible situations of conflict of interest between the Company and its directors arising from business between them and the Company, or companies in a controlling or Group relationship with Galp, Galp’s regulatory standard, governing its Group’s transactions with related parties, makes the implementation by Galp of significant transactions with related parties, subject to prior opinion of the Audit Board.

Moreover, the By-laws subordinate special corporate governance procedure to approve any business with shareholders in an amount exceeding €20 million to a deliberation in favour thereof by a qualified majority of two thirds of the directors.

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

27. Details of the committees created within the Board of Directors, the General and Supervisory Board and Executive Committee, where applicable, and the place where the rules of the functioning thereof is available.

Executive Committee

On 16 April 2015, the Board of Directors appointed the Executive Committee consisting of 7 directors, and approved the delegation of powers and regulations that defines the principles and rules of its organisation and operation, which can be viewed on Galp’s website at https://www.galp.com/Portals/0/Recursos/Governo-Societario/SharedResources/Documentos/EN/Regulamento_CE_EN_Web.pdf

The Board of Directors considers that for performance evaluation of management or corporate governance specific committees exclusively composed by non-executive directors are not required.
This understanding is due to the corporate governance model implemented, which, as described in section 15 of this Chapter, includes a Board of Directors that assesses the operation of the governance system and largely consists of non-executive members (including the chairman), who monitor the overall performance of the Board of Directors and whether directors’ profiles are appropriate for the exercise of their duties. In this context, it should also be noted that there is: A Remuneration Committee, which evaluates the performance of executive directors with the support of non-executive directors; and an Audit Board, which analyses the structure and governance practices adopted in order to verify their effectiveness. In addition, certain corporate governance matters are widely discussed in the Sustainability Committee.

**Sustainability Committee**

At Galp, management for sustainability is deemed strategic and involves the incorporation of principles, approaches and practices that favour the long-term value creation component. It, therefore, involves managing the creation of sustainable and lasting value that generates confidence in the future for the various stakeholders.

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

The Committee is chaired by the independent vice-chairman of the Board of Directors, while its 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 EQS and Sustainability Department the heads of the business areas and relevant corporate departments.

This body reports directly to the Board of Directors and the Executive Committee.

In 2017, the Sustainability Committee met four times with the agendas covering the following matters:

- analysing Galp’s sustainability context, in particular on climate and energy challenges level, human rights, safety and environment, as a support to the strategy and development of operations in the different geographies;
- analysing Galp’s performance and setting of commitments, objectives and goals, aligned with the best practices and benchmarking with peers and benchmark performers;
- defining the sustainability requirements at the business development, the plans for mitigation of deviations and analysing risks and opportunities;

**28. 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. Description of the powers of each of the committees established and a summary of activities undertaken in exercising such powers.**

The Executive Committee is the 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 are not delegated to the Executive Committee:
   a) choosing the Chief Executive Officer;
   b) co-opting of directors;
   c) convening the General Shareholder Meetings;
   d) approving annual management report and accounts;
   e) providing deposits and personal or real guarantees by the Company;
   f) changing registered office and capital increases, as provided in the By-laws;
   g) deciding on merger, demerger and transformation projects of the Company.

2. The following are not considered ongoing Company management powers and are therefore not delegated to the Executive Committee:
   a) approval of the strategic investments of the Company and its controlled companies and approval of the financing thereof;
   b) approval of the strategic divestments of the Company and its controlled companies;
   c) investment, particularly through the direct or indirect acquisition of interests, in companies that do not engage in the main operational activities pursued by the companies controlled by the Company (i.e., exploration, production, refining, transportation, marketing and distribution of oil and gas);
   d) establishment of strategic partnerships in the context of the main operating activities pursued by the Company’s controlled companies;
   e) approval and modification of the strategic plans of the Company and its controlled companies engaged in the Galp Group’s main activities;
   f) approval of Galp Group’s annual budget and business plans and amendments thereto in excess of 20% of the value of the budget item in question or 10% of the total annual budget amount;
   g) transactions of the Company or its controlled companies, with related parties or with any shareholders of the Company, in a unit or total amount exceeding €20,000,000.00 (twenty million Euros);
   h) definition and organisation of the Galp Group’s corporate structure;
   i) proposal and exercise of voting rights in the election of the Boards of Directors of the companies controlled by the Company;
   j) issuance of bonds or other debt instruments by the Company or its controlled companies;
   k) demerger, merger or dissolution projects of any the Company’s controlled companies;
   l) signing, by the companies controlled by the Company, of subordination agreements or parity group agreements.
Notwithstanding the limits on the delegation of powers referred to in paragraphs 1 and 2 above, the Executive Committee has a special duty of initiative and proposal, to the Board of Directors, in respect of the acts and matters 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 activities of the Company and Group companies, under the terms set forth in its Regulations, notwithstanding the collective exercise of the powers of this body, as mentioned in the following page.

Specific operation areas of executive directors

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

For matters of ongoing management in the context of 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 delegated approval of the respective decisions, namely Authorization for expenditures, Cash Calls and Ballots to the executive directors Thore Kristiansen, Filipe Crisóstomo Silva and José Carlos Silva.

A range of mechanisms were adopted to ensure effective and efficient monitoring and control by the non-executive members of the activity of the Executive Committee 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 decisions taken in its meetings and 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 other two non-executive directors may ask directly the Chairman of the Executive Committee for information on the business of the Executive Committee.

The calls and 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 accordance with its regulations, the Executive Committee must meet once a week. In 2017, it met 43 times.

The main activities performed by the Executive Committee during 2017 in the exercise and within the limits of its responsibilities involve, among other things:

a) approval of operations to be carried out by the Galp Group’s business units and companies;
b) assessment of monthly results;
c) 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 area of risk management and sustainability;
f) approval of capital increase and reduction operations of the Galp Group companies, performance and reimbursements of ancillary services and supplies;
g) change 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;
j) definition of the voting behaviour and appointment of representatives in the General Shareholder Meetings of subsidiaries and other companies.

The description of the powers of the Sustainability Committee and a summary of activities undertaken in exercising such powers is provided in the previous section.

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 adopted.

According to the adopted government model, the Audit Board is the body in charge of supervising 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 Statutory Auditors, who is not a member of the Audit Board, with their responsibilities stated in Article 446 of the CSC.

31. 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, date of end of the term of office for each member and reference to the section of the report where such information is already included pursuant to paragraph 18.

Under the By-laws, the Audit Board consists of three permanent members and one substitute member, elected by the General Shareholders Meeting, which will also elect 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, elected at the General Shareholders Meeting on 16 April 2015 for the term of 2015-2018, their appointment dates and the end date of their term.
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 reference to the section of the report where such information already appears pursuant to paragraph 19.

Under Article 414 (5) of the CSC, any 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, namely because:

a) s/he is a holder or is acting on behalf of a holder of qualified shareholdings greater than or equal to 2% of the Company’s share capital;

b) 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, his appointment to complete the 2005-2007 term occurred following changes in the shareholder structure of Galp and rules 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 recognised and prestigious reputation and business and scientific quality of the Chairman of the Audit Board, his independence must also be recognised.

33. 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 other important curricular information, and reference to the section of the report where such information already appears, pursuant to paragraph 21.

The members of the Audit Board have professional skills and qualifications suitable for their roles. Each member’s professional profile is presented in Appendix 8.8 of this report.

b) Functioning

34. Availability and place where the rules on 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 paragraph 24.

The powers of the Audit Board and its operating rules are defined in its Regulations, approved on 16 April, 2015 and available on the Galp website at https://www.galp.com/Portais/0/Recursos/Governo-Societario/SharedResources/Documentos/EN/Supervisory-board-regulations-2015.pdf
35. Number of meetings 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 paragraph 25.

Pursuant to Article 10(2) of its Regulations, the Audit Board must meet 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 2017, the Audit Board held 15 meetings. The attendance of the Audit Board members to the meetings held in 2017 was 100%.

36. 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 the positions held simultaneously in other companies inside and outside the Galp Group, and 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 paragraph 26.

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

Appendix 8.9 of this report presents the positions held by the members of the Audit Board in other companies during 2017.

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 approved by Law No 148/2015 of 9 September, which transposed into national law Directive 2014/56/EU of the European Parliament and of the Council of 16 April 2014, procurement by Galp or any of its subsidiaries or Group companies of additional services from the external auditor or from any entity with which there is an investment relationship or which is part of the same network, depends on the previous authorisation from the Audit Board, in accordance with procedures set in the internal standard.

The Audit Board analyses the compliance with the independence requirements of the auditor, the possibility of being provided by him and their accommodation on the remuneration legal limit.

Additional services provided by the external auditor in 2017 are described in sections 46 and 47 of this report.

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

The role of the Audit Board is to monitor the effectiveness of risk management, internal control and internal audit systems, as well as annually assess the operation of the systems and their internal procedures, strengthening the internal control environment through recommendations and suggestions for adjustment to the operation of the internal control and risk management systems.

The Audit Board monitors the operation of the corporate governance system adopted by Galp and compliance with legal and statutory requirements, as well as legislative and regulatory changes in the area of corporate governance, in particular the recommendations and regulations issued by the CMVM, and presents proposals for improvement of the Company’s governance.

In accordance with the legal regime of audit supervision mentioned above, the Audit Board also has the following duties: (i) inform the Board of Directors of the results of the statutory audit, outlining the role and contribution the audit board made to the integrity of the process of preparation and disclosure of financial information; (ii) monitor the preparation and disclosure of financial information and make necessary recommendations to ensure its integrity; (iii) monitor the effectiveness of internal control and risk management and internal audit systems in relation to the preparation and disclosure of financial information, without interfering with independence; (iv) monitor the statutory audit of the individual and consolidated annual accounts, including execution, taking into account any findings and conclusions of the CMVM, in its capacity of the competent authority for audit supervision; (v) verify and monitor the independence of the Statutory Auditor or Statutory Audit Firm in accordance with the law, and in particular verify the adequacy and approval of the provision of other services, in addition to audit services; (vi) select and propose statutory auditors or audit to the General Shareholders Meeting for election, justifiably recommending the preference for one of them.
The Audit Board’s functions also include;
• issue an opinion on business between the Company and related parties, in accordance with the internal standard; and
• receive, through CEC, reports of irregularities submitted by the Company’s shareholders, employees, customers and/or suppliers.

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 Company of Statutory Auditors to the General Shareholders Meeting.

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

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 role of Statutory Auditor; and José Manuel Henrique Bernardo, Statutory Auditor No. 903, as substitute Statutory Auditor.

40. State the number of years that the statutory auditor consecutively carries out duties with the Company and/or Galp Group.

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

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

Description of other services that the Statutory Auditor provides to the Company is 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 external auditor in carrying out these duties, and the respective registration number at the CMVM.

The Galp Group’s current external auditor is PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda., registered with CMVM under No. 20161485, represented by its partner António Joaquim Brochado Correia, Statutory Auditor No. 1076.

43. State the number of years that the external auditor and respective partner that represents such external auditor in carrying out these duties consecutively with the Company and/or Group.

The external auditor and the respective partner have been operating consecutively with Galp and its Group since 2011, when they were appointed by the Audit Board upon tender procedure, for the term 2011-2013.

At the proposal of the Audit Board and in the Company’s interest in ensuring continuity in the provision of audit services, Galp extended the external audit contract with PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda. for 2014 and 2015-2018 terms.

44. Rotation policy and schedule of the external auditor and the partner that represents such external auditor in carrying out such duties.

Galp’s external auditor’s rotation policy which has been applied ensures the Audit Board’s selection of the external auditor and 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 bodies term.

Taking into account the aforementioned rotation policy and the recently published legislation on this matter, at the end of the current term (31 December 2018), the new rules of mandatory rotation of the statutory auditor/external auditor will be complied with through a selection by the Audit Board of a new auditor by a tender process already ongoing.
45. Details of the board responsible for assessing the external auditor and the frequency of such assessment.

The Audit Board, the contact point in the Company and the first recipient of information prepared by the external auditor, annually evaluates the activity of the external auditor, with a critical appraisal of its reports and other relevant documentation.

The Audit Board represents the Company, for all purposes, before the external auditor and, in accordance with Article 19(4) of the By-laws, is responsible for proposing to the General Shareholders Meeting the appointment of the Statutory Auditor/Company of Statutory Auditors and their remuneration, as well as dismissing them.

The external auditor’s specific role in the legal audit and examination of accounts includes checking the application of the policies and systems governing the pay of corporate bodies and effectiveness and operation of the internal control mechanisms, reporting any detected deficiencies to the Audit Board.

The Audit Board ensures that the management organisation of the Company, particularly the relationship with the Board of Directors and the Executive Committee, involves providing the external auditor with the information and other conditions required for the respective service to be performed.

Each year the Audit Board, in its annual business report, shall present an assessment of the external auditor.

46. Details of 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 2017, the external auditor provided the Company and its subsidiaries with the following non-audit services:

- Limited review on the accounts of a Group company required by concession contract;
- Galp’s financial statements translations into English;
- Verification of Group natural gas companies accounts for regulatory purposes; Energy Services Regulatory Authority;
- Verification of financial ratio;
- Certification of the annual declaration of assets for the insurance company’s policy Oil Insurance;
- Reports of Galp Energía España, S.A.U. for regulatory purposes;
- Issue of Letter of Comfort about Galp’s debt issuance;
- Verification of sustainability report information;
- Consultancy on sustainability information provided;
- Certification of man power rate applicable in provision of services;
- Other small consultancy services.

In addition to the non-audit services mentioned above, in 2017, the statutory auditor provided the following services, required by law to the statutory auditor, which are excluded from the calculation of the fees limit applicable to the non-audit services:

- Validation of natural gas acquisition costs by Galp Gás Natural S.A. and other costs, required by Energy Services Regulatory Authority;
- Validation of “package annual statement” of Galp Energía España S.A. required by Ecoembalafes España S.A.;
- Validation of the “annual statement of acquisitions, sells and production of biofuels and others renewable fuels with the purpose of transportation” of Galp Energía España S.A. required by the Corporación de Reservas Estratégicas de Productos Petrolíferos (CORES).

When procuring services from the external auditor, sufficient internal procedures are in place to safeguard the independence of the auditors, through careful definition of the work to be procured. In order to safeguard the independence of the external auditor, it is expressly forbidden to purchase any type of service that might compromise such independence.

Service provision proposals submitted by the auditor are analysed and evaluated and, where possible, undergo market consultation and, subsequently, are sent to the Audit Board for approval, as described in section 37.
47. Details of the annual remuneration paid by the Company and/or legal entities in a control or group relationship to the auditor or 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 2017, the remuneration paid to the auditor and to other natural or legal persons belonging to the same network was as presented in the following table.

<table>
<thead>
<tr>
<th>By the Company</th>
<th>Value of audit services</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€18,400</td>
<td>1.8%</td>
</tr>
<tr>
<td>Value of assurance services</td>
<td>€42,500</td>
<td>4.2%</td>
</tr>
<tr>
<td>Value of tax advice services</td>
<td>€0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Value of other non-audit services</td>
<td>€17,250</td>
<td>1.7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>By other Group companies</th>
<th>Value of audit services</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€575,856</td>
<td>56.7%</td>
</tr>
<tr>
<td>Value of assurance services</td>
<td>€213,680</td>
<td>21%</td>
</tr>
<tr>
<td>Value of tax advice services</td>
<td>€0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Value of other non-audit services</td>
<td>€148,348</td>
<td>14.6%</td>
</tr>
</tbody>
</table>

The non-audit services represented 49.7% of the average of fees paid to the auditor in the last three years (2014, 2015 and 2016), for audit services to Galp and entities under Galp’s control, therefore below the limit of 70% established in article 4 paragraph 2 of EC Regulation number 537/2014 (European Audit Regulation).

The non-audit services (excluding assurance services) represented 16.3% of the total value of the services provided by the external auditor, therefore below the limit of 30% established in CMVM Recommendation IV.2.

C - Internal Organisation

I - By-laws


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

Such procedure applies to Galp and all companies in which Galp directly or indirectly exercises management control, in all countries where the Galp Group operates.

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

The security of 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 processed under the Reporting of Irregularities Procedure and used only in accordance with
conditions set forth in Authorisation No. 7924/2015, granted by the National Data Protection Commission (CNPD), and CNPD Resolution 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 about the entity responsible, content of the complaint and purpose of the processing, as well as access the data about him/her and right to demand its correction or deletion, if it is inaccurate, incomplete or ambiguous.

Galp and its subsidiaries guarantee that entities reporting an irregularity or 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 withholding or suspension of payments.

Each Reporting of Irregularities case will be treated confidential and all people with access to such information are required to maintain confidentiality. For this reason, the access to Reporting of Irregularities cases is only granted to Audit Board and CEC members and, on a strictly need to know basis, Executive Committee members and employees or external consultants specifically appointed to support the work of the CEC.

All instances of Reporting of Irregularities must be submitted in writing, by email or by letter, to the CEC, 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 fill in the available form.

After two years of its duration and application, Galp’s Code of Conduct and Ethics was updated in 2017 and is consequently approved by the participated companies’ board of directors.

This update enabled a review of Galp’s mission and values, introduction of guidelines to support an ethical decision-making process and evaluation of some rules about employee conduct and relations with stakeholders.

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

In 2017, 12 cases were reported to the CEC and investigated under the Reporting of Irregularities Procedure, which were analysed and reported to the Audit Board for its decision.

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 audit is assigned to the Internal Audit Department, which assesses in an independent and systematic way the proper functioning of Galp’s internal control and risk management systems, as well as the implementation of effectiveness and effectiveness of implementation of controls and mitigation actions, informing and regularly alerting the Chairman of the Board of Directors and the Audit Board of relevant data, identifying improvement opportunities and promoting its execution.

The Internal Audit Department annually defines an audit plan, based on the results of risk assessments of different processes and several business units and in line with the Galp’s strategic priorities.

Although the Internal Audit Department is under direct supervision of the chairman of the Board of Directors, the Internal Audit Department reports to the Audit Board, which approves the annual plan for internal audit activities and monitors its execution in board meetings in a monthly basis.

The Internal Auditing Department exercised the external quality assessment, performed by the institute of Internal Auditors (IIA), which ensures the conformity of auditing practice in accordance with international rules.

The subjects related to the definition of the Company’s internal control system is assigned to the Risk Management Department and the Department of Legal and Governance, integrated in the corporate centre.
The implementation of the internal control activities is responsibility of the operational areas of the business units, corporate functions and Group companies.

The Internal Audit Department, the external auditor and the Audit Board are all responsible for monitoring the effectiveness of the internal control system and assessing the operation of the system and its internal procedures.

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

In the Board of Directors meeting conducted on 28 July 2017, it was approved the Internal Control Manual, which follows the COSO – Internal Control Integrated Framework reference mode and establishes the general principles and requirements of the internal control components, as well as the organisational model associated with integrated management of Galp Group internal control, understood as a set of processes executive by the corporate bodies, specialised committees, internal auditor and by Galp’s employees, in order to ensure a reasonable compliance with Galp’s objectives related to operations, report and conformity.

At Galp, 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 defense approach enables a consistent relation between internal control and risk management daily activities – assigned to the first line of defense, the risk and controls standardisation and monitoring at group processes level – assigned to the second line of defense, strategic and corporate risk supervision and internal control system supervision assigned to the third line of defense.
• The first line of defence has to identify and understand the risk environment, evaluate and communicate the potential value of exposure to risk, determine and implement the best way of capturing or mitigating this exposure to the risk;

• The second line of defence has to monitor risk at corporate level, define standards and regularly report risk and action plans to the Risk Management Committee, the Executive Committee, the Audit Board and the Board of Directors, depending on the issue;

• The third line of defence has to supervise and evaluate, by recourse to independent internal and external entities, the effectiveness of the risk management and the internal control process.

The Executive Committee is responsible, with the support of the Risk Management Committee, to monitor and supervise the most material risks that the Galp Group faces, identified and described in section 53 of this Chapter, as well as monitor the execution of critical projects from a risk perspective.

The Chief Risk Officer (CRO) is member of the Board of Directors and of the Executive Committee, thus ensuring that discussions of the risk topics are consistent and effective at all levels. The Chief Risk Officer is also Chair of the Risk Management Committee and is responsible for overseeing and coordinating risk assessment processes and respective mitigation actions throughout the organisation, as well as for their adequate management, ensuring that the guidelines of the Board of Directors and the Executive Committee are complied with and are reflected in policies and procedures.

The role of the Audit Board is to monitor the effectiveness of the internal control and internal audit systems, as well as to assess annually the functioning of the systems and the respective internal procedures, thus strengthening the internal control environment. Within the framework of its supervisory function, the Audit Board accompanies the work plans and resources entrusted to the Internal Audit Department and the Legal and Governance Department, which is the recipient of periodic reports made by these departments, as well as information on matters related to accountability, identification or resolution of conflicts of interest and the detection of potential illegalities.

The relationship model between the bodies, departments and committees responsible for the implementation of internal control systems favours the centralised management of the risks at the level of the Risk Management Department. This department is responsible for defining, monitoring and evaluating risks and mitigation measures in alignment with approved policies and strategies by ensuring the consistency of the principles, concepts, methodologies and tools for the risk assessment and risk management of all the business units and companies of the Galp Group and ensure the effective implementation of the risk management system, through the relation with the executive committee, risk management committee and business units focal points and Group companies.

The working group within the Risk Management Committee which is engaged with issues related to EQS, including climate change, compliance and regulatory changes, ensuring due integration of these matters into the Company’s risk management system.

The Local Risk Officers support the business units risk “owners” in identifying, evaluating and managing the risks in the respective business units, in light of the defined risk management standards. They are also responsible for incorporating risk information in their decision-making process, ensuring compliance with the risk management policies and procedures. Furthermore, they are responsible for compiling, reporting and publishing information on exposure to risk in their business unit.

The Department of Legal and Governance monitors the internal control system through the performance of internal inquiries, audits or risk assessments in ethics and compliance matters such as bribery and corruption, money laundering and terrorism financed, fraud, conflict of interest, political, economic and financial sanctions, and other restricted measures, compliance with markets and financial regulation, as well performing ethics and compliance due diligence to partners and relevant transactions; defines controls on ethics and compliance matters and assess its performance in the diverse Galp’s business units, as well as develops special projects in order for Galp to comply with ethical and regulatory matters.

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

As noted and described above, all Galp’s management structures are responsible for the implementation of the risk control process in the course of their activities.

In addition to those described in the previous sections, note that, for example, the Department of EQS and Sustainability, the Department of Information Systems and the planning and control areas are also involved in the risk control process.
Indeed, the Department of EQS and Sustainability have been assigned powers of corporate management of environmental, including risks arising from climate change, safety and security risk, as well powers to define and propose evaluation and monitoring methodologies of the environmental and security risk of Galp Group activities and product quality, in conjunction with the business units, ensuring the definition and scheduling of actions to remove or minimise those risks.

The cybersecurity area of the Department of Information Systems is responsible for defining and managing the cybersecurity policy of the Galp Group’s information systems.

53. Details and description of the major economic, financial and legal risks to which the company is exposed in pursuing its business activity.

Galp’s commercial operations are long-term in nature, which implies that many of the risks to which it is exposed are permanent. However, the triggering factors of the internal or external risks and opportunities, can be changed, developed and evolve over time, and may vary in probability, impact and detectability.

Galp assumes that the principal challenges faced by the Oil & Gas sector result in the assurance of access to energy in a decarbonisation economy context.

We identify on the next page (in alphabetical order) the risks which may have an impact on Galp’s operational and financial performance, as well in reputational image, and the way they are managed and mitigated, including those associated with environmental questions and the fight against corruption and bribery.

The impact of climate change, especially as an aggravating factor of risks “Markets”, “Legal and Regulatory”, “Competition”, “Disruptive events”, is incorporated into this analysis.

Galp considers that there are impacts in Galp’s business model associated to a transition to a lower carbon economy resulting from regulatory changes, but also changes in consumer and technological patterns. Galp also considers the risks arising from physical impacts of climate change and the opportunities arising out of a transition to a lower carbon economy, including production of energies with lower CO2 emissions, development of new products and services, gains in energy efficiency, access to new markets and supply chain with bigger resiliency.

Accordingly, in its investment decision-making process, the Company considers a long-term price for carbon ($40/ton). Thus, on the one hand, it intends to give more emphasis to the alternatives with lower CO2 emissions and, on the other hand, strives to build a portfolio suitable to the transition to a lower carbon economy.

During 2017, the common risks terminology was updated in accordance with the new COSO framework - Enterprise Risk Management (ERM).

With this revision a holist approach to risk management was reinforced incorporating uncertainties, being risks or opportunities, regardless of their nature.

Galp’s main risks and uncertainties are managed, monitored and communicated to the counterparties, project, geographical and industrial sectors, as a case may be. Please see section 54 of this Report for the description of the identification, assessment, monitoring, control and risks management processes.

Please note, the identified risks could change over the year, in response to changes caused by exogenous or endogenous factors.

The main risks that Galp faces are the following:

- Cybersecurity;
- Compliance/ Reputation;
- Competition;
- Partner dependency;
- Disruptive events;
- Project execution;
- Portfolio management;
- Markets;
- Political and Legal/Regulatory.
<table>
<thead>
<tr>
<th>Risk</th>
<th>Risk factors</th>
<th>Mitigation measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cybersecurity</td>
<td>The information systems are a crucial component for Galp’s activities development and any system failure, whether accidental including those that are caused by network, hardware or software failures or resulting from intentional actions, such as cyberattacks or others, including those that are caused by, may have adverse impacts. These failures may in particular seriously compromise Galp’s operations or cause an interruption of these activities, lead to loss, misuse or abuse of sensitive information, loss of lives, damage to the environment or assets and breaches in the legal or regulatory sphere, with the possibility of fines or any other type of measures imposed by the regulatory authorities; and also prejudice the Company’s reputation. These events can negatively affect assets value and the Group’s results.</td>
<td>Galp mitigates these risks through a series of measures, including control procedures, backup systems, and protection systems, such as firewalls, antivirus and building security. In addition, Galp has implemented information security policies and regularly conducts audits, complementing them with computer risk assessments with respect to the Galp’s most important assets, which are risk assessments performed by Galp or an independent specialist in Galp representation which enables to know better potential (critical) suppliers’ fragilities.</td>
</tr>
<tr>
<td>Compliance/Reputation</td>
<td>Galp is exposed to negative impacts over its reputation as a result of non-compliance (either real or perceived) with laws and regulation, in particular on topics of corruption eventually practiced by management bodies, employees, suppliers, service providers and counterparties. On the other hand, any irregularities (real or alleged) relating to the international patterns applicable in the countries where we develop activity may have a very important adverse effect in our capacity to continue to carry out activity there. Furthermore, in a context of growing stakeholder influence, the change of consumer preferences in a way of giving relevance to new sources of energy, with lower carbon intensity, may lead to the stigmatisation of Oil &amp; Gas sector and impose on Galp a reputational risk more and more remarkable. These kinds of events may negatively affect the Company’s reputation and Groups results.</td>
<td>Galp implemented a Code of Ethics and Conduct and a Corruption Prevention Policy, which can be viewed at Galp’s website, with the objective to be committed and ensure the compliance with the best practices and international law and prevent behaviors that may constitute corruption in the geographies where it operates. Under the Corruption Prevention Policy, Galp does not allow its employees and third parties, acting on behalf of the Company, to offer, promise or authorise undue advantages to person, public entity or its related party, including facilitation payments, with a view to obtaining patrimonial or non-equity advantages for themselves, Galp or third parties (active corruption). The Company does not allow accepting advantages for itself, its employee or third party, when the acceptance could harm the independence and exemption of these or Galp, current or future, with respect to the offeror or its related party (passive corruption). Galp also does not allow the use of donations or sponsorships as means to practice an unlawful influence or pressure on any decision with advantage to the Company or its related party, always maintaining the social adequacy with respect to the sector and countries in which it act. In the scope of a continuous practice of internal rule updating, in 2017 Galp has updated its Code of Ethics and Conduct, promoting its adoption by all Group companies, in line with the principles of loyalty, rectitude, honesty, transparency and integrity, on which Galp’s activities are based, in order to promote a responsible and ethical culture and to prevent or prohibit improper or unlawful practices. Galp’s Code of Ethics and Conduct was consequently approved by the boards of directors of the Group companies in which Galp holds management control. This update allowed to reflect the Company’s current mission and values, introduce guidelines that support ethical decision-making, and review some rules regarding employee action and relationships with specific stakeholders.</td>
</tr>
</tbody>
</table>
In 2017 Galp implemented promotion measures to use effectiveness in the procedure for communication of irregularities in force. At the end of 2017 was started an e-learning action of the Code of Ethics and Conduct applicable to all employees and Group’s corporate bodies.

The audit activity performed by a specific organisational structure (Internal Audit Department) enables a continuous control over the compliance with Galp’s procedures.

Galp applies appropriate processes and procedures in order to assess and mitigate the risk of corruption, including the risk that partners, transactions or commercial / institutional relationships may pose to Galp. In fact, in compliance with best practice, Galp implemented a set of mechanisms and procedures in which transactions with new counterparties are subject to due diligence performed by the Legal and Governance Department (KYC – Know Your Counterparty and KYC – Know Your Transaction), associated to a decision risk model, in order to ensure that relations with counterparties do not involve Galp inadvertently in corruption, money laundering or terrorism finance, among other risks. For this purpose, Galp has support software to analyse third-party’s compliance and risks. Additionally, following the International Chamber of Commerce guidelines, a due diligence questionnaire for third-parties applicable to supplies and business partners was developed.

In addition, Galp promotes with their stakeholders measures to prevent corruption and recognise the principles and values set forth in Galp’s Code of Ethics and Conduct. At the supplier level, Galp establishes contractual conditions that bind them to compliance with the provisions of the Code of Ethics and Conduct and does not establish or maintain relationships with suppliers that are not in line with the principles of the Code. Galp also promotes training actions to its suppliers in matters of ethics and conduct.

In the scope of the mitigation of climate change affects, and aware of the risks and opportunities that come from a transition to a lower carbon economy, Galp has assumed the commitment of gradually diversifying its portfolio to energies with lower carbon emissions to new business models. On this topic, please see Chapter 2 of this report “Strategic framework”.

<table>
<thead>
<tr>
<th>Risk</th>
<th>Risk factors</th>
<th>Mitigation measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compliance/ Reputation (cont.)</td>
<td></td>
<td>In 2017 Galp implemented promotion measures to use effectiveness in the procedure for communication of irregularities in force. At the end of 2017 was started an e-learning action of the Code of Ethics and Conduct applicable to all employees and Group’s corporate bodies. The audit activity performed by a specific organisational structure (Internal Audit Department) enables a continuous control over the compliance with Galp’s procedures. Galp applies appropriate processes and procedures in order to assess and mitigate the risk of corruption, including the risk that partners, transactions or commercial / institutional relationships may pose to Galp. In fact, in compliance with best practice, Galp implemented a set of mechanisms and procedures in which transactions with new counterparties are subject to due diligence performed by the Legal and Governance Department (KYC – Know Your Counterparty and KYC – Know Your Transaction), associated to a decision risk model, in order to ensure that relations with counterparties do not involve Galp inadvertently in corruption, money laundering or terrorism finance, among other risks. For this purpose, Galp has support software to analyse third-party’s compliance and risks. Additionally, following the International Chamber of Commerce guidelines, a due diligence questionnaire for third-parties applicable to supplies and business partners was developed. In addition, Galp promotes with their stakeholders measures to prevent corruption and recognise the principles and values set forth in Galp’s Code of Ethics and Conduct. At the supplier level, Galp establishes contractual conditions that bind them to compliance with the provisions of the Code of Ethics and Conduct and does not establish or maintain relationships with suppliers that are not in line with the principles of the Code. Galp also promotes training actions to its suppliers in matters of ethics and conduct. In the scope of the mitigation of climate change affects, and aware of the risks and opportunities that come from a transition to a lower carbon economy, Galp has assumed the commitment of gradually diversifying its portfolio to energies with lower carbon emissions to new business models. On this topic, please see Chapter 2 of this report “Strategic framework”.</td>
</tr>
<tr>
<td>Risk</td>
<td>Risk factors</td>
<td>Mitigation measures</td>
</tr>
<tr>
<td>---------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Competition</td>
<td>The energy sector is extremely competitive and exposed to players from other sectors.</td>
<td>In the E&amp;P business, Galp has a diversified and competitive portfolio, which includes two of the most important development projects in the world – the pre-salt region in Santos basin, Brazil, and the GNL project in Rovuma basin in Mozambique. Additionally, Galp has a series of competitive advantages and keeps a solid capital structure which support its E&amp;P activities.</td>
</tr>
<tr>
<td></td>
<td>The competition puts pressure on the prices of raw materials and products, affecting the marketing activities relating to oil products, and demanding constant focus on cost control and increased efficiency while, at the same time, guaranteeing the safety of the operations.</td>
<td>In the downstream business, Galp develops a wide range of activities over the value chain, being a reference operator in Iberia, its core market, and having been developing relevant competencies which contribute to strengthen its activity in the international market.</td>
</tr>
<tr>
<td></td>
<td>The Company’s performance may be affected if its competitors develop or acquire intellectual property rights or technology that the Company needs, or if the Company is not able to keep up with the sector in terms of innovation. Additionally, as a result of technological development, the Company may face competition from entities intervening in other industries or sectors of activity.</td>
<td>In view of the competition that exists in the energy sector, and to reduce the exposure to risks associated with the high level of operational complexity in the sector, Galp systematically applies the sector’s best practices.</td>
</tr>
<tr>
<td></td>
<td>Some of Galp’s competitors are well-established operators in the reference markets, with a relevant size and access to a relevant number of resources.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The weight of these companies in the market is due to a combination of factors, including diversified and reduced risk; financial capacity necessary for the developments requiring high levels of investment; capacity to benefit from economies of scale in terms of technology and organisation; and a size that allows them to benefit from advantages related to the acquired competencies, established infrastructures and reserves. In this way, these companies have the capacity to make competitive proposals with direct impacts on the effectiveness of Galp’s operations.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The intense competition to which Galp is subject to can adversely affect its operational and financial performance.</td>
<td></td>
</tr>
<tr>
<td>Partner</td>
<td>Many of Galp’s main projects in the E&amp;P business are carried out through partnerships and may be operated by third parties and managed through joint operations agreements.</td>
<td>Despite the fact that Galp does not operate the most relevant E&amp;P projects in its portfolio, it is actively involved in the respective execution. Actually, Galp monitors the activities of each project on a daily basis, using internal, multidisciplinary teams, and maintaining direct contact with operators, which essentially consist of well-respected international companies with vast experience in the sector. Effectively, Galp uses a decision process of previous screening in relation to the strategic partners’ selection, and also using due diligence processes.</td>
</tr>
<tr>
<td>dependency</td>
<td>In the execution of these partner agreements, Galp may be vulnerable to events that affect its partners, even though they are not related to the Company. In particular, partners may have failures in their financial, technical, or operational capabilities to comply with their obligations on the project or in relation to third parties, and as such, could affect the viability of the project that they have jointly with Galp.</td>
<td>Galp has also developed a long process of negotiations that includes drafting, analysis, negotiating and signing of joint operating agreements in order to ensure Galp’s rights and powers in the governance structures under joint venture regime, including the possibility to exercise possible veto rights on the scope of determined consortium decision making processes.</td>
</tr>
<tr>
<td></td>
<td>Additionally, in the scope of the partner agreements, the partners could also have the capability to approve certain matters without the Galp’s consent.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>All these risks could place the execution of projects at risk and, ultimately, constrain and interfere with the implementation of Galp’s strategy. In this way, these kinds of events may negatively affect the asset’s value and the Group’s results.</td>
<td></td>
</tr>
<tr>
<td>Risk</td>
<td>Risk factors</td>
<td>Mitigation measures</td>
</tr>
<tr>
<td>------</td>
<td>--------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>Partner dependency (cont.)</td>
<td>Galp establishes diverse partnerships in the scope of others business areas, becoming dependent on the evolution of the established agreements and selected partners. The risks referred above related to E&amp;P partners are also applicable here: financial, technical, operational partners’ insufficiencies that may compromise reliability or the project execution itself.</td>
<td>Within the scope of joint venture, the acquisitions of goods and services are governed by joint operation agreements, to ensure the alignment among all partners on quality, social responsibility and HSE criteria for the pre-qualification of suppliers in the purchasing processes. Local contracting is usually a requirement, varying according to the geographical area of the project and taking into account the specifics of the concession contracts. Galp has proven and diverse experience, combined with the knowledge acquired in the various projects in which it is involved, it is a key factor that allows Galp to have influence in the partnerships in which it participates. Also, for other business areas apart from E&amp;P, partner selection involves a strict selection process which assures that selected partners are reference companies and with high financial, technical and operational capability.</td>
</tr>
<tr>
<td>Disruptive events</td>
<td>The nature, variety and technical complexity of Galp’s operations, namely in exploration and production in ultra-deep waters or in the refining process, exposes the company to a wide spectrum of EQS risks of a disruptive nature. There are included in this nature chronic physical risks, which may relate to long-term changes in climate patterns (for example, sustained high temperatures, occurrence of successive droughts, changes in the precipitation pattern) which may cause sea level increase or chronic heat waves; acute physical risks regarding those conducted by events, including civil unrest, war and terrorism and natural catastrophes (including severity increase of extreme climatic events, such as cyclones, hurricanes or floods) or operational constraints related to Galp’s upstream and downstream assets characteristics. E&amp;P activities are usually developed in extremely defiant environments, with potential risks of technical failures and natural catastrophes. A specific number of factors, such as unexpected drill conditions, pressure or irregularities in geological formations, equipment malfunction or accidents and extreme climatic phenomena that may lead to life loss, environmental damage, compromise reliability or cause facilities destruction. This kind of events may negatively impact Galp’s reputation as well its assets value and results.</td>
<td>We understand that the environment, health and safety of our employees, customers and the community, as well protection of our assets, is key to ensure the sustainability of Galp. Consequently, the Company has established a commitment to integrating the most important aspects of EQS (including security) in its strategy and activities, as well as ensure a continued improvement of performance. In this context is important to highlight the approval on 2017 of the internal standard procedure which defines the environmental, health and safety (including security) requirements which should be assured in the decision-making process associated to the different project development stages (over the life cycle). When implementing the guidelines of this system in the Company’s daily operations, the business units can identify and manage their own operating risks, through the full cycle of the different projects, equipment and assets. Galp regularly promotes specific HSE audits, internal and external, and carries out assessments to all assets in which it operates with the objective of, through operations and processes of risks control, prevent accidents, preserve operational performance, people, the reputation and the assets. The Company also practices a continuous monitoring of assets operated by third-parties, in accordance with the competences assigned in the terms of the agreements entered into with partners. Galp has also an insurance programme which includes, among others, civil liability to minimise the impact of any potential risks.</td>
</tr>
</tbody>
</table>
### Risk

<table>
<thead>
<tr>
<th>Risk factors</th>
<th>Mitigation measures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project execution</strong></td>
<td>The organic growth of the Company depends on the creation of a high-quality asset portfolio resulting from an efficient selection and capability of implementing, developing and operating diverse investment projects in the best conditions. However, the projects implementation is exposed to a variety of risks in terms of technical, economic, legal, regulatory, commercial and EQS, that may compromise the execution within the budget and deadline established, in compliance with pre-defined specifications and respective operation reliability. In addition, the execution of the projects depends also on the performance of Galp’s partners, on various service providers and other contracted parties, over whom Galp has no control, therefore the Company is additionally exposed to the risk of execution through these entities. The occurrence of any event that negatively affects the execution of investment projects, may result in a loss in value and/or higher investment costs, thus jeopardising the implementation of Galp’s strategic plan. The non-execution of the best investment option in the best technical and financial conditions may have influence on assets value and Group’s results.</td>
</tr>
<tr>
<td><strong>Portfolio management</strong></td>
<td>Galp operates its activities with the focus on Oil &amp; Gas. The Company is, however, committed to building a resilient portfolio for different scenarios, including a scenario of rapid decarbonisation. Regarding the E&amp;P business, Galp’s future production of oil and natural gas depends on its success in the consistent and profitable acquisition, discovery and development of new reserves to replace the reserves that have already been used. However, the Company’s ability to acquire, find and develop new resources and reserves is subject to a number of risks. Estimates with respect to oil and natural gas reserves and resources are based on available geological, technological and economic data and is, therefore, subject to a large number of uncertainties.</td>
</tr>
<tr>
<td>Risk</td>
<td>Risk factors</td>
</tr>
<tr>
<td>--------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Portfolio management</td>
<td>The accuracy of these estimates depends on numerous factors, assumptions and variables, some of which are outside the Company’s control. These factors include changes in the prices of oil and natural gas, which may have an impact on the amount of proven reserves (given that reserves are calculated on the basis of the prevailing economic conditions on the date of the respective calculation); changes in the applicable tax regime or other regulations and contractual conditions, which occur after the date of calculation of the reserves (which can have an impact on the economic viability of the development of these reserves); and certain actions and performance of third parties, including operators, in which the Company has no control. In addition, the projects may be sanctioned based on incorrect assumptions or inadequate information, resulting in drill results which may oblige to substantial revisions to the initial estimates. Besides that, Galp is subject to strong competition in the bidding for production of oil and natural gas blocks usually made available by governmental authorities, particularly with respect to those which are considered to be potentially more attractive in terms of resources. Due to this competition, Galp may not be able to obtain the desired production blocks, or may have to pay a higher price to obtain them, which may affect the economic viability of subsequent production. Furthermore, political changes related to climate change may reduce geographical areas made available by governments for exploration and production activities. If the Company is not successful in de-risking the resources and in the development of reserves, its total proven reserves may decrease, negatively affecting the Group’s value. Additionally, the change in the energy paradigm, with the resulting technological modifications, is an important challenge to Galp. A non-implementation of a new technological strategy would put the Company in a competitive disadvantage in relation to its competitors.</td>
</tr>
<tr>
<td>Risk</td>
<td>Risk factors</td>
</tr>
<tr>
<td>-------</td>
<td>------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Markets</td>
<td>The prices of oil, natural gas, LNG and oil-derived products are affected by the dynamics of market supply and demand. In turn, these are influenced by different factors, such as economic and operational circumstances, natural disasters, weather conditions, political instability, armed conflicts or supply constraints of oil exporting countries. Even though in long-term the operational costs tend to be in line with the rise and fall of the prices of raw materials and products, there is no guarantee that this will happen in the short term. Consequently, a reduction in the price could compromise investment plans, including exploration and development activities. On the other hand, increase in prices of oil or natural gas could affect the value and profitability of Galp’s assets. Even though the prices that the Company charges its clients reflect market prices, they may not be adjusted immediately, and may not entirely reflect the changes in market prices. Preferences of potential consumer are changing, in particular derivation of procurement increase for solutions with lower carbon intensity, may negatively affect the oil &amp; gas procurement. Galp is also exposed to fluctuations in exchange rates due to the fact that the results and the cash flow generated by the sale of oil, natural gas and refined products are usually set in US dollars and are affected by the exchange rates associated with such currency. In the countries where Galp is developing commercial activities, be it directly or indirectly, the operational results are also exposed to the fluctuations of the relevant exchange rates. Galp is also exposed to the risk of exchange rates in relation to the value of its financial assets and investments, mainly those that are defined in US dollars and in Brazilian Reais, which could have an impact on the Company’s financial position, given that the financial statements are expressed in Euros. Despite the ability to access the market instruments designed to hedge the exchange rate risk and interest rate risk, market adverse changes may negatively affect Group’s assets value and results. New projects and investments are evaluated internally, taking into consideration the analysis of their sensitivity to key variables, particularly commodity prices and capex. The projects are equally analysed taking into consideration scenarios of demand and impacts in terms of carbon emissions. The risk associated with the volatility of raw material and products prices, particularly the refining margin, is managed at the business units level, balancing the obligations of sourcing and supply. The aforementioned risk is managed by means of the instrument made available by over-the-counter (OTC) or Intercontinental Exchange (ICE) markets. The interest rate risk, exchange rate risk and other financial risks, including financial investments and debt, are managed centrally. Risk management of the interest rate seeks to reduce the volatility of interest charges through the use of simple derivative instruments, such as swaps. With the aim of mitigating the exchange rate risk, Galp can, whenever it deems necessary, hedge its position by means of derivatives, for which a liquid market exists.</td>
</tr>
<tr>
<td>Risk</td>
<td>Risk factors</td>
</tr>
<tr>
<td>---------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Political and Legal/Regulatory</td>
<td>A significant part of Galp’s results comes and will increasingly come or will be dependent on countries with economic and political risk. Our main E&amp;P projects are located in countries that are not part of OECD and may affect our capability to develop projects in a safe, reliable and profitable way. Those questions include civil disturbance, nationalization or expropriation of assets, regulatory changes on environmental matters, increase in the greenhouse gas price emissions, exposure to disputes, specific regulatory changes of oil &amp; gas sector, allocation of licenses for exploration and production, specific obligations on drilling and exploration activities, or significant increases in taxes and royalties on oil and natural gas production, among others. Additionally, governments have been approving international treaties and agreements and regulatory authorities have been approving regulations that encourage the choice for energies with low level of greenhouse gases emissions, such as renewable energies or other disruptive technologies, which oblige companies to apply measures to reduce its greenhouse gas emissions. This could raise additionally compliance obligations in respect of emission, capture, sequester and use of carbon dioxide, as well as reporting those values, that result in larger investments and higher project execution costs. Furthermore, in the supply and trading of natural gas business and oil products trading activity, Galp operates in geographies with high political risk. Downstream activities in Iberia are also subject to risks of a legal and regulatory nature. In fact, any changes in these levels can have an impact on the business context in which the Company operates. Any significant change in the rules in force at the time investment projects are selected, can put at risk operation continuity, and may cause a negative impact in assets value and Group’s results.</td>
</tr>
</tbody>
</table>
54. Description of the procedure for identification, assessment, monitoring, control and risk management.

A strong regulatory framework and a disciplined approach to risk are important elements in an organisation with a large number of different geographies. These are necessary to ensure that the Company performs in line with the strategic objectives, the risks taken produce appropriate returns and value is created for shareholders on a long-term basis.

According to the guidelines defined in the Risk Management Policy, approved by the Board of Directors in August 2016, we identify, assess and manage risks and opportunities related to the defined strategy in our business plan, but also emergent risks and opportunities.

Galp identified a set of critical uncertainties to its business models which formed a set of future alternative scenarios. These critical uncertainties are dependent on political, economic, social, technological, environmental and regulatory factors. In considering diverse scenarios in the strategic formulation process, Galp assures the formation of a resilient portfolio in several aspects. For more information, please see section 2.1 of chapter 2 of this report.

The risks identified through Galp’s risk management process is sorted according to priority level, and, dependent on the respective probability, severity and detectability, are then communicated to the Chief Risk Officer and Risk Management Committee.

The referred risks are debated in the respective responsible business unit ("risk owner") and its alignment to Galp’s acceptable levels is verified together with the corporate Risk Management team.

According to the three lines defense model (described in section 5.1), the risk management responsibility and respective periodic analysis is assigned to the Group company or to the responsible business unit with the local risk officers’ support. Galp has risk management strategies which classify risks by response categories, in accordance to what is decided to avoid, transfer, reduce or accept the risk. The referred response strategies are defined in a way to ensure the risks are according to the guidelines provided by Galp’s Board of Directors or Executive Committee.

The incorporation of the insurance activity within the corporate Risk Management Department enables to optimise and manage the risk transfer, whenever that reveals to be the best option.

In 2017, Galp reviewed internal standard of the risk management processes, which define methods of identification, assessment, treatment and monitoring of risks and opportunities, applied to organisational processes (represented in the alongside figure). In this procedure, the environmental financial, reputational and compliance dimensions among others are considered, where uncertainties of emergent regulations related to climate changes are present, ensuring a monitoring and assessment of the relevant uncertainties.

It is intended to ensure an effective applicability of the risk management system through a systematic control of its adequacy and efficiency to monitoring the risks and adequate corrective measures.

It should be noted that the identified and implemented mitigation measures might not be totally effective to provide complete cover of risks Galp is exposed to.

Main activities/risk management stages
Galp drafted and implemented rules and procedures applicable to the control activities for the preparation and report of financial information.

Galp prepares its accounts in compliance with the IFRS accounting international rules, approved by the European Union. To fulfill situations of inexistence or insufficiency in the IAS/IFRS rules or SIC/IFRIC interpretations, Galp has an accounting manual, which follows the market best practices and is applied internally as a complement to the IFRS rules.

With the objective of assessing the operational performance, Galp also discloses the results on a replacement cost adjusted base (RCA), excluding the non-recurrent events and the inventory effect, the latter because the cost of the sold merchandise and raw-materials consumed has been determined by the method of replacement cost valorisation. The "About the Report" section, describes the directives and globally recognised regulations used in the preparation of this report.

Recognising the technological dependency in the process areas, Galp characterises the control activities for financial information report with respect to the use of support technologies (implementation/system of information) and identifies control activities over those technologies.

Galp also recognises the role of productivity software use, including spreadsheets application and database, in support of relevant controls and activities for the financial information report, assessing the underlying risks and identifying control validity activities, monitoring and supervision over the use of such applications.

The process for disclosing financial information by Galp is accompanied not only by the management and supervisory bodies, but also by the business units and corporate centre. The documents for presenting financial information to the capital markets are prepared by the Strategy and Investor Relations Department (DERI), based on information provided by the planning and control of the business units, the Accounting and Taxation and the Corporate Planning and Control departments. In particular, in relation to half-yearly and annual provision of accounts, the documents are sent to the Board of Directors and Audit Board who approves them before disclosure.

Within the scope of its powers, the Statutory Auditor and the external auditor assess the internal control mechanisms of the principal functional cycles of the Group companies with effects in the financial report.

In 2017, Galp developed and implemented an information system for monitoring the insider registration and people with access to this information (permanent and occasional insiders), including financial information, meeting the requirements arising from the recent European legislative reform in this area.

IV - Investor assistance

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

The service responsible for supporting investors is Investor Relations division (IR) integrated in the DERI.

Composition

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

Main duties

The DERI performs all duties of the investor support office. This department reports directly to the Chief Executive Officer and its duties include defining Galp’s strategic guidelines, promoting a clear perception of the Company at strategic, operational and financial level towards its stakeholders. In particular, in respect to the investor support duty, the IR area devise, manage and coordinate all the activities required to achieve Galp’s objectives in respect of relations with the capital markets, including shareholders, institutional investors and financial analysts.

The IR team is responsible for ensuring that communications with 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 provides the market with relevant, clear and accurate information about Galp, regularly, transparently and promptly, aiming at providing information symmetry in the market.
The IR team is also responsible for meeting the legal obligations to report to the regulatory authorities and the market, comprehending drawing up reports disclosing Galp’s results and Group’s activities, drafting and disclosure communication on important information, providing information requested by investors, financial analysts and other capital market participants, as well the support to the Executive Committee in aspects relating to Galp’s status as a publicly traded company.

The IR team monitors changes in Galp’s share price and those of comparable companies and supports the management team in 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 market communication policy aims to provide all relevant information to enable reasoned judgments to be made about the evolution of the Company’s activity, expected and achieved results and the various risks and opportunities that can affect its activity.

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

Strategy execution

The website provides information on our strategy and its implementation. Our website www.galp.com includes a description of our 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 in force in the Portuguese market and in accordance with the best international practices.

Results

The information disclosed to the market includes a summary of the operating information for each quarter, called the trading update, 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 the date that is previously announced, and the audio and transcription of the conference calls on the presentation of results are published afterwards.

Consensus

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

Galp share

With more focus on the capital market, the website includes a section with Galp’s share price history, comprehending comparisons with the evolution of PSI-20 and comparable company share prices. Additional information about the Company’s shareholder structure, including a description of qualifying holdings, as well as detailed and historical information about the payment of dividends, is also available thereon.

Financial calendar

In accordance with the best international practices, in December Galp announces the event dates of interest to shareholders that will take place in the following year.
In 2017, the financial calendar was the following:

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>4th Quarter 2016 Trading Update</td>
<td>31 January</td>
</tr>
<tr>
<td>Capital Markets Day 2017 and 4th Quarter</td>
<td>21 February</td>
</tr>
<tr>
<td>Annual Report &amp; Accounts 2016 (Audited)</td>
<td>11 April</td>
</tr>
<tr>
<td>1st Quarter 2017 Trading Update</td>
<td>18 April</td>
</tr>
<tr>
<td>1st Quarter 2017 Results</td>
<td>2 May</td>
</tr>
<tr>
<td>Annual General Shareholders Meeting</td>
<td>12 May</td>
</tr>
<tr>
<td>2nd Quarter 2017 Trading Update</td>
<td>17 July</td>
</tr>
<tr>
<td>2nd Quarter 2017 Results</td>
<td>31 July</td>
</tr>
<tr>
<td>3rd Quarter 2017 Trading Update</td>
<td>16 October</td>
</tr>
<tr>
<td>3rd Quarter 2017 Results</td>
<td>30 October</td>
</tr>
</tbody>
</table>

The calendar for 2018 is the following*:

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>4th Quarter 2017 Trading Update</td>
<td>5 February</td>
</tr>
<tr>
<td>Capital Markets Day 2018 and 4th Quarter</td>
<td>20 February</td>
</tr>
<tr>
<td>1st Quarter 2018 Trading Update</td>
<td>13 April</td>
</tr>
<tr>
<td>Annual Report &amp; Accounts 2017 (Audited)</td>
<td>16 April</td>
</tr>
<tr>
<td>1st Quarter 2018 Results</td>
<td>27 April</td>
</tr>
<tr>
<td>Annual General Shareholders Meeting</td>
<td>15 May</td>
</tr>
<tr>
<td>2nd Quarter 2018 Trading Update</td>
<td>16 July</td>
</tr>
<tr>
<td>2nd Quarter 2018 Results</td>
<td>30 July</td>
</tr>
<tr>
<td>3rd Quarter 2018 Trading Update</td>
<td>15 October</td>
</tr>
<tr>
<td>3rd Quarter 2018 Results</td>
<td>29 October</td>
</tr>
</tbody>
</table>

* These dates are subject to change.

Communication to the market

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

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

The database currently has over 2,300 contacts. The relevant information is disclosed simultaneously in the “Investors” section of Galp’s website: http://www.galpenergia.com/EN/investidor/Noticias/Paginas/Home.aspx

Contacts

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

In February 2017, we organised an event for the capital market, for information on the strategic update and financial perspectives until 2021. The Company also held three conference calls, open to the capital markets, to discuss quarterly results and update its strategic execution.

In addition, throughout the year, Galp participated in 16 conferences and 85 roadshows. In all, including ad-hoc meetings and conference calls, the IR team held more than 220 meetings with institutional investors, covering a total of 200 investment funds in Europe, North America, Latin America and Asia. Approximately 40% of these meetings were attended by at least one member of the Executive Committee, underlining the management team’s high commitment level to communicating the Company’s strategy and its implementation in the capital markets.

During the working hours of Euronext Lisbon, the contact with the IR team can be done through the e-mail address investor.relations@galp.com and by calling +351 217 240 866.

57. Market liaison officer

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

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

To promote a close relationship with the capital markets community, the Head of DERI ensures the response to 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 issues at hand, and always ensuring transparency, symmetry and consistency of available market information.
During the year 2017, the IR team responded to over 350 information requests and the average response time was one business day, in line with the target defined.

V - Website

59. Address(es)

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

60. Place where information about the firm, public company status, headquarters and other details referred to in Article 171 of the Commercial Companies is available.

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

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

The By-laws are available on Galp’s website at: https://www.galp.com/Portals/0/Recursos/Governo-Societario/SharedResources/Documentos/EN/Articles_of_association_2012.pdf

The Regulations of the Audit Board can be found on Galp’s website at: https://www.galp.com/Portals/0/Recursos/Governo-Societario/SharedResources/Documentos/EN/Supervisory-board-regulations-2015.pdf

The Regulations of the Board of Directors can be found on Galp’s website at: https://www.galp.com/Portals/0/Recursos/Governo-Societario/SharedResources/Documentos/EN/Regulamento_CA_EN_Web.pdf

The Regulations of Galp’s Executive Committee can be found on Galp’s website at: https://www.galp.com/Portals/0/Recursos/Governo-Societario/SharedResources/Documentos/EN/Regulamento_CE_EN_Web.pdf

62. Place where information is available on the name of the corporate boards’ members, the market liaison officer, the investor assistance officer or comparable structure, respective functions and contact details.

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

The information about the market liaison officer and the Investor Relations area is available at Galp’s website at: https://www.galp.com/en/investors/investor-support/investor-relations-team

63. Place where the documents are available and related to financial accounts reporting, 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 are available on the Galp’s website at: https://www.galp.com/en/investors/reports-and-presentations/reports-and-results

The calendar is available on Galp’s website at: https://www.galp.com/en/investors/investor-support/investor-calendar

64. Place where the notice convening the General Shareholders Meeting and all the preparatory and subsequent information related thereto is disclosed.

The notice convening the General Shareholders Meeting and all preparatory and subsequent information related to it are posted on Galp’s website at: https://www.galp.com/en/investors/information-to-shareholders/general-shareholders-meetings

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

The historical record of recent years with resolutions made at the General Shareholders Meetings, share capital represented and the results of votes, can be found on Galp’s website at: https://www.galp.com/en/investors/information-to-shareholders/general-shareholders-meetings
D - Remuneration

I - Power to establish
66. Details of the powers to set the remuneration of the corporate boards, members of the Executive Committee or Chief Executive and directors of the Company

The Remuneration Committee is the corporate body responsible for setting the remuneration amounts payable to members of Galp’s corporate bodies and Executive Committee and consists of three shareholders elected by the General Shareholders Meeting 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 Securities Code, Galp’s senior executives are the members of the Board of Directors and the Audit Board. Beyond the members of these bodies, no one has regular access to inside information nor participates in decisions about the Company’s management and business strategy.

II - Remuneration Committee
67. Composition of the Remuneration Committee, including details of individual or legal persons recruited to provide services to such 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 has the following members:

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

The members of the Remuneration Committee are independent of the members of the Board of Directors and 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.

In 2017, the Remuneration Committee held three meetings.

In 2017, no natural or legal person was recruited to support the Remuneration Committee in the performance of its duties.

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

The members of the Remuneration Committee have control over the remuneration policy based on their academic background and extensive corporate experience and are considered suitable for reflection and decision-making on all matters under the remit of the Remuneration Committee, as evidenced by their biographical information in Appendix 8.9.

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

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 to the approval of the General Shareholders Meeting, held on 12 May 2017, a statement on the remuneration policy for the Galp’s corporate bodies for 2017, which describes the process for setting and implementing Galp’s remuneration policy for 2017, as well as its general objectives and principles, in accordance with Law 28/2009 of 19 June and in line with the CMVM Regulation No 4/2013 and the CMVM’s Corporate Governance Code (2013 Recommendations), in order to ensure greater clarity and effectiveness in communicating the remuneration policy, both to the market and to shareholders. This policy is available on Galp’s website at https://galp.com/Portals/0/Recursos/ GovernoCorporativo/Shared%20folder/Documentos/ Item_8.pdf and a brief description thereof is given below.
## Board of Directors

**Non-executive members** - fixed monthly sum, paid 12 times per year, in an amount set by the Remuneration Committee, taking into account the standard market practice, which may be differentiated, in the case of the Chairman of the Board of Directors, in recognition of the special functions of Company’s representation assigned to her/him, and, in the case of non-executive members of the Board of Directors who perform special functions of supervision and monitoring of the Company.

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

## Executive members

<table>
<thead>
<tr>
<th>Remuneration Component</th>
<th>GALP Added Value (33.3%)</th>
<th>Total Shareholder Return (TSR) (33.3%)</th>
<th>EBITDA RC (33.3%)</th>
<th>Total Shareholder Return (TSR) (50%)</th>
<th>EBITDA RC (50%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Variable</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual (50%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Qualitative performance (65%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Qualitative performance (35%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Three-yearly (50%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Qualitative performance (65%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Qualitative performance (35%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Board executive members’ remuneration of 2017 involves three main components:

**Fixed remuneration** - the fixed part of the remuneration is a monthly payment, paid 14 times a year, whose amount is set by the Remuneration Committee taking into account the nature of the assigned roles and responsibilities and market practice in equivalent positions in large national and international companies operating in the same sector.

**Annual variable remuneration** - represents 50% of total variable remuneration, with the amount set based on the following indicators:

- **Galp Added Value (GVA)**, i.e. Galp’s Economic Value Added applicable to Galp, with a weight of 33.3%;
- **Total Shareholder Return (TSR)**, with a weight of 33.3%, to enable comparison with the change in Galp’s stock market performance (including dividend payments) compared to the following group of comparable companies: Total, Repsol, OMV, MOL and ENI, and the PSI 20 index;
- Galp’s EBITDA, at replacement cost, with a weight of 33.3%.
Galp’s EBITDA, at replacement cost, to be considered for the purpose of determining the annual variable remuneration, may reflect reasonable adjustments regarding extraneous factors previously defined by the Remuneration Committee, that are adequate to encourage management objectives.

**Three-yearly variable remuneration** - represents 50% of total variable remuneration, with the amount based on the following indicators:

- TSR Galp vs comparable companies, with a weight of 50%;
- Galp’s EBITDA, at replacement cost, with a weight of 50%.

The executive members of the Board of Directors are also entitled to an amount equal to 25% of their fixed remuneration, which is paid 12 times a year, for the purpose of establishing a retirement savings plan or similar financial product.

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 in place.

Executive directors who have to travel from their place of residence are entitled to receive a supplement for accommodation expenses, set by the Remuneration Committee.

The remuneration of the Galp’s directors includes all remunerations due for posts held in management corporate bodies in other Galp Group companies.

**Audit Board**

The remuneration of the members of the Audit Board consists of a fixed monthly payment, paid 12 times a year, with the chairman of the Audit Board receiving a different remuneration from the other members of the Audit Board, given the special functions 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 work of review and legal certification of the accounts of the Company in 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 set following market practice in similar duties and is paid in a single instalment each year.

70. Information on how remuneration is structured so as to enable the aligning 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.

To achieve better alignment of the activities of the directors with 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 directors holding executive office includes annual and three-yearly variable components, of the same weighting (50% each). That weighting is based on performance assessment carried out by the Remuneration Committee using specific, measurable and pre-defined criteria which, together, look at the Company’s growth indicators and the wealth created for shareholders in a sustained manner in the short, medium and long-term, with 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 2017.

Accordingly, the use of qualitative criteria oriented towards a strategic medium-term perspective in the development of the Company, the three-year period considered for setting the multi-annual variable remuneration amount and the existence of a ceiling on variable remuneration, are 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 set by the Company.
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 fulfillment of the previously defined specific targets, with a maximum potential of 60%, by reference to fixed annual total remuneration.

The remuneration of executive directors include a variable component set based on the degree of compliance with certain economic, financial and operational objectives in respect of the previous financial year, as set out in the remuneration policy for 2017, representing 50% of total variable remuneration, in line with generally recognised practice in the national market and representing a reasonable balance between the variable and fixed remuneration components.

The above-mentioned performance indicators contribute 65% to the definitions of the applicable annual and three-yearly variable remuneration. The remaining 35% of each of these components is based on the result of the Remuneration Committee’s qualitative assessment of the work of the executive directors during the financial year or during the relevant three-year period, as appropriate.

With the purpose of keeping consistency between the results obtained and the total amount of variable remuneration paid, Galp’s a net profit is also considered. Accordingly, if Galp achieves net profit under 80% of budget, there will be no entitlement to payment of variable remuneration.

The three-year variable remuneration represents 50% of total variable remuneration, in line with generally recognised practice in the national market and the regime applicable to banking institutions 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. Deferred payment of the remuneration’s variable component and specify the relevant deferral period.

The remuneration policy for 2017 provides for the three-year deferral of 50% of the variable remuneration component, in successive and overlapping three-year periods.

The three-yearly variable remuneration is annually set by the Remuneration Committee, establishing a provisional amount based on evaluation in each year of the three-year period. However, the actual deferred amount of the three-year variable remuneration depends on (i) fulfillment of the overall objectives for the three-year period, and (ii) qualitative assessment by the Remuneration Committee, following consultation with the non-executive directors, such that the provisional amounts may be reduced or increased at the end of the three-year period in question, as a result of the assessment.

The first three-year period to be considered was 2013-15. The deferral current period is 2015-2017.

73. Criteria whereon the allocation of variable remuneration on shares is based, and also on maintaining the Company’s shares that the executive directors have had access to, on 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. Criteria whereon the allocation of variable remuneration on options is based and details of the deferral period and the exercise price.

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

75. Key factors and grounds for any annual bonus scheme and any other non-financial benefits.

Galp does not have an established annual bonus scheme.

The executive directors are entitled to a car allowance and to health insurance.
76. Key characteristics of the supplementary pensions or early retirement schemes for directors and 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, is the competent entity to approve the pension or pension compensation, at the expense of the Company, which is attributed to the executive directors.

The remuneration policy for 2017, 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 application on a retirement savings plan or financial product at their discretion.

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

IV - Remuneration disclosure

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

The gross annual amount of remuneration received in aggregate form by the members of the Company’s Board of Directors during the 2017 financial year, as set by the Remuneration Committee, was €6,735,078.23, of which €4,145,283.34 was fixed, €1,306,967 in variable remuneration, €982,100.00 for the retirement savings plan and €300,727.89 in other benefits.

The table below presents the itemised individual gross remuneration received by the members of the Board of Directors in 2017.

### Individual remuneration of members of the Board of Directors for the year 2017 (€)

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Fixed Remuneration</th>
<th>Variable Remuneration 1</th>
<th>Retirement savings plan</th>
<th>Others</th>
<th>Total Remuneration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlos Gomes da Silva</td>
<td>Vice-Chairman and Executive Chairman</td>
<td>980,000</td>
<td>368,433</td>
<td>245,000</td>
<td>110,769</td>
<td>1,704,202</td>
</tr>
<tr>
<td>Thore E. Kristiansen</td>
<td>Executive</td>
<td>490,000</td>
<td>200,550</td>
<td>122,500</td>
<td>97,650</td>
<td>910,700</td>
</tr>
<tr>
<td>Filipe Crisóstomo Silva</td>
<td>Executive</td>
<td>420,000</td>
<td>171,900</td>
<td>105,000</td>
<td>0</td>
<td>696,900</td>
</tr>
<tr>
<td>Carlos Costa Pina</td>
<td>Executive</td>
<td>420,000</td>
<td>171,900</td>
<td>105,000</td>
<td>0</td>
<td>696,900</td>
</tr>
<tr>
<td>José Carlos Silva</td>
<td>Executive</td>
<td>420,000</td>
<td>171,900</td>
<td>194,600</td>
<td>92,307</td>
<td>878,807</td>
</tr>
<tr>
<td>Pedro Ricardo</td>
<td>Executive</td>
<td>420,000</td>
<td>123,884</td>
<td>105,000</td>
<td>0</td>
<td>648,884</td>
</tr>
<tr>
<td>Tiago Câmara Pestana</td>
<td>Executive</td>
<td>420,000</td>
<td>98,400</td>
<td>105,000</td>
<td>0</td>
<td>623,400</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>3,570,000</td>
<td>1,306,967</td>
<td>982,100</td>
<td>300,727</td>
<td>6,159,794</td>
</tr>
</tbody>
</table>
### Non-executive Directors

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Fixed Remuneration</th>
<th>Variable Remuneration</th>
<th>Retirement Savings Plan</th>
<th>Others</th>
<th>Total Remuneration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paula Amorim</td>
<td>Non-Executive Chairman</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Miguel Athayde Marques</td>
<td>Non-Executive Vice-Chairman</td>
<td>71,283</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>71,283</td>
</tr>
<tr>
<td>Sérgio Gabrielli de Azevedo</td>
<td>Non-Executive Director</td>
<td>84,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>84,000</td>
</tr>
<tr>
<td>Abdul Magid Osman</td>
<td>Non-Executive Director</td>
<td>84,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>84,000</td>
</tr>
<tr>
<td>Marta Amorim</td>
<td>Non-Executive Director</td>
<td>42,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>42,000</td>
</tr>
<tr>
<td>Raquel Vunge</td>
<td>Non-Executive Director</td>
<td>42,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>42,000</td>
</tr>
<tr>
<td>Francisco Rêgo</td>
<td>Non-Executive Director</td>
<td>42,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>42,000</td>
</tr>
<tr>
<td>Jorge Seabra de Freitas</td>
<td>Non-Executive Director</td>
<td>42,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>42,000</td>
</tr>
<tr>
<td>Rui Paulo Gonçalves</td>
<td>Non-Executive Director</td>
<td>42,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>42,000</td>
</tr>
<tr>
<td>Luis Todo-Bom</td>
<td>Non-Executive Director</td>
<td>42,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>42,000</td>
</tr>
<tr>
<td>Diogo Tavares</td>
<td>Non-Executive Director</td>
<td>42,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>42,000</td>
</tr>
<tr>
<td>Joaquim Borges Gouveia</td>
<td>Non-Executive Director</td>
<td>42,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>42,000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>575,283</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>575,283</td>
</tr>
</tbody>
</table>

2. The chairman of the Board of Directors donated her remuneration to the Galp Foundation.

The variable remuneration is set under the provisions of 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 remunerations due for posts held on management bodies in 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 such bonuses and/or profit sharing being awarded.

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

80. Compensation paid or owed to former executive directors concerting contract termination during the financial year.

No compensation was paid or owed to former executive directors because of termination of their duties during the 2017 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 2017, as per terms set by the Remuneration Committee, was €92,400.
The individual remuneration amounts paid to the permanent members of the Audit Board in 2017 are as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Fixed Remuneration (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daniel Bessa</td>
<td>Chairman</td>
<td>42,000</td>
</tr>
<tr>
<td>Gracinda Raposo</td>
<td>Member</td>
<td>25,200</td>
</tr>
<tr>
<td>Pedro Antunes de Almeida</td>
<td>Member</td>
<td>25,200</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>92,400</td>
</tr>
</tbody>
</table>

82. Details of the remuneration in such year of the Chairman of the General Shareholders Meeting.

In 2017, the Chairman of the Board of the General Shareholders Meeting received remuneration in the amount of €3,000.

V - Agreements with remuneration implications

83. Envisaged contractual restraints for compensation payable for the unfair dismissal of directors and the relevance to the remunerations’ variable component.

In accordance with the remuneration policy for 2017, Galp does not have agreements in place that provide payments in the event of 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 above 80% of the budget.

The remuneration policy for 2017 is the legal instrument under which is not demandable to the director removed due to inadequate performance any indemnity, nor compensation beyond the legal regime is required.

The remuneration policy of the members of the corporate bodies for 2016 provided that, in exceptional and duly motivated circumstances, in particular in the case of critical managerial functions, there could be specific compensation or retention mechanisms, for a period of office not higher than two consecutive terms, considering the evolution in the international market for recruiting senior executives with experience and committed for medium/long term availability, as well as the need of the Company to ensure competitive conditions both for recruiting and retention of such officers. Within the scope of this policy an additional compensation was set for the retention of the CEO and the COO for the E&P business up to 2019, corresponding to, respectively, three times and two times the yearly total remuneration of each of these officers.

The remuneration policy of the members of the corporate bodies for 2018 no longer provides for this type of mechanism and other remuneration incentive models are being considered.

84. Reference to the existence and description, with details of the sums involved, of agreements between the Company and 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 other senior executives, within the meaning of Article 248 (B) (3) of the Securities Code, providing for compensation in the event of resignation, dismissal without valid reason, or termination of the employment relationship following a change in Company’s control.

Taking into account the evolution of the international recruitment market of senior executives with experience and commitment of medium/long term availability, and given the Company’s need to ensure the competitiveness of the conditions for recruitment and retention, Galp’s remuneration policy for 2017 - in exceptional and duly justified cases, namely by the special business criticality of the duties to be performed - allows the application of adopted specific incentive/compensation mechanisms for a maximum period of two successive terms.

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 share purchase options.

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

Galp has no share plans or share purchase options.
87. Stock option plans for the Company’s employees and staff.

Galp has no share plans or share purchase options.

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

In order to safeguard the Galp Group’s interest in situations of potential conflict of interest, Galp adopted internal procedures for compliance with the relevant accounting standards, in particular IAS 24, as well as implemented the regulatory standard on the control of transactions between Galp and related parties, establishing the internal rules and procedures to identify, internal report and control by the Audit Board.

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

In 2017, transactions with related parties subject to the control of the Audit Board did not occur.

91. Description of the procedures and criteria applicable to the Audit Board when it provides 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 in IAS 24, is subject to the prior opinion of the Audit Board in accordance with internal standard “Galp Group Transactions with Related Parties”, to safeguard the Galp Group’s interest in situations of potential conflict of interest notwithstanding compliance with the legal provisions in force, available at https://www.galp.com/Portais/0/Recursos/Governo-Societario/SharedResources/Documentos/EN/NT-R-Transacoes-Grupo-Galp-Partes-Relacionadas-EN.pdf

This regulation applies to relevant transactions between Galp (or any entity in which it has management control) and related parties.

The Company Secretary is required to subject a proposed relevant transaction with a related party to the prior opinion of the Audit Board along with the supporting information proposing the transaction, including, in particular, its economic value, specification of the contractual formation procedures adopted and demonstration of 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 urgent and exceptional situations, approved beforehand and duly justified, in accordance with the approval rules in place, in which a favorable opinion from the Audit Board may significantly harm the value of the transaction for Galp, the aforementioned opinion must be requested afterwards, as soon as possible.

If the Audit Board issues a negative prior opinion, the board of directors of the Group company may decide to go forward with the transaction, on the grounds that it will aim at pursuing the relevant social interest of Galp or the entity of the Galp Group.

II - Data on business deals

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

Information on transactions with related parties, in accordance with IAS 24, is available in Note 23 of Appendix to Galp’s consolidated accounts.
PART II

Corporate governance assessment

1. Identification of the Corporate Governance Code adopted

Under and for the purposes of Article 2 of CMVM Regulation No. 4/2013, Galp decided voluntarily to be governed by the CMVM Corporate Governance Code, approved in 2013 (the “CMVM Recommendations”), available on the CMVM website at www.cmvm.pt.

2. Compliance analysis of the Corporate Governance Code adopted

The Company’s corporate governance has evolved towards best corporate governance practices recognised at international level and the CMVM Corporate Governance Code and it has adopted the vast majority of the applicable recommendations.

Out of a total of 40 recommendations, Galp has fully adopted 31, six are not applicable while three have not been adopted for the reasons listed in the table below. The justification of adoption each recommendation or reference to the section of this chapter of this report where the respective matter is addressed at length (chapter, title, section, page) is also indicated in the following table, together with the justification of any non-adoption or partial adoption of certain recommendation and also indication of any alternative mechanism selected by the Company for pursuing the same objective of the recommendation.

<table>
<thead>
<tr>
<th>CMVM Recommendation</th>
<th>Company governance practice</th>
<th>Justification</th>
<th>Reference to this report</th>
</tr>
</thead>
<tbody>
<tr>
<td>I - Company vote and control</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I.1</td>
<td>Adopted</td>
<td>Companies must encourage their shareholders to participate and vote in General Shareholders Meetings, namely by not setting an excessively high number of shares necessary for voting rights and by implementing the essential resources for exercising the right to vote by post and electronically.</td>
<td>Chapter 6, Part I, B, title I b), section 12, page 91</td>
</tr>
<tr>
<td>I.2</td>
<td>Not adopted</td>
<td>Companies must not adopt mechanisms that impede shareholder decision-making, namely by setting a quorum for passing resolutions that is higher than that provided in law.</td>
<td>The quorum for passing resolutions of two thirds of the votes cast for some resolutions of the General Shareholders Meeting in accordance with the By-laws, in addition to the matters provided in law, seeks to ensure that the shareholders are adequately represented in the adopting resolutions on strategic matters for the Company.</td>
</tr>
</tbody>
</table>
### CMVM Recommendation

<table>
<thead>
<tr>
<th>CMVM Recommendation</th>
<th>Company governance practice</th>
<th>Justification</th>
<th>Reference to this report</th>
</tr>
</thead>
<tbody>
<tr>
<td>I.3.</td>
<td>Companies must not establish mechanisms whose effect is to create a time lag between the right to receive dividends or to subscribe new securities and the voting right of each ordinary share, unless properly justified based on the long term interests of the shareholders.</td>
<td>Adopted</td>
<td>Chapter 6, Part I, B, title I b), section 12, page 91</td>
</tr>
<tr>
<td>I.4.</td>
<td>Company by-laws that provide for limitation on the number of votes that may be held or exercised by a single shareholder, individually or by agreement with other shareholders, must also provide that, at least every five years, the General Shareholders Meeting shall decide whether to change or maintain this statutory provision - without quorum requirements beyond legal provisions - and this resolution shall count all votes cast without the limitation applying.</td>
<td>Not applicable</td>
<td>Chapter 6, Part I, B, title I b), section 12, page 91</td>
</tr>
<tr>
<td>I.5.</td>
<td>Galp must not adopt measures whose effect is to demand payments or the assumption of costs by the company in the event of a transfer of control or change in the composition of the Board of Directors and which might damage the free transferability of the shares and the free appraisal of the performance of the members of the Board of Directors by the shareholders.</td>
<td>Adopted</td>
<td>Chapter 6, Part I, A, title I, section 4, page 88</td>
</tr>
</tbody>
</table>

### II – Supervision, management and oversight

#### II.1. Supervision and Management

<p>| II.1.1. | Within the limits established by Law and unless the company is of a reduced size, the Board of Directors shall delegate the day-to-day running of the company and the delegated duties should be identified in the Annual Report on Corporate Governance. | Adopted | Chapter 6, Part I, B, title II a), sections 21 and 29, pages 99 and 104 |
| II.1.2. | The Board of Directors shall ensure that the company acts in accordance with its goals and should not delegate its duties, namely in what concerns: i) the definition of the company’s general strategy and policies; ii) the definition of the corporate structure of the group; iii) decisions to be considered strategic due to their amount, risk or special features. | Adopted | Chapter 6, Part I, B, title II a), section 29, page 104 |
| II.1.3. | The General and Supervisory Board, in addition to the exercise of the supervisory powers entrusted to it, shall assume full responsibilities in terms of corporate governance, so that, by statutory provision or by equivalent means, the requirement shall be enshrined for this body to deliberate on the strategy and main policies of the company, by defining the corporate structure of the group and decisions to be considered strategic due to their amount or risk. This body must also evaluate compliance with the strategic plan and the implementation of the main policies of the company. | Not applicable | Galp’s governance model does not include a General and Supervisory Board, wherefore the recommendation is not applicable. |</p>
<table>
<thead>
<tr>
<th>CMVM Recommendation</th>
<th>Company governance practice</th>
<th>Justification</th>
<th>Reference to this report</th>
</tr>
</thead>
</table>
| II.1.4. Unless the company is of a reduced size, the Board of Directors and the General and Supervisory Board, in accordance with the model adopted, shall set up the necessary Committees to: a) ensure competent and independent assessment of the performance of the executive directors as well as their own overall performance, and the performance of all existing committees; b) reflect on the adopted governance structure, system and practices, assess their efficiency and propose measures to be implemented with a view to improvement of the competent bodies. | Adopted | a) Chapter 6, Part I, B, title III b), sections 24 and 27, pages 102 and 103  
b) Chapter 5, Part I, sub-chapter B, title III c), sections 27 and 38, pages 103 and 109 |
<p>| II.1.5. The Board of Directors or the General and Supervisory Board, in accordance with the applicable model, must set targets for risk-taking and create systems for risk control to ensure that the risks actually incurred are consistent with those goals. | Adopted | Chapter 6, Part I, C, title III c), sections 50 to 52, pages 113 to 115 |
| II.1.6. The Board of Directors shall include a number of non-executive members to ensure it has efficient capability for supervision, oversight and assessment of the activity of the other members of the Board of Directors. | Adopted | Chapter 6, Part I, B, title II a), section 18, page 95 |
| II.1.7. The non-executive directors must include an adequate proportion of independent directors, given the adopted governance model, the company’s size and its shareholder structure and respective free float. The independence of the members of the General and Supervisory Board and of the members of the Audit Committee is ascertained in accordance with current legislation and the other members of the Board of Directors are considered independent if they are not associated with any specific interest group in the Company and are not in any situation that might affect their impartiality of analysis or decision-making, in particular because: a) they have been employees of the company or of a company with which it has been in a controlling or group relationship in the past three years; b) in the past three years they have provided services or established a significant business relationship with the company or a company with which it is in a controlling or group relationship, either directly or as a partner, director, officer or manager of a legal entity; c) they are in receipt of remuneration paid by the company or by a company with which it is in a controlling or group relationship, in addition to remuneration earned as a director; d) is the partner, spouse or relative in the first degree and up to and including the third degree of a director or an individual with a direct or indirect qualifying holding; e) is a qualifying shareholder or representative of a qualifying shareholder. | Adopted | Chapter 6, Part I, B, title II a), section 18, page 95 |</p>
<table>
<thead>
<tr>
<th>CMVM Recommendation</th>
<th>Company governance practice</th>
<th>Justification</th>
<th>Reference to this report</th>
</tr>
</thead>
<tbody>
<tr>
<td>II.1.8. Directors with executive duties, when so requested by other members of governing bodies, to supply information shall do so promptly and in a form that is appropriate to the nature of the information requested.</td>
<td>Adopted</td>
<td></td>
<td>Chapter 6, Part I, B, title I c), section 29, page 104</td>
</tr>
<tr>
<td>II.1.9. The Chief Executive Officer or the Chairman of the Executive Committee shall send the calls and minutes of the respective meetings, as applicable, to the Chairman of the Board of Directors, the Chairman of the Audit Board, the Chairman of the Audit Committee, the Chairman of the General and Supervisory Board and the Chairman of the Financial Matters Committee.</td>
<td>Adopted</td>
<td></td>
<td>Chapter 6, Part I, B, title I c), section 29, page 104</td>
</tr>
<tr>
<td>II.1.10. If the Chairman of the Board of Directors has executive powers, this body shall appoint one of its members as an independent director to ensure coordination of the work of the other non-executive members and the conditions for ensuring that they can make independent and informed decisions, or find another equivalent mechanism for ensuring such coordination</td>
<td>Not applicable</td>
<td>The Chairman of the Board of Directors of Galp does not perform executive functions.</td>
<td></td>
</tr>
</tbody>
</table>

**II.2. Supervision**

<p>| | | | |
| | | | |
| II.2.1. Depending on the applicable model, the Chairman of the Audit Board, the Audit Committee or the Financial Matters Committee shall be independent, in accordance with the applicable legal standard and shall have the necessary skills to carry out his/her functions | Not adopted | The Chairman of the Audit Board was re-elected for the third time. However, the respective appointment for completion of the 2005-07 term followed changes in Galp’s shareholder structure and rules, agreed by the shareholders regarding the election of members of the governing bodies (Shareholders’ Agreement of 2006). Therefore, the 2008-10 term is considered to be the first appointment. Given the above and the recognised and prestigious reputation for entrepreneurial and scientific excellence of Galp’s Chairman of the Audit Board, the Company has no doubt about his independence | Chapter 6, Part I, B, title V, section 45, page 111 |
| II.2.2. The supervisory body shall be the main point of contact for the external auditor and the first recipient of the respective reports, responsible, among other things, for proposing the respective remuneration and ensuring that the company has suitable conditions in place for the provision of the services. | Adopted | | Chapter 6, Part I, B, title V, section 45, page 111 |
| II.2.3. Every year, the supervisory body must assess the external auditor and propose its removal or the termination of the contract for the provision of its services to the competent body, whenever there is a just cause for that. | Adopted | | Chapter 6, Part I, B, title V, section 45, page 111 |
| II.2.4. The Audit Board shall evaluate the operation of the internal control and risk management systems and propose any necessary adjustments. | Adopted | | Chapter 6, Part I, C, title III, sections 50 and 51, page 113 and 114 |</p>
<table>
<thead>
<tr>
<th>CMVM Recommendation</th>
<th>Company governance practice</th>
<th>Justification</th>
<th>Reference to this report</th>
</tr>
</thead>
<tbody>
<tr>
<td>II.2.5. The Audit Committee, the General and Supervisory Board and the Audit Board shall decide on work plans and the resources allocated to the internal auditing services and the services that ensure compliance with the standards applicable to the company (compliance services); reports produced by these services must be sent to these bodies at least when they relate to matters of accounting, identification and resolution of conflicts of interest and detection of potential illegalities.</td>
<td>Adopted</td>
<td></td>
<td>Chapter 6, Part I, C, title III, sections 50 and 51, page 113 and 114</td>
</tr>
<tr>
<td>II.3. - Remuneration setting</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>II.3.1. All members of the Remuneration Committee or equivalent body must be independent of the executive members of the Board of Directors and there must be at least one member with knowledge and experience in remuneration policy matters.</td>
<td>Adopted</td>
<td></td>
<td>Chapter 6, Part I, D, title II, section 67, page 130</td>
</tr>
<tr>
<td>II.3.2. No natural or legal person currently providing or having in the last three years provided services to anybody dependent on the Board of Directors, to the Company’s Board itself, or who has a current relationship with the Company or with an advisor of the Company, shall be recruited to support the Remuneration Committee in the exercise of its duties. This recommendation also applies to any natural or legal person connected with such an employment or service provision contract.</td>
<td>Adopted</td>
<td></td>
<td>Chapter 6, Part I, D, title II, section 67, page 130</td>
</tr>
<tr>
<td>II.3.3. The statement on the remuneration policy of the management and supervisory bodies, as provided in Article 2 of Law No. 28/2009 of 19 June, must also contain the following: a) identification and explicit statement of the criteria for determining remuneration paid to the members of the governing bodies; b) information on any maximum amount, in individual and aggregate terms, to be paid to the members of the corporate bodies and identification of the situations in which these maximum amounts may be due; c) information as to the enforceability or unenforceability of payments for dismissal or termination of directorial functions.</td>
<td>Adopted</td>
<td></td>
<td>Chapter 6, Part I, D, title III, section 69, page 130</td>
</tr>
<tr>
<td>II.3.4. Proposals for approval of plans for allocation of shares and/or share purchase options or based on share price variations to the members of the corporate bodies must be submitted to the General Shareholders Meeting. The proposal shall mention all the necessary information for a correct assessment of the plan.</td>
<td>Not applicable</td>
<td>Galp has no share allocation plans or share purchase options.</td>
<td></td>
</tr>
<tr>
<td>CMVM Recommendation</td>
<td>Company governance practice</td>
<td>Justification</td>
<td>Reference to this report</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------------------------</td>
<td>---------------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>II.3.5. Proposals for approval of the establishment of any system of retirement benefits for the members of the corporate bodies must be submitted to the General Shareholders Meeting. The proposal shall mention all the necessary information for a correct assessment of the system.</td>
<td>Not adopted</td>
<td>In accordance with Article 8 of the By-laws, the Remuneration Committee, elected by the General Shareholders Meeting, is the body with powers to approve the pension or pension compensation, paid by the Company, to which the executive directors are entitled.</td>
<td>Chapter 6, Part I, D, title III, section 70, page 132</td>
</tr>
</tbody>
</table>

### III - Remuneration

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
<th>Adoption</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>III.1.</td>
<td>The remuneration of the executive members of the Board of Directors must be based on actual Company performance and must discourage excessive risk-taking.</td>
<td>Adopted</td>
<td>Chapter 6, Part I, D, title III, section 70, page 132</td>
</tr>
<tr>
<td>III.2.</td>
<td>Remuneration of non-executive members of the Board of Directors and remuneration of the members of the Audit Board shall not include any component whose value depends on Company performance or value.</td>
<td>Adopted</td>
<td>Chapter 6, Part I, D, title III, section 69, page 130</td>
</tr>
<tr>
<td>III.3.</td>
<td>The variable component of the remuneration must be in reasonable proportion to the fixed remuneration component and maximum limits must be set for all components.</td>
<td>Adopted</td>
<td>Chapter 6, Part I, D, title III, section 71, page 133</td>
</tr>
<tr>
<td>III.4.</td>
<td>A significant part of the variable remuneration shall be deferred for a period not less than three years and the right to receive it shall depend on the Company’s ongoing positive performance during that period.</td>
<td>Adopted</td>
<td>Chapter 5, Part I, D, title III, section 72, page 133</td>
</tr>
<tr>
<td>III.5.</td>
<td>The 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 set by the Company.</td>
<td>Adopted</td>
<td>Chapter 6, Part I, D, title III, section 70, page 132</td>
</tr>
<tr>
<td>III.6.</td>
<td>Until the end of their terms, the executive directors shall retain the Company’s shares allocated to them under variable remuneration schemes, up to twice the value of total annual remuneration, except those that need to be sold for the payment of taxes on the income from the shares.</td>
<td>Not applicable</td>
<td>The executive directors were not allocated any Company’s shares by way of variable remuneration.</td>
</tr>
<tr>
<td>III.7.</td>
<td>Quando a remuneração variável compreender a atribuição de ações, o início do período de exercício deve ser diferido por um prazo não inferior a três anos.</td>
<td>Not applicable</td>
<td>Variable remuneration does not include allocation of share options.</td>
</tr>
<tr>
<td>III.8.</td>
<td>When the director’s dismissal is not due to serious breach of duties or unsuitability for the normal exercise of the functions in question, but is still attributable to inadequate performance, the company must have recourse to suitable and necessary legal instruments to ensure that any damages or compensation, beyond what is legally due, are not enforceable.</td>
<td>Adopted</td>
<td>Chapter 6, Part I, D, title III, section 83, page 136</td>
</tr>
<tr>
<td>CMVM Recommendation</td>
<td>Company governance practice</td>
<td>Justification</td>
<td>Reference to this report</td>
</tr>
<tr>
<td>---------------------</td>
<td>-----------------------------</td>
<td>---------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>IV - Audit</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IV.1. The external auditor shall, as part of his/her powers, verify the application of corporate body remuneration policies and systems, the effectiveness and operation of internal control mechanisms and shall report any shortcomings to the company’s supervisory body.</td>
<td>Adopted</td>
<td>Chapter 6, Part I, B, title V, section 45, page 111</td>
<td></td>
</tr>
<tr>
<td>IV.2. The company or any entities in a controlling relationship with it shall not recruit the external auditor, or any entities in a group relationship with the external auditor or in the same network, to provide services other than audit services. If there are reasons for procuring such services - which must be approved by the supervisory body and explained in its Annual Corporate Governance Report - they shall not account for more than 30% of the total amount of the services rendered to the company.</td>
<td>Adopted</td>
<td>Chapter 6, Part I, B, title V, sections 46 and 47, pages 111 and 112</td>
<td></td>
</tr>
<tr>
<td>IV.3. Companies shall promote the rotation of auditors after two or three terms, respectively, depending on whether terms last three or four years. Retaining them beyond this period must be based on a specific opinion of the Audit Board that expressly weighs up the conditions of independence of the auditor and the cost/benefits of replacement.</td>
<td>Adopted</td>
<td>Chapter 6, Part I, B, title V, section 44, page 110</td>
<td></td>
</tr>
<tr>
<td>V - Conflicts of interest and related party transactions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>V.1. The company’s business with holders of qualifying interests or entities with which they are in any relationship, pursuant to Art. 20 of the Portuguese Securities Code, shall be transacted under normal market conditions.</td>
<td>Adopted</td>
<td>Chapter 6, Part I, D, title III, section 10, page 90</td>
<td></td>
</tr>
<tr>
<td>V.2. The supervisory or oversight body must establish the required procedures and criteria for setting the relevant level of business with shareholders with qualifying interests or with entities in a relationship with them as provided in Article 20(1) of the Portuguese Securities Code - supervision of business of significant relevance dependent on the prior opinion of that body.</td>
<td>Adopted</td>
<td>Chapter 6, Part I, E, title I, sections 89 and 91, page 137</td>
<td></td>
</tr>
<tr>
<td>VI - Information</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VI.1 Companies must provide, through their websites, in Portuguese and English, access to information providing knowledge of their development and current situation in economic, financial and governance terms.</td>
<td>Adopted</td>
<td>Chapter 6, Part I, C, title V, sections 59 and 65, page 129</td>
<td></td>
</tr>
<tr>
<td>VI.2 Companies shall ensure the existence of an investor support and market liaison service, to respond to requests from investors promptly. A record must be kept of requests submitted and their processing.</td>
<td>Adopted</td>
<td>Chapter 6, Part I, C, title IV, section 56, page 126</td>
<td></td>
</tr>
</tbody>
</table>
Cecília Sêco applies her military education with proximity and affection in the management of her mostly female team.

At age 43, she is the Aveiras service area manager.
1. Compulsory statements

1. Corporate bodies

The composition of the Galp's governing bodies for the mandate under way for 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-Chairman:
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
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 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 António Joaquim Brochado Correia, or by Ana Maria Ávila de Oliveira Lopes Bertão

Alternate:
José Manuel Henriques Bernardo

**Remuneration Committee**

Chairman:
Amorim Energia, B.V.

Member:
Jorge Armando Carvalho Teixeira

Member:
Joaquim Alberto Hierro Lopes
2. Treasury shares

Galp holds no treasury shares. During the financial year of 2017, Galp did not acquire or sell any treasury shares.

3. Information on the shares holdings of the members of the management and supervisory bodies on 31 December 2017

<table>
<thead>
<tr>
<th>Members of the Board of Directors</th>
<th>Purchase</th>
<th>Disposal</th>
<th>Total shares on 31.12.2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paula Amorim*</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Miguel Athayde Marques</td>
<td>1,800</td>
<td>1,800</td>
<td>1,800</td>
</tr>
<tr>
<td>Carlos Gomes da Silva 1</td>
<td>2,410</td>
<td>2,410</td>
<td>2,410</td>
</tr>
<tr>
<td>Filipe Crisóstomo Silva 2</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Thore E. Kristiansen 2</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Sérgio Gabrielli de Azevedo</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Abdul Magid Osman</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Marta Amorim*</td>
<td>19,263</td>
<td>19,263</td>
<td>19,263</td>
</tr>
<tr>
<td>Raquel Vunge</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Carlos Costa Pina 2</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Francisco Régo*</td>
<td>17,680</td>
<td>17,680</td>
<td>17,680</td>
</tr>
<tr>
<td>Jorge Seabra de Freitas*</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>José Carlos Silva 2</td>
<td>275</td>
<td>275</td>
<td>275</td>
</tr>
<tr>
<td>Pedro Ricardo 2</td>
<td>5,230</td>
<td>5,230</td>
<td>5,230</td>
</tr>
<tr>
<td>Tiago Câmara Pestana 2</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Rui Paule Gonçalves*</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Luís Todo Bem</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Diogo Mendonça Tavares</td>
<td>2,940</td>
<td>2,940</td>
<td>2,940</td>
</tr>
<tr>
<td>Joaquim Borges Gouveia</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Members of the Supervisory Board</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Daniel Bessa</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Gracinda Raposo</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Pedro Antunes de Almeida</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Amável Calhau</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Statutory Auditor</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>PricewaterhouseCoopers &amp; Associados, Lda</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>José Manuel Henriques Bernardo</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

* For the effects of art. 447, par. 2, sub-par. d) of the Commercial Companies’ Code, it is hereby provided that Amorim Energia B.V., in which the mentioned director also exercises administrative functions, is the holder of 276,472,161 Galp shares.

1 Stock ownership held by the CEO expressed as multiple of CEO annual fixed salary: 0.0353.

2 Average stock ownership held by Executive Officers (other than CEO) expressed as multiple of the average Executive Officers annual fixed salary: 0.377.
4. Company Directors’ business

During the fiscal year of 2017, no authorisations were requested from the members of the Board of Directors of Galp, for doing business with the Company or with companies that are in ownership or group relationship with the Company.

5. Exercising of other activities by the Directors

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

The employment agreement of director José Carlos da Silva Costa with Galp Energia, S.A., a company within the group, 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 that he entered into with Galp Gás Natural, S.A., a company that is in an ownership or group relationship with Galp, was suspended.

6. Creditors’ positions in relation to related parties companies

See note 23 of the Appendix to the financial statements of the individual accounts of Galp.
2. Biographies of the members of the management and supervisory bodies and the members of the Remunerations Committee

Board of Directors

Chairman | Paula Amorim

Paula Ramos Amorim was born in Porto, Portugal, on 20 January 1971. Paula Amorim is a non-executive member of Galp’s Board of Directors since April 2012 and Chairman since October 2016. She was Vice-Chairman between 2015 and 2016.

She joined the Américo Amorim Group in 1992, and since then she has occupied a range of Directorial roles. She is the fourth generation of Amorim family, with 150 years of business success history, and is the Chairman of Amorim Investimentos e Participações, SGPS, S.A., which holds a majority share capital at Corticeira Amorim, the world leader in cork business, being also Chairman of Amorim Holding II, SGPS, S.A.

In 2005, she created Amorim Fashion Company and is the sole shareholder of, with luxury multibrand retail as focus. In December 2010, she created Amorim Luxury – SGPS, S.A., to expand and diversify her business, particularly to become the representative of Gucci brand, and currently Ladurée in Portugal. Her experience in fashion industry was decisive for Américo Amorim Group to become a relevant investor in Tom Ford International in 2007, and recently in Platforme, an innovative and disruptive project of luxury items customization. Recently, revealing once again her entrepreneurship, has implemented an innovative project of gastronomy and lifestyle, the JNcQUOI.

Paula Ramos Amorim attended the Real Estate Management course 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 also Vice-rector at Universidade Católica Portuguesa and Professor at Faculty of Economics and Management Católica Lisbon School of Business & Economics, responsible for the areas of Corporate Governance and International Business. He has been an independent non-executive director of Brisa, Concessão Rodoviária, S.A., since December 2010, and Chairman of the Audit Board of Caixa Banco de Investimento, S.A., since January 2012.

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.

Miguel Athayde Marques holds a degree, with distinction, in Business Administration and Management from Universidade Católica Portuguesa and a Doctorate 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 is a member of Galp’s Board of Directors since 2007 and vice-president and president of the Executive Committee since April 2015.

He is a professional with 29 years of experience in different industries, in particular oil & gas. He joined Galp Energia/Petrogal early in the 1990’s, where he played several managerial roles leading the areas of refining operations, supply & trading, planning & control and strategy.

From 2001, and for six years, he served in the beverages industry (at Unicer, a Carlsberg group company) as Head of M&A and Strategy and subsequently as Executive Director (for the supply chain, retail and human resources). He returned to the oil & gas industry in 2007 to serve as Board Member in Galp Energia, having served in several executive roles since 2008 as Executive Director namely for marketing oil, gas & power, trading oil & gas and corporate divisions (procurement, marketing, human resources, legal, corporate governance and compliance).

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 is 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 was also CEO of Deutsche Bank in Portugal.

Filipe Crisóstomo Silva is 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 member of the Executive Committee since October 2014 and is responsible for Galp’s Exploration and Production business unit.

He was senior Vice-Chairman of Statoil for South America and Chairman of Statoil Brazil from January 2013 until he joined Galp. He was at Statoil for over 25 years, with responsibilities in the areas of distribution of oil products, trading and business negotiation in Norway, UK, Denmark and Germany, in the area 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, such as Investor Relations Officer. He was also Chairman of Statoil Germany and Statoil Venezuela.

Thore E. Kristiansen holds a degree in Management from the Norwegian School of Management and a Masters 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 is an independent non-executive member of Galp’s Board of Directors since July 2012.

He was 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 Itaúsa 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 Porto, 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 is 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 member of the Board of Directors and CFO of Sonangol EP and held other responsibilities in Sonangol EP from 1997, as Directo of Finance between 2010 and 2012, Head of the Central Treasury from 2001 to 2010 and Accounts Analyst in 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 is 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 occupied roles in several international financial institutions. He has also been a director at CMVM (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 in the Lisbon Law School where he is preparing 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 Sciences from the School of Law, University of Lisbon.

Member | Francisco Rêgo

Francisco Rêgo was born in Porto, Portugal, on 9 July 1972. He is 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 was 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 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 and a director of Grupo Arcotêxteis, S.A., since March 2009. 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 Freitas holds a degree in Economics from the Porto School of Economics, as well as in the International Executive Programme and Competitive Strategy, both from INSEAD.
Member | José Carlos Silva

José Carlos Silva was born in Porto, Portugal, on 5 January 1963. He is a member of Galp's Board of Directors since November 2012 and a member of the Executive Committee since December 2012, and is responsible for various corporate services and for the Sourcing, Refining and Planning business.

With over two decades of experience in Procurement, Supply Chain and Project Management, he is Chief Operating Officer (COO) of Refining and Trading Oil, after several leadership roles in the Company, namely as Chief Corporate Officer in the 2012-2014 period, whilst member of the Executive Committee. Currently, in the capacity of CCO, he is responsible for the corporate services of Engineering, Project Management and Procurement. His professional experience also includes 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, and is responsible for the Gas & Power business unit.

He joined Transgás, the company that introduced natural gas to Portugal, in 1994, where he was the head of natural gas Procurement and Sales. In 1998 he was appointed Executive Director of Transgás, responsible for supplies, engineering and operation 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 executive director of some of the natural gas distribution companies.

Between 2006 and 2015 he was a board member of Galp Gás Natural responsible for supply and Gas and electricity trading.

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, and he is responsible for the Iberian and International Oil Marketing.

Before joining Galp, he had mainly occupied roles in the food distribution industry. 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 Portugal and Spain hypermarkets network, 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 (Manchester, UK) and a Masters in Administrative and Industrial Sciences from City University (London, UK).
Member | Rui Paulo Gonçalves

Rui Paulo Gonçalves was born in Porto, Portugal, on 30 May 1967. He is 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. Is still 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 (IPAM) 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, 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 Internacional (Onyria group), Scutvias and AutoEstradas XXI (Globalvia group) and visiting associate lecture at ISCTE.

Before joining Galp, he was non-executive director of Taguspark between 2010 and 2012, non-executive director of Chamartin 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 a MBA from the Universidade Nova de Lisboa/Wharton School of Pennsylvania. He attended the Stanford Executive Program and the Executive Program on Strategy Organisation at Stanford University. He also attended the DBA – Doctor of Business Administration Programme at the University of Cranfield and ISCTE.
Member | Diogo Tavares

Diogo Tavares was born in Montijo, Portugal, on 31 October 1945. He is 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, director of that same company between 2011 and 2013, and also non-executive director at Galp, S.A. between 2006 and 2008. He was President of UNIRISCO, the first venture capital company in Portugal and, among other positions, he was Vice-Chairman of IAPMEI, Vice-Chairman of the Tourism Institute of Portugal, Director of IFADAP, Director 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 is an independent non-executive member of Galp’s Board of Directors since May 2008.

Joaquim Borges Gouveia has been retired Professor of the Department of Economics, Industrial Management and Engineering at the Universidade de Aveiro since 2001 and has been also director and coordinator of several departments at the Universidade de Aveiro. He was coordinator of GOVCOPP - Governance, Competitiveness and Public Policy – a research unit of the Research Institute of the Universidade de Aveiro, between 2009 and 2011, and director of the master’s course in Sustainable Energy Systems, between 2007 and 2011. He was Chairman of the Board of RNAE – National Network of Energy and Environment Agencies being now Chairman of the respective Board of the General Meeting. He is also Chairman of the Board of Directors of the Energaia - Agência da Área Metropolitana do Sul do Porto.

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

Chairman | Daniel Bessa

Daniel Bessa was born in Porto, Portugal, 6 May 1948. He is 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 Efatec 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 external employee of the Sonae group. He was 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 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 is member of Galp’s Audit Board since May 2008.

She is Director of ECS Capital – Private Equity and Distress Funds Management Firm. Between 2007 and 2009 she was 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. Gracinda Raposo was also a member of the Audit Board of Banco BIC Portugal until 2013.

She has a degree in management from ISCTE and a Master’s degree in operational 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 is 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 is deputy member of Galp’s Audit Board since 5 October 2006.

He is Statutory Auditor and has been a Managing Partner of Amável Calhau, Ribeiro da Cunha e Associados – Sociedade de Revisores Oficiais de Contas 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.


Amável Alberto Freixo Calhau is an accounting expert from the Army Pupils’ Military Institute and an individual Statutory Auditor.

Remuneration Committee

Member | Jorge Armindo de Carvalho Teixeira

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

He began his professional career in 1976 as Assistant Lecturer in 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 eamp; Paper of Portugal, SGPS, S.A. and he also took the chair of all 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 member and managing partner of GED Partners and, at the same time, a member of the Board of Directors of the Fund Management Companies GED V España GED Eastern Fund II, GED Iberian B, GED Sur (CEO) and of the Board of Directors of several GED Fund subsidiaries, including Estudio Pereda Ingenieria, Nucery International, Iconsa Engineering, Megafood S.A, in Spain and FASE – Estudos e Projectos Engenharia, S.A. and Serlina Services S.A., in Portugal.

Before joining Galp, he was a Lecturer in Financial Mathematics and Management Accounting at the ISAG – Graduate School of Administration and Management; he was executive director of Norpedip/PME Capital – Sociedade Portuguesa de Capital de Risco, 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.

Joaquim Alberto Hierro Lopes completed a degree in Accounting and Administration at Porto Accounting and Business School, graduated in Mathematics at the Faculty of Sciences of the Universidade do Porto, and he completed a MBA at Porto Business School. He is Master in Business Management, also at the Universidade do Porto.
### Positions held in other companies by the members of the management and supervisory bodies and the members of Remunerations Committee

**Inside Galp Group***

<table>
<thead>
<tr>
<th>Executive Members</th>
<th>Carlos Gomes da Silva</th>
<th>Filipe Silva</th>
<th>Thore Kristiansen</th>
<th>Carlos Costa Pina</th>
<th>José Carlos Silva</th>
<th>Pedro Ricardo</th>
<th>Tiago Câmara Pestana</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CLC - Companhia Logística de Combustíveis, S.A.</strong></td>
<td>CBD</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enerfuel, S.A.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Europe Maghreb Pipeline, Ltd.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Galp Alentejo E&amp;P, S.A.</td>
<td>D</td>
<td>CBD</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Galp Bioenergy B.V.</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Galp E&amp;P Brazil B.V.</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Galp East Africa B.V.</td>
<td>D</td>
<td>D</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Galp Energia Brasil, S.A.</td>
<td>CBD</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Galp Energia E&amp;P B.V.</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td>Galp Energia España, SAU</td>
<td>CBD</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td>Galp Energia Overseas B.V.</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Galp Energia Overseas Block 14 B.V.</td>
<td>D</td>
<td>D</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Galp Energia Overseas Block 32 B.V.</td>
<td>D</td>
<td>D</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Galp Energia Overseas Block 33 B.V.</td>
<td>D</td>
<td>D</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Galp Energia Overseas LNG, B.V.</td>
<td>D</td>
<td>D</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Galp Energia Portugal Holdings B.V.</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Galp Energia Rovana B.V.</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Galp Energia São Tomé e Príncipe, Limitada</td>
<td>M</td>
<td>M</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Galp Energia, S.A.</td>
<td>CBD</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>Galp Exploração e Produção (Timor-Leste), S.A.</td>
<td>CBD</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>Galp Exploração e Produção Petrolífera, S.A.</td>
<td>CBD</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>Galp Gas &amp; Power, SGPFS, S.A.</td>
<td>CBD</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>Galp Gás Natural, S.A.</td>
<td>CBD</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>Galp Gás Natural Distribuição, S.A.</td>
<td>CBD</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>Galp Marketing International, S.A.</td>
<td>CBD</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>Galp Power, S.A.</td>
<td>CBD</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>Galp Sinopec Brazil Services B.V.</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>Galp Swaziland, Limited</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>GALPEK, Lda</td>
<td>CMB</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>Gasoducto Al-Andalus, S.A.</td>
<td>CBD</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>Gasoducto de Extremadura, S.A.</td>
<td>CBD</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>GDG - Gás de Portugal, S.A.</td>
<td>CBD</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>MIRGAS, S.A.</td>
<td>CBD</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>Metragaz - Société pour la Construction de L'Exploitation Technique du Gazoduc Maghreb Europe</td>
<td>CBD</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>Petrogal Angola, Lda</td>
<td>CBD</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>Petrogal Brazil B.V.</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>Petrogal Brazil, S.A.</td>
<td>CBD</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>Petrogal Guiné-Bissau, Lda.</td>
<td>CMB</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>Petróleos de Portugal - Petrogal, S.A.</td>
<td>CBD</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>Tagus RE, S.A.</td>
<td>CBD</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
</tbody>
</table>

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 by Galp are deemed included in the Galp Group.
Non-executive members of the Board of Directors do not held positions in other companies from the Galp Group.

Outside the Galp Group*

Paula Amorim

In the Américo Amorim Group
Chairman of the Board of Directors of Amorim Holding II, SGPS, S.A.
Chairman of the Board of Directors of Amorim Projetos, 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 Inoeuro, SGPS, S.A.
Vice-Chairman of the Board of Directors of Gaivina – Empreendimentos Turísticos e Imobiliários, S.A.
Vice-Chairman of the Board of Directors of Portal do Sol – Sociedade Imobiliária Amorim, S.A.
Director of Amorim Energia, B.V.
Director of Investmark Holdings, B.V.
Chairman of the Board of Directors of AH FBJ, Inc.
Chairman of Amorim/TFI, Inc.
Director of Tom Ford International, LLC
Director of Plataforme International Limited, Inc.
Member of the Board of Directors of Stockprice, SGPS, S.A.
Chairman of the Board of Directors of Alqueva Verde, S.A.
Member of the Board of Directors of Amorim e Alegre – Sociedade Imobiliária, S.A.
Manager of Sociedade Agro-florestal do Panasquinho, Lda.
Member of the Board of Directors of Warranties, SGPS, S.A.
Member of the Board of Directors of Great Prime, S.A.

In the Amorim group
Chairman of the Board of Directors of Amorim - Investimento e Participações, SGPS, S.A.

In the Amorim Luxury
Sole Director of Amorim Luxury – SGPS, 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.

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
Independent non-executive director of Brisa, Concessão Rodoviária, S.A.
Chairman of the Audit Board of Caixa Banco de Investimento, S.A.
Founder and Coordinator of Portugal Economy Probe
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)
Member of the Advisory Board of Junior Achievement Young Enterprise Portugal
Member of the Advisory Board of GRACE - Group for Reflection and Support for Corporate Citizenship

Carlos Gomes da Silva

Chairman of the Board of ISPG – Instituto do Petróleo e Gás, 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

* For this purpose, all companies directly or indirectly affiliated with Galp are deemed included in the Galp Group.
Filipe Crisóstomo Silva

Member of the Board of ISPG – Instituto do Petróleo e Gás, Association for Research and Advanced Training
Member of the Board of Directors of Fundação Galp

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

Member of the Board of Directors of Amorim Energia, B.V.
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 Amorim Financial, SGPS, S.A.
Director of Amorim Projectos, SGPS, S.A.
Vice-Chairman of the Board of Directors of I.I. – Investimentos Ibéricos, SGPS, S.A.
Vice-Chairman of Amorim Investimentos Energéticos, SGPS, S.A.
Chairman of the Board of Directors of Gevisar, SGPS, S.A.
Chairman of the Board of Directors of Financimigest – Sociedade de Consultoria de Gestão de Créditos, S.A.
Chairman of Sotomar – Empreendimentos Industriais e Imobiliários, S.A.
Vice-Chair of Amorim Negócios, SGPS, S.A.
Director of Lusares – Sociedade Imobiliária, S.A.
Chair of Portal do Sol – Sociedade Imobiliária Amorim, S.A.
Director of Warranties, SGPS, S.A.

Director of Great Prime, S.A.
Director of AGS – Mozambique, S.A.
Director 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 Amorim Energia 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 Investmark Holdings, 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.
Chair of Banco Luso-Brazileiro, S.A.
Director of A.P.I. – Amorim Participações Internacionais, SGPS, S.A.
Chair of Paisagem do Alqueva, S.A.
Chair of S.S.A. – Sociedade de Serviços Agrícolas, S.A.
Vice-Chair of IMOBIS – Empreendimentos Imobiliários Amorim, S.A.
Chair of Mosteiro de Grijó – Empreendimentos Turísticos, S.A.

Raquel Vunge

Board member of Banco Comercial Português and Caixa Angola

Carlos Costa Pina

Chairman of the Scientific and Technological Council of ISPG – Instituto do Petróleo e Gás, Association for Research and Advanced Training
To our stakeholders

Strategic framework

Strategic execution

Energy for a changing world

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 – África

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

Francisco Rêgo

In the Américo Amorim Group

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

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

Director of Amorim Energia B.V.

Vice-Chairman of Solfim SGPS, S.A.

Director of Amorim Finance B.V.

Director of Amorim Negócios, SGPS, S.A.

Director of Amorim Projetos, 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 Imobiliária Amorim, S.A.

Director of Vintage Prime, SGPS, 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 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.

Substitute Director of the Banco Luso-Braziliero, S.A.

Others

Chairman of the Board of Directors of Moreira, Gomes & Costas, S.A.

Director of Época Global, SGPS, S.A.

Director of Actual, SGPS, S.A.

Director of Cardan Grande Porto, S.A.

Manager of AVS – Agência de Viagens Sandinense, Lda.

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 Itacarê, 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.

Pedro Ricardo

Member of the Scientific and Technological Council of ISPG – Instituto do Petróleo e Gás, Association for Research and Advanced Training

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

Tiago Câmara Pestana

Member of the Scientific and Technological Council of ISPG – Instituto do Petróleo e Gás, Association for Research and Advanced Training

President 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 Internacional, S.A. (Onyria group)

Non-executive director of Scutvias – Autoestradas da Beira Interior, S.A. and Auto-Estradas XXI, S.A. (Globalvia group)

Visiting Associate Lecturer of ISCTE

José Carlos Silva

Member of the Scientific and Technological Council of ISPG – Instituto do Petróleo e Gás, Association for Research and Advanced Training

Others

Adviser to the Banco Luso-Braziliero, S.A.

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

Retired Professor of the Department of Economics, Industrial Management and Engineering of the Universidade de Aveiro
Chairman of the Board of APM – Portuguese Association of Management
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 by 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 Distress 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 grupo NAU Hotels & Resorts

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 board 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 Fundição 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 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.

Joaquim Alberto Hierro Lopes

Member of the Board of Directors of the GED Partners, SL
Member of the Board of Directors of the Capital Promoción Empresarial del Sru, S.A.
Member of the Board of Directors of the GED Capital Development, S.A.
Member of the Board of Directors of the GED Iberian Private Equity, S.A.
Member of the Investment Committees of all GED Funds
Member of the Board of Directors of the Megafood, S.A.
Member of the Board of Directors of the FASE-Estudos e Projectos, S.A.
Member of the Board of Directors of the Serlima Services, S.A.
Chairman of the Board of Directors of ISAG – Graduate School of Administration and Management
EDITION

galp

CREDITED AND UNCREDITED PHOTOGRAPHS THROUGHOUT THE REPORT

Photographs for Visão in partnership with Galp by the following photographers:
Arlindo Camacho: pages 145 and 338
Mauro Vombe: page 86

DESIGN AND CONCEPTION
J. Walter Thompson