

Translation for information purposes

BYLAWS GALP ENERGIA, SGPS, S.A.



This translation of the Portuguese document was made only for the convenience of non-Portuguese speaking Shareholders. For all intents and purposes, the Portuguese version shall prevail.

CHAPTER I

Name, registered office, duration and object

Article 1.

Name and Regime

1. The Company adopts the name Galp Energia, SGPS, S.A.
2. The provisions of the law may be superseded upon a resolution of the shareholders.
3. References expressly made to legal standards in force are understood to relate to the standards that replace them.

Article 2.

Registered Office and Duration

1. The registered office is in Lisbon, at Rua Tomás da Fonseca, Tower C, and may be moved by the board of directors, according to the law.
2. The board of directors has powers to create and close branches, delegations and other forms of representation of the Company, in Portugal or abroad.
3. The Company is created for an undetermined period of time.

Article 3.

Object

1. The corporate object of the Company is to manage shareholdings in other companies of the energy sector, as an indirect form of exercise of economic activities.
2. The Company may provide technical administration and management services to the companies in which it has a holding or with which it has entered into a subordination agreement.

CHAPTER II

Share capital

Article 4.

Share Capital and Shares

1. The share capital is eight hundred and twenty nine million two hundred and fifty thousand six hundred and thirty five euros, fully paid up, represented by eight hundred and twenty nine million two hundred and fifty thousand six hundred and thirty five ordinary shares each with a par value of one euro, of which fifty eight million seventy nine thousand five

- hundred and fourteen shares constitute a special category of shares subject to a privatisation process.
2. The shares of the category subject to a privatization process cease to be shares of this category by means of a mere request addressed to the company by the respective holder(s), without the need for the approval of any of the company's corporate bodies.
 3. The shares of the category subject to a privatisation process must be owned by public entities within the scope of paragraph e) of no. 2 of article 1 of Law no. 71/88 of May 24.

Article 5.

Form of representation of the Shares. Own shares

1. The shares shall be book-entry and nominative. Their conversion into bearer shares shall not be permitted.
2. The Company may issue non-voting preference shares, redeemable or not, and with or without premium, within the terms of the law.
3. The Company may acquire, hold and dispose of its own shares, in the cases and conditions allowed by law.

Article 6.

Issue of Bonds and other Securities

Upon resolution passed by the board of directors, the Company may issue bonds and any other securities representative of debt within the terms of the law and perform any transaction legally permitted on them.

CHAPTER III

Common provisions relating to governing bodies and company representation

Article 7. Governing bodies

1. The Company's corporate bodies are the shareholders' general meeting, the board of directors and the audit board.
2. The Company also has a statutory auditor.
3. The Company will have an executive committee and a remuneration committee, and may create other committees within the Board of Directors and the General Meeting.
4. Besides the corporate bodies typified in the law and referred to in this Bylaws, the governing bodies also include the statutory auditor, the executive committee, the remuneration committee, the board of the general meeting and any other committees created by the general meeting or by the board of directors within the scope of their own competences.
5. The members of the corporate bodies are appointed for periods of four calendar years, and may be re-elected one or more times; the calendar year of appointment is considered to be a full calendar year.
6. The members of the governing bodies shall be deemed to take office as soon as elected and shall remain in office until their replacements are elected, co-opted or appointed, except in the event of resignation or dismissal, in which case the periods established by law shall apply.
7. When the law or the Bylaws do not establish a given number of members of corporate bodies, this is deemed to be the number of members resulting from the resolution on their election or appointment, according to the case.

8. The provisions in the previous number do not prejudice the amendment, during the term of office and up to the legal or statutory limit, of the number of members of the governing body in question.
9. The election of multiple persons is made by lists, with the vote applying only to these.
10. The lists, with an indication of the shareholders putting forward the motion, should be submitted to the registered office within the legal period before the date set for the general meeting on the agenda of which the election of the governing bodies is included, by a notification sent to the chairman of the board of the general meeting and accompanied by the information mentioned in Article 289 no. 1 sub-paragraph d) of the Companies' Code, notwithstanding the replacement of members in the event of death or impediment, which should be notified immediately together with the necessary information.

Article 8.

Remuneration and Remuneration Committee

1. The remuneration of the members of the governing bodies is settled by the remuneration committee referred to in the following number.
2. The remuneration committee shall comprise three shareholders, elected by the general meeting, and who may be re-elected one or more times.
3. The position of member of the board of directors and member of the audit board is not compatible with that of member of the remuneration committee.
4. The directors' remuneration may include a variable component, which may consist or not of a percentage of the profits for the year. If the variable part of the remuneration consists of a percentage of the profits, this is limited to the maximum global amount of zero point five per cent thereof.
5. The resolutions of the remuneration committee are taken by a simple majority of the votes.

Article 9.

Binding the Company

The Company shall be bound:

- a) By the joint signature of two directors who are members of the executive committee;
- b) By the signature of one director, when this has been resolved by the board of directors or relates to the exercise of especially delegated powers;
- c) by the signature of those holding powers of attorney, in the terms of their respective powers of attorney.

CHAPTER IV

General Meeting

Article 10.

Participation of the Shareholders in the general meeting

1. Only shareholders who, on the record date corresponding to 0 hours (GMT) of the fifth day of negotiation prior to the date on which the general meeting is held, own, at least, one share, are entitled to participate in general meetings, in person or through a representative.
2. Each share is entitled to one vote.
3. The shareholders (legal persons or natural persons) may be represented at shareholder meetings by any person with full legal capacity, and the appointment may be made by any written means, attaching a national or foreign identity document.

4. Shareholders who wish to participate or be represented in the general meeting shall state this in writing to the chairman of the board of the general meeting and to the financial intermediary with whom their individual registration account is open, by the end of the sixth day prior to the date of the general meeting and as provided by law, present the deeds of representation to the Company and, in the case of legal persons, also indicate who will represent them, for which purpose electronic mail may be used. The chairman of the board of the general meeting may, however, authorize shareholders who did not comply with the deadline to take part in the general meeting if this is seen not to affect the work of the meeting.
5. Shareholders without voting rights and bondholders may not take part in general meetings, except if they simultaneously own shares that grant voting rights.
6. Shareholders with voting rights may exercise them by post in respect of each item of the agenda, by means of a letter with a signature identical to that on the national or foreign identity document, addressed to the chairman of the board of the general meeting and sent by recorded-delivery registered letter to the company's registered office, to be received up to the day before the date of the meeting.
7. The postal ballot should be followed by a legible photocopy of the national or foreign identity document of the shareholder or, in the case of a shareholder who is a legal person, the ballot papers should be signed by its legal representative, while the letter must also contain evidence that the shares in respect of which the voting right is to be exercised are registered in the shareholder's name in a ~~bank~~ securities account.
8. The postal ballots will be opened by the chairman of the board of the general meeting at the start of the session, who will count the votes issued by correspondence for the verification of the constitutive quorum of the general meeting, the result of the postal vote in respect of each item of the agenda being announced in the item to which it refers.
9. Postal votes shall be counted as votes against in respect of proposed resolutions presented after the vote is cast, except in the case of elective decisions, where these votes are deemed as not having been cast.

Article 11.

General Meeting Board

1. The general meeting board shall conduct the meetings and draw up the corresponding minutes, without prejudice to the legal provisions on the Company's secretary.
2. The general meeting board, composed of a chairman, a vice-chairman and a secretary, shall be elected by the shareholders' meeting.
3. The chairman of the general meeting board may be heard by the chairman of the board of directors and by the chairman of the executive committee on any matter that is relevant for the Company.

Article 12.

Convening and Resolutions of the General Meeting

1. Notice of shareholders' meetings may be given to the shareholders through its publication, according to the law, or given that all the shares representing the Company's share capital are nominative, this notice may be sent by registered letter or, to any shareholders that express their prior consent, by electronic mail with a request for a receipt upon having been read, sent at least 21 days before the date of the shareholders' meeting.
2. The provisions of number 4 of article 386 of the Companies Code are not applicable to the meetings of the governing bodies, whether these are held on the first or second convening date.
3. Except in cases in which the law or this Bylaws require qualified majorities, the resolutions of the general meeting, including those allowed for in number 2 of article 386 of the Companies Code, shall be adopted by a simple majority of votes cast.
4. ~~The resolutions of the general meeting concerning the following matters are only deemed approved if accepted by a qualified majority of two thirds of the votes cast:~~

- a) resolutions on matters related to the Company's management submitted to it by the board of directors;
 - b) amendment of the Bylaws, including capital increases, and also the limitation or suppression of the preference rights of the shareholders;
 - c) demerger, merger, transformation or winding up of the Company.
5. Abstentions are not counted as votes cast.

Article 13. Meetings

Without prejudice to meetings mandatory under the law, the shareholders' meeting shall meet whenever requested to the chairman of the shareholders' meeting by any other corporate body or shareholders, as provided by law.

CHAPTER V

Board of directors and Executive committee

Article 14. Composition

1. The board of directors shall be composed of between nineteen and twenty-three directors.
2. The following procedure shall be followed in the election of the board of directors:
 - a) Shareholders who, by themselves or coupled with others for this purpose, own a holding of a minimum of 10% and maximum of 20% in the share capital with voting rights, may present proposals for the election of one of the directors to be elected;
 - b) Numbers 2 to 5 and number 10 of article 392 of the Companies Code in the wording currently in force will be applicable to the election of the director within the terms of the previous sub-paragraph;
 - c) Shareholders who, individually or coupled for this purpose, together hold less than 10% or more than 20% of the share capital with voting rights of the company will not take part in the isolated election referred to in the previous sub-paragraphs;
 - d) In the absence of the presentation of any list within the terms of the previous sub-paragraphs, or after the procedure under these sub-paragraphs has been concluded, the proceedings will move on to the election of the other directors, including the Chairman of the Board of Directors, although shareholders who have voted in favour of the proposal for the election of a director under sub-paragraphs a) to c) above this one has prevailed may not participate in this election;
 - e) The other directors, including the chairman of the board of directors, will be elected upon the voting of the lists that are presented for this purpose, with the proposal that obtains the most aye votes being deemed to be approved;
 - f) If the proposal approved includes the maximum number of directors admitted under number 1, and a director has been elected under sub-paragraphs a) to c) above, the director so elected will replace the person who came in 13th place in the proposal that prevailed within the terms of sub-paragraph e); if the approved proposal does not include the maximum number of directors admitted under number 1, the director elected under sub-paragraphs a) to c) above will be added to the number of directors elected within the terms of sub-paragraph e);
 - (i) If the proposal that prevailed for the election of the directors within the terms of sub-paragraph e) did not receive a majority of fifty five percent of the votes cast, and votes corresponding to, at least, forty percent of the share capital with voting rights, the shareholders who being eligible to participate in this election, within the terms of the final part of sub-paragraph d) of this number, voted against that proposal or voted in favour of a proposal that did not prevail in this election, and who (ii) by themselves or grouped for the purpose, hold at least twenty five percent of the share capital with voting rights, may present and vote for proposals, electing among them a number corresponding to one third of the directors already elected under sub-paragraphs a) and e) above;
 - g) If the total number of directors elected is not divisible by three, the number of directors to be elected within the terms of the final part of the previous sub-paragraph will be rounded up to the nearest whole number;

- h) The directors elected under sub-paragraph g) will automatically replace those who come in the last places of the list approved within the terms of sub-paragraph e).
3. The resolution to dismiss directors who were elected under sub-paragraphs a) to c) and g) of number 2, without just cause, will not take effect if this was voted against by shareholders who represent, respectively, 20% of the share capital, in the case of the director elected under sub-paragraph a) to c), and, at least, 25% of the share capital, in the case of directors elected under sub-paragraph g).
 4. The provisions in sub-paragraphs a) to c) or g) of number 2 apply with the necessary adaptations, to the approval of the resolutions to ratify the cooptation of directors in replacement of those elected under sub-paragraphs a) a c) and g) of the number 2, or the election of directors in replacement of those elected under the same sub-paragraphs due to their definitive absence.

Article 15. Powers of the Board of directors

The board of directors shall have the powers defined by law and in this Bylaws, represents the Company in or out of courts, as plaintiff or defendant, having the widest management powers, resolves any matter relating to the management of the Company, being further entitled to confess, discontinue or compromise in any dispute, as well as in the context of arbitration proceedings.

Article 16. Operation

1. Notwithstanding the provisions in the following numbers, the Company's board of directors shall act in accordance with an organisation and working regulation. At the start of each term of office the regulation of the board of directors in force for such term of office shall be approved, which shall be in accordance with the provisions in this Bylaws and it will terminate on the date in which the regulations of the board of directors come into force for the new term of office.
2. The board of directors shall meet ordinarily once a month, unless otherwise resolved by the board of directors, and, in addition, whenever convened by the chairman or by any two directors.
3. Meetings shall be called at least five days in advance.
4. Notwithstanding the provisions in article 17, a majority of its acting members must be present for the board of directors to be able to meet.
5. Directors may be represented by other directors at board meetings, by means of a letter addressed to the chairman on the occasion of each meeting.
6. The meetings of the board of directors may be held by telematic means.
7. Postal votes are admissible.
8. It shall be considered that a director is definitively absent when, without a justification accepted by the board of directors, he/she has not attended three consecutive or any five meetings.

Article 17.

Resolutions of the Board of Directors

Board of directors' resolutions shall be validly adopted by simple majority of votes cast, except with regard to the matters indicated in the following sub-paragraphs, for the resolution of which a majority of more than two thirds of the directors in office shall be necessary:

- a) approval of investments and of divestments of the Company and of the companies controlled by it, and respective financing, where the amounts are in excess of seventy-five million Euros;
- b) transactions of the company and of the companies controlled by it with any entities related to shareholders, which exceed twenty million Euros;
- c) approval and amendment of the strategic and business plans and of their respective financing;
- d) issue of bonds or of other securities within the competence of the board of directors;
- e) proposals to amend the Company's Bylaws;
- f) participation in businesses not included in the main activities of the Company and of the companies controlled by it;
- g) proposals for the demerger, merger, transformation and winding up of the Company and of any companies controlled by the Company;
- h) execution, by companies directly controlled by the company, of parity or subordination group contracts;
- i) the composition of the executive committee;
- j) the provision of "in rem" or personal guarantees;

Article 18.

Executive Committee

1. The board of directors will set up an executive committee and will indicate the respective chairman, to which it shall delegate, within the limits of the law, powers for the day-to-day management of the company.
2. The executive committee shall comprise five, six or seven directors with acknowledged competence in the management of companies and proven professional experience.
3. Members of the board of directors with executive functions shall be entitled to a retirement pension or pension complement or to an old age or disability pension, at the expense of the company, under the terms of the regulations that come to be approved by the remuneration committee.
4. In order to be approved, the resolutions of the executive committee require the aye votes of a simple majority of the respective members.
5. The board of directors will strive to ensure that the persons appointed as members of the executive committee will act according to criteria of efficiency and will reflect the general guidelines adopted by the Company.
6. At the start of each new term of office, the executive committee shall approve a regulation that defines the principles and basic rules relating to their organization and working, which shall be consistent with this Bylaws and with the delegation of powers made by the board of directors, which will terminate on the date on which those which are approved for each new term of office come into force.
7. The executive committee shall promptly notify the board of directors of the approval of the regulation mentioned in the previous number, sending it a copy thereof.
8. The chairman of the executive committee will regularly inform the chairman of the board of directors of the decisions adopted in its meetings, being the latter responsible for informing the other members of the board of directors.

CHAPTER VI

Supervision of the Company

Article 19.

Audit board and statutory auditor

1. The supervision of the Company shall be entrusted to an audit board and to a statutory auditor or firm of statutory auditors who shall not be a member of the audit board.
2. The audit board shall be composed of three full members and an alternate member elected by resolution of the shareholders' meeting, which shall also elect its chairman and the statutory auditor or firm of statutory auditors and the respective alternate members.
3. The majority of the members of the audit board shall be independent, in compliance with the legal provisions on this matter.
4. In addition to other matters stated in the law, the audit board shall appoint or remove the Company's external auditors, permanently monitor the business of the Company and its affiliates, observe their relations with the various corporate bodies, as well as give opinions on internal audit procedures or matters submitted to it in respect of the accounting practices followed by the Company.
5. The statutory auditor or firm of statutory auditors shall carry out any examination and verification necessary for the review and legal certification of the Company's accounts, as well as exercise any other powers attributed to him/her/it by law.

CHAPTER VII

The secretary

Article 20. Company Secretary

1. The board of directors will appoint the Company Secretary for each term of office.
2. When a secretary is appointed, an alternate secretary shall also be appointed.
3. The term of office of the secretary shall match that of the board of directors making the appointment.

CHAPTER VIII

Allocation of profits

Article 21. Profits

1. The net profit for the year shall be allocated as resolved by the general meeting, although fifty percent of the distributable net profit of the year should be distributed to the shareholders, unless another proposal for the allocation of profits is approved by a majority of two thirds of the votes cast in a general meeting.
2. The Company may distribute advance payments on profits, complying with the applicable legal requirements.

CHAPTER IX

General and final provisions

Article 22.

Dissolution and Liquidation

1. The Company shall be dissolved as provided by law.
2. The directors in office on the date of dissolution shall act as liquidators, unless the shareholders' general meeting resolves otherwise.

Article 23. Jurisdiction

Any disputes between the Company and its shareholders or other members of corporate bodies shall be submitted to the courts having jurisdiction over the place of the registered office.

