



Regulations  
of The Board  
of Directors  
Galp Energia,  
SGPS, S.A.

## ARTICLE 1

### Scope

Pursuant to article 16, no. 1 of the articles of association of Galp Energia, SGPS, S.A. ("Galp Energia" or the "Company"), these Regulations establish the rules governing the organisation and functioning of the Board of Directors of the Company and the rules of conduct that, within such framework, are to be complied with by its members.

## ARTICLE 2

### Principles, Functions and Conduct of the Board of Directors

1. Save for matters entrusted exclusively to the General Shareholders Meeting, the Board of Directors is the Company's ultimate decision-taking body, having the broadest powers of management and representation. Accordingly, the Board of Directors is authorized to adopt resolutions on any of the Company's management affairs and to perform all acts concerning the Company's purpose not falling within the powers of other corporate bodies.
2. The Board of Directors and each of its members shall perform their functions in accordance with the Company's interest and with the applicable legal provisions and articles of association, having in consideration the Company's objectives, the long term interests of its shareholders and the sustainable development of the activity of Galp Group, and shall conduct themselves in compliance with the duties of care and loyalty and other duties established by law and in the articles of association and with the diligence of a cautious and organized manager. *(current wording approved by resolution of April 26, 2018)*
3. Without prejudice to the provisions of article 14 of these Regulations, the members of the Board of Directors have, strictly for the performance of their duties and in compliance with the applicable legal limits, access to the necessary information, in particular by means of access to documents or information or clarifications provided by company employees, to assess the company's performance, status and prospects developments, including namely, the minutes, documents supporting decision taken, convening notices and the papers of the Executive Committee meetings. *(current wording approved by resolution of April 26, 2018)*
4. The members of the Board of Directors shall promptly inform this body, specifically its chairman, of the facts that may constitute or give rise to a conflict between their and the company's interests. *(current wording approved by resolution of April 26, 2018)*
5. Without prejudice to other powers provided for in the applicable law and in the articles of association, as well as to what is from time to time provided for in the resolution for delegation of powers to the Executive Committee, the Board of Directors is responsible, namely, for resolving on matters contained in the Schedule I and in numbers 1 and 2 of Schedule II to these Regulations.

6. The Board of Directors shall delegate the day-to-day management of the Company on an Executive Committee, under the terms and within the limits of the applicable law and of the Company's articles of association and according with the approved delegation resolution.
7. The Board of Directors may further, under the terms and within the limits of the applicable law and of the Company's articles of association, specially entrust in one or more of its members the management of certain matters, and may additionally delegate powers in specialized committees, permanent or temporary ("Committees").

## ARTICLE 3

### Composition of the Board of Directors

1. The number of members of the Board of Directors shall be determined in accordance with the articles of association of the Company, between nineteen and twenty-three directors.
2. The Board of Directors comprises members with executive functions and members with no executive functions, the latter being greater in number to ensure effective capacity of monitoring, supervision and evaluation of the activity of the Executive Committee.
3. The Board of Directors comprises a number of independent directors sufficient to efficiently ensure the functions given to them and appropriate to the governance model adopted, to the size of the Company, to the complexity of the risks enhance to its business, to its shareholding structure and the respective free float. *(current wording approved by resolution of April 26, 2018)*
4. The Chairman of the Board of Directors shall be appointed by the General Shareholders Meeting.
5. The Board of Directors, pursuant to a proposal from its Chairman, shall appoint two Vice-Chairmen, establishing their corresponding functions, one of them being, inherently, the director being appointed Chairman of the Executive Committee.

## ARTICLE 4

### Executive Committee

1. The Executive Committee shall comprise five, six or seven directors with appropriate qualifications, recognised management skills and proven professional experience, and shall be appointed by the Board of Directors. *(current wording approved by resolution of April 26, 2018)*
2. The President of the Executive Committee ("CEO" or "Chief Executive Officer") shall be appointed following a proposal from the Chairman of the Board of Directors and shall chair the Executive Committee.
3. The resolution approving the delegation of powers on the Executive Committee shall be attached to these Regulations and shall be automatically replaced whenever said delegation of powers is updated.

4. The Board of Directors shall give guidance on the main responsibilities to be specifically assigned by the Chief Executive Officer to each of the members of the Executive Committee.
5. All or some of the members of the Executive Committee shall form, totally or partially, the boards of directors of the following companies controlled by the Company:
  - a) Petróleos de Portugal – Petrogal, S.A.;
  - b) Galp Gas & Power, SGPS, S.A.;
  - c) Galp Energia, E&P, B.V. (na qualidade de *Managing Directors A*);
  - d) Galp Energia, S.A.
6. The management of the companies listed in the preceding paragraph 5 shall be subordinated to the Company that, accordingly, may issue binding instructions under the law.
7. The members of the Executive Committee may not perform executive functions in listed companies, which do not belong to the Galp Group. (*current wording approved by resolution of April 26, 2018*)
8. The Executive Committee shall approve the regulations defining the principles and basic rules concerning its organisation and functioning, which shall be consistent with the articles of association, the powers delegated by the Board of Directors and with these Regulations.
9. The Executive Committee shall submit to the Board of Directors for approval the regulations stated in the preceding paragraph.
10. The Chief Executive Officer shall regularly inform the Chairman of the Board of Directors of the agenda of the Executive Committee meetings, of the resolutions taken in its meetings and of other matters it deems relevant to the adequate performance of the duties and responsibilities of the Board of Directors.
11. The Chairman of the Board of Directors and any other two non-executive directors may request directly to the Chief Executive Officer for information on the activities of the Executive Committee.
12. In accordance with applicable legal provisions concerning the relationship between non-executive members of the Board of Directors and the Executive Committee, particularly regarding the monitoring of the Executive Committee action by the non-executive members, pursuant to Article 407, no. 8 of the Companies Code, the Chairman of the Board of Directors and a member specially assigned for this purpose hold the right to attend the meetings of the Executive Committee.

# ARTICLE 5

## Chairman of the Board of Directors

1. Without prejudice to other powers provided for in the applicable law and in the articles of association, the Chairman of the Board of Directors shall:
  - a) Coordinate the activity of the Board of Directors;
  - b) Represent the Board of Directors and the Company;
  - c) Convene and conduct the works of meetings of the Board of Directors, deciding on all matters concerning its functioning;
  - d) Monitor and ensure the proper implementation of the resolutions of the Board of Directors;
  - e) Supervise the relationship between the Company and its shareholders, in compliance with the principles set out in Article 2 of these Regulations;
  - f) Promote the necessary steps to ensure that the non-executive directors monitor the activity of the Company and of its controlled companies;
  - g) To ensure that the non-executive directors receive in a timely manner from the Executive Committee all information necessary for the full performance of their duties, namely, and in general, information on any business that may have significant influence on the profitability or financial liquidity of the Company or of its controlled companies and all information deemed relevant and abnormal in the life of the Company or of its controlled companies and, in particular:
    - (i) In the last quarter of each year, information about the management policy to be followed in the following financial year, as well as factual and circumstantial motivation of the options made;
    - (ii) Until the end of the month of April of each year, full management report concerning the preceding year;
    - (iii) Quarterly information concerning the assets and development of the business of the Company and of its controlled companies.
2. The Chairman of the Board of Directors is not a member of the Executive Committee.
3. To assist him in the performance of his duties and responsibilities, the Chairman of the Board of Directors will establish a support office that will be headed by an employee of the Company or of any of its controlled companies, who shall have sufficient knowledge of the legal and regulatory rules and of the articles of association applicable to the Company and of the activities directly or indirectly carried out by the Company (“Chief of Staff”).

4. The Chief of Staff may attend, with no right of intervention, the meetings of the Board of Directors, of the Executive Committee or of any other Committees in which the Chairman of the Board of Directors or any non-executive member of the Board of Directors has the right to participate or attend.
5. The Chief of Staff is bound by a duty of confidentiality with respect to the matters discussed in meetings to which he attends, as well as to facts and information that come to his knowledge as a result of the exercise of his duties, and such duty shall survive the termination of his functions.

## ARTICLE 6

### Non-Executive Directors

1. In addition to the exercise of its powers not delegated to the Executive Committee and of those that are specifically delegated by the Board of Directors, the non-executive members of the Board of Directors have a role of monitoring, evaluating and supervising the executive management.
2. The Board of Directors shall comprise at each time an appropriate number of independent directors, and each of its members shall present by the end of each calendar year, updated information to the Company for assessment of the independent status of a suitable number of its members.
3. The non-executive directors shall promote and participate in defining, within the Board of Directors, the strategy, main policies, corporate structure and decisions that should be considered strategic for the company due to their value or risk, as well as assessing their fulfilment. *(current wording approved by resolution of April 26, 2018)*
4. The non-executive directors may not perform management functions in more than 4 listed companies which do not belong to the Galp Group. *(current wording approved by resolution of April 26, 2018)*
5. One of the independent non-executive directors may be appointed by the independent directors as a lead independent director, responsible for:
  - a) Acting, whenever necessary, as an interlocutor with the chairman of the Board of Directors and other directors; and
  - b) Ensuring the availability of the necessary conditions and means for the performance of the functions by the independent directors. *(current wording approved by resolution of April 26, 2018)*

## ARTICLE 7

### Secretary of the Board of Directors

1. The Secretary of the Board of Directors shall at all times be the Company Secretary.
2. The Secretary shall have qualifications and appropriate profile for the exercise of his duties.
3. Without prejudice to other powers as may be provided for by applicable laws or by the articles of association and to such other powers the Board of Directors decides to assign him, the Secretary shall:
  - a) Support the Chairman of the Board of Directors and the Chief Executive Officer in the performance of their duties and act in a manner such that the performance of the Board of Directors is in accordance with applicable law, with the Company's articles of association and with these Regulations;
  - b) Prepare and distribute the notices to convene the meetings of the Board of Directors and the corresponding preparatory documentation, according to the matters listed by the Chairman;
  - c) Prepare the minutes of each meeting.
4. The Secretary shall also perform the duties of Secretary of the Executive Committee and of any other Committees of the Company.
5. The Secretary is bound by a duty of confidentiality with respect to the matters discussed in meetings to which he attends, as well as to facts and information that come to his knowledge as a result of the exercise of his duties, and such duty shall survive the termination of his functions.

## ARTICLE 8

### Committees

1. The Board of Directors may set up Committees for specific areas of advice/supervision of the activity of the Company, as well as establish their composition and powers, appoint the corresponding chairman and approve the respective regulations.
2. If a Committee is composed of an even number of members, the respective chairman shall have casting vote at all times.
3. Any Committee shall produce an annual report on its activities.

## ARTICLE 9

### Meetings of the Board of Directors

1. The Board of Directors shall ordinarily meet once a month, unless otherwise decided by the Board of Directors, and also whenever convened by the Chairman of the Board of Directors or by any two directors.
2. The notice to convene each meeting shall be sent at least 5 (five) days in advance and may be sent by electronic means.
3. The Chairman of the Board of Directors may, in events of force majeure or urgency, convene the Board of Directors without complying with the prior notice provided for in the preceding paragraph.
4. The notice shall include the agenda of the meeting, set out by the Chairman of the Board of Directors, or based in matters proposed by the Executive Committee or by any two members of the Board of Directors.
5. Without prejudice of the meetings called urgently pursuant to paragraph 3, the preparatory documentation of Board of Directors' meeting shall be made available to the directors a reasonable period ahead of the date of the meeting.
6. The notice to convene Board of Directors' meetings to discuss matters that, by virtue of provisions of the law or of the article of association, are subject to the opinion of the Supervisory Board or of the Statutory Auditor are also sent to the members of these bodies, in accordance with paragraphs 2 to 4 above.

## ARTICLE 10

### Quorum of the Board of Directors

1. For the Board of Directors to be able to meet the majority of its members in office must be present.
2. Each director may be represented at each meeting by another director, by granting powers in writing allowing the latter to represent the former for all intents and purposes. Such representation shall be granted by letter addressed to the Chairman of the Board of Directors, and such letter may only be used for the meeting to which it refers.
3. Each director may represent more than one director.
4. The Chairman of the Board of Directors should seek actively to encourage all directors to participate in the meetings and in the resolutions of the Board of Directors.
5. A director is deemed to have definitely failed to attend when, without justification acceptable to the Board of Directors, misses three meetings consecutively or five meetings interpolated.
6. In the event of loss of office, pursuant to the preceding paragraph or by other causes, or justified temporary impediment, the director is replaced pursuant to the applicable law.

# ARTICLE 11

## Functioning of the Board of Directors

1. The meetings of the Board of Directors shall be chaired by the Chairman and in his absence or inability by a Vice-Chairman, according to the respective order of appointment.
2. The meetings of the Board of Directors may be held by electronic means, being guaranteed the authenticity of the statements, the security and the confidentiality of the interventions and the registration of its contents.
3. The resolutions of the Board of Directors are validly taken by simple majority of the votes cast, except as regards the resolutions on the matters identified in Schedule I to these Regulations, which approval requires the favorable vote of a majority of more than two-thirds of the directors in office.
4. The Board of Directors may resolve by written vote, and the resolution shall be taken by postal or electronic mail.
5. In the case provided for in the preceding paragraph, the vote of each director shall be sent by postal or electronic mail, within a reasonable time period set by the Chairman in each case, in accordance with the urgency and complexity of the subject of the resolution.
6. The director or directors who, in person or through written vote, vote against a proposal shall issue a statement justifying their vote, which is recorded in the book of minutes of the Board of Directors.
7. The Chairman of the Board of Directors or, in his absence or impediment, the Vice-Chairman chairing the meeting, may authorize attendance to all or part of the meetings of the Board of Directors of people whose attendance is justified, giving knowledge of this authorization at the beginning of the meeting.
8. The Chairman of the Board of Directors or, in his absence or impediment, the Vice-Chairman chairing the meeting, shall ensure that any persons who are allowed to attend the meetings of the Board of Directors undertake to keep confidentiality on matters discussed at such meetings, as well as on the facts and information they obtain, under the same terms members of the Board of Directors are subject to, in accordance with the provisions of Article 13.
9. The language of the meetings of the Board of Directors is Portuguese, without prejudice of translation when deemed necessary.

## ARTICLE 12

### Minutes

1. The Company's Secretary shall prepare, in relation to each meeting of the Board of Directors, a draft of minutes containing the proposals, the resolutions passed and the voting statements made by any member during the meeting.
2. The drafts of minutes shall be written in Portuguese and distributed to the members who have attended the meetings.
3. The minutes are recorded in accordance with the applicable legal provisions and registered in the relevant book.

## ARTICLE 13

### Confidentiality

1. The contents of the meetings of the Board of Directors are confidential, as well as all documents relating to its preparation and conduct, unless the Board of Directors decides to disclose them internally or publicly or when such disclosure is required by law, by decision of a competent administrative authority or by a non-appealable court decision.
2. Directors may not use information and knowledge arising out of their management relationship with the Company to pursue interests or purposes different from the Company's corporate interest.
3. Each member of the Board of Directors shall be required to take the necessary steps to keep confidential the documents and information that he receives in the context of the preparation and conduct of the meetings of the Board of Directors, even after termination of the respective term of office.

## ARTICLE 14

### Access to sensitive information

1. Pursuant to and for the purposes of Article 398, no. 3 and 4 of the Companies Code, the members of the Board of Directors who are in any of the situations listed in Article 398, no. 3 of the Companies Code shall be subject to the special regime governing access to sensitive information, as provided for in this article.
2. Any director of Galp Energia who is, at the same time, a member of the board of directors of a company that, either directly or through its subsidiaries, is engaged in a business activity competing with Galp Energia is subject to this special regime ("Competing Director" and "Competing Company").

3. Under this special regime any reference:
  - a) to Galp Energia shall be deemed to include any entity that is directly or indirectly controlled by Galp Energia, as provided for in Article 486 of the Companies Code;
  - b) to a geographic market shall concern the territory in which the Competing Company carries on business competing with the business of Galp Energia.
4. A Competing Director is denied access within Galp Energia to sensitive information that relates to Galp Energia's business in the geographic market in which the Competing Company competes with Galp Energia.
5. Beside all information that is public or is contained in records with right of access by the public or by companies in general that are also competitors of the Competing Company, all information that Galp Energia provides to other entities that compete with it in the geographic market of the Competing Company is also not covered by the provision of the preceding paragraph, unless the provision of such information by Galp Energia is made within the context of a business association or if said entities are customers.
6. A Competing Director may not take part in decision-taking process, particularly in the discussions and in exercising any voting rights in relation to items of the agenda of Board of Directors' meetings of Galp Energia that are directly related to a business actually conducted by Galp Energia that is in competition with a business conducted by the Competing Company.
7. A Competing Director may not take part, for example, in any decision-taking process within the scope of meetings of the Board of Directors or Executive Committee of Galp Energia when:
  - a) the Competing Company is in direct competition with Galp Energia, as in the case, in particular, of tenders or concessions, public or private, competitive auctions, public offers for the acquisition or swap of shares, asset-acquisition proposals or acquisition of shareholdings;
  - b) a decision respects to investments or the definition of Galp Energia's commercially sensitive policy in the geographic market of the Competing Company and that actually compete with the business of the latter and vice versa.
8. Non-participation in the decision-taking process referred to in the preceding paragraph also includes the obligation of the Competing Director not attending meetings of Galp Energia's Board of Directors or Executive Committee in that part related to the discussion of any decision regarding Galp Energia's business in the geographic market of the Competing Company, in which process the Competing Director is prohibited from taking part, or during which commercially sensitive information necessary to that process is appraised, and the Competing Director cannot be represented for that purpose by any other member, nor the remaining members of the Board of Directors may share said information with the Competing Director.

9. Whenever matters containing sensitive information concerning Galp Energia and its actual business in the geographic market of the Competing Company are under discussion or appraisal or are presented, the Chairman of the Board of Directors or the Chief Executive Officer, as applicable, shall classify such matters as sensitive for the purpose of application of this regime as soon as possible, preferably together with the notice to convene the relevant meeting.

## ARTICLE 15

### Final Provisions

1. The Board of Directors construes and applies these Regulations in compliance with the applicable provisions of the law and of the articles of association, with the principles and recommendations of the Securities Market Commission and with the best practices identified in the group of companies that constitute the peer group of Galp Energia.
2. Amendments to these Regulations require its approval by a majority of two-thirds of the members of the Board of Directors in office.
3. These Regulations are published at the Company's website.
4. These Regulations, approved at the meeting of the Board of Directors held on April 16, 2015, enter immediately into force in relation to the term of office of the four-year period of 2015-2018.

# SCHEDULE I

## MATTERS REQUIRING APPROVAL BY A MAJORITY OF MORE THAN 2/3 OF THE BOARD OF DIRECTORS' MEMBERS

1. Approval of investments and divestments by the Company and by controlled companies, as well as the respective funding, in excess of EUR 75,000,000 (seventy-five million euros);
2. Transactions by the Company and controlled companies with any entities related with shareholders of the Company, in excess, in an individual or aggregate amount, of EUR 20,000,000 (twenty million euros);
3. Approval and amendment of the strategic and business plans and respective funding;
4. Issue of bonds, debt instruments or other securities within the scope of the competence of the Board of Directors;
5. Proposals for the amendment of the Company's articles of association;
6. Involvement in businesses not included in the core businesses of the Company and of the companies it controls;
7. Proposals to de-merge, merge, transform and wind up the Company and any controlled company;
8. Signing of peer agreements or subordinated group agreements by any controlled company;
9. Composition of the Executive Committee;
10. Provision of in rem or personal guarantees.

# SCHEDULE II

## DELEGATION OF POWERS ON THE EXECUTIVE COMMITTEE

(Approved at the Board of Directors' meeting of April 16, 2015)

Pursuant to and for the purposes of Articles 17 (i) and 18 of the Company's articles of association and Article 407, no. 3 and first part of no. 4 of the Companies Code, and without prejudice to no. 8 (first part) of Article 407 of the Companies Code, the Board of Directors adopted a resolution at its meeting of April 16, 2015, to delegate on the Executive Committee day-to-day management powers regarding the Company, and, through the issue of binding instructions, the day-to-day management of the companies directly and indirectly controlled by the Company. All of such powers comprise all management powers necessary or convenient for the exercise of the activities of the Company and of the companies directly and indirectly controlled by the Company, subject to the following limitations:

1. The following powers are not delegated on the Executive Committee:
  - a) selection of the President of the Executive Committee ("Chief Executive Officer");
  - b) co-opting directors;
  - c) requests to convene the General Shareholders Meeting of the Company;
  - d) approval of the annual management reports and accounts;
  - e) provision of performance bonds and personal or in rem guarantees by the Company;
  - f) change of the registered office and share capital increases, under the terms provided for in the Company's articles of association;
  - g) plans of merger, de-merger and transformation of the Company.
2. For the purposes of this delegation, the following are not considered day-to-day management powers of the Company and are not therefore delegated on the Executive Committee:
  - a) Approval of the strategic investments of the Company and of the companies directly or indirectly controlled by the Company, and approval of the respective funding;
  - b) Approval of the strategic divestments of the Company and of the companies directly or indirectly controlled by the Company;
  - c) Participation, particularly through direct or indirect acquisition of holdings, in companies that are not engaged in the core operational activities undertaken by companies directly or indirectly controlled by the Company (i.e., oil and gas exploration, production, refining, transportation, marketing and distribution);
  - d) Establishment of strategic partnerships within the context of the core operational activities undertaken by companies controlled by the Company;
  - e) Approval and modification of the strategic plans of the Company and of companies controlled by the Company engaged in the Galp Energia Group's core activities;

- f)** Approval of Galp Energia Group's annual budget and business plans , and their change when exceeding by 20% the value of the relevant item of the budget or by 10% the total amount of the annual budget;
  - g)** Transactions of the Company or of the companies controlled by the Company with related entities or with any of the Company's shareholders in excess of a single or aggregate amount of EUR 20,000,000 (twenty million euros);
  - h)** Definition and organization of the corporate structure of the Galp Energia Group;
  - i)** Proposal and exercise of the voting right in the election of the boards of directors of the companies controlled by the Company;
  - j)** Issue of bonds or other debt instruments by the Company or by the companies controlled by the Company;
  - k)** Plans of de-merger, merger, winding up or transformation of any companies controlled by the Company;
  - l)** Signing of peer agreements or subordinated group agreements by any company controlled by the Company.
- 3.** Without prejudice to the limits to the delegation of powers resulting from paragraphs 1 and 2 of this Schedule, the Executive Committee is charged with the special duty of drawing up and proposing to the Board of Directors the acts and matters set out in the indents of paragraph 2 above.
- 4.** For the purposes of this delegation of powers, the term "controlled companies" shall correspond to the following companies or their successors in business:
- a)** Petróleos de Portugal – Petrogal, S.A.;
  - b)** Galp Exploração e Produção Petrolífera, S.A.;
  - c)** Galp Energia, S.A.;
  - d)** Galp Gás Natural, S.A.;
  - e)** Galp Gas & Power, SGPS, S.A.;
  - f)** Galp Energia España, S.A.U.;
  - g)** LisboaGás GDL – Sociedade Distribuidora de Gás Natural de Lisboa, S.A.;
  - h)** Lusitâniagás – Companhia de Gás do Centro, S.A.;
  - i)** Petrogal Brasil, S.A.;
  - j)** Petrogal Angola, Lda.;
  - k)** Petrogal Moçambique, Lda.;
  - l)** Petrogal Guiné Bissau, Lda.;
  - m)** Galp Energia E&P, B.V.;
  - n)** Galp Sinopec Brasil Services, B.V.

