

energy creates energy



Company Standard - Organisational

NT-O-009

SUSTAINABILITY COMMITTEE

Approved at the Board of Directors meeting held on 2016-12-16

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1. Object and scope of application

1.1 This Organizational Company Standard ("Standard") establishes the organization and responsibilities of the Sustainability Committee (hereinafter "SC"), created by the Executive Committee meeting held on 12.10.2012.

1.2 This Standard applies to all Organizational Units (OUs) of the Galp Group and subsidiaries or other entities, regardless of their legal nature, where Galp holds a direct or indirect interest of 50% or more of the capital, or control of its management, encompassing all the geographies in which the Group operates.

2. Mission of the SC

Assist the Board of directors ("BoD") and the Executive Committee ("EC") in embedding sustainability principles in the management processes of the Galp Group, promoting the best industry practices, in all its activities.

3. Structure of the SC

3.1 The SC is made up of the following permanent members:

- Independent Vice President of the Board of Directors (Chairman of the SC)
- Chief Executive Officer (CEO);
- Executive Director, responsible for the Management of AQS and Sustainability (Chief Sustainability Officer) and Risk Management (Chief Risk Officer);
- Chief Financial Officer (CFO);
- Senior Manager of the AQSS corporate department (Secretary of the SC);
- Senior Manager of the OUs, as may be appointed by the Chairman;

Other employees, whose skills are relevant to the agenda under discussion, may be invited.

3.2 In the event of force majeure, members may appoint one or more representatives to replace them, by giving notice thereof to the Chairman of the SC.

3.3 The mandate of the SC corresponds to the mandate of the Board of Directors.

4. Responsibilities of the SC

- Analyse and incorporate the expectations of stakeholders in policies and processes that are relevant to the strategic development of the Group's activities.
- Promote and ensure the adoption of policies, principles and practices that contribute to generating sustainable value.
- Approve and propose to the BoD and to the EC the sustainability commitments linked to objectives and goals, while identifying the resources necessary for their implementation.
- Monitor and report to the BoD and to the EC, in a systematic manner, the performance on the economic, social and environmental dimensions, in accordance with established policies and commitments.
- Guide and ensure the harmonization of the strategic plans of the OUs, contributing to the achievement of sustainability commitments, ensuring continuous improvement.
- Ensure, at a stakeholder level, the implementation of the communication strategy of the sustainability policies and commitments.

5. Responsibilities of the Chairman of the SC

- Preside over the SC.
- Convene and chair the meetings of the SC.
- Convey the objectives and guidelines relating to the strategy of the Group to the SC, as issued by the BoD and the EC.
- Report to the BoD and to the EC the activities and most relevant conclusions of the SC, regarding compliance with the policies, principles and practices that contribute to generating sustainable value.

6. Responsibilities of the Secretary of the SC

- Advise the Chairman of the SC.
- Prepare the documentation necessary for the functioning of SC meetings and prepare the respective minutes.

- Promote the decisions issued by the SC throughout the company.
- Keep the implementation ratio of the actions approved by the SC updated.

7. Functioning

7.1 The SC meets at least four times a year to perform its duties, on the dates set in the beginning of each year or, exceptionally, at the request of the Chairman or one of its members.

7.2 The meetings shall be convened at least 5 working days prior to the meeting, and shall include the agenda and the date, time and place of the meeting.

7.3 The SC supporting documentation shall be sent at least 5 working days prior to the meeting.

7.4 There must be a quorum of at least 50% of members present, or of their representatives, for the meeting to take place.

7.5 SC resolutions shall be taken by consensus among the members that are part of it. In the absence of consensus, decisions shall be taken by a majority of its members.

7.6 All decisions taken by the SC shall be recorded in the minutes, validated by all participants and forwarded to the BoD and to the EC.

8. Final and Transitory provisions

This Standard shall take effect from the date of its publication.