



# CORPORATE GOVERNANCE

REPORT 2006



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.

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## DECLARATION OF COMPLIANCE

Galp Energia (the “Company” or “Group”) endeavours to adopt such governance practices that will create transparent relations with both investors and capital markets while safeguarding the

interests and rights of all shareholders. Consequently, the Company complies with most of the securities market regulator (“CMVM”) recommendations on corporate governance, namely:

### COMPLIANCE DECLARATION WITH CMVM’S RECOMMENDATIONS

CMVM RECOMMENDATION	CURRENT SITUATION
1 Public companies should be in permanent contact with the market and create an investor relations division.	In October 2006 an investor relations division was created for the purpose of ensuring clear and consistent communications with the capital markets and enabling an integral and coherent perception of Galp Energia, thereby facilitating investor decisions.
2 There should be no restrictions to the active exercise of voting rights, namely by imposing a deposit period longer than five days prior to the date of general meetings of shareholders.	Galp Energia promotes the active exercise of voting rights, namely by stipulating a period of five days for depositing or blocking shares prior to shareholders’ participation in General Shareholder Meeting. On the other hand, Galp Energia allows, with no restriction whatsoever, voting by correspondence, and has stipulated one working day as the minimum prior time for receipt of the voting form sent by mail.
3 Public companies should create effective internal control systems for detecting risks to the company’s operations.	Through its Internal Audit department and other specialist bodies within the Company, Galp Energia has created an effective internal control system for the timely detection of risks to the Company’s operations.
4 Arrangements for thwarting the success of takeover bids should respect the interests of the company and its shareholders.	Galp Energia’s articles of association contain no provisions aimed at thwarting the success of takeover bids or otherwise limit voting rights.
5 Governing body members should exercise effective control of the company.	The Board of Directors makes the decisions on the most relevant matters. Permanent access to Company data and regular meetings allow it to control corporate affairs effectively.
5A The Board of Directors should have a sufficient number of non-executive members with the role of following up and evaluating the work of executive directors.	Out of 18 directors, 11 are non-executive and their role includes continually following up and evaluating the actions taken by executive directors.
6 Non-executive directors should include a sufficient number of independent directors.	In the name of transparent decision-making and the defence of shareholder interests, and in line with CMVM’s recommendations, Galp Energia’s General Shareholder Meeting has elected two independent non-executive directors.
7 The Board of Directors should create internal control committees charged with evaluating corporate governance and structure.	With a view to align Galp Energia’s governance model with the best market practice, the Board of Directors aims to adopt this recommendation in 2007 financial year by creating an efficient system for the review and refinement of existing internal control procedures.

COMPLIANCE DECLARATION WITH CMVM'S RECOMMENDATIONS

CMVM RECOMMENDATION	CURRENT SITUATION
8 Directors' remuneration should be structured to align their interests with the company's interests and should be disclosed individually on an annual basis.	Galp Energia is pondering the individual disclosure of directors' remunerations, although it considers that this disclosure will not add relevant information to its best practice, namely the practice already followed by the Company in terms of disclosure of the governing bodies' remuneration.
8A The remuneration policy for the company's governing bodies should be annually sanctioned by shareholders.	To the extent a remuneration committee where shareholders are represented has been formally created to set the remuneration of governing bodies for three years at a time, this recommendation should not be considered as applicable to Galp Energia.
9 Remuneration committee members should be independent from the Board of Directors.	In strict adherence to the principle of transparency and independence of governing bodies and in compliance with the Company's articles of association, the members of the committee setting the remunerations of governing body members are independent from both board members and members of the Supervisory Board and no relationship exists between them.
10 Plans for the award of stock or stock options to directors and employees should be submitted to the approval of the general meeting of shareholders.	Galp Energia has currently no plans for the award of either stock or stock options.
10A A 'whistleblowing' system should be set up.	In its efforts to refine the Company's audit and governance model, the Board of Directors intends to adopt in 2007 a 'whistleblowing' system.
11 Institutional investors should be mindful of their responsibilities regarding the exercise of rights inherent to the securities they either own or manage.	Galp Energia is aware of its responsibilities towards shareholders and the capital market and therefore promotes a policy of coherent and transparent disclosure stimulating the exercise of voting rights with a view to facilitating the diligent, efficient and critical exercise of shareholder rights available to all institutional investors.

## 1. INTRODUCTION

Since listing its shares on 23 October 2006, Galp Energia has strengthened its commitment to governance issues, striving to refine its governance and organisational model to ensure total transparency in decision-making for all shareholders.

The recent changes of the Company's articles of association provide a good example of this posture as their purpose is to make the articles compliant with the recent revision of the Companies Code. The re-drafted articles are more suited to a company whose shares are offered for sale to the public and to the new governance model. These were the most significant changes:

- Requirement of a supermajority for the approval of certain resolutions by the General Shareholder Meeting or the Board of Directors, namely Galp Energia's strategic guidelines;
- Definition of the subjects that may not be delegated by the Board of Directors to the Executive Committee, with a clear separation of powers between these two bodies: while the former is charged with supervisory and strategic powers, the latter is assigned the Company's day-to-day management;
- Change of the supervisory regime;
- Recognition of the vote by correspondence in the General Shareholder Meeting and the Board of Directors;
- Possibility to convene the General Shareholder Meeting by email with acknowledgement of receipt;
- Settlement of governing bodies' conflicts of interest;
- Determination of the number of unjustified absences beyond which a director loses their mandate;
- Change of the shares' nominal value from five euros to one euro.

The shareholders agreement, signed between shareholders of Galp Energia on 29 December 2005, the current parties to which are Amorim Energia, B.V. ("Amorim Energia"), ENI, S.p.A ("ENI") and Caixa Geral de Depósitos, S.A. ("CGD") (the "Shareholders' Agreement"), regulates among other things the composition of the governing bodies and the resolutions of the Board of Directors. Chapter 11 of this report describes the main points of the Shareholders' Agreement.

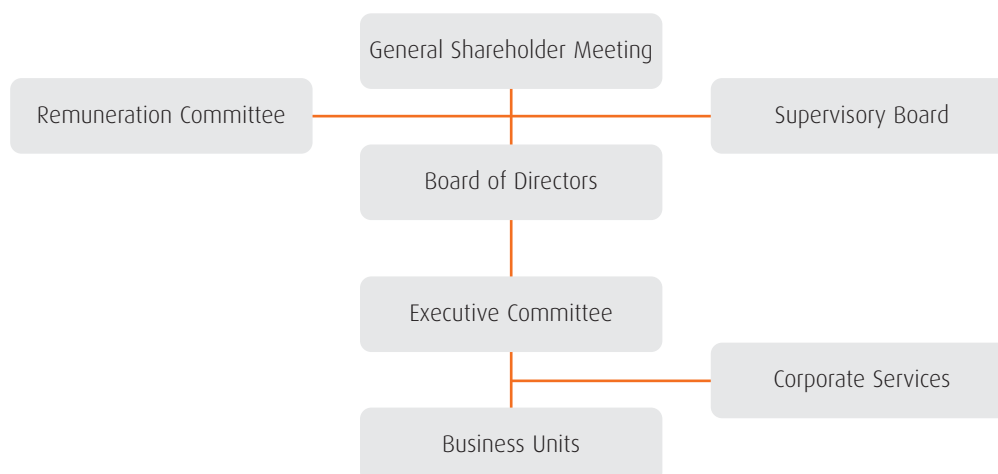
As an issuer of securities, Galp Energia is committed to promoting internal discussions on best governance practices and the improvement in its communications policy that will foster transparent relations with both investors and markets.

This report has been structured in accordance with CMVM's recommendations and information duties contained in Regulation No. 7/2001 as changed by Regulations No. 11/2003 of 2 December 2005 and 10/2005 of 18 de November 2005, for the purpose of presenting the most important aspects of the Company's governance practice.



## 2. CORPORATE STRUCTURE

### GOVERNANCE STRUCTURE OF GALP ENERGIA



Galp Energia's governance model stresses transparency and effectiveness and is centred on the clear separation of powers between the Board of Directors – which supervises, controls and oversees strategic issues and relations between shareholders and other governing bodies – and the Executive Committee to which the Board of Directors has delegated the day-to-day management of the business units and the corporate departments.

The current auditing model, which is built on a Supervisory Board and a firm of Statutory Auditors, was created by a resolution of the General Shareholder Meeting on 28 September. The model was considered to be the most appropriate for the status of the Company at the time, particularly given its pending application for a listing on Euronext Lisbon. Up to 28 September, the Company was audited by a 'sole auditor', consisting of a Statutory Auditor or a firm of Statutory Auditors. In addition, the previous set-up provided for the election of a deputy auditor, also required to be a Statutory Auditor.

The previous management model consisted of: (i) five Business Units: Galp Refining, Supply and Logistics ("RSL"), Galp Transgás, Galp Gás (including LPG), Galp Wholesale and Galp Retail, (ii) Corporate Services at the holding Company level with a cross-divisional strategic role and assisting the governing bodies and (iii) a shared-service unit providing services on the basis of agreements signed with Group companies.

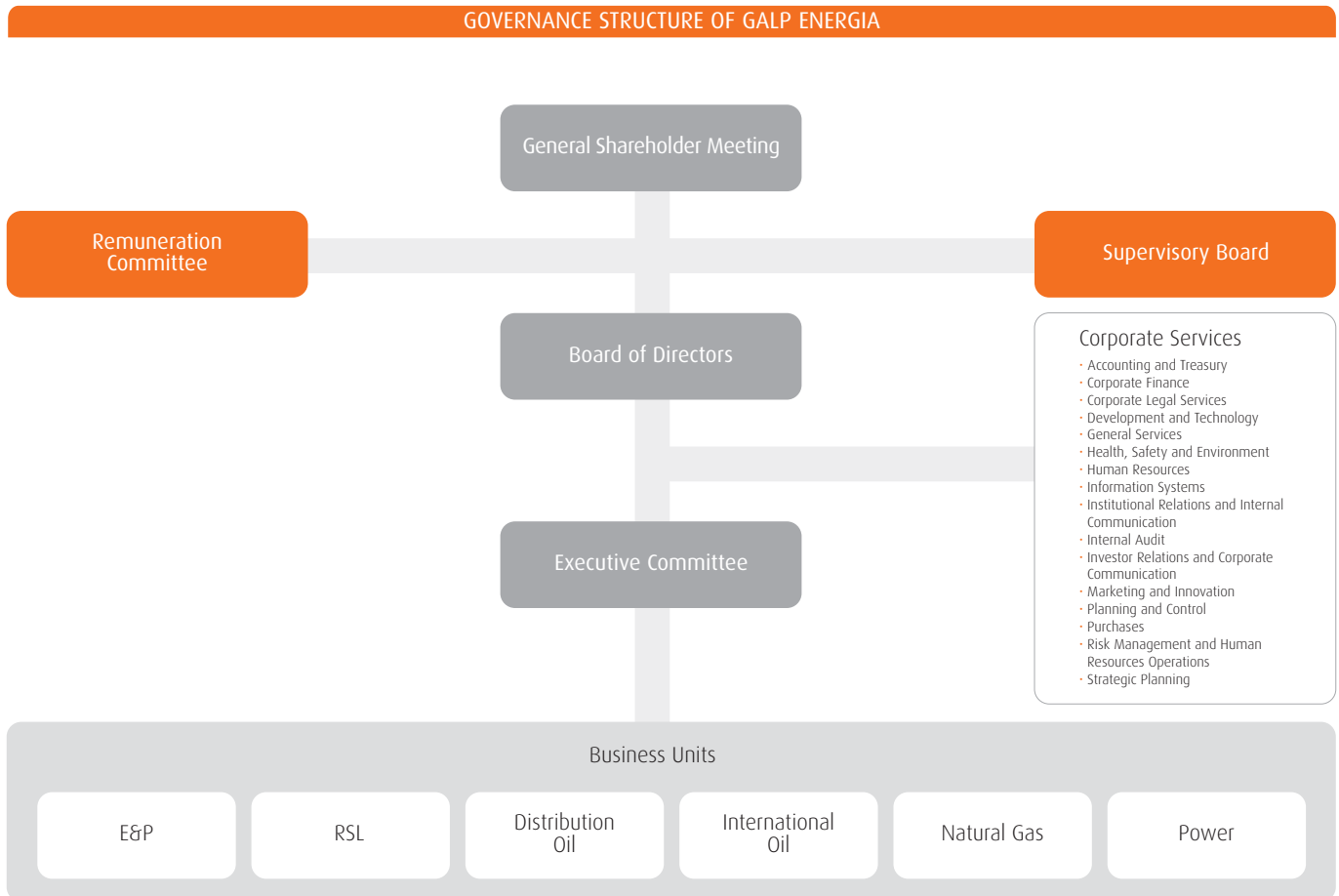
Galp Energia's corporate structure was reshuffled on 1 June 2006 with a view to effectively implementing the Company's Strategic Plan 2006-2010 and providing Galp Energia with an efficient and adequate model designed to meet the new capital market requirements.

The current business model consists of six Business Units and 17 corporate departments, each under the leadership and guidance of an executive director. The model is based on the principles of a flat organisation where flexibility, simplicity, effectiveness and delegation of powers are the norm and whose purpose is to create value through synergies within and between Business Units.

For the purpose of aligning structure with strategy, the businesses of Exploration and Production, Power and International Oil were raised to autonomous Business Unit level. Considering the sale of the assets of natural gas transportation, regasification of liquefied natural gas and part of the underground storage facilities, and corresponding activities, (the "Natural Gas Regulated Assets") to Rede Eléctrica Nacional, S.A. ("REN") and the new regulatory environment in the sector, the natural gas business was re-organised into one sole Business Unit covering supply, storage, trading, commercialization and distribution. On the other hand, retail and wholesale operations in the oil sector, which were previously split into two separate Business Units, were grouped into one sole Unit – Distribution Oil – which now also includes the sale of LPG.

The changes in the organisation model included also the corporate departments, through the concentration in one sole Group company - Galp Energia, S.A., formerly Galp Serviços, S.A. – of all

services provided to Group companies including the corporate services previously at the holding level and the shared services.



Galp Energia's financial information is reported both in consolidated terms and, following market best practice, separately for its three business segments: Exploration and Production ("E&P"), Refining & Marketing ("R&M") and Gas & Power ("G&P").

The following table illustrates the correspondence between Business Units and business segments:

		BUSINESS UNITS					
		E&P	RSL	Distribution Oil	International Oil	Natural Gas	Power
Business segments	E&P	X					
	R&M		X	X	X		
	G&P					X	X

### 3. GOVERNING BODIES

The governance and supervision structure of Galp Energia is currently composed of a Board of Directors, a Supervisory Board and a firm of Statutory Auditors.

The Board of Directors has powers to formulate strategy, to supervise the Company and oversee its management.

According to Galp Energia's articles of association, the management of its business units has been entrusted to an Executive Committee.

The members of the governing bodies and the Statutory Auditor or firm of Statutory Auditors, depending on the Company's choice, are appointed for renewable three-year terms, with the year when the appointment takes place being counted as a full year. The members take office upon their election and remain in office until their replacement has been elected.

The matters pertaining to the governing bodies which are contained in the Shareholders' Agreement between shareholders will be treated in chapter 11 of this report, namely the matters relating to the governing bodies' composition and resolutions.

#### 3.1. BOARD OF DIRECTORS

##### » COMPOSITION

The Board of Directors may be composed of 11 to 21 members elected by the General Shareholder Meeting, which also appoints the Chairman. The composition of the Board obeys the rules defined in the Shareholders' Agreement and described in chapter 11 of this report, namely the number of directors that may be appointed by each party to the agreement.

The Board of Directors of Galp Energia is composed of 18 members; of these, seven are also members of the Executive Committee.

## COMPOSITION OF THE BOARD OF DIRECTORS

NAME	ROLE	YEAR OF APPOINTMENT	LAST YEAR OF OFFICE
Francisco Luís Murteira Nabo	Chairman	2005	2007
Manuel Ferreira De Oliveira <sup>(1)</sup>	Vice-chairman and CEO	2006	2007
Giancarlo Rossi	Vice-chairman and CFO	2000	2007
José Marques Gonçalves <sup>(2)</sup>	Executive director	2005	2007
Fernando Gomes	Executive director	2005	2007
João Pedro de Figueiredo Brito	Executive director	2005	2007
André Palmeiro Ribeiro	Executive director	2005	2007
Massimo Giuseppe Rivara <sup>(3)</sup>	Executive director	2006	2007
Camillo Gloria	Non-executive director	2000	2007
Ângelo Taraborrelli	Non-executive director	2003	2007
Marco Alverà <sup>(3)</sup>	Non-executive director	2006	2007
Manuel Domingos Vicente <sup>(4)</sup>	Non-executive director	2006	2007
Manuel Carlos Costa da Silva	Non-executive director	2006	2007
Diogo Mendonça Rodrigues Tavares	Non-executive director	2006	2007
Joaquim de Pina Moura	Non-executive director	2004	2007
Alberto Alberti	Non-executive director	2006	2007
Alberto Oliveira Pinto <sup>(6)</sup>	Non-executive director	2006	2007
Pedro António Alvim <sup>(6)</sup>	Non-executive director	2006	2007

(1) Appointed in the board meeting of 12 April 2006 in replacement for Rui Manuel Janes Cartaxo.

(2) At 31 December 2006 José Marques Gonçalves was Vice-chairman of the Board of Directors and Chief Executive Officer.

(3) Appointed in the board meeting of 31 May 2006 in replacement for Federico Ermoli and Giorgio Puce.

(4) Appointed in the board meeting of 19 September 2006 in replacement for José Rodrigues Pereira dos Penedos.

(6) Elected by the General Shareholder Meeting of 6 September 2006.

Following the resignation of José António Marques Gonçalves as Chairman of the Executive Committee and Vice-chairman of the Board of Directors, the Board appointed on 20 November 2006 Manuel Ferreira De Oliveira as the new Chairman of the Executive Committee and a Vice-chairman of the Board of Directors, effective from January 2007. In the same Board meeting, José António Marques Gonçalves and Giancarlo Rossi were appointed Vice-chairmen of the Executive Committee.

In the name of transparent decision-making and the interests of all shareholders, two independent directors, Alberto Oliveira Pinto and Pedro António Alvim, were elected in compliance with the principles contained in CMVM's Regulation No. 11/2003 as changed by Regulations No. 11/2003 and 10/2005.

In compliance with article 447<sup>(5)</sup> of the Companies Code, the ownership of Galp Energia shares at 31 December 2006 by the Company's directors is disclosed below:

(5) Beyond the members of the executive and supervisory bodies, Art. 447, paragraph 5, of the Companies Code requires information to be provided regarding the shareholdings of (i) spouses, (ii) under-age descendants, (iii) any person having acquired shares on behalf of the aforementioned persons and (iv) such companies where the mentioned persons are limited-liability partners, members of any executive or supervisory body or where they own, individually or jointly, at least half of the share capital or the voting rights.

**NUMBER OF SHARES HELD BY THE COMPANY'S DIRECTORS  
AS OF 31 DECEMBER 2006**

NAME	SHARES
Francisco Luís Murteira Nabo	1,900
Manuel Ferreira De Oliveira	28,640
Giancarlo Rossi	-
José Marques Gonçalves	3,900
Fernando Gomes	1,900
João Pedro de Figueiredo Brito	-
André Palmeiro Ribeiro	950
Massimo Giuseppe Rivara	610
Camillo Gloria	-
Ângelo Taraborrelli	-
Marco Alverà	-
Manuel Domingos Vicente	-
Manuel Carlos Costa da Silva	-
Diogo Mendonça Rodrigues Tavares	940
Joaquim de Pina Moura	850
Alberto Alberti	-
Alberto Oliveira Pinto	-
Pedro António Alvim	-

The directors are bound by strict rules of conduct so as to ensure that conflicts of interest in the exercise of their roles will not arise.

To this end, there are no kinship ties between the directors, between the members of the Supervisory Board, between these and the directors or between the directors and the members of the Supervisory Board and the representative of the firm of Statutory Auditors.

The following disclosures are appended to this report: positions held by the directors in Group and other companies at 31 December 2006, their professional qualifications and their roles in Company boards or as senior managers in the last years.

» **POWERS**

The Board of Directors is invested with the powers to make decisions on key corporate affairs such as formulating business strategy, defining organisational structure, determining the business portfolio, exploiting inter-divisional synergies, approving high-cost and high-risk investments, setting value-creation objectives for each activity and overseeing the implementation of key projects.

The Chairman of the Board of Directors, who is not a member of the Executive Committee, has the key roles of representing the Company and conducting the meetings of the Board while overseeing the relationship of the Company with its shareholders. The Chairman is elected by a 2/3 vote and a majority of the votes carried by the Company's A shares, whose rights are described in Chapter 10.

The Executive Committee's decisions and, in particular, the proposals it submits to the Board of Directors for decision shall be communicated to the Chairman of the Board of Directors. The Chairman shall, in turn, brief the Board of Directors on key decisions made by the Executive Committee as well as submit to its appraisal those requiring its confirmation. The Chairman shall equally submit to the board the proposals from the Executive Committee that require Board approval.

The Board's decisions are generally made by a simple majority of the votes, except for certain matters where a 2/3 majority is required, as stipulated in the articles of association and the Shareholders' Agreement, namely:

- The approval of strategic investments and their funding;
- The approval of annual budgets and business plans as well as any amendments to those documents or any decisions that are not provided for in the budget or the plans and result in a 20% increase in a given item or 10% of the annual budget;
- The approval of transactions exceeding 20 million euros with parties related to the Company's shareholders;
- The appointment of senior managers for Galp Energia or other directly controlled group companies;
- The issuance of bonds or other securities within the range of the Board's powers;

- Any changes of the articles of association of the companies controlled by Galp Energia.

There are other decisions that require a 2/3 majority including the chairman's favourable vote and, at least, the favourable vote of a director appointed by each party to the Shareholders' Agreement, namely the following:

- The approval of strategic divestments;
- The participation in transactions lying outside Galp Energia's core operations<sup>(6)</sup>, namely through the purchase of equity stakes in companies whose business lies outside those operations;
- The selection of strategic partners in the framework of Galp Energia's core operations;
- The approval and change of Galp Energia's strategic guidelines, strategic plan and or business areas;
- The definition of the basic organisational structure including the delegation of powers by the Board of Directors to the Executive Committee or one or more managing directors including the roles of the Executive Committee;
- The definition of the limits to the independent management of the companies controlled by Galp Energia;
- The break-up, merger or liquidation of any company directly controlled by Galp Energia;
- The signing by companies that are directly controlled by Galp Energia of peer or subordinate group agreements;
- The distribution of dividends by the companies directly controlled by Galp Energia;
- The matters relating to the special rights of A shares.

#### » PROCEDURES

The Board of Directors shall conduct its work according to the procedural regulation which it is expected to approve at the start of each appointment term. The approval or revision of this regulation shall be subject to a 2/3 majority of the directors' votes.

(6) Core operations are considered to be Exploration and Production, Refining, Transportation, Trading and Distribution of oil and oil derivatives, Gas and the Production and Distribution of Electrical power.

In accordance with the provisions of the regulation approved by the board on 31 May 2006, meetings shall be held at least six times a year – although the Company's articles of association provide only for mandatory quarterly meetings. In 2006, the Board of Directors met 18 times. The meetings are convened by the Chairman or, alternatively, two directors by written notice accompanied by the meeting's agenda at least five days prior to the date of the meeting. Board decisions require a quorum of the majority of directors.

Galp Energia's articles of association provide expressly for the possibility of voting by correspondence and, in 2006, three Board resolutions were taken by electronic correspondence.

#### » REMUNERATION

The directors' remuneration may have both a fixed and a variable component. According to the Company's articles of association, this remuneration may include a given percentage of net income for the year, up to a limit of 0.5%.

In 2006, the remuneration committee approved a total of 630 thousand euros as the remuneration of non-executive directors.

### 3.2. EXECUTIVE COMMITTEE

#### » COMPOSITION

The Executive Committee shall be composed of three to seven directors including its Chairman or Chief Executive Officer ("CEO") who are appointed by the Board of Directors for a three-year term coinciding with the term of the Board members. The required quorum for the meetings of the Executive Committee consists of a majority of the directors. According to the law and the Company's articles of association, decisions are made by a simple majority of the attending directors. The composition of the Executive Committee is also regulated by the Shareholders' Agreement whose principles are described in Chapter 11 of this report. One of the Shareholders' Agreement's provisions states that the CEO is jointly appointed by Amorim Energia and ENI, subject to CGD's favourable opinion.

The board meeting of 10 May 2006 approved the re-distribution of responsibilities between the members of the Executive Committee. On that occasion, a new Chief Operating Officer (“COO”) role was created and assigned to Manuel Ferreira De Oliveira until the end of the year.

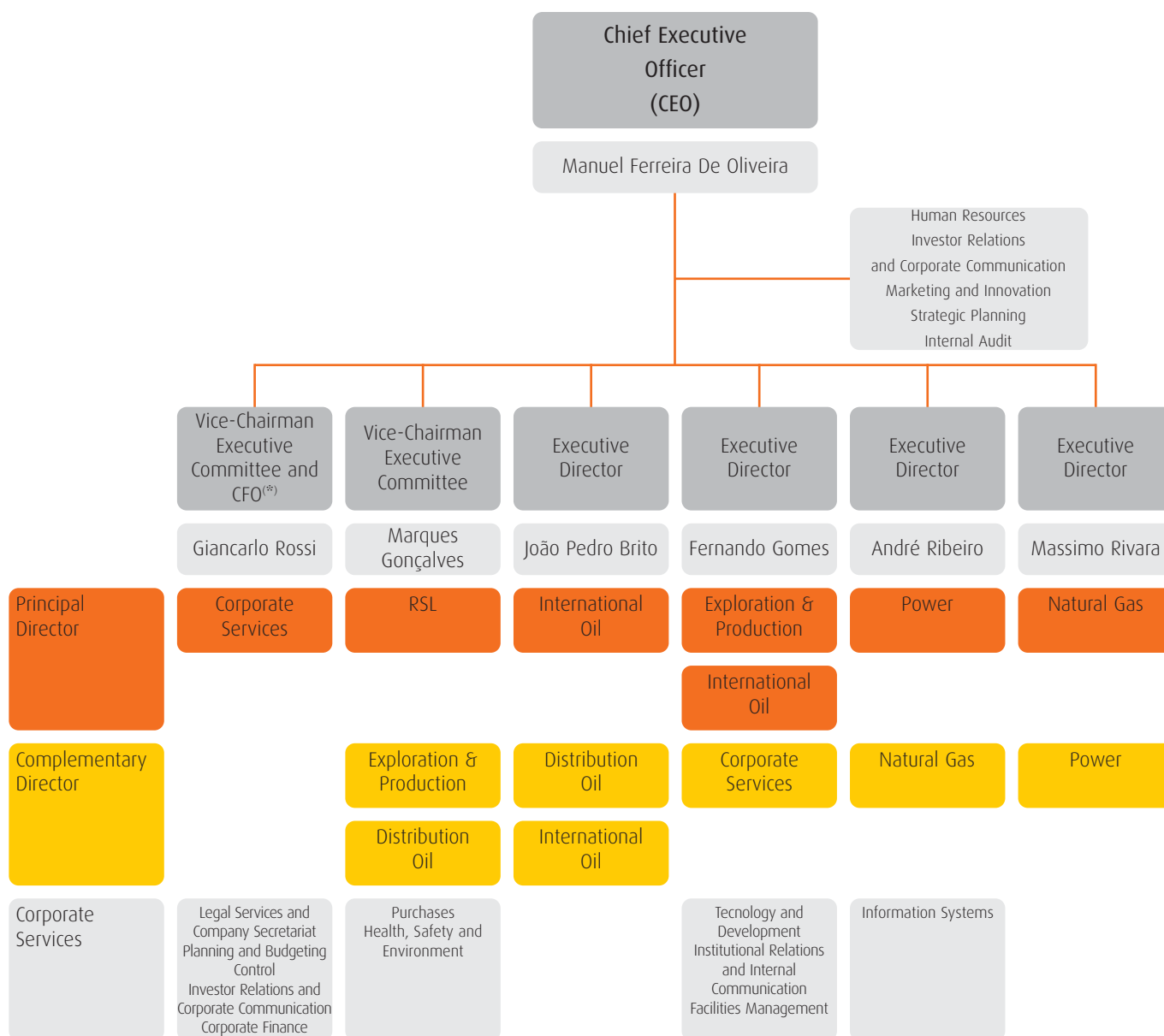


Left to right (back): André Freire de Almeida Palmeiro Ribeiro, Massimo Giuseppe Rivara, João Pedro Leitão Pinheiro de Figueiredo Brito, Fernando Manuel dos Santos Gomes.  
Left to right (in front): Giancarlo Rossi, Manuel Ferreira De Oliveira, José António Marques Gonçalves.

In the board meeting of 20 November 2006, when Manuel Ferreira De Oliveira was appointed CEO and Giancarlo Rossi and José Marques Gonçalves were appointed Vice-chairmen of the Executive Committee, a re-distribution of responsibilities between the members of the Executive Committee as from

January 2007 was approved, with the new assigned responsibilities illustrated in the following chart. On that occasion, the complementary executive director role was created with a view to replacing the main executive director in his absence.

### COMPOSITION AND RESPONSIBILITIES OF THE EXECUTIVE COMMITTEE



(\*) Chief Financial Officer.



## » POWERS

The Executive Committee is responsible for the day-to-day management of Galp Energia group in accordance with the strategic guidelines defined by the Board of Directors.

Using the powers delegated by the Board of Directors under the Company's articles of association, the Executive Committee conducts the performance of the Business Units, promotes synergies between them, allocates key resources, manages human capital, formulates the brand strategy and oversees implementation of the set objectives, laying down its policies across the Company.

The duties of the Chairman of the Executive Committee are to convene and lead the committee's meetings, to ensure the proper execution of its decisions, to coordinate its activities and to make sure that information flows continually to the non-executive directors.

The Board of Directors delegated day-to-day management to the Executive Committee on 12 April 2006, when the following specific powers were assigned:

- To manage corporate affairs and perform all actions that are not exclusively reserved to the Board of Directors or exceed the powers conferred to it;
- To represent the Company;
- To approve and execute investments that are within the limits defined by the Board of Directors as well as authorise subsidiaries to make investments within the limits conferred to them;
- To develop the Company's structure as well as its internal processes and procedures;
- To execute corporate restructurings in accordance with the plans and strategies that have been previously approved by the Board of Directors;
- To change the Company's set-up, to open or close branches, delegations or other forms of representation, domestically or abroad, provided those actions do not involve any alterations of the articles of association, the break-up, merger or liquidation

of subsidiaries or any other matters that, according to the Company's articles of association, are the preserve of the Board of Directors;

- To issue binding instructions to subsidiaries' boards;
- To initiate and terminate significant and enduring relationships with strategic partners that have been selected by the Board of Directors as well as with other companies, in accordance with the plans and strategies previously approved by the Board of Directors;
- To appoint the representatives of Galp Energia in shareholder meetings of companies where Galp Energia has an equity stake as well as give them the necessary instructions to act on Galp Energia's behalf;
- To mandate attorneys with the powers deemed appropriate and within the limits set out by the articles of association or any relevant resolution.

In accordance with Galp Energia's new governance model and with a view to enhancing effectiveness and transparency in decision-making, the Board of Directors of Galp Energia group companies managing the various businesses, which used to be chaired by the Chairman of the Executive Committee of Galp Energia, SGPS, have delegated the day-to-day management of the companies to Executive Committees composed of Galp Energia executive directors so as to reflect their assignments at corporate level and bring together the businesses and the decision centres, in a role assignment that is illustrated in the following table:

## EXECUTIVE COMMITTEES COMPOSITION OF GALP ENERGIA GROUP COMPANIES

	GALP EXPLORAÇÃO	PETROGAL	GDP	GALP POWER	GALP ENERGIA, S.A.
Business units	Exploration & Production	(RSL, Distribution Oil and International Oil)	Natural Gas	Power	Corporate Services
Manuel Ferreira De Oliveira	CEO	CEO	CEO	CEO	CEO
Giancarlo Rossi	ED	ED	ED	ED	ED
José António Marques Gonçalves	ED	ED			
Fernando Manuel dos Santos Gomes	ED	ED			ED
João Pedro Leitão Pinheiro de Figueiredo Brito		ED			
André Freire de Almeida Palmeiro Ribeiro	ED		ED	ED	ED
Massimo Giuseppe Rivara			ED	ED	

CEO – Chief executive officer  
ED – Executive director

### » PROCEDURES

The powers delegated by the Board of Directors to the Executive Committee require that the meetings of the latter body should be held regularly, which led in 2006 to 40 meetings.

Each member of the Executive Committee is responsible for a given Business Unit while the Executive Committee collective supervises all the Units combined.

The members of the Executive Committee work for Galp Energia group companies, where they hold director roles without any additional remuneration.

In the meeting of the Board of Directors that delegated powers to the Executive Committee, the following procedural rules were approved:

- The Executive Committee shall meet, at least, twice a month and, beyond that, whenever it is convened by its chairman or two executive directors;
- The meetings are convened by the Chairman of the Executive Committee or two executive directors with at least two days' prior notice, although they may be held at any moment with the presence or representation of all members;

- The required quorum for a meeting of the Executive Committee is the presence of the majority of its members;
- The executive directors may be represented by other executive directors in the meetings of the Executive Committee by means of a letter addressed to the chairman of the Executive Committee;
- The Executive Committee's resolutions are taken by a majority of the votes of its present and represented members, except for the resolutions regarding matters to be submitted for approval to the Board of Directors, which must be approved by the votes of at least six members of the Executive Committee;
- All documentation pertaining to the items of the agenda of each meeting of the Executive Committee shall be sent to all members of the Executive Committee simultaneously, whenever possible, with the invitation to the meeting.

### » REMUNERATION

In 2006, the Remuneration Committee set total remuneration for the executive directors of Galp Energia at 3,279 thousand euros, of which 2,681 thousand euros was fixed and 598 thousand euros was variable remuneration.

Galp Energia paid also 1,389 thousand euros in other benefits to the executive directors.

The contributions to a complementary retirement plan under a retirement savings plan are equivalent, in accordance with what has been set by the Remuneration Committee, to 25% of the annual gross remuneration. The amount is calculated annually for each executive director and proportionally for the years when he has taken or left office.

According to the current policy, the remuneration of Galp Energia directors includes all the sums due for their directorships in Galp Energia group companies.

### 3.3. SUPERVISORY BODY

Until 28 September 2006, auditing of the Company was entrusted to a so-called 'sole auditor'. In addition, a deputy auditor was elected and both had to be Statutory Auditors or firms of Statutory Auditors.

Galp Energia's Shareholder Meeting of 31 May 2006 approved certain changes of the articles of association so as to adapt them to the rules of the Companies Code pertaining to corporate governance, namely the set-up of an Audit Committee chaired by the Chairman of the Board of Directors and including two non-executive directors.

In the Shareholder Meeting of 6 September 2006, the following members of the Audit Committee were appointed for the 2005-2007 term:

- Chairman: Dr. Francisco Murteira Nabó;
- Member: Dr. Alberto Alves de Oliveira Pinto;
- Member: Dr. Pedro António do Padre Castellino e Alvim.

In connection with the application for a listing of Galp Energia's shares on Euronext Lisbon, the auditing model was altered in the Shareholder Meeting of 28 September 2006 in order to consist of a Supervisory Board and a firm of Statutory Auditors.

#### » COMPOSITION

The Supervisory Board is composed of three effective members and a deputy member who are elected by the General Shareholder Meeting. These members may not be directors and are subject to the rules for the avoidance of conflicts of interest contained in article 414º-A of the Companies Code. According to the law, at least one member of the Supervisory Board must have an academic degree suited to their role and have knowledge of auditing or accounting. The majority of its members must be independent, that is, (i) they may not be associated with any specific interest groups in the Company or (ii) find themselves in a situation where their independent judgement would be affected, namely as a consequence of:

- Their holding title to, or representing major shareholders with, 2% or more of the share capital of Galp Energia;
- Their having been re-elected for more than two terms, either continually or intermittently.

The Shareholders' Agreement also provides for Galp Energia to have a Supervisory Board, whose election rules are described in chapter 11 of this report.

On 5 October 2006, the shareholders representing the entire share capital of Galp Energia elected unanimously the following members of the Supervisory Board for the term 2005-2007:

- Chairman: Daniel Bessa Fernandes Coelho;
- Member: José Gomes Honorato Ferreira;
- Member: José Maria Rego Ribeiro da Cunha;
- Deputy member: Amável Alberto Freixo Calhau.

All members of the Supervisory Board fulfil the independence requirements of the Companies Code.

#### » POWERS

The duties of the Supervisory Board include proposing to the General Shareholder Meeting the appointment of the Statutory Auditor or firm of Statutory Auditors, appointing or dismissing the external auditors, overseeing the process for the preparation and disclosure of financial information including the certification of accounts and verifying the independence of the Statutory Auditors, namely with regard to the provision of additional services.

The Supervisory Board shall ensure the selection, among internationally well-known accountancy firms, of an external auditor that is independent from Galp Energia. This external auditor shall, without restricting the duties of either the Supervisory Board or the Statutory Auditor, verify Galp Energia's annual accounts and other accounting documents.

#### » PROCEDURES

The Supervisory Board shall convene at least once quarterly and report to both the Board of Directors and the General Shareholder Meeting on its auditing and verification activities.

Upon the appointment of the Supervisory Board in October 2006, two meetings have been held.

#### » REMUNERATION

In 2006, the remuneration of the Supervisory Bodies members was 242,968 euros.

### 3.4. STATUTORY AUDITOR

#### » COMPOSITION

In accordance with the articles of association of Galp Energia, the Statutory Auditor or firm of Statutory Auditors shall be proposed to the General Shareholder Meeting by the Supervisory Board and may not be part of this body.

Galp Energia's present firm of Statutory Auditors, which has been appointed by the Shareholder Meeting of 6 September 2006 prior to the formal set-up of the Supervisory Board, is Deloitte & Associados, SROC, S.A., member No. 43 of the Institute of Statutory Auditors and member No. 231 of CMVM, represented by Jorge Carlos Batalha Duarte Catulo, member No. 992 of the Institute of Statutory Auditors.

Until 6 September 2006, the sole auditor and Statutory Auditor role was filled by Pedro Leandro e António Belém, Sociedade de Revisores Oficiais de Contas, S.A., member No. 96 of the Institute of Statutory Auditors, represented by Pedro Manuel da Silva Leandro, member No. 392 of the Institute of Statutory Auditors, which had been elected by the General Shareholder Meeting of 24 May 2005.

#### » POWERS

The duty of the firm of Statutory Auditors is to check and verify the audit and certification of the Company's accounts as well as exercise other powers and rights conferred by law.

### 3.5. GENERAL SHAREHOLDER MEETING

#### » COMPOSITION

According to Galp Energia's articles of association, the board of the General Shareholder Meeting is composed of a Chairman, a Vice-chairman and a secretary.

At 31 December 2006, the composition of the board of the General Shareholder Meeting was the following:

- Chairman: Rui Manuel Parente Chancerelle de Machete<sup>(7)</sup>;
- Vice-chairman: Dr. Victor Manuel Pereira Dias;
- Secretary: Dr. Carlos Manuel Baptista Lobo<sup>(8)</sup>.

All members of the board of the General Shareholder Meeting fulfil the independence requirements of the Companies Code.

(7) Elected by the unanimous shareholder vote of 5 October 2006, upon the resignation tendered by Pedro Rebelo de Sousa.

(8) Elected by the unanimous shareholder vote of 5 October 2006, upon the resignation tendered by Luís Miguel Pires Costa.

## » POWERS

The duty of the board of the General Shareholder Meeting is to conduct the shareholder meetings and draft the relevant minutes.

According to paragraph 5 of article 12 of the Company's articles of association, the resolutions by the General Shareholder Meeting relating to the matters listed below are considered to have been approved only if they attract a supermajority of 2/3. Regarding the first matter on the list, approval requires a favourable vote by a majority of the A shares:

- Matters concerning the special rights inherent to A shares;
- Approval of new strategic guidelines;
- Appropriation of net income for the year or any other form of distribution to shareholders;
- Issuance of securities outside the scope of powers conferred to the Board of Directors;
- Strategic partnership proposals submitted by the Board of Directors for approval by the General Shareholder Meeting;
- Approval of the Company's individual and consolidated accounts; and
- Transactions involving the break-up, merger or liquidation of the Company.

## » PROCEDURES

Any shareholder owning more than 100 shares may participate and vote in the General Shareholder Meeting. The shareholders owning less than 100 shares may join their shares with those of other shareholders until a total of 100 shares is reached and can then jointly exercise their voting right. These shareholders shall be represented by only one among them or by another shareholder.

For voting purposes, the shareholder capacity is conferred to those share owners that have registered their ownership at least five days prior to the relevant meeting date.

In 2006, when the listing of Galp Energia's shares and the adoption of best market practice was being prepared, the General Shareholder Meeting convened ten times.

## » REMUNERATION

In 2006, an amount of 6,734 euros was paid to the members of the board of the General Shareholder Meeting.

### 3.6. COMPANY SECRETARY

The Company secretary is appointed for the directors' term by the Board of Directors, which appoints an effective and a deputy secretary.

The duties of the Company secretary are those defined by law, including the role of secretary of the Board of Directors and the Executive Committee.

Rui Maria Diniz Mayer is the present effective Company secretary and Maria Helena Claro Goldschmidt is the deputy Company secretary.

## 4. MANAGEMENT UNITS

Following the approval of Galp Energia's strategic plan for 2006-2010, a reshuffle of the organisational structure was executed with a view to effectively implementing business strategy.

To this end, the Board of Directors unanimously approved a new distribution of responsibilities within the Executive Committee. This body approved in turn on 1 June 2006 the organisation charts and objectives for the new Business Units and Corporate Services.

### 4.1. BUSINESS UNITS

Galp Energia's Business Units and their operations are the following:

#### » EXPLORATION & PRODUCTION

The Exploration & Production Business Unit includes all the upstream assets in Portugal, Brazil and Angola and is responsible for all operations relating to the prospect, appraisal, evaluation, development and production of oil and natural gas.

#### » REFINING, SUPPLY AND LOGISTICS

This Business Unit includes all operations of refining, supply and logistics. Galp Energia's refining system consists of the Sines and Oporto refineries, which have a total distillation capacity of 15.2 million tonnes a year. In order to supply oil products to the markets where it operates, Galp Energia stores crude and other raw materials in several storage parks and has equity stakes in logistics companies in Portugal and Spain. Galp Energia sells refined products to other operators in the Iberian zone and exports to several countries, namely to the United States.

#### » DISTRIBUTION OIL

The primary operations of this Business Unit consist of the wholesale and retail marketing of refined products in the Iberian Peninsula whereby 60% of processed raw materials in the Company's refineries are sold under the Galp Energia brand. The retail distribution network has 1,045 service stations and 204 convenience stores in the Iberian Peninsula.

#### » INTERNATIONAL OIL

This Business Unit is responsible for the marketing and distribution of oil products including LPG and lubricants in markets outside the Iberian Peninsula.

#### » NATURAL GAS

This Business Unit includes the operations of sourcing and sale of natural gas for which it has signed long-term sourcing agreements with companies in Algeria and Nigeria. The Unit has also storage capacity for natural gas with two underground caverns. Galp Energia has a stake in the distribution of natural gas through its equity holdings in five regional distributors and four independent natural gas distributors.

#### » POWER

This Business Unit consists of three gas turbine cogeneration plants already in operation with a total potential of 80 MW, in which Galp Energia owns equity through the Galp Power subsidiary.

## 4.2. CORPORATE SERVICES

The Corporate Services Unit is composed of seventeen different areas reporting to several executive directors of Galp Energia SGPS. The Unit was created for the purpose of providing services to the Business Units in a wide range of fields such as accounting, legal advice and human resources, among others.

### » HEALTH, SAFETY AND ENVIRONMENT

This area is charged with the mission of implementing the relevant policies, strategies, objectives and methods in health, safety and environment matters, by promoting a proactive culture and coordinating the application throughout the Company of best practice in these fields, for the purpose of preventing personal, property and environmental accidents and pursuing the highest quality standards for the Company's products and services in compliance with and in excess of what is required by law.

### » INTERNAL AUDIT

This area assesses the Company's operations in an independent and systematic way by reviewing its risk management systems and streamlining management processes and internal control and governance systems.

### » PURCHASES

This area acquires goods and services for the Galp Energia group companies, ensuring the highest value for money, laying out procedures for transparent and ethical buying processes and promoting innovation for rationalising the supply chain.

### » ACCOUNTING AND TREASURY

This area prepares the accounts of Galp Energia and all group companies in accordance with national and international standards. It is also responsible for the coordination of Group treasury activities for the purpose of managing financial resources and complying with the Company's tax obligations at home and abroad.

### » CORPORATE FINANCE

This area is responsible for optimizing the Company's financial structure through integrated risk management and the capture of support incentives to the businesses.

### » INVESTOR RELATIONS AND CORPORATE COMMUNICATION

This area plans, manages and coordinates all necessary activities for communicating effectively with shareholders, institutional investors and analysts, among others, with a view to conveying a coherent and complete view of Galp Energia thereby facilitating investor decision processes. This area is described in greater detail in Chapter 10 below. This area also creates, develops and consolidates the Company's leadership image with the public opinion through professional communications built on credibility, truth, rigour and timely responsiveness.

### » RISK MANAGEMENT AND OPERATIONAL HUMAN RESOURCE

This area has the brief of enhancing the cost benefit relationship of risk transfer plans by sourcing, negotiating and managing such insurance policies that are adequate to covering the risks to which Galp Energia is exposed, by administering human resources, health plans and medical services – for both care and working environment purposes – in order to provide health assistance and monitor health conditions for the Company's employees, retired staff and relatives.

### » MARKETING AND INNOVATION

This area leads, formulates and implements the Company's marketing strategy for the purpose of maximising the value of the firm, enhancing customer loyalty and satisfaction and building a strong brand that is consistent with the vision and values of the Company.

#### » PLANNING AND BUDGETING CONTROL

This area has the mission of challenging the performance of the Business Units and the corporate services as well as promoting their alignment with the Company's strategic objectives.

#### » STRATEGIC PLANNING

This area is responsible for strategic planning, business portfolio design and new growth and value creation opportunities, ensuring optimal resource allocation and business upgrading. The area also assists the Executive Committee in making decisions relating to the regulatory environment and the Company's relationship with the authorities supervising the energy sector.

#### » HUMAN RESOURCES

This area has been charged with the mission of defining and implementing an integrated human resources policy that will respond, in the framework for the corporate values, to the strategic and operational needs of the Business Units while contributing to the employees' personal and professional development.

#### » INSTITUTIONAL RELATIONS AND INTERNAL COMMUNICATION

This area has been given the brief of establishing, managing and building relationships with government bodies, politicians and decision-makers at both national and local level and with all other public and private institutions directly or indirectly related with Galp Energia's operations. This area is also responsible for guaranteeing the share and flow of information within the Group.

#### » FACILITIES MANAGEMENT AND GENERAL SERVICES

This area is responsible for documentation, administrative facilities and attendant support services as well as the management of the Company's non-operational assets.

#### » LEGAL SERVICES AND COMPANY SECRETARIAT

This area assists governing bodies across the Company in legal and organisational matters, ensuring the accuracy, disclosure and record-keeping of all official information and providing the Business Units with advice and technical consultancy in all legal matters with a view to safeguarding Galp Energia's interests and rights.

#### » INFORMATION SYSTEMS

This area is expected to make available to Group companies effective, reliable, innovative and cost-efficient information systems.

#### » TECHNOLOGY AND DEVELOPMENT

This area's brief is to promote the definition and implementation of integrated policies for technical research and development and sustainable development, in the framework for the Company's strategy.



## 5. COMMITTEES

The Group's internal control system is entrusted to the internal audit management, which reports directly to the CEO, and a number of specific committees, of which the most important are:

### 5.1. INVESTMENT COMMITTEE

This committee reviews and oversees implementation of the Company's investment policy, namely with regard to large projects, and reports to the Executive Committee.

### 5.2. COMMITTEE FOR THE ASSESSMENT OF ROLES

This committee reviews and assesses roles in Galp Energia universe, in a coherent and uniform way, and defines such organizational structure that will support the development and application of human resources management tools. This committee reports directly to the Executive Committee.

### 5.3. PRICING COMMITTEE

This committee's mission is to formulate the pricing strategy and policies for liquid fuels in Portugal. The committee reports directly to the Chairman of the Executive Committee and the executive director in charge of the Distribution Oil Business Unit.

### 5.4. STEERING COMMITTEE FOR THE REFINERY MASTER PLAN

The committee's brief is to oversee execution of the capital budgeting plan that has been approved for the two refineries, in Sines and Oporto. The committee reports directly to the Executive Committee.

### 5.5. RISK MANAGEMENT COMMITTEE

This committee's role is to propose and follow up implementation of Galp Energia's risk management policy, which is detailed in the next chapter. The committee reports directly to the Executive Committee.

## 6. MANAGEMENT SYSTEM AND RISK CONTROL

Galp Energia is exposed to several kinds of market risks that are inherent to its capacity as an operator in the oil and natural gas markets. These risks include fluctuations in commodities prices, refining margins, exchange and interest rates.

Galp Energia has defined policies and procedures to measure, control and manage its exposure to risk. The purpose of the risk management programme is to help Business Units to reach their objectives by monitoring the impact of risk variables on their earnings. The risk management programme seeks to optimize natural hedges within and between Business Units. In this manner, Galp Energia identifies the residual market risk that is likely to affect its earnings, reviewing them in an integrated fashion, taking into account correlations between relevant exogenous variables.

Galp Energia's risk management policy is established by the Board of Directors and sets objectives and procedures while assigning responsibilities for the management of risk in the Company.

The aforementioned risk management committee is responsible for implementation of the risk management policy approved by the Board of Directors. The committee sets out the mechanisms for implementation of the policy and submits them for approval to the Executive Committee. While product risk management is implemented at Business Unit level, exposure to interest rate risk, exchange risk and other financial risks is managed at corporate level.

## 7. EXTERNAL AUDITOR

The independent External Auditor of Galp Energia is responsible for expressing its opinion about the individual financial statements prepared in accordance with Portuguese GAAP, and consolidated financial statements, prepared according with the international financial reporting standards ("IFRS"), as adopted by European Union, and ensures quality, consistency and transparency in the financial information that is disclosed to the market.

Galp Energia's External Auditor in the 2006 financial year was Deloitte & Associados, SROC, S.A., member No. 43 of the Institute of Statutory Auditors and member No. 231 of CMVM. The firm was represented by Jorge Carlos Batalha Duarte Catulo.

The Auditor's total remuneration in the year for Galp Energia group companies was 829,098 euros including auditing services to Galp Energia individual accounts, in the amount of 26,743 euros, as well as accounts certification services. In connection with the public offering of Galp Energia shares and trading in the Euronext Lisbon, a total amount of 875,000 euros was paid to Deloitte & Associados, SROC, S.A. for services rendered.

## 8. REMUNERATION POLICY

The articles of association of Galp Energia provide for the remunerations of governing body members to be set by a Remuneration Committee composed of representatives of three shareholders elected by the General Shareholder Meeting for a three-year term until 31 December of the third year. The articles also establish that directors or members of the Supervisory Board may not be members of the Remuneration Committee.

Like the directors or the members of the Supervisory Board, the members of the Remuneration Committee remain in office with all attendant responsibilities after the end of their election term until a new election by the General Shareholder Meeting.

The current members of the Remuneration Committee, appointed by the General Shareholder Meeting of 6 September 2006 for the term ending on 31 December 2007, are CGD, represented by Maldonado Gonelha, ENI, represented by Giancarlo Cepollaro and Amorim Energia, represented by Américo Amorim.

None of the members of the Remuneration Committee, nor their spouses or relatives, is a member of the Board of Directors.

In 2006, the remuneration committee held two meetings.

## 9. CORPORATE RULES

### 9.1. CODES OF CONDUCT AND INTERNAL REGULATIONS

The recent listing of the Company's shares on a public exchange, coupled with a growing attention to ethics, prompted a reappraisal of established codes and rules. This change in procedures aims to ensure, clearly and efficiently, full independence between governing body members and between these and the Company, as well as secure their personal and professional integrity. To this end, new corporate codes of conduct and ethical rules are currently under preparation, in particular for the governing bodies. These rules, coupled with other internal norms, aim to regulate conflict-of-interest, secrecy and other situations encountered by governing body members.

## 10. GALP ENERGIA IN THE EQUITY MARKET

### 10.1. GALP ENERGIA SHARE

#### » INTRODUCTION

Galp Energia's initial public offering ("IPO") closed on 23 October 2006 with a special session at Euronext Lisbon for the fourth stage of the Company's privatisation. In the session, the prices for the public offering of shares in the domestic market ("OPV") and the private offering to domestic and foreign qualified investors ("Direct sale") were announced together with data on generated demand and final allotment. Since that date, the shares of Galp Energia have been trading on Euronext Lisbon.

Following a book-building process, shares in the Direct Sale tranche priced at 5.81 euros, which represented a 5% discount to the upper end of a 5.06 to 6.12 euro price range stipulated by the government (Resolution of the Council of Ministers No. 131/2006 of 13 October 2006).

A total of 190,727,646 shares representing 23% of the Company's share capital was placed in the market with the following distribution:

- 82,925,000 shares in the OPV;
- 107,802,646 shares in the Direct Sale.

The sub-tranche reserved for Galp Energia employees, small subscribers and emigrants, included in the OPV, totalled 58,047,000 shares and benefited from a 5% discount to the price at which the shares were offered to the general public, meaning that investors in this sub-tranche bought their shares at 5.52 euros each.

#### » FEATURES OF THE GALP ENERGIA SHARES

Galp Energia's share capital is represented by 829,250,635 shares of one euro each after the Shareholder Meeting of 31 May 2006 changed their nominal value from five euros to one euro.

The shares are split into two categories: Category A, with 40,000,000 shares, and Category B, with the remaining 789,250,635 shares.

The following special rights are attached to Category A shares:

- The election of the Chairman of the Board of Directors has to be approved by a majority of the A share votes;
- Any resolutions authorising the signing of peer or subordinate group agreements or putting in jeopardy the safe supply to the country of oil, gas, electricity, or their derivatives, may not be approved against the majority of the A share votes.

Until waived by law, title to Category A shares is reserved to state-owned entities as defined in article 1, 2.e) of Law No. 71/88 of 24 May 1988.

The shares are ordinary, book-entry and registered securities and may not, according to the Company's articles of association, be converted into bearer shares. The shares are registered in a centralised system (Central de Valores Mobiliários), which is managed by Interbolsa.

The shares representing the share capital of Galp Energia have the following ISIN codes:

ISIN CODES		
ISIN	NUMBER OF SHARES	DESCRIPTION
PTGALSAM0003	40,000,000	A shares, indirectly held by the Portuguese state
PTGALXAM0006	18,079,514	B shares, indirectly held by the Portuguese state
PTGAL2AM0015	151,752,865	B shares, not entitled to tax benefits <sup>(9)</sup>
PTGALOAM0009	619,418,256	B shares, entitled to tax benefits <sup>(9)</sup>

(9) This tax benefit is related to the reduction in the withholding tax on dividends from 20% to 10% in 2007. The shares will become fungible in 2008.

Only the 771,171,121 shares coded PTGAL0AM0009 and PTGAL2AM0015, trading under the "GALP" and "GALPK" symbols, respectively, are listed on Eurolist by Euronext Lisbon. These shares represent 93% of the share capital of Galp Energia.

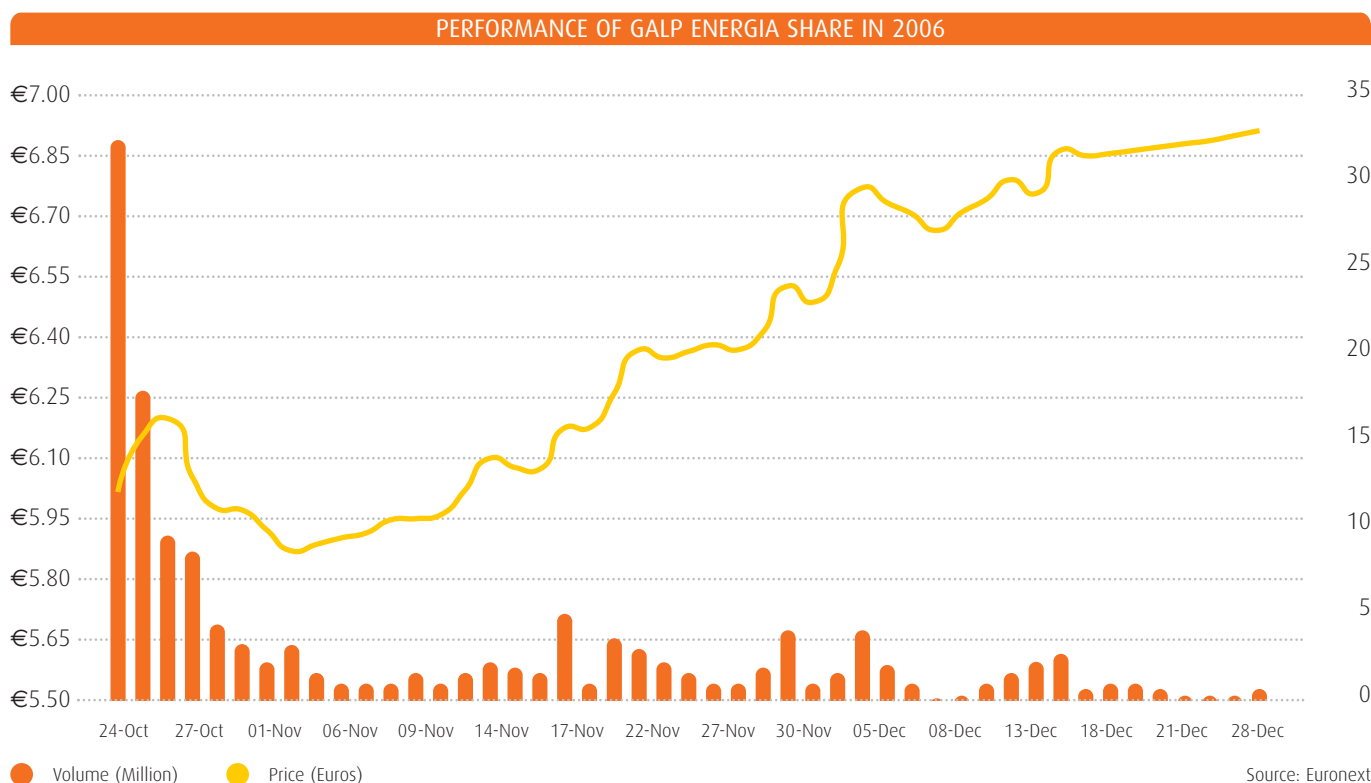
The shares that were acquired in the sub-tranche for Galp Energia employees, small investors and expatriates, with ISIN codes PTGALQAM0005 and PTGALTAM002, were listed on 22 January 2007, upon their availability for trading, under code PTGAL0AM0009.

On Reuters and Bloomberg, Galp Energia's shares have the codes Galp.LS and Galp PL, respectively.

#### » PERFORMANCE OF GALP ENERGIA SHARE

Galp Energia's IPO closed on 23 October 2006. Since that day until 29 December, the last trading day in 2006, the Galp Energia share gained 19% - from 5.81 to 6.94 euros - after having peaked at 6.95 euros on 21 December.

Traded volumes remained stable since listing day with a daily average, excluding the first week, of 1.6 million shares traded. Up to and including 29 December 2006, 139 million shares were traded, which was equivalent to 17% of the share capital of the Company.

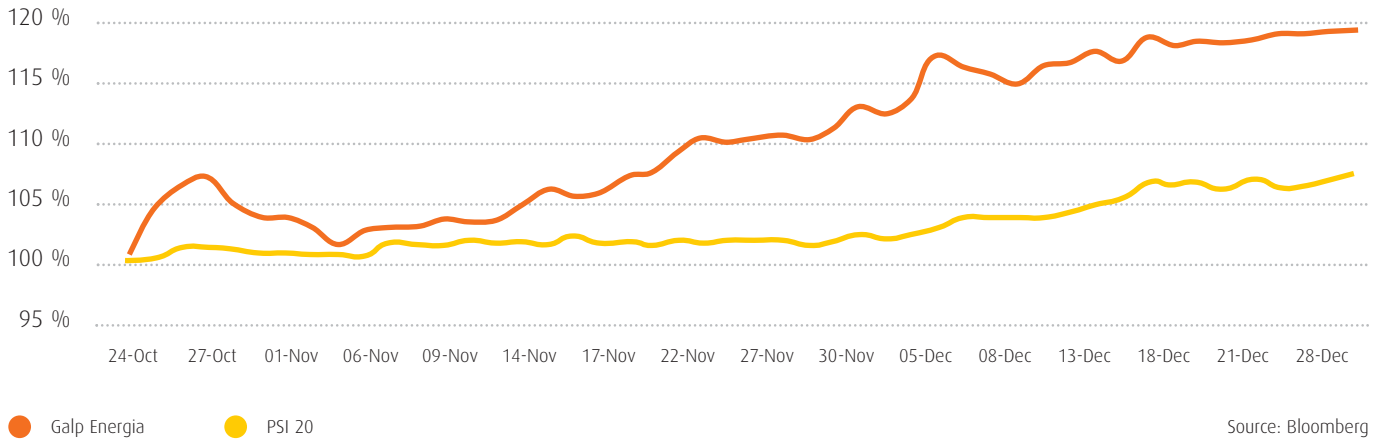


In an extraordinary revision in compliance with the rules of Euronext Índices, B.V., Euronext included Galp Energia on 30 October 2006 in the PSI - 20, the Portuguese market index. In doing this, the Index Committee applied the provision allowing the extraordinary inclusion of new issues, given the capitalisation and the liquidity of Galp Energia shares and because it considered

that its non-inclusion would impair the quality of the index as a market indicator.

In 2006, Galp Energia outperformed the PSI - 20: while the index gained 6% between 23 October and the end of the year, Galp Energia advanced 19%.

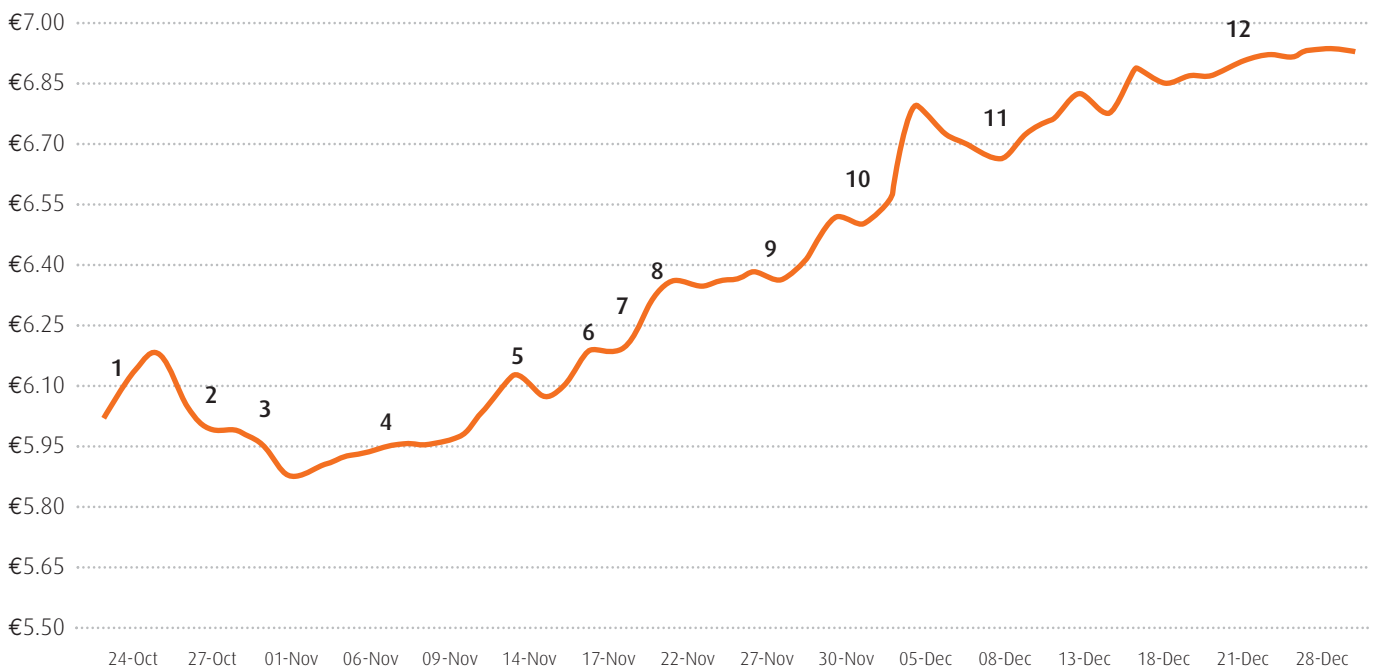
### GALP ENERGIA SHARE VERSUS THE PSI - 20



### PRICE PERFORMANCE AND RELEASES TO THE MARKET

The following graph illustrates the performance of the Galp Energia share in 2006 and the release to the market of price-sensitive and other information.

### PERFORMANCE OF THE GALP ENERGIA SHARE (PACED BY THE RELEASE OF PRICE SENSITIVE INFORMATION)



Source: Bloomberg

## COMMUNICATIONS WITH THE EQUITY MARKET

Nº	DATE OF THE RELEASE	RELEASE
1	24.10.2006	Appointment of the Head of Investor Relations.
2	30.10.2006	Qualified shareholding of Amorim Energia, B.V..
3	01.11.2006	Qualified shareholding of Banco BPI, S.A..
4	08.11.2006	Start of oil production at Campo Lândana in Angola.
5	14.11.2006	Composition of the Board of Directors and the Executive Committee.
6	17.11.2006	Possible acquisition of an equity stake by Gazprom.
7	20.11.2006	Appointment of the new Chairman of the Executive Committee and vice-chairman of the Board of Directors.
8	23.11.2006	Banco Espírito Santo de Investimento, S.A., Caixa - Banco de Investimento, S.A., Merrill Lynch International and Morgan Stanley & Co. International, Limited, global coordinators of the share sale, do not need to stabilise prices.
9	30.11.2006	Earnings for the first nine months of 2006.
10	05.12.2006	Qualified shareholding of CXG Corporación Caixa Galicia, S.A.U..
11	14.12.2006	Qualified shareholding of CXG Corporación Caixa Galicia, S.A.U..
12	21.12.2006	Information regarding Eni Portugal Investment, S.p.A. qualified shareholding.

## 10.2. COMMUNICATIONS WITH THE EQUITY MARKET

### » COMMUNICATIONS POLICY

Galp Energia has adopted a communication policy that aims to provide all relevant information to the market for the formation of a well-founded judgement about the Company's operations and earnings as well as its growth prospects, profitability and risks.

To this end, Galp Energia promotes transparent and coherent communications, supported by stable principles for the disclosure of information and the explanation of the reasons for changes,

if any, so as to ensure comparability of information between reporting periods.

All relevant information is disclosed before the market opens or after it closes and is made available in both Portuguese and English in CMVM's information disclosure system, on the Company's investor relations website and by email to anyone having previously requested it.

## » INVESTOR RELATIONS DIVISION

Upon the IPO's completion in October 2006, an Investor Relations Division ("IRD") was created. Incorporated in the Investor Relations and Corporate Communication Division for the exclusive purpose of establishing effective relationships with both investors and the market.

Reporting directly to the CFO, the IRD's mission is to plan, manage and coordinate all activities required to attain Galp Energia's objectives for its relations with shareholders, institutional investors and financial analysts, among others, resulting in a coherent and complete view of Galp Energia and facilitating investor decision processes. The essence of this mission is to provide the market with information that is rigorous, regular and timely as well as relevant to the formation of the share price.

The IRD's brief includes also taking the necessary steps to fulfil legal and regulatory reporting obligations such as the duty of preparing reports to disclose earnings and operational performance, drafting releases for the disclosure of relevant information, answering information requests by investors, financial analysts and other market participants and assisting the Executive Committee in issues relating to Galp Energia's status as a public company.

Since the third quarter of 2006, Galp Energia discloses information on operations and consolidated results on a quarterly basis.

In its advisory role to the Executive Committee, the IRD follows the performance of the Galp Energia share in the market and provides assistance to both the CEO and CFO in their regular contacts with financial analysts and institutional investors in conferences, road shows and one-on-one meetings, both domestically and abroad.

## I. Activity in 2006

Despite its recent creation in October, when the Company's shares were listed, the IRD has developed an intense market communications activity which took Galp Energia's introduction road show to over 154 investors in Madrid, London, Edinburgh, New York, Boston, Frankfurt and Paris.

Five one-on-one meetings were held with investors in 2006, excluding those held in the initial road show.

For the disclosure of earnings, Galp Energia holds quarterly meetings to discuss results with analysts and investors, in line with the way it presented earnings in the third quarter 2006. Both the CEO and the CFO participate in the earnings announcement by conference call and web cast and sometimes also in meetings with investors and analysts. The day after the earnings disclosure a telephone number is made available that allows callers to access the conference call after it has been held.

Since the IPO, Galp Energia has kept a permanent contact with the financial analysts covering Galp Energia share. During this period, four research reports were published that were directly related to Galp Energia.

## II. Website

Galp Energia makes available a website for the exclusive purpose of disclosing institutional information about Galp Energia.

The address of the site is <http://investor.relations.galpennergia.com>.

Key information disclosed on the Investor Relations website includes:

- A detailed description of Galp Energia's operations;
- Reports and presentations of earnings announcements;

- Annual report in PDF format;
- Real-time releases through CMVM's disclosure system, and appending presentations if applicable;
- Details about the members of the Executive Committee and Board of Directors, including curriculum, picture and background;
- Share prices tracked against the PSI - 20 and the possibility to download historical prices and traded volumes;
- List of equity analysts covering the Galp Energia share;
- Financial calendar with key dates for earnings announcements and dividend resolutions.

The Investor Relations website is available in both Portuguese and English and contains as a rule all material, public information of an institutional nature.

In its efforts to create a close relationship with the financial community, Galp Energia offers on its IR website the possibility of registration in a mailing list whose addressees receive, on an ongoing basis, news and other content posted on the site. Subscribers to this service may cancel their subscription at any time by sending an email to the Investor Relations Division.

The Investor Relations website complies entirely with CMVM's recommendations about how to use the Internet for disclosing institutional information.

In 2006, the site had an average 41 thousand page viewings and 9.4 thousand visits per month.

### III. Email

In addition to being posted on CMVM's information system and Galp Energia's IR website, releases of price-sensitive information and other disclosures are emailed to analysts, institutional investors and all individuals having expressed a request to receive them.

Electronic mail is also a key tool for the Company's communications with the market as it is widely used by the financial community for expressing doubts or requesting information.

The IRD's email is [investor.relations@galpenergia.com](mailto:investor.relations@galpenergia.com).

#### » MARKET RELATIONS REPRESENTATIVE

Galp Energia's representative for market relations is Tiago Maria Ramires da Providência Villas-Boas, head of the Investor Relations and Corporate Communication Department.



### 10.3. OWNERSHIP STRUCTURE

At 31 December 2006, Galp Energia had the following ownership structure:

QUALIFIED HOLDINGS AT 31 DECEMBER 2006			
	NUMBER OF SHARES	% OF SHARE CAPITAL	% OF VOTING RIGHTS
ENI Portugal Investment, S.p.A.	276,472,160	33.34	33.34
Amorim Energia	276,472,161	33.34	33.34
Caixa Geral de Depósitos	8,292,510	1.00	1.00
Portuguese State	41,494,501	5.00	5.00
Parpública	16,585,013	2.00	2.00
Iberdrola	33,170,025	4.00	4.00
Banco BPI	17,150,010	2.07	2.07
Caixa Galicia	16,585,012	2.00	2.00
Other shareholders	143,029,243	17.25	17.25
Total	829,250,635	100.00	-

On 21 February, Galp Energia announced it had been notified by Parpública – Participações Públicas, (SGPS), S.A. on the latter's purchase from the Ministry of Finance of 40,000,000 A shares and 1,494,501 B shares representing 5.0% of the share capital of Galp Energia, SGPS, S.A. With this acquisition, Parpública became the owner of 58,079,514 shares of Galp Energia, SGPS, S.A. representing 7.0% of its share capital and 7.0% of voting rights.

Following the merger of ENI Portugal Investment, S.p.A. into ENI, which was announced on 2 January 2007, ENI became a direct shareholder of Galp Energia.

### 10.4. DIVIDEND POLICY

Galp Energia's dividend distribution policy takes into account several factors affecting the Company's ability to pay dividends, namely market conditions, capital expenditure plans and the Company's financial situation.

Under the terms of the Shareholders' Agreement, the parties thereto shall propose an annual payout of 50% of Galp Energia's net income,

provided the budgeted net debt to EBITDA ratio does not exceed 3.5 for the current and following year.

The following table shows the dividend paid in the last three years, adjusted for the 5-for-1 stock split approved by the General Shareholder Meeting of 31 May 2006.

DIVIDEND DISTRIBUTION	2003	2004	2005
Dividend per share (€)	0.11	0.20	0.27

In connection with the sale of the Natural Gas Regulated Assets, the General Shareholder Meeting of 31 August 2006 approved the distribution of distributable reserves and retained earnings, subject to the sale of the assets, for an amount of 870.7 million euros, or 1.05 euro per share. This distribution was paid on 29 September 2006 following the sale of the assets on 26 September.

## 10.5. TRANSFERABILITY OF THE SHARES

Shares in Galp Energia are freely transferable according to the law and the Company's articles of association do not place any restrictions on their free transferability.

Under the terms of a shareholder agreement between them, Parpública, ENI, Amorim Energia, Iberdrola and CGD in Galp Energia were barred from selling their shares in Galp Energia for a period of 180 days from the date of listing on Euronext Lisbon. The parties are also bound by the Shareholders' Agreement to keep their shareholdings in Galp Energia until 31 December 2010, although they may be disposed of under the extraordinary circumstances referred to in chapter 11.

The parties to the Shareholders' Agreement also undertook not to increase their shareholdings in Galp Energia in the lock-in period beyond 33.34%, except for the situations referred to in chapter 11. In these cases, if Amorim Energia is the seller, CGD has the right, before the other parties, either to buy the shareholding offered for sale or to appoint a third party meeting the requirements set out in the Shareholders' Agreement.

## 10.6. EXERCISE OF VOTING RIGHTS AND SHAREHOLDER PROXY

### » PROMOTING THE EXERCISE OF VOTING RIGHTS

Galp Energia plans to actively promote the exercise of voting rights, either directly – through participation in shareholder meetings and by post – or by proxy. Under this policy, Galp Energia has implemented a number of measures aimed at encouraging shareholder participation in general meetings, namely:

- The possibility to vote by post and make the voting forms available to shareholders;
- The wide disclosure by email and the Internet of upcoming General Meetings and their respective agendas and the various ways of exercising voting rights;
- The clear and detailed description, in the invitation and

preparatory documentation sent to shareholders prior to the General Meeting, of the procedures to be followed in order to exercise the right to vote by correspondence or proxy.

The proposals that will be submitted to the General Shareholder Meeting for a resolution and all the other information required for the preparation of the meeting are made available to shareholders until 15 days prior to the date of the meeting on the Company's address at Rua Tomás da Fonseca, Torre C, 1600-209 Lisboa, and on the Investor Relations website.

Any of the aforementioned pieces of documentation, including voting forms to be sent in by post, may be requested to the publicly known email address.

### » VOTING RIGHTS

All shareholders entitled to vote may participate in the General Shareholder Meeting. Each 100 shares represent one vote and shareholders owning less than 100 shares may join other shareholders in order to vote. In this case, voting is assigned to only one of the grouped shareholders or another shareholder.

Participation in the meeting as a shareholder requires registration of the owned shares until five days prior to the date of the meeting. Evidence of this registration must be produced to Galp Energia until five days before the date of the meeting.

### » PROCEDURES FOR VOTING BY PROXY

Shareholders that are legal persons may be represented at General Shareholder Meetings by any person, provided its appointment is made in writing.

Shareholders that are physical persons may only be represented by a member of the Board of Directors, their spouse, direct-line relatives or other shareholders, provided the appointment is made in writing.

Except for the Portuguese state, the shareholders wishing to be represented at the General Shareholder Meeting shall make the proxy instruments available to Galp Energia until five days

prior to the date of the meeting and in accordance with the law. Legal persons shall also indicate the name of their representatives. The Chairman of the General Shareholder Meeting board may, however, allow the participation of representatives in the meeting that have not been appointed in the prescribed time, if they judge this will not impair the meeting's work.

#### » PROCEDURES FOR VOTING BY CORRESPONDENCE

Shareholders that are entitled to vote may do so by correspondence with regard to each item on the agenda of the General Shareholder Meeting. To this end, they must send to the head office of the Company a letter by registered mail with acknowledgement of receipt addressed to the Chairman of the General Shareholder Meeting board, with a signature that is identical to the one on their identity card. The letter shall be received until the last working day prior to the date of the General Shareholder Meeting.

The letter with the voting intention must be accompanied by a readable photocopy of the shareholder's identity card, in case the shareholder is a physical person. If the shareholder is a legal person, the voting intention shall be signed by the proxy holder, with their signature authenticated in that capacity. Evidence of the registration of the shares in a book-entry security account, must be produced until five days before the date of the Shareholder Meeting.

The letters containing the voting intentions shall be opened by the Chairman of the General Shareholder Meeting board at the start of the session, after the existence of a quorum is ascertained. The result of the vote by correspondence shall be disclosed after the voting of each item.

The votes issued by correspondence shall be counted as negative votes with regard to the resolutions that have been proposed after the votes have been sent.

### 10.7. TRANSACTIONS BETWEEN THE COMPANY AND MEMBERS OF THE GOVERNING BODIES, SHAREHOLDERS OR GROUP COMPANIES

In Galp Energia's course of business, transactions are closed with several entities including companies where the shareholders of Galp Energia own equity stakes. These transactions are conducted according to the best market practice for similar transactions.

A summarized description of some contracts and transactions with related parties are presented below.

#### » ENI – AGIP

Galp Energia signed several agreements with Agip, which is controlled by its shareholder ENI. Under these agreements, Galp Energia sold to and bought oil products from Agip in Portugal and Spain.

In addition, certain ENI group companies (AgipPetroli, S.p.A., SNAM, S.p.A. and Italgas, S.p.A.) have agreed to transfer specialist staff against payment of the attendant costs by Galp Energia, including the costs of any members of the Board of Directors of Galp Energia that may have been elected as representatives of these companies.

#### » AMORIM ENERGIA

Sonangol owns 100% of the share capital of Esperanza Holding, B.V., a company that owns 45% of the share capital of Amorim Energia, one of Galp Energia's current shareholders.

Sonangol is, by law, the exclusive holder of concession rights for the exploration and production of hydrocarbons in Angola. Exercising the rights arising from the concessions it has been awarded by the Angolan government, Sonangol signs production-sharing agreements with other companies whose purpose is the execution of exploration and production operations. Under these agreements, Sonangol sets out the sharing scheme between itself, in its capacity of concession holder, and the other companies, thereby setting up consortia for

sharing future production. Galp Energia is a party to several agreements of this kind within the scope of the operations of its Exploration & Production Business Unit.

On the other hand, Galp Energia and Sonangol are shareholders of Sonangal – Sociedade Distribuição e Comercialização de Combustíveis, Lda. (“Sonangal”) and SOPOR – Sociedade Distribuidora de Combustíveis, S.A. (“Sopor”), which are fuel and lubricant distributors in Angola and Portugal, respectively. Sopor is supplied by Galp Energia and Sonangal is supplied by Sonangol according to supply contracts agreed under normal industry standards. Galp Energia also supplies Sonangol in base oils for lubricants and some finished lubricants under a contract signed for that purpose whose terms are also in line with normal industry practice.

#### » PORTUGUESE STATE - PARPÚBLICA

Under a shareholder agreement signed between the Portuguese State and Petrocontrol, the State agreed to pay 75 million euros to Petrogal subsidiary for the purpose of supporting among other things the execution of a desulphuring project in order to meet the specifications of the Portuguese Auto-oil Programme. Under this agreement, payments should be made in several instalments prior to 31 December 2003. The State has only paid 25 million euros but has already confirmed it will pay the remaining 50 million euros.

#### » CGD

CGD provides several banking services to Galp Energia and is a party to funding agreements with Galp Energia group companies.

#### » BANCO BPI

Banco BPI provides several banking services to Galp Energia and is a party to funding agreements with Galp Energia group companies.

## 11. SHAREHOLDERS’ AGREEMENT

Amorim Energia, ENI Portugal Investment, S.p.A. and REN signed the Shareholders’ Agreement on 29 December 2005. After this date, four addenda to the agreement have been signed between the parties, one of which set out the terms for CGD to become a party to the agreement.

Amorim Energia, ENI and CGD are the current parties to the Shareholders’ Agreement after REN, an initial party, sold to Amorim Energia on 18 September 2006 its entire equity stake of 151,752,865 shares in Galp Energia.

After ENI Portugal Investment, S.p.A. was merged into ENI on 1 January 2007 following an agreement to that end on 13 December 2006, ENI became a direct shareholder of Galp Energia.

The Shareholders’ Agreement governs the following matters:

### 11.1. TEMPORARY RESTRICTION ON THE TRANSFER OF SHARES

The parties are bound to keep their equity stake in Galp Energia until 31 December 2010 (the “lock-in period”), although they may dispose of their shareholdings in the following instances:

- Deadlock situations as detailed below;
- Change of shareholder control as detailed below;
- Default on the Shareholders’ Agreement.

Each one of the parties undertakes, except for the above instances, not to increase in the lock-in period its stake in Galp Energia beyond 33.34%.

In these instances, if Amorim Energia is the seller, CGD has the right, before the other parties, to buy the shareholding offered for sale or to appoint a third party meeting the requirements outlined in “CGD’s preference rights” below.

## 11.2. SALE OF SHARES

From 1 January 2011, when the lock-in period has elapsed, the parties may only sell their shareholdings in a single block. The other parties will have either a preference or tag-along right in any third-party sale, or only a preference right in a sale to the other parties to the Shareholders' Agreement.

If Amorim Energia is the seller, CGD has the preference right to acquire, wholly or partly, the shares offered for sale by Amorim Energia, before the rights of the other parties, or, alternatively, to appoint a third party (that shall meet the requirements outlined in "CGD's preference rights" below) to that end.

In all other selling instances, if CGD should not exercise the aforementioned right, the selling party's shares shall be equally distributed to the parties exercising their preference right irrespective of the size of their equity holding in Galp Energia.

## 11.3. CGD'S PREFERENCE RIGHT

In the instances when Amorim Energia should intend or be forced to sell shares in Galp Energia while the Shareholders' Agreement is in force, CGD shall have the preference right to acquire these shares or to appoint a third party for that purpose. The other parties may only exercise their preference or acquisition right if, and to the extent, CGD will not exercise its preferential acquisition right nor appoint a third party to that end.

Any third party appointed by CGD shall cumulatively fulfil the following requirements:

- It shall not be a controlling shareholder or be in the same group of companies as: (i) CGD, (ii) any public-sector entities, (iii) any companies whose share capital is exclusively owned by the state or (iv) any state-owned enterprises;
- It shall not be a company operating in the energy sector;
- It shall enter into the existing shareholder agreement, taking over the rights and obligations of the selling party.

Except for a sale by ENI, CGD's exercise of preference rights arising from the Shareholders' Agreement may not result in the

Portuguese state or any other related parties holding shares that represent more than 33.34% of the share capital of Galp Energia.

## 11.4. COMPOSITION OF THE GOVERNING BODIES

### » GENERAL SHAREHOLDER MEETING BOARD AND COMPANY SECRETARY

The members of the General Shareholder Meeting board and the Company secretary shall be elected or appointed, as the case may be, upon agreement between the parties, among independent professionals with the required qualifications and experience.

### » COMPOSITION OF THE BOARD OF DIRECTORS AND THE EXECUTIVE COMMITTEE

#### I. Current term, between 1 January 2005 and 31 December 2007:

The parties have reiterated their willingness to keep the members of the Board of Directors of Galp Energia in office until the end of the current term, barring the following situations:

- Replacement of one or more directors by the party that has appointed them;
- Resignation of one or more directors in case the appointing party ceases to be a shareholder of Galp Energia;
- Fair dismissal; or
- Resignation by a director on their own initiative.

#### II. Subsequent terms

The Board of Directors shall have 15 members, five of which shall also be members of the Executive Committee. CGD has the right to appoint a director who will always be the Chairman of the Board of Directors and also the director appointed by the state, in its capacity as a holder of A shares. Both Amorim Energia and ENI shall have the right to appoint six directors. Amorim

Energia, ENI and CGD will together appoint a director. In case an agreement cannot be reached, this director shall be appointed by a majority vote among the three entities, which will require a favourable vote by CGD. Amorim Energia and ENI shall jointly appoint a director, subject to CGD's approval, who may not be refused on unreasonable grounds and will hold the CEO position. The Executive Committee shall have the following composition: the Chairman shall be the CEO and Amorim Energia and ENI shall separately appoint two directors each.

Upon completion of the IPO, in case a director is appointed pursuant to article 392 of the Companies Code, this shall replace the director who has been jointly appointed by Amorim Energia, ENI and CGD, although these parties are bound to a concerted vote for the director's election. The parties may agree to increase to nineteen the number of members of the Board of Directors, in which case both Amorim Energia and ENI shall have the right to appoint an additional director each. The other two directors shall be independent and appointed by ENI and Amorim Energia.

#### » AUDITING AND SUPERVISION

The Shareholders' Agreement provides for Galp Energia to have a Supervisory Board composed of three members and a Statutory Auditor or firm of Statutory Auditors. ENI, Amorim Energia and CGD shall jointly propose a member and its deputy, who shall both be Statutory Auditors and independent. Both Amorim Energia and ENI shall have the right to propose one member each that shall be independent. CGD shall have the right to decide which one of the directors separately appointed by Amorim Energia and ENI will be the Chairman of the Supervisory Board.

The Statutory Auditor or firm of Statutory Auditors shall be proposed to the General Shareholder Meeting by the Supervisory Board.

The Supervisory Board shall secure the services of an independent External Auditor for Galp Energia, who shall be selected among internationally well-known accountancy firms. The External Auditor shall, without impairing the role of either the Supervisory Board itself or the Statutory Auditor, verify Galp Energia's accounts and other annual accounting documents.

#### » DISMISSAL

The parties have agreed that a member of a governing body who has been appointed by one of the parties may be dismissed by that party, which will be responsible for any costs resulting from that action. In the instances where a member of a governing body has been jointly appointed by the parties, the parties may agree their dismissal and shall be responsible for any costs following from that dismissal.

### 11.5. RESOLUTIONS BY THE BOARD OF DIRECTORS

According to the Shareholders' Agreement, approval of the following matters requires a 2/3 majority by the members of the Board of Directors:

- Strategic investments and their respective funding transactions;
- Annual budgets and business plans as well as any changes thereto as well as any resolutions that are not contained in the mentioned documents or exceed by 20% the value of a given item or by 10% the value of the annual budget;
- Transactions with related parties in excess of 20 million euros;
- Appointment of senior managers for Galp Energia or any other companies directly controlled by Galp Energia;
- Issuance of bonds or other securities within the powers of the Board of Directors;
- Change of the articles of association of any company controlled by Galp Energia.

Under the agreement, approval of the matters listed below shall require a 2/3 majority vote by the members of the Board of Directors, which shall at least include the favourable vote by one member of the Board of Directors separately appointed by each one of the parties to the Shareholders' Agreement:

- Strategic divestments by Galp Energia or any company controlled by Galp Energia;

- Participation in businesses outside the scope of Galp Energia's main operations<sup>(10)</sup>namely through the acquisition of equity stakes in companies operating in those businesses;
- Selection of strategic partners in the framework of Galp Energia's main operations;
- Changes to Galp Energia's strategic guidelines, strategic plan or business areas;
- Organisational structure and delegation of powers by the Board of Directors to the Executive Committee or one or more managing directors (including the responsibility areas for the members of the Executive Committee);
- Scope of management independence by the companies controlled by Galp Energia;
- Break-up, merger or liquidation of any company controlled by Galp Energia;
- The signing by companies that are directly controlled by Galp Energia of peer or subordinate group agreements;
- Dividend payments by the companies controlled by Galp Energia;
- Matters related to the special rights of A shares.

#### 11.6. BOARD COMPOSITION FOR THE COMPANIES CONTROLLED BY GALP ENERGIA

The parties have agreed that the board members of Petrogal, GDP and Galp Power shall be the same as the members of Galp Energia's Executive Committee. The Chairman of Galp Energia's Executive Committee shall be the Chairman of these companies' Board of Directors.

#### 11.7. GENERAL SHAREHOLDER MEETING RESOLUTIONS

The parties undertake to present proposals and vote in a concerted and unanimous manner with regard to the following matters requiring, under paragraph 5 of article 12 of Galp Energia's articles of association, a 2/3 majority vote:

- Matters regarding the special rights of A shares;
- Approval of and changes to Galp Energia's strategic guidelines, strategic plan or business areas;
- Resolutions regarding the appropriation of net income or any other distribution to shareholders;
- Issuance of securities outside the powers of the Board of Directors;
- Proposed strategic partnerships submitted by the Board of Directors for approval by Galp Energia's General Shareholder Meeting;
- Approval of Galp Energia's individual and consolidated annual accounts;
- Break-up, merger or liquidation of Galp Energia.

(10) Core operations are considered to be Exploration and Production, Refining, Transportation, Trading and Distribution of oil and oil derivatives, Gas and the Production and Distribution of Electrical power.

## 11.8. DEADLOCK SITUATIONS

In case a quorum is not obtainable for either the Board of Directors or the General Shareholder Meeting to make resolutions on the aforementioned matters, or the parties cannot reach an agreement in thirty days, a deadlock situation is considered to arise under the Shareholders' Agreement, whereby the matter giving rise to the deadlock shall be submitted for appraisal by experts to be appointed by the parties.

In case a party, after the IPO, should have an understanding of the matter causing the deadlock which would differ from the experts' decision and would, therefore, wish to dispose of its shareholding in Galp Energia, it shall as a first step propose the sale of its shares to the other parties to the Shareholders' Agreement. Only if the other parties do not intend to acquire its shareholding, shall the selling party dispose of its holdings in a regulated market.

## 11.9. SALE OF REGULATED ASSETS

The parties have agreed with REN that the price for selling the regulated assets to REN shall be equivalent to their fair market value (the "fair value") to be determined by calculating the arithmetic mean of three valuations by first-rate investment banks. The regulated assets consist of the high-pressure natural gas transportation network (the "network"), three caverns for the underground storage of natural gas at Carriço and the liquefied natural gas ("LNG") terminal at Sines (the "Cave/Terminal") and the rights and obligations arising from the ownership and operation of those assets. Furthermore, if any of the aforementioned valuations should differ by more than 20% from the obtained arithmetic mean, that valuation shall not be considered and the arithmetic mean shall be calculated on the basis of the other two valuations.

### » PRICE OF THE NETWORK

In the absence of a regulatory framework establishing, in particular, the terms and conditions for third-party access to the regulated assets as well as the remuneration of the regulated operations (the

"regulatory framework"), the parties have agreed the preliminary price of 405 million euros for acquisition of the network (the "net preliminary price/network"), calculated on the basis of a total gross price of 738 million euros less net debt of 333 million euros allocated to the network.

The net preliminary price/network shall be adjusted as follows:

- If, when the regulatory framework comes into force, the network's fair value is greater than 738 million euros, REN will pay to Galp Energia the difference between the network's fair value and 738 million euros.

### » PRICE OF THE CAVE/TERMINAL

The parties have agreed that the price of the cave/terminal shall be determined on the basis of its net value and allocated net debt.

## 11.10. DISTRIBUTION OF RESULTS

The parties shall propose the annual distribution of at least 50% of Galp Energia's net income, provided the budgeted net debt to EBITDA ratio does not exceed 3.5 for the current and following year.

## 11.11. CHANGE OF A PARTY'S SHAREHOLDER CONTROL

In case shareholder control of one party (the "affected party") changes while the Shareholders' Agreement is in force ("change of control"), the other parties have the right to acquire the affected party's shareholding in equal proportions, while respecting CGD's preference right as described above in "CGD's preference rights".

Change of control is said to occur under the Shareholders' Agreement when, following one or more actions or agreements and irrespective of their legal form or title,

- One or more entities, individually or jointly, directly or indirectly, come to possess (i) over half of the affected party's share capital or voting rights or (ii) the right to appoint or dismiss the majority of the members of the affected party's Board of Directors;



- One or more entities acquire the possibility to impose or veto the affected party's strategic decisions;
- A merger, signing of peer or subordinate group agreements or any other similar event occurs in relation to the affected party; or
- The whole or at least two-thirds of the affected party's assets are transferred (by any means) to one or more entities.

#### 11.12. ASSIGNMENT OF RIGHTS AND OBLIGATIONS AND ENTRY OF THIRD PARTIES

No party may assign the rights or obligations arising from the Shareholders' Agreement without the other parties' prior written consent or the assignee's prior acceptance of the assignment and its terms, without any reservations.

In case a party's shares are transferred, wholly or partly, to a third party, the transferor undertakes to obtain the transferee's integral and un-conditional acceptance of the provisions of the Shareholders' Agreement.

#### 11.13. COOPERATION DUTIES AND NON-COMPETITION RULES

The parties have agreed to grant Galp Energia certain rights relating to cooperation and non-competition by ENI in the business areas of exploration and production, refining and marketing and natural gas in the Portuguese and Spanish markets. The rights may involve concerted action in certain activities or their rationalisation through transactions at market prices.

#### 11.14. DEFAULT

In case of unremedied default on the Shareholders' Agreement by any party (the "defaulting party"), each party that is not in default shall have the right of (i) acquiring the equity stake owned by the defaulting party in Galp Energia or, alternatively, (ii) receiving a sum in respect of damages. In either case, it shall notify the other parties of its choice in thirty days.

#### 11.15. GENERAL STRATEGIC OBJECTIVES AND GUIDELINES

The parties have agreed the general strategic objectives and guidelines for Galp Energia and shall take the necessary steps towards their implementation.

#### 11.16. VALIDITY

The Shareholders' Agreement was signed on 29 December 2005 between Amorim Energia, ENI and REN and CGD became a party to the agreement on 28 March 2006. The Shareholders' Agreement entered into force on 29 March 2006 and shall remain valid for eight years.

Under article 20, first paragraph c) of the Securities Code, beneficial ownership of voting rights arising from the shares owned in Galp Energia by each party to the Shareholders' Agreement is mutually attributed to the other parties. Consequently, according to the law, Galp Energia is considered to be jointly controlled by the shareholding parties to the Shareholders' Agreement.

With a view to ensuring the independence between the shareholders and the Company while guaranteeing that control by the shareholders is not excessive, basic steps have been taken such as the total transparency in mutual relations and the strict compliance with legal and regulatory norms, namely those regarding transactions with related parties and the avoidance of conflicts of interest.

## APPENDIX 1. DIRECTORS' PROFESSIONAL QUALIFICATIONS, EXPERIENCE AND POSITIONS HELD IN GROUP AND OTHER COMPANIES

### FRANCISCO LUÍS MURTEIRA NABO – CHAIRMAN OF THE BOARD OF DIRECTORS OF GALP ENERGIA, SGPS, S.A.

Age:	67
Academic degrees:	Degree in Economics by the Instituto Superior de Ciências Económicas e Financeiras, Lisbon. MBA at AESE – Escola de Direcção e Negócios, Lisbon.
Positions held in other companies at 31 Dec 2006:	Is a Fundação Oriente curator and, in that capacity, a non-executive director of several companies controlled by the foundation. Is a member of Fundação Aga Khan Portugal's national council, a non-executive director of Holdomnis – Gestão e Investimentos, S.A., Templo – Gestão e Investimentos, S.A. and Seng Heng Bank, Macao. Chairman of the Portuguese Economic Society.
Previous Professional experience:	Secretary of State of Transportation, Minister of Social Equipment. Chairman and Chief Executive Officer of Portugal Telecom, SGPS, S.A..

### MANUEL FERREIRA DE OLIVEIRA – VICE-CHAIRMAN OF THE BOARD OF DIRECTORS AND CEO OF GALP ENERGIA, SGPS, S.A.<sup>(11)</sup>

Idade:	58
Academic degrees:	Degree in Electric Engineering from Oporto University. Master of Science (MSc) in Energy from the University of Manchester. PhD in Energy by the same university. "Professor Agregado" at Oporto University where he became a Professor in 1979. Management studies at IMD, Switzerland, Harvard and Wharton Business School at the University of Pennsylvania.
Positions held in Group companies at 31 Dec 2006:	Member of the Board of Directors and Chairman of the Executive Committee of Petróleos de Portugal – Petrolgal, S.A.. Member of the Board of Directors and Chairman of the Executive Committee of GDP – Gás de Portugal, SGPS, S.A.. Member of the Board of Directors and Chairman of the Executive Committee of Galp Power, SGPS, S.A.. Member of the Board of Directors and Chairman of the Executive Committee of Galp Energia, S.A.. Member of the Board of Directors of Galp Energia España, S.A.. Member of the Managing Board of Galp Exploração e Produção Petrolífera, Lda..
Positions held in other companies at 31 Dec 2006:	Chairman of the Advisory Board of EGP – Escola de Gestão da Universidade do Porto.
Previous professional experience:	Chairman of the Board Directors and CEO of Unicer – Bebidas de Portugal, SGPS, S.A. between 2000 and 2006; Chairman of the Board of Directors and CEO of Petrolgal between 1995 and 2000; between 1980 and 1995 he had executive responsibilities at Lagoven, S.A. (a subsidiary of Petróleos de Venezuela, S.A. – PDVSA, ex-Creole Petroleum Corporation, an Exxon subsidiary), in the areas of Production, Refining, International Trade and Corporate Planning including responsibilities as CEO and member of the Board of Directors of BP Bitor Energy (London), Nynäs Petroleum (Stockholm), Ruhr Oil (Düsseldorf) and PDV Serviços (The Hague).

(11) At 31 December 2006 Manuel Ferreira De Oliveira was a member of the Board of Directors and COO of Galp Energia.

**GIANCARLO ROSSI - VICE-CHAIRMAN OF THE BOARD OF DIRECTORS AND VICE-CHAIRMAN OF THE EXECUTIVE COMMITTEE OF GALP ENERGIA, SGPS, S.A.**

Age:	63
Academic degree:	Degree in Chemical Engineering by Rome University "La Sapienza".
Positions held in Group companies at 31 Dec 2006:	Member of the Board of Directors and the Executive Committee of Petróleos de Portugal – Petrogal, S.A.. Member of the Board of Directors and the Executive Committee of GDP – Gás de Portugal, SGPS, S.A.. Member of the Board of Directors and the Executive Committee of Galp Power, SGPS, S.A.. Member of the Board of Directors and the Executive Committee of Galp Energia, S.A.. Member of the Board of Directors of Galp Energia España, S.A.. Member of the Managing Board of Galp Exploração e Produção Petrolífera, Lda..
Positions held in other companies at 31 Dec 2006:	Chairman of the Board of Directors of ENI Portugal Investment, S.p.A..
Previous professional experience:	Joined ENI in 1970 and held a number of positions until 1979 in the Refining & Marketing division's Supply department, becoming the manager of Supply International Affiliates. Was appointed in 1979 Group Head of Planning and Control. Held several senior positions in the Refining & Marketing Division between 1986 and 1993 such as Chief Operating Officer of Ecofuel. In 1993 he was appointed Managing Director of Foreign Subsidiaries and in 1996 he became a Director of Planning and Special Projects.

**JOSÉ ANTÓNIO MARQUES GONÇALVES - MEMBER OF THE BOARD OF DIRECTORS AND VICE-CHAIRMAN OF THE EXECUTIVE COMMITTEE OF GALP ENERGIA, SGPS, S.A.<sup>(12)</sup>**

Age:	55
Academic degrees:	Degree in Mechanical Engineering by Instituto Superior Técnico, Lisbon. Degree from Harvard Business School, Degree from the General Motors Institute. Several management courses in England, the United States and Japan.
Positions held in Group companies at 31 Dec 2006:	Chairman of the Board of Directors of Petróleos de Portugal – Petrogal, S.A.. Chairman of the Board of Directors of GDP – Gás de Portugal, SGPS, S.A.. Chairman of the Board of Directors of Galp Power, SGPS, S.A.. Chairman of the Board of Directors of Galp Energia, S.A.. Chairman of the Board of Directors of Galp Energia España, S.A.. Chairman of the Managing Board of Galp Exploração e Produção Petrolífera, Lda.. Member of the Advisory Board of Petrogal Brasil, Lda.. Chairman of the Board of Directors of Sacor Marítima, S.A..
Previous professional experience:	Held executive positions at General Motors, Switzerland, where he participated in the Company's expansion plan in Central Europe and Asia. Had executive management roles for seven years at Vauxhall Motors, UK. Was GM Poland's Managing Director from 1996 to 2000 where he led a major expansion plan. In 2001 and 2002, he was GM Mexico's Managing Director and between 2002 and 2004 Chairman and Chief Executive Officer of GM Portugal. Returned to England at the end of 2004 to hold the position of Managing Director of Vauxhall Motors.

(12) At 31 December 2006 José António Marques Gonçalves was Vice-chairman of the Board Of Directors and Chairman of the Executive Committee.

**MASSIMO GIUSEPPE RIVARA – MEMBER OF THE BOARD OF DIRECTORS AND MEMBER OF THE EXECUTIVE COMMITTEE OF GALP ENERGIA, SGPS, S.A.**

Age:	60
Academic degrees:	Degree in Chemical Engineering.
Positions held in Group companies at 31 Dec 2006:	<p>Member of the Board of Directors of Petróleos de Portugal – Petrogal, S.A..</p> <p>Member of the Board of Directors and Member of the Executive Committee of GDP – Gás de Portugal, SGPS, S.A..</p> <p>Member of the Board of Directors and Member of the Executive Committee of Galp Power, SGPS, S.A..</p> <p>Member of the Board of Directors of Galp Energia, S.A..</p> <p>Member of the Board of Directors of Galp Energia España, S.A..</p> <p>Member of the Managing Board of Galp Exploração e Produção Petrolífera, Lda..</p> <p>Chairman of the Board of Directors of GDP Distribuição, SGPS, S.A..</p> <p>Chairman of the Board of Directors of Transgás – Sociedade Portuguesa de Gás Natural, S.A..</p> <p>Chairman of the Board of Directors of Transgás Armazenagem – Sociedade Portuguesa de Armazenagem de Gás Natural, S.A..</p> <p>Chairman of the Board of Directors of Transgás Indústria – Sociedade Portuguesa de Fornecimento de Gás Natural à Indústria, S.A..</p> <p>Member of the Board of Directors of EMPL, Ltd..</p> <p>Member of the Board of Directors of Metragaz.</p> <p>Member of the Board of Directors of Gasoducto Al Andaluz, S.A..</p> <p>Member of the Board of Directors of Gasoducto de Extremadura, S.A..</p>
Previous professional experience:	Superior Vice-president of ENI, S.p.A. – Gas & Power Division and responsible for development, barter and sales of natural gas to large clients, in Italy and abroad (August 2004 – April 2006) and responsible for Marketing and Sales for the Italian market (March 1995 – July 2004).

**ANDRÉ FREIRE DE ALMEIDA PALMEIRO RIBEIRO – MEMBER OF THE BOARD OF DIRECTORS AND MEMBER OF THE EXECUTIVE COMMITTEE OF GALP ENERGIA, SGPS, S.A.**

Age:	32
Academic degree:	Degree in Business Administration from Universidade Católica de Lisboa.
Positions held in Group companies at 31 Dec 2006:	<p>Member of the Board of Directors of Petróleos de Portugal – Petrogal, S.A..</p> <p>Member of the Board of Directors and Member of the Executive Committee of GDP – Gás de Portugal, SGPS, S.A..</p> <p>Member of the Board of Directors and Member of the Executive Committee of Galp Power, SGPS, S.A..</p> <p>Member of the Board of Directors and Member of the Executive Committee of Galp Energia, S.A..</p> <p>Member of the Board of Directors of Galp Energia España, S.A..</p> <p>Member of the Managing Board of Galp Exploração e Produção Petrolífera, Lda..</p>
Previous professional experience:	Held various management positions at Credit Suisse First Boston, London, including director (2003-2005) and Vice-president (2000-2002) at the Fixed Income Division.

**JOÃO PEDRO LEITÃO PINHEIRO DE FIGUEIREDO BRITO – MEMBER OF THE BOARD OF DIRECTORS AND MEMBER OF THE EXECUTIVE COMMITTEE OF GALP ENERGIA, SGPS, S.A.**

Age:	41
Academic degree:	Degree in Economics from Instituto Superior de Economia da Universidade Técnica de Lisboa, with a specialisation in International and Financial Economics.
Positions held in Group companies at 31 Dec 2006:	Member of the Board of Directors and Member of the Executive Committee of Petróleos de Portugal – Petrogal, S.A.. Member of the Board of Directors of GDP – Gás de Portugal, SGPS, S.A.. Member of the Board of Directors of Galp Power, SGPS, S.A.. Member of the Board of Directors of Galp Energia, S.A.. Member of the Board of Directors of Galp Energia España, S.A.. Chairman of the Board of Directors of Sopor – Sociedade Distribuidora de Combustíveis, S.A..
Previous professional experience:	Held several senior positions in Galp Energia's business segment Refining & Distribution, namely Manager of Direct Clients and Manager of the GPL sub-unit.

**FERNANDO MANUEL DOS SANTOS GOMES – MEMBER OF THE BOARD OF DIRECTORS AND MEMBER OF THE EXECUTIVE COMMITTEE OF GALP ENERGIA, SGPS, S.A.**

Age:	60
Academic degree:	Degree in Economics and Visiting Professor at Universidade Lusíada do Porto.
Positions held in Group companies at 31 Dec 2006:	Member of the Board of Directors of Petróleos de Portugal – Petrogal, S.A.. Member of the Board of Directors of GDP – Gás de Portugal, SGPS, S.A.. Member of the Board of Directors of Galp Power, SGPS, S.A.. Member of the Board of Directors of Galp Energia, S.A.. Member of the Board of Directors of Galp Energia España, S.A.. Member of the Managing Board of Galp Exploração e Produção Petrolífera, Lda.. Chairman of the Managing Board of Petrogal Angola, Lda.. Chairman of the Managing Board of Petrogal Moçambique, Lda.. Chairman of the Managing Board of Petrogal Guiné-Bissau, Lda.. Chairman of the Managing Board of Petrogal Brasil, Lda..
Previous professional experience:	Chairman of the Board of Directors of Metro do Porto, S.A. (1993 – 1999), State Councillor, Mayor of Vila do Conde, Mayor of Oporto, MEP where he chaired the Social Affairs and Employment Committee and the delegation for ASEAN country relations, Vice-chairman of the European Union's Regions Committee, Secretary of State and Interior Minister.

**MANUEL DOMINGOS VICENTE – MEMBER OF THE BOARD OF DIRECTORS OF GALP ENERGIA, SGPS, S.A.**

Age:	50
Academic degree:	Degree in Electrical Engineering from Universidade de Angola.
Positions held in other companies at 31 Dec 2006:	Chairman of the Board of Directors of Sonangol since 1999, of UNITEL, S.A.R.L. (Angola's mobile telecommunications company) and Sonils – Sonangol Integrated Logistic Services, Lda. Is also a Member of the Board of Directors of BAI—African Investment Bank and the Carlyle Group, among other roles.
Previous professional experience:	Deputy General Manager of Sonangol (between 1991 and 1999) and Head of the Technical Department of Angola's Ministry of Energy and Oil (between 1987 and 1991).

**JOAQUIM AUGUSTO NUNES DE PINA MOURA – MEMBER OF THE BOARD OF DIRECTORS OF GALP ENERGIA, SGPS, S.A.**

Age:	54
Academic degree:	Degree in Economics and post-graduate studies in Monetary and Financial Economics.
Positions held in other companies at 31 Dec 2006:	CEO of Iberdrola Portugal and member of Iberdrola's Management Committee. Teaches Public Finance, Economic Policy and Portuguese and European Economy at Instituto Superior de Gestão, Lisbon.
Previous professional experience:	Member of two Portuguese governments between October 1999 and July 2001 as Secretary of State, Economy and Finance Minister and Finance Minister.

**CAMILLO GLORIA – MEMBER OF THE BOARD OF DIRECTORS OF GALP ENERGIA, SGPS, S.A.**

Age:	53
Academic degree:	Degree in Mechanical Engineering from Turin Polytechnic. INSEAD's Executive Programme.
Positions held in Group companies at 31 Dec 2006:	Was member of the Executive Committee of Galp Energia, SGPS, S.A., since December 2004 until June 2006.
Positions held in other companies at 31 Dec 2006:	Senior vice-chairman of ENI, S.p.A., Gas & Power Division for international activities, member of the Board of Directors of ENI UK, Senior Manager of ENI Gas & Power Trading, member of the Executive Committee of Unión Fenosa Gas and Vice-chairman of the Supervisory Board of GVS (Germany).
Previous professional experience:	Several management roles at Fiorentina Gás and Italgás.

**DIOGO MENDONÇA RODRIGUES TAVARES – MEMBER OF THE BOARD OF DIRECTORS OF GALP ENERGIA, SGPS, S.A.**

Age:	61
Academic degree:	Degree in Mechanical Engineering.
Positions held in other companies at 31 Dec 2006:	Advisor to the chairman of Amorim Holding.
Previous professional experience:	Several director roles in shipping companies, IPE, the former state-owned holding company. Executive Vice-president of ICEP - Portuguese foreign trade and investments organisation and ITP the Portuguese tourism board.

**ANGELO TARABORRELLI – MEMBER OF THE BOARD OF DIRECTORS OF GALP ENERGIA, SGPS, S.A.**

Age:	58
Academic degree:	Degree in Law.
Positions held in other companies at 31 Dec 2006:	Chief Operating Officer of ENI, S.p.A. in the business segment Refining & Marketing.
Previous professional experience:	Between 2003 and 2004, Deputy COO of ENI, S.p.A., Division of Refining & Marketing, after the merger of AgipPetroli with ENI, S.p.A. and, between 2002 and 2003, CEO of Marketing Operations at AgipPetroli, S.p.A.

**MANUEL CARLOS COSTA DA SILVA – MEMBER OF THE BOARD OF DIRECTORS OF GALP ENERGIA, SGPS, S.A.**

Age:	54
Academic degree:	Degree in Economics from Oporto's Economic University (1977), with complementary qualifications in International Management, Information and Accounting Systems and Control Management.
Positions held in other companies at 31 Dec 2006:	Member of the Board of Directors of Amorim Energia and Member of the Board of Directors of Amorim – Investimentos Energéticos, SGPS, S.A..
Previous professional experience:	Chairman and CEO of ICEP – Portuguese Agency for Economic Promotion, Chairman and CEO of IAPMEI – Institute for the Support of SMEs and Investment and Chairman of the General Council of the Guarantee Fund for Securitization. Managing Director of CTC – Technological Centre for Footwear (1978-2004) and member of the Executive Committee of CEC - European Footwear Confederation. Chairman of the Specialised Internationalisation Committee of the Portuguese Business Association.

**MARCO ALVERÀ – MEMBER OF THE BOARD OF DIRECTORS OF GALP ENERGIA, SGPS, S.A.**

Age:	31
Academic degree:	Bachelor's degree in Mathematics, Economics and Latin from Sevenoaks School, Kent Bachelor of Science in Philosophy and Economics from the London School of Economics and Political Science.
Positions held in other companies at 31 Dec 2006:	Vice-president of the Procurement and Portfolio Development Division of the business segment Gas & Power at ENI, S.p.A.
Previous professional experience:	Assistant to the CEO of ENI, S.p.A. for special projects, from 2005 to 2006, CFO of Wind Telecomunicazioni S.p.A., from 2004 to 2005, Director of Corporate Strategy at ENEL, S.p.A., from 2002 to 2004 and founder and Chairman of the Board of Directors of NETESI, S.p.A., from 2000 to 2002.

**ALBERTO ALVES DE OLIVEIRA PINTO – MEMBER OF THE BOARD OF DIRECTORS OF GALP ENERGIA, SGPS, S.A.**

Age:	74
Academic degree:	Degree in Economics and Finance.
Positions held in other companies at 31 Dec 2006:	Non-executive director of Banco Espírito Santo.
Previous professional experience:	Held senior management positions at several financial and industrial institutions. Chairman of the Board of Directors of Banco Nacional Ultramarino, Vice-Governor of Portuguese Central Bank and Chairman of the Board of Directors of Caixa Geral de Depósitos and Banco Nacional de Crédito Imobiliário.



**PEDRO ANTÓNIO DO VADRE CASTELINO E ALVIM – MEMBER OF THE BOARD OF DIRECTORS OF GALP ENERGIA, SGPS, S.A.**

Idade:	71
Academic degree:	Degree in Law.
Previous professional experience:	Started his professional career in 1960 at Sacor, joined Grupo Borges & Irmão in 1965 where he stayed until 1976. Was a General Manager of Banco de Crédito Comercial e Industrial, in Mozambique and an executive director of Angol. Between 1976 and 1985 he served on Technip, Rome, where he promoted and coordinated several projects in Portugal, Africa and Latin America. He was also the representative for Portugal of IRI's Italmimpianti. Up to 1998 he worked with Italgás and was a director of Lusitaniagás and Setgás. Was a director of Italogro, Parmalat Portugal and Grupo Tivoli and participated in the negotiations that led FIAT into Soares da Costa Construções, S.A..

**ALBERTO MARIA ALBERTI – MEMBER OF TGHE BOARD OF DIRECTORS OF GALP ENERGIA, SGPS, S.A.**

Age:	51
Academic degree:	Degree in Chemical Engineering.
Positions held in other companies at 31 Dec 2006:	ENI, S.p.A. - Deputy Chief Operating Officer for industrial operations.
Previous professional experience:	ENI, S.p.A. executive with several management roles in the Refining & Marketing Division.

## APPENDIX 2. SUPERVISORY BOARD MEMBERS' PROFESSIONAL QUALIFICATIONS, EXPERIENCE AND POSITIONS HELD IN GROUP AND OTHER COMPANIES

**Daniel Bessa Fernandes Coelho** is, since June 2000, the Dean of Oporto University Business School. He is also a director of Finibanco, a non-executive director of Efacec Capital, Chairman of the Advisory Board of IGFCSS – Instituto de Gestão de Fundos de Capitalização da Segurança Social and Chairman of the Supervisory Board of SPGM - Sociedade de Investimentos. He is an economist from Oporto University and has a PhD in Economics from Technical University of Lisbon.

**José Honorato Ferreira** is a director of Fundação Luso-Espanhola. He was a Director of Euro Desk at Mundial-Confiança Group (Banco Totta & Açores, Banco Pinto & Sotto Mayor, Crédito Predial Português and Companhia de Seguros Mundial-Confiança), in charge of the plan for transition to the euro. From September 1997 to October 2001, advisor to the chairman of the Board of Directors of Banco Totta & Açores. In November 1995 he was an advisor to the Prime Minister. From November 1985 to October 1991 (X e XI Constitutional Governments), he was the Prime Minister's chief of staff. He has a degree in Economics from Instituto Superior de Ciências Económicas e Financeiras.

**José Maria Rego Ribeiro da Cunha** is a Managing Partner of Amável Calhau, Ribeiro da Cunha e Associados – Sociedade de Revisores Oficiais de Contas since 1981. He was an auditor at the international accountancy firm Arthur Andersen & Co between 1975 and 1977 and an Auditor Manager at Sociedade de Revisores Oficiais de Contas António Almeida e Augusto Martins Moreira between 1977 and 1981. He becomes a Statutory Auditor in 1981 and is member No. 497 of the Institute of Statutory Auditors. He has a degree in Finance from Instituto Superior de Ciências Económicas e Financeiras.

**Amável Alberto Freixo Calhau** is a Statutory Auditor and 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 in a firm of Statutory Auditors between 1970 and 1979 and a Statutory Auditor on his own in 1980.

» EDITION

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