

Additional information on the Corporate Governance Report

After the publication of the Portuguese version of the Corporate Governance Report (“Report”) for 2008, Galp Energia, SGPS, S.A. (“Galp Energia” or “Company”) has received from the Portuguese Securities Market Regulator (“CMVM”) several comments to the document, which should result in some additional clarifications by Galp Energia to the content of the Report.

CMVM’s Comment:

Recommendation I.4.1 - Quorum and resolutions – Galp Energia considers this recommendation as not applicable. In CMVM’s opinion the explanations given could be used for a non adoption justification.

Galp Energia’s Comment:

Although CMVM considers this recommendation as not adopted, Galp Energia considers that the rules established on the Company’s articles of association, in line with the provisions on article 383 of the Companies Code, don’t make more difficult to obtain the quorum necessary to take important decisions for the Company, therefore considering that the explanation, accepted by the CMVM, should justify the non applicability of this recommendation.

CMVM’s Comment:

Recommendation I.6.1 - Steps taken should take account of the interests of the Company – Galp Energia considers this recommendation as adopted. Given the existence of a shareholders agreement, which aggregates a considerable part of the share capital, with vote limitations, the CMVM considers that this recommendation should be deemed not adopted.

Galp Energia’s Comment:

Galp Energia considers that the existence of a shareholders agreement, according with the content of the recommendation shouldn’t be reason for non adoption. However, given CMVM’s opinion Galp Energia agrees to consider this recommendation as not adopted.

CMVM’s Comment:

Recommendation II.1.2.2 - Non-executive directors must include a suitable number of independent directors – Galp Energia considers this recommendation as not applicable. In CMVM’s opinion the explanations given could be used for a non adoption justification.



Galp Energia's Comment:

Although CMVM considers this recommendation as not adopted, Galp Energia considers that its explanation, accepted by the CMVM, should justify the non applicability of this recommendation.

CMVM's Comment:

Recommendation II.1.5.1 - The remuneration of the members of the management body shall be aligned with the interests of the company, namely (...) the variable component shall be consistent with the maximization of the long-term performance of the Company – Although Galp Energia considers this recommendation as adopted, CMVM doesn't find any reference to the long-term performance of the Company (see page 35).

Galp Energia's Comment:

According with CMVM's comments Galp Energia agrees to consider this recommendation as not adopted.

CMVM's Comment:

Recommendation II.1.5.2 – Should be submitted to the general meeting a statement on the remuneration policy on the management and supervisory bodies and other directors as provided for in article 248/3/b of the Portuguese Securities Code – Although Galp Energia considers this recommendation as adopted, CMVM doesn't find any reference to other director's remuneration policy.

Galp Energia's Comment:

Galp Energia has adopted a remuneration policy for its others directors, as provided in article 248/3/b of the Portuguese Securities Code, which is based on the different assessment of technical skills necessary to correctly perform the duties of each position, also providing guidance for career evolution and salary progression, and performing the assessment of individual and common goals defined according to the specifications of each job and in line with the budget and business plan, from which results the variable remuneration.

CMVM's Comment:

“Besides the comments to CMVM's recommendations we would like to draw your attention to the incompatibility analysis performed by Galp Energia which was only focused on the independent directors, when it should be carried out for all non-executive members, according with paragraph II.9 of CMVM's Regulation 1/2007. If the information is not completed, that could give the idea that the other directors do not comply with the incompatibility requisites.”



Galp Energia's Comment:

The analysis performed was based on the cumulative enforcement of incompatibility and independence requisites, contained in article 414-A paragraph 1 and article 414 paragraph 5 of the Companies Code, respectively, hence should be considered that all the other non executive directors comply with the incompatibility requisites contained in article 414-A, paragraph 1 of the Companies Code.

CMVM's Comment:

"Other issue that should be complemented relates with services other than auditing that amounted to 880 thousand euros. We ask for a more detailed breakdown in terms of the type of service and amounts paid."

Galp Energia's Comment:

Galp Energia would like to complement the information regarding the external auditor remuneration, in particular on the services other than auditing that amounted to 880 thousand euros. This amount includes 422 thousand euros for a project related with accounts consolidation, 118 thousand euros in fiscal consultancy associated with the acquisition of Agip and ExxonMobil Iberian affiliates and 160 thousand euros related with the arbitrage process of the natural gas contracts. The remaining 180 thousand euros are spread through several projects with individual price below 40 thousand euros.

Galp Energia, SGPS, S.A.

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