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Corporate Governance Report 2015





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

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PART I

INFORMATION ON THE COMPANY'S
SHAREHOLDING STRUCTURE,
ORGANIZATION AND GOVERNANCE

A. Shareholding structure

- I Capital structure
- II Company shares and bonds held

I Capital structure

1. Capital structure (share capital, number of shares, distribution of capital per shareholder, etc.), including indication of shares not accepted for trading, different categories of shares, rights and duties of these shares and the equity percentage that each category represents (Art. 245(A) (1) (a))

The share capital of Galp Energia SGPS (hereafter Galp) is EUR 829,250,635, fully paid and represented by 829,250,635 common shares with a unit par value of one euro.

771,171,121 shares, corresponding to 93% of the share capital and voting rights are admitted for trading on the official NYSE Euronext Lisbon market.

The remaining 58,079,514 shares are not admitted for trading and are indirectly held by the Portuguese state through Parpública – Participações Públicas, (SGPS), S.A. (Parpública). These shares, which represent 7% of the share capital, are a special category of shares undergoing a privatisation process, and may be converted into common shares on completion of this process, by simple request sent to Galp.

Conversion is effective immediately on request, without the need for approval from any of the Company's corporate bodies.

Codes and tickers of share Galp

ISIN	GALP	PTGALOAM0009
	State shares subject to privatization processes	PTGALXAM0006
Sedol		B1FW751
WKN		AOLB24
Bloomberg		GALP PL
Reuters		GALP.LS

2. Restrictions on the transferability of shares, such as consent clauses for their disposal, or restrictions on share ownership (Art. 245(A) (1) (b))

Galp shares of association are freely transferable under the terms of the general scheme, with no statutory restrictions that may impede their transferability or ownership.

Galp's By-laws do not provide for limitation on the number of votes that may be held or exercised by a single shareholder, individually or by agreement with other shareholders.

3. Number of treasury shares, corresponding percentage of share capital and percentage of voting rights corresponding to treasury shares (Art. 245(A) (1) (a))

At 31 December 2015, Galp had no treasury shares in its portfolio.

4. Significant agreements to which the Company is a party and which take effect, are amended or terminate in the event of change of control of the Company following a takeover bid, as well as the respective effects, unless, by their nature, disclosure would be seriously damaging to the Company, unless the Company is specifically obliged to disclose such information by virtue of other legal requirements (Art. 245(A) (1) (j))

Galp is not party to significant agreements that take effect, are amended or terminate in the event of a change of control of the Company following a takeover bid, except in the situations provided for in financing agreements, in accordance with normal market practice, some of which provide, in the event of a change of control of the Company, for the possibility of a financial institution requesting early repayment of the loan which maximum amount is EUR 1.1 billion.

Galp does not adopt measures whose effect is to demand payments or the assumption of costs by the Company in the event of a transfer of control or change in the composition of the Board of Directors and which might damage the free transferability of the shares and the free appraisal of the performance of the members of the Board of Directors by the shareholders.

5. Regime governing renewal or revocation of defensive measures, in particular those which provide for limitation on the number of votes that can be held or exercised by a single shareholder individually or by agreement with other shareholders.

Galp's By-laws enshrine the one share, one vote principle, with no statutory provisions or other legal instruments providing for any limitation on the number of votes that can be held or exercised by a single shareholder individually or by agreement with other shareholders.

At the same time, Galp's By-laws do not contain any provisions intended to prevent the success of takeover bids or to establish any voting caps.

6. Shareholder agreements that are known to the Company and may result in restrictions on the transfer of securities or voting rights (Art. 245(A) (1) (g))

The Board of Directors is not aware of any shareholder agreements relating to Galp that could lead to restrictions on the transfer of securities or the exercise of voting rights.

The agreements entered into by Amorim Energia B.V. (Amorim Energia), Caixa Geral de Depósitos, S.A. (CGD) and Eni, S.p.A. (Eni) ceased to be applicable to CGD and Eni when the latter two sold their participation in the Galp share capital. These agreements stipulated, under article 20 (1) (c) of the CVM, that the voting rights corresponding to the shares held by each of the parties to the shareholder agreement be allocated to the remaining parties.

II

Company shares and bonds held

7. Identification of natural or legal persons that, directly or indirectly, are holders of qualifying interests (Art. 245(A) (1) (c) and (d) and Art. 16), with details of the percentage of capital and votes allocated and the source and causes of allocation

Like the regime applicable in other European countries, Portuguese law establishes report requirements to the Portuguese Securities Market Commission (CMVM) and to Galp for shareholders and other entities that meet certain requirements set forth in Article 20 of the Securities Code (CVM) whenever the holdings which are allocable to them reach, exceed or fall below the limits of 2%, 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 and 90% of the voting rights corresponding to the Galp share capital. The voting rights allocation situations listed in Article 20 of the CVM can be viewed at www.cmvm.pt.

At 31 December 2015, qualifying holdings in Galp's share capital, calculated in accordance with article 20 of the CVM, are presented in the following table.

QUALIFYING HOLDINGS IN GALP SHARE CAPITAL AT 31 DECEMBER 2015

Shareholder	N.º shares	% of right
Amorim Energia, B.V.		
Holdign	317,934,693	38.34%
Other allocation	-	-
Allocable	317,934,693	38.34%
Parpública - Participações Públicas (SGPS), S.A.		
Holdign	58,079,514	7.00%
Other allocation	-	-
Allocable	58,079,514	7.00%
BlackRock, Inc.		
Holdign	20,307,726	2.45%
Other allocation	-	-
Allocable	20,307,726	2.45%
Standard Life Investments (Holdings) Limited		
Holdign	17,512,906	2.11%
Other allocation	-	-
Allocable	17,512,906	2.11%
Black Creek Investments Management Inc.		
Holdign	-	-
Other allocation ¹	16,966,453	2.05%
Allocable	16,966,453	2.05%
Templeton Global Advisors Limited		
Holdign	16,870,865	2.03%
Other allocation	-	-
Allocable	16,870,865	2.03%
Schroders plc		
Holdign	16,715,797	2.02%
Other allocation	-	-
Allocable	16,715,797	2.02%
The Bank of New York Mellon Corporation		
Holdign	-	-
Other allocation ²	16,665,319	2.01%
Allocable	16,665,319	2.01%
CI Investments Inc		
Holdign ³	16,693,913	2.01%
Other allocation	-	-
Allocable	16,693,913	2.01%

¹ Through the management of shares held by 13 funds that have delegated proxy powers to Black Creek for the discretionary exercise of voting rights.

² Through the management of shares held by funds of the Bank of New York Mellon Corporation Group.

³ Shares held by 27 funds, including 14,944,013 shares under management by Black Creek to which CI Investments have granted discretionary voting rights.

Transactions in qualifying holdings in 2015

The calculation of free float does not include shares held for the long-term by shareholders with a position greater than or equal to 5% of the share capital.

In early 2015, BlackRock, Inc. (BlackRock) and Templeton Global Advisors Limited (Templeton) held a 2.450% and 2.024% shareholding, respectively, in Galp.

In March 2015, Standard Life Investments (Holdings) Limited (Standard Life) announced a holding of 2.112% in the Company's share capital.

In May 2015, Eni announced an offer to repurchase its convertible bonds issued in 2012, representing approximately 4% of Galp's share capital.

In August, The Bank of New York Mellon Corporation (BNY Mellon) announced a holding of 2.010% in Galp's share capital.

In October, Eni sold shares representing approximately 4% of Galp's share capital, and in November announced the sale of its remaining interest in the Company to institutional investors through an accelerated book building process. As a result, Eni, which in 2012 held an interest of 33.34% in the Company's share capital, no longer has any interest in Galp.

In November, Schroders plc (Schroders) announced a holding of 2.016% in the Company's share capital.

During December, Black Creek Investment Management Inc. (Black Creek) announced that it had a 2.046% holding in the share capital of Galp.

Also in December, CI Investments Inc. (CI Investments) announced that it then held a 2.013% interest in the Company's share capital, including 14,944,013 shares under management by Black Creek, to which CI Investments has ceded voting rights.

JPMorgan Chase & Co. announced a qualifying holding and long position of 2.106% in the Company in 2015, while the UBS Group AG announced a qualifying holding of 2.263% in the Company. However, both announced a reduction of their holdings in Galp, and in the long position held by JPMorgan Chase & Co., during the course of 2015.

Also in 2015, EuroPacific Growth Fund (EUPAC) and its parent group, The Capital Group Companies, Inc, announced a reduction of their shareholding in the Company from 2.037% and 4.902% to 0.00% and 1.651%, respectively.

Share capital dispersion

In 2015, Galp's free float increased from the end of 2014, from 46.66% to 54.66%. This change was mainly due to the disposal by Eni S.p.A. (Eni) of its entire shareholding in the Company.

The calculation of free float does not include shares held for the long-term by shareholders with a position greater than or equal to 5% of the share capital.

Accordingly, at year-end 2015, 54.66% of Galp's shares were freely traded on the market. About 87% of the free float, i.e. 48% of the total shareholder base, was held by institutional investors. At the end of the year, the shareholder base included investors from around 35 countries across four continents. Investors outside Europe accounted for 61% of free float and are largely concentrated in North America, where institutional investors held 33% of free float. Individual investors accounted for approximately 7% of Galp's share capital.

Description of the main shareholders

Amorim Energia is based in the Netherlands. Its shareholders are Power, Oil & Gas Investments, B.V. (35%), Amorim Investimentos Energéticos, SGPS, S.A. (20%) and Esperaza Holding, B.V. (45%) The first two companies are controlled either directly or indirectly by Américo Amorim and the latter is controlled by Sonangol, E.P., an Angolan state-owned oil company.

Parpública is a state-owned entity that manages Portuguese State holdings in a number of companies.

BlackRock is a global investment management firm founded in 1988. It is based in New York and listed on the New York Stock Exchange.

Standard Life is an investment management firm founded in 2006 and based in Edinburgh, UK.

Black Creek is an investment fund management firm founded in 2004 and based in Toronto, Canada.

Templeton is a financial investment firm based in Nassau, Bahamas, affiliate of Franklin Resources Inc., based in San Mateo, California.

Schroders is a multinational asset management company founded in 1804 and based in London. It is listed on the London Stock Exchange and is a constituent of the FTSE 100 index.

BNY Mellon is a financial investment firm, founded in 2007 and based in New York.

CI Investments is an investment fund management firm founded in 1965 and based in Toronto, Canada.

8. Indication of the number of shares and bonds held by members of the board of directors and the supervisory board.

The number of shares held by members of the board of directors and the supervisory board is presented in Annex 1 to this Report.

At 31 December, 2015, none of the members of the Board of Directors held any bonds issued by the Company.

At 31 December 2015, the Chairman of the Supervisory Board held Galp Energia, SGPS, SA, bonds at an interest rate of 4.125%, maturing on 25/01/2019 and had performed no transaction during 2015.

9. Special powers of the Board of Directors, in particular in respect of resolutions on capital increases (Article 245(A)(1)(I)), indicating, regarding such resolutions, the date on which the powers were assigned, the term during which the power may be exercised, maximum quantitative limit of the capital increase, the amount already issued under the allocation of powers and mode of implementation of assigned powers.

Galp's Board of Directors have the typical powers of Company management set forth in corporate legislation for the respective corporate governance model. The By-laws do not provide for any special powers for that body, namely empowering the Board of Directors to make decisions on increases in Company share capital.

The General Shareholders Meeting, at its meeting of 16 April, 2015, decided to authorize the Board of Directors, under Articles 319 and 320 of the Commercial Companies Code (CSC) and Article 5(3) and Article 6 of Galp's By-laws, to acquire and sell treasury shares or other debt securities, in accordance with the respective resolutions available on the Galp website at <http://www.galpennergia.com/EN/Investidor/AccaoGalpEnergia/Documents/Item%2014.pdf>

10. Information about significant relationships of a commercial nature between the owners of qualifying holdings and the Company

As part of Galp's current activity, business was conducted under normal market conditions for similar transactions with Eni, the holder of a qualifying interest until November 2015, in which the Group companies, namely Galp Gás Natural, SA and Petróleos de Portugal - Petrogal, SA entered into contracts for the purchase and sale of crude oil, petroleum products and natural gas to Eni.



PART I

B. Corporate bodies and committees

- I General Shareholders Meeting
- II Management and Supervision
- III Supervision
- IV Statutory Auditor
- V External auditor

I

General Shareholders Meeting

a) MEMBERSHIP OF THE BOARD OF THE GENERAL SHAREHOLDERS MEETING

11. Identification and position of the members of the board of the General Shareholders Meeting and mandate (start and end)

Under Article 11 (2) of Galp's By-laws, the Board of the General Shareholders Meeting consists of a Chairman, Vice-Chairman and a Secretary, elected by the General Shareholders Meeting.

The members of the Board of the General Shareholders Meeting elected for 2015-18, starting on 16 April 2015 and ending on 31 December 2018, are as follows:

Chairman: Daniel Proença de Carvalho Vice-Chairman: Victor Manuel Pereira Dias Secretary: Maria Helena Claro Goldschmidt

b) VOTING RIGHTS

12. Any restrictions on voting rights, such as limitations on voting depending on the number or percentage of shares held, time limits for the exercise of voting rights or systems of enhanced equity rights (Article 245(A)(1)(f))

Galp's By-laws enshrine the one share, one vote principle, with no statutory provisions or other legal instruments providing for any limitation on the number of votes that can be held or exercised by a single shareholder individually or by agreement with other shareholders.

The right to vote is exercised pursuant to Article 10 (1) Galp's By-laws and shareholders may participate, discuss and vote at the General Shareholders Meeting in person or by proxy, provided that on the date of registration, i.e. 00:00 (GMT) of the 5th trading day prior to the date of the General Shareholders Meeting, they are the holders of at least one share.

Ownership of shares is proved by sending a declaration issued and sent, including by email, by the financial broker with information on the number of shares registered and the registration date, to the Chairman of the Board of the General Shareholders Meeting by the end of the 5th trading day prior to the date of the General Shareholders Meeting,

Participation in the General Shareholders Meeting also requires the shareholder to state such intention in writing and to send it, including by email, to the Chairman of the Board of the General Shareholders Meeting and to the financial intermediary with whom the individual registration account is open, by the end of the 6th trading day prior to the date of the General Shareholders Meeting.

The exercise of these rights is not affected by the transfer of the shares at any time after 00:00 (GMT) on the date of registration and is not affected by any blocking between that date and the date of the General Shareholders Meeting. However, shareholders who, having declared their intention to participate in the General Shareholders Meeting, transfer ownership of shares between 00:00 on the date of registration and closure of the General Shareholders Meeting shall immediately inform the Chairman of the Board of the General Shareholders Meeting and the CMVM.

In its By-laws (Article 10(6) to (9)) Galp permits voting by post, broadly and without any restrictions.

Shareholders may exercise their postal voting rights on each agenda item by sending a registered letter with acknowledgement of receipt to the Chairman of the Board of the General Shareholders Meeting at the registered office of the Company, where it must be received by the day before the date of the General Shareholders Meeting, accompanied by a photocopy of the identification document or, if the shareholder is a legal person, the vote declaration must be signed by the attorney and the letter must also contain proof of registration, on behalf of the shareholder, of the shares with which it intends to exercise the right to vote, in an account of book-entry securities. Letters containing voting declarations are opened by the Chairman of the Board of the General Shareholders Meeting at the start of the agenda and postal votes are counted in determining whether or not the Meeting is quorate, with the postal vote for each agenda item disclosed at the point to which it relates.

Postal votes will be counted as votes against proposals submitted or amended after the vote is cast, except in the case of elective resolutions, where such votes are considered not cast.

The right of postal vote may be exercised electronically, in accordance with the requirements defined by the Chairman of the Board of the General Shareholders Meeting when notification is sent of each General Shareholders Meeting, to guarantee authenticity and confidentiality.

Neither the By-laws nor any other instruments provide any restrictions on voting rights, such as limitations on exercising the vote depending on the number or percentage of shares held, imposition of time limits for the exercise of voting rights or systems of enhanced equity rights (Article 245(A)(1)(f)).

Galp has not established any mechanisms whose effect is to create a discrepancy between the right to receive dividends or subscribe new securities and the voting rights of each share.

13. Indication of the maximum percentage of voting rights that may be exercised by a single shareholder or shareholders related to said shareholder as per Article 20(1).

Galp's articles of association do not provide any limitation on the voting rights that may be exercised by a single shareholder or shareholders in any of the relationships with said shareholder that contribute to the allocation of voting rights under Article 20(1) of the CVM.

14. Identification of shareholder resolutions that, by statutory requirement, may only be taken with a qualified majority, in addition to those provided by law and indication of these majorities.

Galp's By-laws establish, in accordance with applicable corporate law, that resolutions of the General Shareholders Meeting are passed by simple majority of the votes cast, not counting abstentions, except where the law or By-laws require a qualified majority.

The Company's By-laws establish the requirement for the resolutions of the General Shareholders Meeting to be adopted by a qualified majority of two-thirds of the votes cast only when they relate to the following matters:

- a) resolutions on matters relating to the Company's management submitted to it by the Board of Directors;
- b) amendments to the By-laws, including capital increases, as well as limitation or withdrawal of the pre-emptive rights of shareholders;
- c) demerger, merger or dissolution of the Company.

In relation to the resolutions of the General Shareholders Meeting on the matters referred to in b) and c) or other matters for which the law requires a qualified majority, the deliberating quorum of two thirds of the votes is applicable in both the first and the second call, even if shareholders holding at least half of the capital are present or represented.

II

Management and Supervision

(Board of Directors, Executive Committee and General and Supervisory Board)

a) COMPOSITION

15. Identification of the governance model adopted

Galp's corporate governance model uses a management structure comprising a Board of Directors, an Executive Committee with powers delegated by the Board to exercise day-to-day management, a robust supervisory framework including the Supervisory Board and the Statutory Auditor, and a Company Secretary providing specialist support to the Company's corporate bodies.

The corporate bodies within our governance model are mandatory for companies with shares listed for trading in a regulated market and which adopt the one-tier model under article 278(1)(a), article 413(1)(b) and (2)(a) and article 446(A)(1) of the Commercial Companies Code (CSC).

Galp's governance model is designed to ensure the transparency and effectiveness of the Group through a clear separation of powers between the different corporate bodies. Whilst the Board of Directors exercises oversight, control and supervision of strategic matters and manages relations between shareholders and other corporate bodies, the duties of the Executive Committee – which are delegated by the Board of Directors – are operational in nature and entail the day-to-day management of business units and corporate services.

The existence of matters that are the exclusive remit of the Board of Directors enables this higher body of the Company to monitor and control Galp's strategic issues.

The allocation of responsibility for coordinating specific management areas of the Executive Committee to each of its members, without prejudice to the collective nature of the exercise of management functions by this body, promotes the effective monitoring of the Company's management and the use of synergies within each business unit and in the company as a whole.

The Chairman of the Board of Directors has, in addition to such other authority and responsibilities as are provided by applicable laws or regulations, the authority and responsibility to coordinate and supervise relations between the Company and its shareholders, including majority shareholders, in accordance with the Company's objectives, the long-term interests of shareholders and in

the interest of ensuring the sustainable development of the Galp group's business.

Under the legal provisions applicable to the relationship between the non-executive members of the Board of Directors and the Executive Committee, namely in respect of monitoring by non-executive members of the Executive Committee's activity, in accordance with Article 407(8) of the CSC, the right to attend the meetings of the Executive Committee was granted to the Chairman of the Board of Directors, as well as a member specially designated for this purpose, by the Board of Directors at its meeting of April 24, 2015.

In turn, the Supervisory Board is responsible for exercising the oversight functions of company business in four key areas: (i) supervision of Company activity; (ii) control of the Company's financial information; (iii) oversight of the internal risk management, control and internal auditing systems; (iv) receipt and processing of whistle blowing. The Statutory Auditor is also responsible for control of the Company's financial information.

16. Statutory rules on procedural and substantive requirements applicable to the appointment and replacement of members, as applicable, of the Board of Directors, the Executive Committee and the General and Supervisory Board (Article 245(A)(1)(H))

The General Shareholders Meeting is responsible for appointing and replacing the members of the Board of Directors, including the Chairman.

In the event of permanent absence or temporary impediment of any member of the Board of Directors, this body shall proceed to co-opt a replacement member and must submit this proposal for endorsement by the next general shareholders meeting.

Galp's by-laws establish that members of the Board of Directors are appointed for a renewable term of four calendar years, with the year of appointment counting as a full year. Members of the Board of Directors take office at the time of appointment and remain in office until the nomination, co-option or appointment of a substitute, except that a member who has resigned or been removed remains in office for the periods established in the Commercial Companies Code (CSC).

Members of the Board of Directors are elected from a list, with an indication of the proposing shareholders, with the vote only applying to such lists, as provided by the law and Galp's By-laws.

Minority shareholders that, either individually or as an established group, have a voting interest in the company of at least 10% and not greater than 20%, have the right to individually nominate one director, as per the following terms of Article 14(2) of the Company's By-laws:

a) each list must propose at least two candidates for each office to be filled;

b) the same shareholder cannot subscribe to more than one list;

c) if lists are presented by more than one group of shareholders for an individual election, voting will be based on all of the lists;

d) the General Shareholders Meeting cannot proceed to elect other directors until the election of the director proposed by the minority shareholders that, individually or grouped with other shareholders for this purpose, are holders of share capital with voting rights of at least 10% and at most 20%, unless such lists are not submitted;

e) the above rules apply to the election of the substitute member director.

If no list is submitted under the above provisions, or when the above procedure is concluded, the other directors are elected, including the Chairman of the Board of Directors. The shareholders who voted successfully in favour of the director proposed under the procedure outlined in the preceding paragraphs may not participate in this election.

The other directors, including the Chairman of the Board of Directors, are elected by a vote from any lists submitted for this purpose, with the proposal obtaining the highest number of votes in favour being deemed approved.

If the approved proposal includes the maximum number of directors allowed by the By-laws, and a director has been elected under the procedure referred to in Article 14(2) of the Company's By-laws, the director thus elected shall replace the person appearing in 13th place in the proposal that has been successful; if the approved proposal does not include the maximum number of directors allowed by the By-laws, the director elected under the procedure referred to in a) to d) above is added to the number of directors elected under the terms above mentioned.

For the purposes of the scheme for the replacement of directors due to permanent absence, provided in Article 393(1) of the CSC, the Company's By-laws provide that a director is deemed permanently absent when, without justification accepted by the Board of Directors, s/he misses three consecutive meetings or five non-consecutive meetings.

In accordance with the Company's By-laws, if the proposal for the election of directors (except the director to be elected by the minority shareholders who, individually or grouped with other shareholders for the purpose, are holders of share capital with voting rights of at least 10% and at most 20% under the above terms) is not approved by a majority of 55% of votes cast and with at least 40% of the share capital with voting rights, the shareholders that: (i) are qualified to participate in this election (not having voted in the election of the director appointed by the minority shareholders); (ii) have voted against that proposal or have voted in favour of a proposal that has not been successful; and (iii) hold, themselves or in a group formed for this purpose, shares representing at least 25% of the share capital with voting rights, may submit and

vote on proposals, electing among themselves a number corresponding to one third of the elected directors (not including the director elected by the minority shareholders who, by themselves or grouped with others for this purpose, are holders of share capital with voting rights of at least 10% and at most 20% under the above terms). If the total number of elected directors is not divisible by three, the number of directors to be elected will be rounded up to the next whole number. Directors elected under this procedure automatically replace those who are in the final places of the initially approved list.

As required by law, if the appointed directors have a current employment contract with the Company to which they were appointed or a company in a controlling or group relationship with this Company, the contract shall be terminated if it has been in effect for less than one year or is suspended if it has been in effect for more than one year.

17. Membership, as applicable, of the Board of Directors, the Executive Board and the General and Supervisory Board, indicating the statutory minimum and maximum

membership, statutory term of office, number of permanent members, date of first appointment and end date of each member's term of office.

In accordance with Galp's By-laws, the Board of Directors has a minimum of 19 and a maximum of 23 directors who are appointed for four year terms and may be re-elected one or more times.

Although the members of the Board of Directors are appointed for a term of four years, their continuance as directors depends on a positive outcome from annual performance assessments in the form of a vote of praise and/or confidence given by shareholders in a General Shareholders Meeting under its powers provided by article 376 of the CSC. A motion of no confidence results in the removal of the director in question in accordance with applicable law.

The current 19 full members of the Board of Directors, elected at the General Shareholders Meeting of 16 April, 2015 for the four-year term 2015-18, are listed in the following table.

MEMBERS OF THE BOARD OF DIRECTORS

Name	Position	Date of first appointment	Mandate end date
Américo Amorim	Chairman	2012.04.24	2018.12.31
Paula Amorim	Vice-Chairman	2012.04.24	2018.12.31
Carlos Gomes da Silva	Vice-Chairman	2007.04.26	2018.12.31
Filipe Crisóstomo Silva	Member	2012.07.26	2018.12.31
Thore E. Kristiansen	Member	2014.10.03	2018.12.31
Sérgio Gabrielli de Azevedo	Member	2012.07.26	2018.12.31
Abdul Magid Osman	Member	2012.07.26	2018.12.31
Raquel Rute da Costa David Vunge	Member	2014.10.03	2018.12.31
Carlos Costa Pina	Member	2012.04.24	2018.12.31
Francisco Teixeira Rêgo	Member	2015.04.16	2018.12.31
Miguel Athayde Marques	Member	2012.11.23	2018.12.31
Jorge Manuel Seabra de Freitas	Member	2012.11.23	2018.12.31
José Carlos da Silva Costa	Member	2012.11.23	2018.12.31
Pedro Ricardo	Member	2015.04.16	2018.12.31
Tiago Câmara Pestana	Member	2015.04.16	2018.12.31
Rui Paulo Gonçalves	Member	2008.05.06	2018.12.31
Luís Todo Bom	Member	2012.11.23	2018.12.31
Diogo Mendonça Tavares	Member	2006.02.22	2018.12.31
Joaquim Borges Gouveia	Member	2008.05.06	2018.12.31

18. Distinction between executive and non-executive members of the Board of Directors and, for non-executive members, identification of members who may be considered independent or, if applicable, identification of independent members of the General and Supervisory Board.

In accordance with the CMVM Recommendation, the independence of the members of the General and Supervisory Board and of the members of the Audit Committee is ascertained in accordance with current legislation and the other members of the Board of Directors are considered independent if they are not associated with any specific interest group in the Company and are not in any situation that might affect their impartiality of analysis or decision-making, in particular because:

- a) they have been employees of the Company or of a company with which it has been in a controlling or group relationship in the past three years;
- b) in the past three years they have provided services or established a significant business relationship with the Company or a company with which it is in a controlling or group relationship, either directly or as a partner, director, officer or manager of a legal entity;
- c) they are in receipt of remuneration paid by the Company or by a company with which it is in a controlling or group relationship, in addition to remuneration earned as a director;
- d) is the partner, spouse or relative in the first degree and up to and including the third degree of a director or an individual with a direct or indirect qualifying holding;
- e) is a qualifying shareholder or representative of a qualifying shareholder.

Executive

Carlos Gomes da Silva

Filipe Crisóstomo Silva

Thore E. Kristiansen

Carlos Costa Pina

José Carlos da Silva Costa

Pedro Ricardo

Tiago Câmara Pestana

Non-executive

Américo Amorim

Paula Amorim

Sérgio Gabrielli de Azevedo

Abdul Magid Osman

Raquel Rute da Costa David Vunge

Francisco Teixeira Rêgo

Miguel Athayde Marques

Jorge Manuel Seabra de Freitas

Rui Paulo Gonçalves

Luís Todo Bom

Diogo Mendonça Tavares

Joaquim Borges Gouveia

The Board of Directors has 12 members with non-executive roles, providing an adequate number of non-executive members, in particular given Galp's shareholder structure and capital dispersion. They engage in monitoring activities and continuous evaluation of the Company to ensure effective capacity for monitoring, supervision, oversight and evaluation of the activity of the executive members.

Considering the criteria for determination of independence referred to above with respect to non-executive members of the Board of Directors and, based on their self-assessment, Galp's Board of Directors considers the following Company directors for financial year 2015 to be independent:

Name	Position
Sérgio Gabrielli de Azevedo	Non-Executive director
Abdul Magid Osman	Non-Executive director
Miguel Athayde Marques	Non-Executive director
Luís Todo Bom	Non-Executive director
Joaquim Borges Gouveia	Non-Executive director

At its meeting of 16 April 2015, the Board of Directors approved the appointment of the independent non-executive directors Sérgio Gabrielli and Abdul Magid Osman to the special role of monitoring the development of two of Galp's structural markets, Brazil and Mozambique.

Given the governance model adopted, the size of the Company, its shareholder structure and the respective free float, Galp believes that the proportion of independent directors (42% of the non-executive members of the board) is suitable given the number of executive directors and the total number of directors.

Finally, note that, in comparative terms, the proportion of independent directors in Galp is in line with companies of equivalent size listed in Lisbon, measured by the market cap.

19. Qualifications and other relevant details of the professional experience of each member, as applicable, of the Board of Directors, the General and Supervisory Board and the Executive Committee.

The table below is a mapping and systematized representation of the skills, knowledge and experience of Galp's directors. It is a resource for reflection within the Board of Directors that was developed to evaluate the suitability and complementarity of the skill set of the board in terms of alignment with the challenges that Galp will face in the future, as well as support for future appointment processes.

The Board of Directors believes that the skills, knowledge and experience of its directors are, together, appropriate in light of the activities pursued by the Company and the strategy defined for the coming years.

		Academic background				Main area of experience												Posts held								Other experience			
		Engineering	Economics / Finance	Management and Business Management (including risk management)	Law	Academic	Energy/O&G	Financial Services	Paper & Forest products	Real Estate/ Hotels & Resorts	Government	Beverages	Stock and derivatives exchange/ Securities Market	Telecommunication	Textiles	Retail	Chairman Experience	CEO Experience	CFO Experience	International Experience	Finance	Investor Relations	Marketing	Procurement / Refining	Legal	O&G Organizations	Environmental Associations	UN Development Programme	Social Responsibility Associations
Américo Amorim (Chairman)	Non-Exec						•	•	•	•				•			•			•						•			•
Carlos Gomes da Silva (CEO)	Executive	•		•		•	•			•		•					•	•		•			•	•		•			
Filipe Crisóstomo Silva (CFO)	Executive		•					•									•	•		•	•					•			
Thore E. Kristiansen (COO)	Executive	•		•			•										•			•	•	•	•			•			
Carlos Costa Pina (CRO)	Executive		•		•	•	•	•			•		•				•		•	•	•	•			•	•	•		
José Carlos da Silva Costa (COO)	Executive	•					•			•										•				•		•			
Pedro Ricardo (COO)	Executive	•		•			•											•						•		•			
Tiago Câmara Pestana (COO)	Executive	•		•												•		•	•	•	•		•	•					
Paula Amorim	Non-Exec			•					•	•							•												
Sérgio Gabrielli de Azevedo	Non-Exec		•			•	•				•							•		•	•	•							
Abdul Magid Osman	Non-Exec		•					•			•						•	•		•							•	•	
Francisco Castro Teixeira Rêgo	Non-Exec	•		•						•								•											
Raquel Rute da Costa David Vunge	Non-Exec			•			•	•											•	•	•								
Miguel Athayde Marques	Non-Exec			•		•			•				•				•										•		•
Rui Paulo Gonçalves	Non-Exec			•	•	•	•					•					•								•				
Luís Todo Bom	Non-Exec	•		•		•		•		•					•		•												
Diogo Mendonça Tavares	Non-Exec	•		•																									
Joaquim Borges Gouveia	Non-Exec	•				•	•										•										•		
Jorge Manuel Seabra de Freitas	Non-Exec		•	•										•			•				•	•							

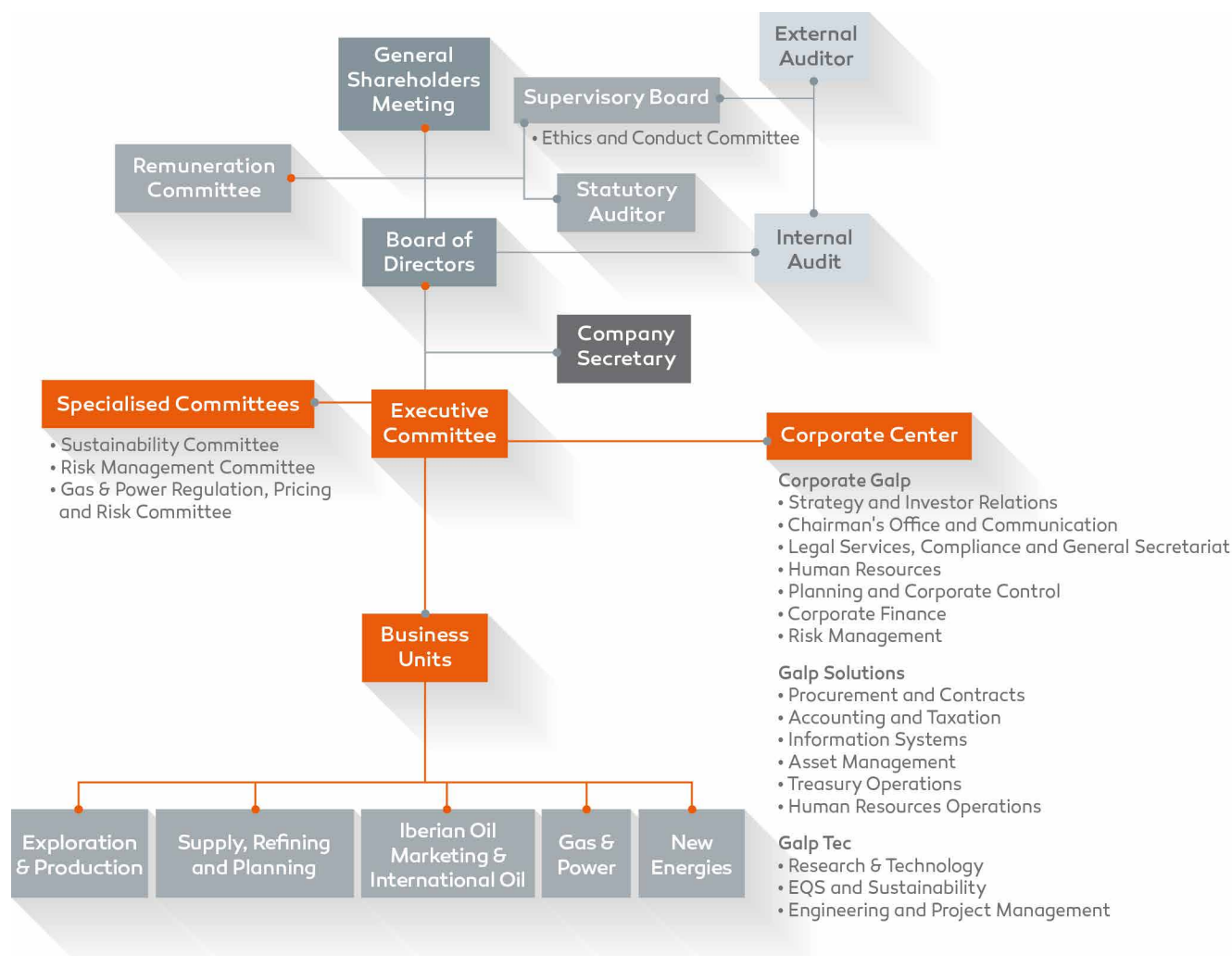
Annex 2 presents the qualifications and other details relating to the professional backgrounds of each the members of the Board of Directors.

20. Habitual and significant family, professional and business relationships of the members, as applicable, of the Board of Directors, the General and Supervisory and Executive Committee with shareholders to whom qualifying interests above 2% of the voting rights are allocable.

Director	Shareholder with qualifying interest	Relationship
Américo Amorim	Amorim Energia	Director
Paula Amorim	Amorim Energia	Director
Rui Paulo Gonçalves	Amorim Energia	Director
Jorge Seabra de Freitas	Amorim Energia	Director
Francisco Teixeira Rêgo	Amorim Holding II, SGPS, S.A.	Director

21. Management charts or tables relating to the distribution of powers among the Company's various corporate bodies, committees and/or departments, including information on the delegation of powers, in particular with regard to the delegation of the daily management of the Company.

MANAGERIAL AND FUNCTIONAL STRUCTURE



Galp's current organizational structure is based on five business units and a corporate centre, under the leadership and guidance of each of the executive directors in accordance with the functional allocation of performance areas established by decision of the Chairman of the Executive Committee, based on guidelines provided by the Board of Directors.

The guiding principles of this structure are horizontality, flexibility, simplicity, efficiency and delegation of responsibility, to create value for shareholders, in particular by the capture of synergies within and between the business units.

The Corporate Centre consists of three clusters of functions that reflect bespoke objectives, cultures and operating approaches (Galp Corporativa, Galp Soluções and Galp Tec) and whose leadership is divided among the executive directors of Galp. The goal of the Corporate Centre is to provide services for the business units in such diverse areas as planning and control, accounting, legal advice and human resources, to generate significant synergies and provide an interface between the Company and its stakeholders.

In summary:

- Galp Corporativa brings together the main functions of governance, strategy, guidelines and corporate control, monitoring the implementation of defined policies;
- Galp Soluções brings together service functions of a more transactional nature, with the clear objective of efficiency/effectiveness and a focus on metrics and quality of service provided at a competitive cost;
- Galp Tec brings together critical cross-cutting expertise to increase and protect the value of Galp.

The Corporate Centre consists of the divisions presented below.

Galp Corporativa	Mission
Investor Relations Strategy	Define Galp's strategic guidelines, promoting clear strategic, operational and financial perception of the Company for its stakeholders and ensuring that the Company has suitable organization and human capital for the pursuit of its strategy.
Office of the Chairman and Communications	Assist the Chairman in management, coordination and relationships with the governing bodies of the Organization and in devising the Group's internal and external communication strategy, to ensure that it is suitable for its target audiences and to promote a consistent, positive, clear and rigorous perception and effective management of Galp's brand, in line with the strategy and size of the Group as an integrated and global energy player. Coordinate and manage the corporate responsibility policy of the Organization so that Galp can be seen as an active agent of development of the communities in which it operates, in Portugal and abroad.
Legal Services, Compliance and Company Secretary	Exercise and manage legal and compliance functions and the corporate secretariat, in an integrated and cross-cutting way for the Galp group, particularly in aspects of legal support for business decisions, monitoring legal compliance and policies for compliance, definition and implementation of the process of organization, operation and decision-making of the governing bodies, litigation management and prevention of legal risks.
Human Resources	Develop and implement integrated Human resources management policies that, in the context of Galp's values, vision and mission, meet the strategic and operational needs of the organizational units, supported by the enhanced personal and professional development of employees and oriented towards business development.
Corporate Planning and Control	Set, monitor and consolidate Galp's budgeting, planning and control processes, challenge the performance of the business units and the Corporate Centre and ensure their alignment with the Galp group's strategic objectives.
Corporate Finance	Propose and implement short and medium-long term financing of the Galp group's strategy in order to optimize and diversify its financial resources, minimizing the Group's liquidity risk, ensuring integrated Treasury management and trading in various financial products. Identify and propose the financial risk management policy. Manage and control the Group's pension funds. Contribute to the development of the Group's strategic projects and management of assets and liabilities portfolio, leading funding structuring processes under project finance organization and ensuring financial optimization by identifying opportunities for capturing public incentives.
Risk Management	Promote the implementation of the risk management policies defined by the Executive Committee in conjunction with the Galp group's different business units; propose insurance policies, negotiate and manage the related contracts at whole Group level and manage health and medicine plans (curative and occupational).

Galp soluções	Mission
Procurement and Contracts	Maximize Galp's purchasing power, thus contributing to the sustained improvement of the Group's results, by obtaining better value for money, while safeguarding health, safety and environmental protection requirements in the purchase of goods and services to ensure the implementation of procedures that demonstrate transparency and ethics in purchasing processes and the introduction of innovations that optimize the supply chain.
Accounting and Taxation	Ensure the preparation of the consolidated accounts of the Galp Group and of all the sub-holdings and the individual accounts of all the Group companies, in accordance with national and international standards and at replacement prices; draft the respective management information reports from a general and cost accounting perspective, propose, implement and monitor the Group's permanent capital structure (through integrated management of intra-group flows - capital, services, supplies and dividends) and ensure compliance with tax obligations under international taxation and the tax laws of the countries where it operates.
Information Systems	Promote the development and sustainability of Galp's business through efficient, effective, reliable, consistent, innovative information system management, oriented towards controlled processes and costs.
Asset Management	Ensure the management of the Galp Group's non-operational assets by proposing and carrying out the purchase or development of assets to ensure their permanent appreciation and the optimization of their cost/benefit ratio. Develop, implement and manage strategy for the provision of services to Management/Business Units to ensure high quality, safety and environmental standards in compliance with current regulations. Establish partnerships with the business unit for sharing best practices.
Treasury Operations	Coordinate and control financial flows of payments and receipts, in accordance with the regulations in force, in order to ensure compliance with the obligations of the companies, keep the current accounts of customers, suppliers and other debtors updated. Monitor the development of banking practices and tax law in order to implement best practices and use the most efficient solutions with positive impacts on Group results in close coordination with the Treasury.
Operational Management of Human Resources	Develop, implement and monitor the integrated HR information system, contribute and provide instruments and indicators for management, promoting rigorous and timely processing and accounting of pay, pensions, social and legal charges and contractual and administrative management of induction processes and employee movement and departures. Ensure the application, development and control of the Group's pay and benefits policies, monitor the Group's staff costs, producing and analysing information and indicators for the support of HR management.
Galp tec	Mission
Research and Technology	Define and enact integrated policies and projects in innovation, technological and energy efficiency research, within the structure of the Galp group's strategy and given the principles of value creation. Create and maintain a forum to ensure access to the best available technology and knowledge required for a suitable response to the technological challenges that the Galp group will face.
QSE & Sustainability	Protect and ensure, by independent quantification, the value of the Galp group's reserves and resources. Ensure the suitability of the strategy, development and implementation of environmental, quality, safety, protection and sustainability policies, in accordance with Galp Energia's strategy and values, given the overall context in which it operates and the principles of value creation, thus promoting business excellence and the integrated management of risks and opportunities and safeguarding compliance with laws and regulations applicable in the geographical areas where Galp Energia operates.
Engineering and Project Management	Manage Galp Energia's projects to support its business units, from the design phase until commercial commissioning, ensuring quality of execution and compliance with budgets and deadlines for each project and promoting the development of key technical skills, updating knowledge and ensuring consistency in the processes and standards that enhance and protect Galp's value.

The currently existing business units are the following:

Exploration & Production – Its mission is to access, find and produce hydrocarbons safely, sustainably and ethically, with the objective of maximizing value for shareholders, customers and employees, acting as distinguished, integrated, flexible and geologically motivated partners and proposing fast and innovative commercial solutions.

Supply, Refining and Planning – Ensures the supply of crude oil and petroleum products in order to meet the supply needs of commercial areas, provides the highest levels of availability and reliability of refineries in order to facilitate a greater operational efficiency and define strategy, coordinates and controls activities that enable short- and medium-term maximisation and sustainability of integrated margins throughout the oil value chain, the development and optimisation of supply and logistics activity, the maximisation of assets values and customer satisfaction.

Iberian and International Oil Distribution - Its mission is to ensure the distribution and marketing of oil products for the Fuel and Non-Fuel Retail business in the Iberian Peninsula and in Africa and to define the marketing strategy to support and develop the Galp brand's position, for the creation of value and adequate profitability, providing Customer satisfaction and loyalty, thus contributing to the profitability of the capital invested and maximized shareholder returns.

Gas & Power (G&P) - G&P's mission is to guarantee the procurement of natural gas and liquefied natural gas, so that the supply needs of the business areas are covered; operating in the trading activity of the international market and ensuring the marketing of Galp's gas output; acting as a benchmark operator, ensuring the development of a set of regulated and deregulated activities, including the operation of natural gas infrastructure in a regulated system and marketing through the combined supply of natural gas, electricity and services to end customers in the Iberian Peninsula.

New Energies - Its mission is to monitor future trends in alternative energy sources outside the O&G sector.

During the financial year 2015, responsibility for monitoring and leadership of the Corporate Centre and business units was shared by Galp's executive directors, in accordance with the functional allocations approved by the Board of Directors and outlined in section 29 of this Report.

Specialised Committees

Sustainability Committee

In Galp, management for sustainability is considered to be strategic and involves the incorporation of principles, approaches and practices that favour the long-term value creation component. It therefore involves managing for the creation of sustainable and lasting value that generates confidence in the future for the various stakeholders.

Accordingly, it was with the aim of creating sustainable value that the Sustainability Committee was set up in 2012. Its mission is, therefore, to ensure the integration of sustainability principles in the management of the Group companies, by promoting best industry practices in all business, corporate and service areas.

The Committee is chaired by the executive director responsible for Sustainability, while its permanent members are the heads of the business areas and relevant corporate divisions. This body reports directly to the Executive Committee.

In 2015, the Sustainability Committee met four times with the agendas covering the following:

- analysis of Galp's performance, commitments, objectives and goals;
- integration of sustainability practices in business development;
- alignment of Galp's sustainability practices with the best international practices and benchmarking with peers and benchmark performers;
- monitoring of the stakeholder consultation process and analysis of the materiality of sustainability issues;
- analysis and preparation of sustainability information for stakeholders, including the Sustainability Report.

Risk Management Committee

The Risk Management Committee's mission is to support and monitor the development and implementation of Galp's risk management strategy and policy, jointly with the Risk Management Division and the heads of the Company's management units, which comprise the Executive Director responsible for the risk management Division (Chief Risk Officer), the Head of the Audit Division, the Head of the Risk Management Division and the Chief Financial Officer.

This body met regularly during 2015, and routinely addressed the issues identified as most relevant from a risk perspective for the Galp Group. Among other things, highlight the risk of access to reserves, dependence on partners, geopolitical events, project execution, disruptive events, IT and cybersecurity, price and market volatility, credit and regulatory and compliance changes. The Executive Committee was informed about the matters addressed and the resulting resolutions.

Within the sphere of the Risk Management Committee there is a work group that is subordinated to issues related to environment, quality and safety, and regulatory changes. Thus it is ensured that these matters are duly integrated into the Company's risk management system.

During 2015, the working group focused on the most critical risks in these matters and reported the findings of its evaluation to the Committee.

To address the specific "Credit Risk" issue a monitoring group was set up to analyse and report to the Risk Management Committee on the findings of the assessments carried out by the Risk Management Division and to analyse and discuss key credit indicators, trends in major customers, mitigation actions/measures and particular situations with impact on the customer credit level.

Regulation, Pricing and Gas & Power Committees

In the G&P business unit, the G&P Regulation, G&P Pricing and G&P Regulation Committees were set up.

The G&P Regulation committee is responsible for monitoring statutory matters relating to natural gas and electricity distribution, as part of the industry's regulatory framework. Its membership consists of the executive director holding the G&P unit portfolio and the heads of the specific areas of Regulation and Pricing and Planning and Control.

This body met regularly during 2015 and addressed the issues identified as most relevant, such as:

- proposed tariff for the gas year 2015-16;
- issues associated with the ERSE's penalty By-laws;
- issues associated with Subsoil Occupancy Rates;
- REMIT "Regulation of energy market integrity and transparency".

The G&P Pricing Committee seeks to monitor market information at the level of natural gas and electricity marketing, to analyse the competitiveness of offers in the Iberian residential and industrial markets and to monitor international markets in natural gas and LNG trading and supply.

In addition to the executive director responsible for the G&P business unit, this Committee's members include the heads of the specific areas of Regulation and Pricing, Marketing, Natural Gas Procurement and Trading, Planning and Business Control.

This body met regularly during 2015 and addressed the issues identified as most relevant, such as:

- analysis of change in the market shares of natural gas and electricity in the various segments;
- monitoring of natural gas and electricity margins in the various segments;
- analysis of Galp residential campaigns: GalpOn and Plano Energia3 plan;
- definition of Galp's reference prices for natural gas and electricity, following the publication of Decree-Law No 15/2015 of 30 January, which prohibited the use of transitional rates as a reference for free market deals from July 2015.

The G&P Risk Committee was established to monitor risk management and internal control issues within the G&P business unit. Its membership consists of the respective

executive director and the heads of the specific areas of these units, as well as the directors of Legal services and Risk Management.

This body met frequently during 2015 to address issues corresponding to the main risks in order to monitor but also supervise the effectiveness of the respective mitigation plans.

Ethics and Conduct Committee

Following the entry into force of the new Code of Ethics and Conduct, the Ethics and Conduct Committee was created (hereafter "CEC"), with membership consisting of the heads of internal audit, human resources and legal services, appointed by the Supervisory Board as proposed by Galp's Executive Committee.

The CEC is the independent and impartial internal structure responsible for monitoring the implementation and interpretation of the Code of Ethics and Conduct, as defined in the respective Regulation, replacing the previous, disbanded, Commissions for the Verification of Compliance with the Code of Ethics and Anti-Corruption Policy Monitoring and for receiving and processing information sent to it under the Reporting of Irregularities Procedure ("Open Talk" Ethics Line) in force in Galp and Affiliated Companies, relating to alleged violations of the provisions of the Code of Ethics and Conduct or its implementing regulations or rules that deal with the topics listed therein, in the fields of accounting, internal accounting controls, auditing and the fight against bribery, banking and financial crime.

Galp's Supervisory Board is the governing body that oversees the proper operation and implementation of the Code of Ethics and Conduct through the frequent and regular reporting of the CEC.

b) OPERATION

22. Existence and location for consultation of the operating rules, as applicable, of the Board of Directors, the General and Supervisory Board and the Executive Committee.

Galp's Board of Directors operates in accordance with the regulations governing organization and operation approved by this body at its meeting of 16 April, 2015, to take effect during the term of 2015-18, in accordance with Article 16 of the By-laws, available on the official Galp website at http://www.galpenergia.com/EN/Investidor/GovernoCorporativo/Orgaos-sociais/Documents/Regulamento_CA_EN_Web.pdf

23. Number of meetings held and attendance of each member, as applicable, of the Board of Directors, the General and Supervisory Board and the Executive Committee.

In accordance with the provisions of Article 16 (2) of Galp's http://www.galpenergia.com/EN/Investidor/GovernoCorporativo/Orgaos-sociais/Documents/Regulamento_CA_EN_Web.pdf, the Board of Directors meets ordinarily once a month, unless otherwise determined by the Board of Directors and, in addition to this, whenever convened by the Chairman or by any two directors.

Galp's By-laws provide for the possibility that the meetings of the Board of Directors will be held by electronic means and will allow postal voting.

In 2015, the Board of Directors held ten meetings, three of which were held by electronic vote.

The degree of attendance of the Members of the Board of Directors is presented in Annex 3.

24. Indication of the Corporate Bodies with powers to evaluate the performance of the executive directors.

The Remuneration Committee is responsible for the annual performance review of the executive and non-executive directors under the powers of said committee, in accordance with the mandate conferred upon it by the General Shareholders Meeting in accordance with Article 8 of the Company's By-laws, including via consultation of the non-executive members on the performance of the executive members.

Furthermore, the non-executive members, as part of their oversight role, monitor the performance of the executive directors.

25. Pre-determined criteria for the performance evaluation of executive directors.

The performance of the executive directors is evaluated based on fulfilment of certain economic, financial and operational objectives, as defined annually by the remuneration policy submitted by the Remuneration Committee and approved by the General Shareholders Meeting.

The predetermined criteria for the performance evaluation of the executive directors for financial year 2015 are set out in section 69 of this report.

26. Availability of each member, as applicable, of the Board of Directors, the General and Supervisory Board and the Executive Committee, indicating the positions held simultaneously in other companies inside and outside the Group, and other relevant activities of said members during the year.

The positions held by the members of the Board of Directors in other companies inside and outside the Galp group, and other relevant activities carried out by members of these bodies in the 2015 financial year are presented in Annex 4.

In general, the members of Galp's Board of Directors have a high degree of availability for the exercise of their functions, without prejudice to the natural accumulation of functions by executive directors in Group companies and situations of accumulation of functions by non-executive directors in companies outside the Group, which does not affect the exercise of their positions involving the monitoring, evaluation and supervision of executive management.

As is apparent from the attached table, directorship duties exercised in other companies by Galp's executive directors are in the administrative bodies of Galp's direct or indirect subsidiaries. Accordingly, they are fully available for the

positions of executive members of Galp's Board of Directors, as is confirmed by their attendance at the meetings of the Board of Directors and of the Executive Committee and by their work in Galp, as annually certified by the Remuneration Committee under the qualitative performance assessment of the executive directors.

With regard to the non-executive directors with the highest number of positions held in other companies, it is noted that they perform these functions in the Amorim or Américo Amorim group. This availability has been confirmed by their attendance at Board meetings.

Galp has the legal, statutory and regulatory mechanisms to prevent and deal with any conflicts of interest between directors and the Company in the exercise of other positions outside the group.

Indeed, as required by law under Article 398 of the Companies Code, directors shall not:

- engage in any activity in competition with the Company or a company in a controlling or group relationship with it, alone or on behalf of a third party or perform duties in a competing company or be appointed for it, except if authorized by the General Shareholders Meeting;
- hold any position with an employment contract, which will be deemed terminated or suspended if agreed less than or more than one year ago, respectively.

In particular, Article 14 of the Board of Directors Regulation establishes, for the purposes of Article 398(4) (3) of the CSC, the special arrangements for access to sensitive information applicable to members of the Board of Directors who are in a situation of conflict of interest due to the exercise of an activity in competition with Galp, as authorized by the General Shareholders Meeting.

Also to protect the Group's interest in possible situations of conflict of interest between the Company and its directors arising from business between them and the Company or companies in a controlling or group relationship with it, Galp's regulatory standard governing Group transactions with related parties makes the implementation by Galp (or any entity in which it holds ownership or voting rights or where it can appoint members of the management body) of significant transactions with related parties, subject to prior opinion of the Supervisory Board, as per the definitions of that standard, including the members of Galp's board of directors and the bodies in which is (i) a partner with limited liability, (ii) leader, particularly as a member of the administrative or supervisory bodies or having regular access to privileged information and participating in decisions concerning the management and strategy of the organization, or (iii) the holder, individually or jointly, of at least half of the share capital or voting rights, as well as the entities they have been established for the benefit of any person referred to above.

Moreover, Galp's By-laws subordinate approval of business with shareholders in an amount exceeding 20 million euros

to a qualified majority of two thirds of the current directors, reflecting the special corporate governance requirement to which these transactions are subject.

Finally note that the legal and statutory regime of absences from Board of Director meetings provides for the loss of mandate or replacement of the member of the Executive Committee in question by another director, with the other director becoming non-executive.

c) COMMITTEES WITHIN THE BOARD OF MANAGEMENT OR THE SUPERVISORY BODY AND DELEGATED DIRECTORS

27. Identification of the committees created within, as applicable, the Board of Directors, the General and Supervisory Board and Executive Committee, and where the operating regulations can be viewed.

Executive Committee:

The current Board of Directors, at its meeting of 16 April, 2015, appointed an Executive Committee of seven members and approved its delegation of powers and the regulations defining the basic principles and rules of its organization and operation, which can be viewed on Galp's official website at http://www.galpenergia.com/EN/Investidor/GovernoCorporativo/Orgaos-sociais/Documents/Regulamento_CE_EN_Web.pdf

Galp's Board of Directors considers that specific committees are not required for matters such as performance evaluation of management, corporate governance, appointments and other matters. This is due to the corporate governance model adopted by the Company, which includes a Board of Directors that assesses the operation of the corporate governance system and largely consists of non-executive members (including the Chairman), who monitor the overall performance of the Board of Directors and whether directors' profiles are appropriate for the exercise of their duties. In this context, it should also be noted that there is: a Remuneration Committee, which evaluates the performance of executive directors with the support of non-executive directors; and a Supervisory Board, which analyses the structure and governance practices adopted in order to verify their effectiveness.

28. Composition, as applicable, of the Executive Committee and/or identification of delegated director(s).

Galp's Executive Committee currently consists of the following seven directors:

Chairman: Carlos Gomes da Silva (CEO)

Members: Filipe Crisóstomo Silva (CFO)
Thore E. Kristiansen
Carlos Costa Pina
José Carlos da Silva Costa
Pedro Ricardo
Tiago Câmara Pestana

29. Indication of the powers of each of the committees created and summary of their activities in the exercise of those powers

The Executive Committee is the body responsible for Galp's ongoing management, in accordance with the strategic guidelines defined by the Board of Directors and under the powers delegated to it by the Board.

The delegation of the Company's ongoing management to the Executive Committee approved by the Board of Directors, pursuant to Articles 17 and 18 of the By-laws and Article 407(3) and (4) of the CSC has the following limits:

1. The following are not delegated to the Executive Committee:
 - a) choice of the Chief Executive Officer;
 - b) co-opting of directors;
 - c) convening the Company's General Shareholder Meetings;
 - d) approval of management and annual accounts reports;
 - e) provision of deposits and personal or real guarantees by the Company;
 - f) change of registered office and capital increases, as provided in the Company's By-laws;
 - g) Company merger, demerger and transformation projects.
2. The following are not considered ongoing Company management powers and are therefore not delegated to the Executive Committee:
 - a) approval of the strategic investments of the Company and of the companies controlled by the Company and approval of the financing thereof;
 - b) approval of the strategic divestments of the Company and of the companies controlled by the Company;
 - c) investment, particularly through the direct or indirect acquisition of interests in companies that do not engage in the main operational activities pursued by the companies controlled by the Company (i.e. exploration, production, refining, transportation, marketing and distribution of oil and gas);
 - d) establishment of strategic partnerships in the context of the main operating activities pursued by the companies controlled by the Company;
 - e) approval and modification of the strategic plans of the Company and of the companies controlled by the Company engaged in the Galp group's main activities;
 - f) approval of the Galp group's annual budget and business plans and amendments thereto in excess of 20% of the value of the budget item in question or 10% of the total annual budget amount;
 - g) transactions of the Company or of the companies controlled by the Company, with related parties or with any shareholders of the Company, in a unit or total amount exceeding €20,000,000 (twenty million euros);

- h) definition and organization of the Galp group's corporate structure;
- i) proposal and exercise of voting rights in the election of the Boards of Directors of the companies controlled by the Company;
- j) issuance of bonds or other debt instruments by the Company or by companies controlled by the Company;
- k) demerger, merger or dissolution projects of any companies controlled by the Company;
- l) signing, by the companies controlled by the Company, of subordination agreements or parity group agreements.

Notwithstanding the limits on the delegation of powers referred to in paragraphs 1 and 2 above, the Executive Committee has a special duty of initiative and proposal, to the Board of Directors, in respect of the acts and matters referred to in section 2 above.

For the purposes of the delegation of powers to the Executive Committee, the expression "controlled companies" means the following companies or those that succeed them:

- a) Petróleos de Portugal – Petrogal, S.A.
- b) Galp Exploração e Produção Petrolífera, S.A.
- c) Galp Energia, S.A.

- d) Galp Gás Natural, S.A.
- e) Galp Gas & Power, SGPS, S.A. (b)
- f) Galp España, S.A.U.
- g) Lisboagás GDL – Sociedade Distribuidora de Gás Natural de Lisboa, S.A.
- h) Lusitaniagás – Companhia de Gás do Centro, S.A.
- i) Petrogal Brasil, S.A.
- j) Petrogal Angola, Lda.
- k) Petrogal Moçambique, Lda.
- l) Petrogal Guiné-Bissau, Lda.
- m) Galp E&P, B.V.
- n) Galp Sinopec Brazil Services, B.V.

At the meeting of the Board of Directors held on 16 April, 2015, the Chairman of the Executive Committee defined a functional allocation, among the members of the Executive Committee, of areas of action in respect of the business and activities of the Company and of its controlled or subsidiary companies, under the terms set forth in its Regulations, notwithstanding the collective exercise of the powers of this body, in the following terms:

ALLOCATED AREAS OF EXPERTISE AMONG THE MEMBERS OF THE EXECUTIVE COMMITTEE

BOARD OF DIRECTORS		INTERNAL AUDITING ⁽¹⁾					
CARLOS GOMES DA SILVA CEO	FILIPPE SILVA CFO	THORE E. KRISTIANSEN COO	JOSÉ CARLOS SILVA COO	TIAGO CÂMARA PESTANA COO	PEDRO RICARDO COO	CARLOS COSTA PINA CRO	
BUSINESS UNITS GALP CORPORATIVA GALP SOLUÇÕES GALP TEC		Exploration & Production	Supply, Refining and Planning	Iberian and International Oil Marketing	Gas & Power	New Energies	
	Office of the President and Communications Investor Relations Strategy Legal Services, Compliance and Company Secretaries Human Resources	Planning and Control Corporate Finance				Risk Management	
	HR Operations ⁽²⁾	Accounting and Taxation Treasury Operations ⁽³⁾	Procurement and Contracts Equity Management			Information Systems	
	Research and Technology		Engineering and Project Management			QSE e Sustainability	

(1) Hierarchical report to the Chairman of the Board of Directors, functional reporting to the Supervisory Board and administrative report to Carlos Costa Pina

(2) Reporting to Human Resources (3) Reporting to Corporate Finance

For matters of the ongoing management in the context of the requests of the operators of the various oil exploration blocks in which Galp is involved, including the development plans of the blocks and the approved budget and action plans, the Executive Committee delegated approval of the respective decisions, namely AFEs, Cash Calls and ballots to the executive directors Thore Kristiansen, Filipe Crisóstomo Silva and José Carlos Silva, with a monthly report thereof to be submitted to this body.

The Executive Committee functions in accordance with the basic principles and rules set out in its regulations and must meet once a week. It met 47 times in 2015.

In order to ensure effective and efficient monitoring by the non-executive members of the activity of the Executive Committee and to facilitate the related duty to inform, a range of mechanisms were adopted to ensure effective monitoring and coordination of the work of the Executive Committee by the members with non-executive functions, under the following terms.

The calls and minutes of the meetings of the Executive Committee are sent to the Chairman of the Board of Directors and to the Chairman of the Supervisory Board.

In accordance with the Regulations of the Board of Directors, the Chairman of the Executive Committee regularly informs the Chairman of the Board of Directors about the agenda of the meetings of the Executive Committee, the decisions taken in its meetings and other matters deemed relevant for the proper use of the powers and responsibilities of the Board of Directors. The Chairman of the Board of Directors and any other two non-executive directors may ask the Chairman of the Executive Committee directly for information on the business of the Executive Committee.

Under the terms of Article 407(8) of the CSC the Chairman of the Board of Directors and a member especially appointed for this purpose by the Board of Directors at its meeting of 24 April 2015 were granted the right to attend the meetings of the Executive Committee.

In accordance with the Regulations of the Executive Committee, the Chairman of the Executive Committee regularly informs the Chairman of the Board of Directors on any matters deemed relevant for the proper use of the powers and responsibilities of the Board of Directors. Each and every member of the Executive Committee is duty bound, when so requested by other members of governing bodies, to supply information promptly and in a form that is appropriate to the nature of the request.

The main activities performed by the Executive Committee during 2015 in the exercise and within the limits of its responsibilities involve, among other things:

- a) approval of operations to be carried out by the Group's business units and companies;
- b) assessment of monthly results;
- c) approval of proposals for submission to the Board of Directors on matters pertaining to its exclusive powers, as set out in the By-laws and Regulations of the Board of Directors;
- d) approval of significant transactions;
- e) assessment of information from specialist committees, particularly in the area of risk management and sustainability;
- f) approval of capital increase and reduction operations of the Galp Group Companies, performance and reimbursements of ancillary services and supplies;
- g) change to the By-laws of the Group companies;
- h) real estate purchases and sales;
- i) approval of the comfort letters from Group companies;
- j) definition of the voting behaviour and appointment of representatives in the General Shareholder Meetings of subsidiaries and other companies.

III

Supervision

(Supervisory Board, Audit Committee or General and Supervisory Board)

a) COMPOSITION

30. Identification of the supervisory body (Supervisory Board, Audit Committee or General and Supervisory Board) corresponding to the model adopted.

According to the government model adopted, the Supervisory Board is the Company's supervision body.

Under the terms of article 413(1)(b) of the CSC (Commercial Companies Code), because Galp is a public stock corporation, its financial statements have to be examined by Statutory Auditors, with their responsibilities stated in article 446 of the CSC, and who have to be independent from the Supervisory Board.

31. Composition, as applicable, of the Supervisory Board, the Audit Committee, the General and Supervisory Board or the Commission for Financial Affairs, with an indication of the statutory minimum and maximum number of members, statutory duration of mandate, the number of permanent members, date of first appointment and end date of each member's mandate. A reference may be included to the part of the report where this information is already noted, pursuant to the provisions of section 18.

Under the Company's By-laws, the Supervisory Board consists of three permanent members and one substitute member, elected by the General Shareholders Meeting, which will also elect its chairman.

The members of the Supervisory Board are elected in for a four-year term, together with the members of the remaining corporate bodies.

The Company's Supervisory Board was elected at the General Shareholders Meeting of 16 April, 2015 for the term 2015-2018.

The following table lists the members of the Supervisory Board, their appointment dates and the end date of their mandate.

MEMBERS OF THE SUPERVISORY BOARD

Name	Position	Date of first appointment	Mandate end date
Daniel Bessa	Chairman	2006.10.05	2018.12.31
Gracinda Raposo	Board member	2011.05.30	2018.12.31
Pedro Almeida	Board member	2012.11.23	2018.12.31
Amável Calhau	Substitute member	2006.10.05	2018.12.31

32. Identification, as applicable, of the members of the Supervisory Board, the Audit Committee, the General and Supervisory Board or the Commission for Financial Affairs who are considered independent, under Article 414 (5) of the CSC. A reference may be included to the part of the report where this information is already noted, pursuant to the provisions of section 19.

Under Article 414 (5) of the CSC, any member of the Supervisory Board is considered independent if they are not associated with any specific interest group in the company and are not in a situation that might affect their exemption from analysis or decision making, namely because:

- a) they are holders or are acting on behalf of holders of qualified shareholdings greater than or equal to 2% of the company's share capital;
- b) they have been re-elected for more than two mandates, whether or not they are consecutive.

The Supervisory Board currently has two independent members, namely: Dr Gracinda Raposo and Dr Pedro Almeida.

33. Professional qualifications, as applicable, of each of the members of the Supervisory Board, the Audit Committee, the General and Supervisory Board or the Commission for Financial Affairs and other relevant information about their professional experience. A reference may be included to the part of the report where this information is already noted, pursuant to the provisions of section 21.

The members of the Supervisory Board have professional skills and qualifications suitable for their roles. Each member's professional profile is presented in Annex 5.

b) OPERATION

34. Existence of and location where the regulations, as applicable, of the Supervisory Board, the Audit Committee, the General and Supervisory Board or the Commission for Financial Affairs, can be consulted. A reference may be included to the part of the report where this information is already noted, pursuant to the provisions of section 24.

The powers of the Supervisory Board and its operating rules are defined in the regulations of this body, approved on 16 April, 2015 and available on the Galp website at <http://www.galpenergia.com/EN/Investidor/GovernoCorporativo/Orgaos-sociais/Documents/Supervisory-board-regulations-2015.pdf>

35. Number of meetings held and level of attendance at the meetings, as applicable, of each member of the Supervisory Board, the Audit Committee, the General and Supervisory Board or the Commission for Financial Affairs. A reference may be included to the part of the report where this information is already noted, pursuant to the provisions of section 25.

Under Article 10(2) of its Regulations, the Supervisory Board must meet at least once a quarter and shall also meet whenever the Chairman convenes it, at his own initiative or at the request of the Chairman of the Board of Directors, the Chief Executive Officer or the Statutory Auditor.

In 2015, the Supervisory Board held 15 meetings.

Information on the attendance of the members of the Supervisory Board is presented in Annex 6.

36. Availability of each member, as applicable, of the Supervisory Board, the Audit Committee, the General and Supervisory Board or the Commission for Financial Affairs, indicating the positions held simultaneously in other companies inside and outside the Group, and other relevant activities of said members during the year. A reference may be included to the part of the report where this information is already noted, pursuant to the provisions of section 26.

In general, the members of the Galp Supervisory Board have a high level of availability for the performance of their roles.

Annex 7 presents the relevant activities carried out by the members of the Supervisory Board during the financial year 2015.

c) POWERS AND ROLES

37. Description of the procedures and criteria applicable to the supervisory body's activity in procurement of additional services from the external auditor.

Procurement by Galp or any of its subsidiaries or group companies of additional services from the external auditor or from any entity with which there is an investment relationship or which is part of the same network, is preceded by an opinion of the Supervisory Board, which evaluates the reasons for the procurement and compliance with the independence requirements of the auditor, requesting, where appropriate, relevant information from the areas involved.

Additional services provided by the external auditor in 2015 are described in section 46 of this report.

38. Other functions of the supervisory bodies and, where applicable, of the Commission for Financial Affairs.

The role of the Supervisory Board is to monitor the effectiveness of the risk management, internal control and internal audit systems, as well as to annually assess the operation of the systems and their internal procedures, thus strengthening the internal control environment, through recommendations and suggestions for adjustment to the operation of the internal control and risk management systems.

It is also responsible for supervising the adoption by the Company of the principles and policies for identifying and managing the main financial and operational risks associated with Galp's activities and overseeing measures for monitoring, controlling and disclosing the risks.

The Supervisory Board monitors the operation of the corporate governance system adopted by Galp and compliance with legal and statutory requirements, as well as legislative and regulatory changes in the field of corporate governance, in particular those issued by the CMVM, and presents proposals for improvement of the Company's governance.

The Supervisory Board's functions also include issuing an opinion on business between the Company and related parties and receiving reports of irregularities submitted by the Company's shareholders, employees, customers or suppliers.

IV

Statutory Auditor

39. Identification of the statutory auditor and the partner representing the statutory auditor.

Under Article 420(2) of the CCC, the Supervisory Board is responsible for proposing the appointment of the Statutory Auditor or Company of Statutory Auditors to the General Shareholders Meeting.

Accordingly, the general shareholders meeting held on 16 April 2015 approved the proposal from the Supervisory Board to elect, for the four-year term, 2015-18:

- PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda., Corporate Tax Number 506628752, with registered office at Palácio Sottomayor, Rua Sousa Martins, 1 – 3º, 1069-316 Lisbon, entered in the OROC (Institute of Statutory Auditors) under No. 183 and registered with the CMVM under No. 9077, represented by Dr António Joaquim Brochado Correia, Statutory Auditor No. 1076, or by Dr Ana Maria Ávila de Oliveira Lopes Bertão, Statutory Auditor No. 902, for role of Statutory Auditor; and
- Dr José Manuel Henriques Bernardo, Tax ID Number 192184113, Statutory Auditor No. 903, with address at Rua Ilha dos Amores, n.º 52, Bloco A, 1º Dto., 1990-375 Moscavide, as substitute Statutory Auditor.

40. Indication of the consecutive number of years during which the statutory auditor has been operating for the Company and/or Group.

Galp's Statutory Auditor has been in the role since 16 April, 2015.

41. Description of other services that the Statutory Auditor provides for the Company

Description of other services that the Statutory Auditor provides for the Company is in sections 46 and 47 of this report.

V

External auditor

42. Identification of the external auditor appointed pursuant to Article 8 and of the partner representing them in accordance with these functions, as well as the respective CMVM registration number.

The Galp Group's current external auditor is PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda. (PwC), represented by its partner António Joaquim Brochado Correia, Statutory Auditor No.1076.

43. Indication of the consecutive number of years during which the external auditor and the respective partner representing them in accordance with its functions have been operating for the Company and/or Group.

The external auditor and the respective partner representing them have been operating consecutively with Galp and its Group since 2011, when they were appointed by tender, for the term 2011-13.

At the proposal of the Supervisory Board, and in the Company's interest in ensuring continuity in the provision of audit services, Galp extended the external audit contract with PwC for 2014-2015 and 2016-2018 terms.

44. The rotation policy and frequency of rotation for the external auditor and the partner representative in the exercise of these functions

Galp's external auditor rotation policy provides for the selection by the Supervisory Board of the external auditor and related statutory auditor partner at the end of three terms, through a process of prior consultation with the main internationally renowned auditors for a period of three years.

45. Indication of the body responsible for evaluating the external auditor and the frequency of this evaluation.

The Supervisory Board, the contact point in the Company and the first recipient of information prepared by the external auditor, annually evaluates the activity of the external auditor, with a critical appraisal of its reports and other documentation.

The Supervisory Board represents the Company, for all purposes, before the external auditor and shall be responsible, in accordance with Article 19(4) of its By-laws, for proposing the appointment of the Statutory Auditor/Company of Statutory Auditors and their remuneration to the General Shareholders Meeting.

The external auditor's specific role in the legal audit/examination of accounts includes checking the application of the policies and systems governing the pay of corporate bodies and the efficacy and operation of the internal control mechanisms and reports any deficiencies detected to the Supervisory Board.

The Supervisory Board is also responsible for appointing and dismissing the external auditor, under the approved regulations, and for suggesting the respective remuneration.

The Supervisory Board ensures that the management organization of the Company, particularly the relationship with the Board of Directors and the Executive Committee, involves providing the external auditor with the information and other conditions required for the respective service to be performed.

Each year the Supervisory Board, in its annual business report, shall present an assessment of the external auditor.

46. Identification of work, other than audit, performed by the external auditor for the Company and/or its subsidiaries, and indication of the internal procedures for the approval of procurement of such services, indicating the reasons for their procurement.

In 2015 the external auditor provided the Company and its subsidiaries with other audit services as follows:

- advice in human resources: support for surveys and assessment of human resources;
- QSE and Sustainability advice: support for the preparation of the Sustainability Report and completion of the Dow Jones Index questionnaire;
- advice to the Internal Auditing Division: advisory services on internal procedures and control (loan staffing);
- consultancy for various projects.

The above-mentioned services represented 29,4% of the total value of the services provided by the external auditor.

When procuring services from the external auditor, sufficient internal procedures are in place to safeguard the independence of the auditors, through careful definition of the work to be procured. In order to safeguard the independence of the external auditor, it is expressly forbidden to purchase any type of service that might compromise such independence.

Service provision proposals submitted by the auditor are analysed and evaluated and, where possible, undergo market consultation and, subsequently, are sent to the Supervisory Board for approval.

The services provided by the external auditor in 2015, in the area of human resources, did not include any type of support for the work of the Remuneration Committee.

47. Indication of the annual remuneration paid by the Company and/or by its subsidiaries or group companies to the auditor or other natural or legal persons belonging to the same network and breakdown of percentage of the following services: [For the purposes of this information, the notion of network is as provided in European Commission Recommendation No. (2002) 1873, dated 16 May].

In 2015, the remuneration paid to the auditor and to other natural or legal persons belonging to the same network was as presented in the following table.

By the Company*

Value of audit services	€35,650	2.6%
Value of assurance services	€0	0.0%
Value of tax advice services	€0	0.0%
Value of other non-audit services	€0	0.0%

By other group companies*

Value of audit services	€796,605	57.6%
Value of assurance services	€137,719	10.0%
Value of tax advice services	€7,000	0.5%
Value of other non-audit services	€406,604	29.4%

* Including individual and consolidated accounts.



PART I

C. internal organization

- I By-laws
- II Reporting of Irregularities
- III Internal control and risk management
- IV Investor support
- V Website

I By-laws

48. Rules applicable to amendment of the Company's By-laws (Article 245-A(1) (H))

Under Article 12(4) of the Company's By-laws, resolutions of the General Shareholders Meeting on amendments to the Company's By-laws must be approved by a qualified majority of two-thirds of the votes cast.

II Reporting of irregularities

49. Company Reporting of Irregularities policy and resources

Galp bases its operations on the principles of loyalty, correctness, honesty, transparency and integrity, with full respect for the law and best international practices, with a particular emphasis on creating internal regulation to ensure conduct that implements these principles and employee training on such issues, in all Group companies.

The approval of the new Galp Code of Ethics and Conduct by the Board of Directors of Galp Energia, SGPS, S.A. at their meeting of 24 July 2015 and its subsequent approval by the boards of directors of the subsidiary companies, is one of the main measures for implementation of the Group's corporate culture.

The submission of complaints in this area is regulated in the Reporting of Irregularities Procedure - Ethics Line adopted on 3 December, 2015 by the Supervisory Board and distributed internally to all of the employees of Galp and its subsidiaries via the normal means of communication and externally through the official Galp website at http://www.galpenergia.com/EN/Investidor/GovernoCorporativo/Documents/Procedure_on_Reporting_Irregularities_EthicsLine.pdf

The Reports of Irregularities Procedure seeks to enable any party related to Galp, including employees, members of corporate bodies, shareholders, investors, customers, suppliers or business partners to report to the Ethics and Conduct Committee (CEC) any knowledge or suspicion of irregularities or instances of non-compliance with the Code of Ethics and Conduct, of standards that refer to them or that deal with the topics referred to, in the areas of accounting, internal accounting controls, auditing, anti-corruption measures, banking and financial crimes.

The procedure applies to Galp and all the companies in which Galp directly or indirectly holds 50% or more of the share capital or in which it exercises control or a management mandate, in all countries where the Group operates.

Complaints submitted under the ethical line are received and processed by Galp's CEC, which was set up by and reports to the Supervisory Board, the corporate body responsible for oversight of the Company.

The security of Reporting of Irregularities information and the related records is ensured by Galp's internal rules, in accordance with relevant legislation on data protection and information security or any legislation that may replace it.

Personal data processed under the Reporting of Irregularities Procedure is covered by Authorisation No. 7924/2015, granted by the National Data Protection Commission (CNPD), whose conditions and limits are set in that Authorization and in CNPD Resolution No. 765/2009 or any that may replace it.

Information reported under this procedure shall be used only for the purposes set forth herein.

Notwithstanding the provisions of the Code of Ethics and Conduct, the Reporting of Irregularities Procedure is of a voluntary nature, so failure to apply it does not entail any penalties.

The person identified by the complaint is entitled to information about the entity responsible, the content of the complaint and the purpose of the processing and is entitled to access the data about himself/herself and has the right to demand its correction or deletion if it is inaccurate, incomplete or ambiguous.

Galp and its subsidiaries guarantee that entities reporting an irregularity or suspected irregularity or providing information as part of a Reporting of Irregularities investigation shall not be subject to any retaliation, intimidation or discrimination, including disciplinary action or withholding or suspension of payments

Abuse or use in bad faith of the Reporting of Irregularities procedure may lead to disciplinary or court action, as applicable, if the conduct justifies it as provided in the Code of Ethics and Conduct.

Complaints about the quality of the products supplied or services provided shall not be considered.

In the event of preliminary archiving of the case, the Supervisory Board shall ensure that the reported and collected information is destroyed. Personal data subject to complaint will be immediately destroyed if revealed to be inaccurate or useless. Where there is no need for disciplinary or court procedure, the data will be destroyed within six months of conclusion of the case.

In the event of disciplinary or court procedure, the data will be retained for a maximum of six months following the end of this procedure.

Each Reporting of Irregularities case will be treated as confidential and all people with access to the information in cases of alleged irregularities are required to maintain confidentiality.

For confidentiality reasons the only people who have access to Reporting of Irregularities cases are: Supervisory Board members, CEC members and, on a strictly need to know basis, Executive Board members and employees or external consultants specifically appointed to support the work of the CEC.

All instances of Reporting of Irregularities must be submitted in writing, by email or by letter, to the CEC, at the following address:

Email: opentalk@galpennergia.com

Postal Address:

Comissão de Ética e Conduta da Galp Energia, SGPS, S.A.
Edifício Galp, Torre A
Rua Tomás da Fonseca
1600-209 Lisbon, Portugal

Reporting of Irregularities must adopt a format that: guarantees confidentiality until it is received by the CEC; identifies the whistle-blower, whose identity will be kept confidential; contains a description of all the circumstances and information to enable the reported irregularity to be evaluated; or, if it is a suggestion, the specific elements that might prevent or reduce the likelihood of an irregularity.

Communication with the CEC must take place through the above channels, notwithstanding the possibility that the CEC may request any meetings required to clarify the information received.

Employees who reported irregularities are required to provide the CEC with all information in their possession and to cooperate in the investigation process.

The Supervisory Board drafted the report on Reporting of Irregularities cases and the procedures for their investigation during financial year 2015, in fulfilment of the information reporting duty set forth in point 2 of the Galp Reporting of Irregularities policy in force until the new procedures enter into force, and provided the Board of Directors with that report.

In light of the information received, it was concluded that there was no material impact on the accounting, finances, internal control and auditing; moreover, it was noted that the Reporting of irregularities procedure is rarely used by those to whom it is addressed.

III

Internal control and risk management

50. People, bodies or committees responsible for internal audit and/or for the implementation of internal control systems.

Galp's internal audit function is assigned to the Internal Auditing Division, which is part of the Corporate Centre.

Matters relating to the definition of Galp's internal control system are functions assigned to the Risk Management and Legal Services Divisions, Compliance and the Company Secretariat, also part of the Corporate Centre.

The Internal Auditing Division, the External Auditor and the Supervisory Board are all responsible for monitoring the effectiveness of the risk management system and for assessing the operation of the system and its internal procedures.

The Board of Directors is responsible for defining the risk management supervision strategy, to be monitored by the Executive Committee, in particular by its member with the responsibility for Galp's risk management (Chief Risk Officer).

The mission of the Legal Services Division, Compliance and Corporate Secretary is to define, implement and monitor internal control policies, advising the persons in charge of companies of the Galp Group, to prepare and conduct training sessions, and perform or manage internal investigations in matters of compliance in the Galp Group, either from the Corporate Centre or through focal points of the business units.

Based on international benchmarks, in late 2015 Galp developed a compliance maturity diagnosis to enable the Company, in early 2016, to define and plan a multi-annual compliance programme based on action priorities supported by the development of a corporate culture of integrity.

The functions of the Statutory Auditor and the External Auditor include evaluation of the internal control mechanisms of the key functional cycles of the Group companies with impact on financial reporting.

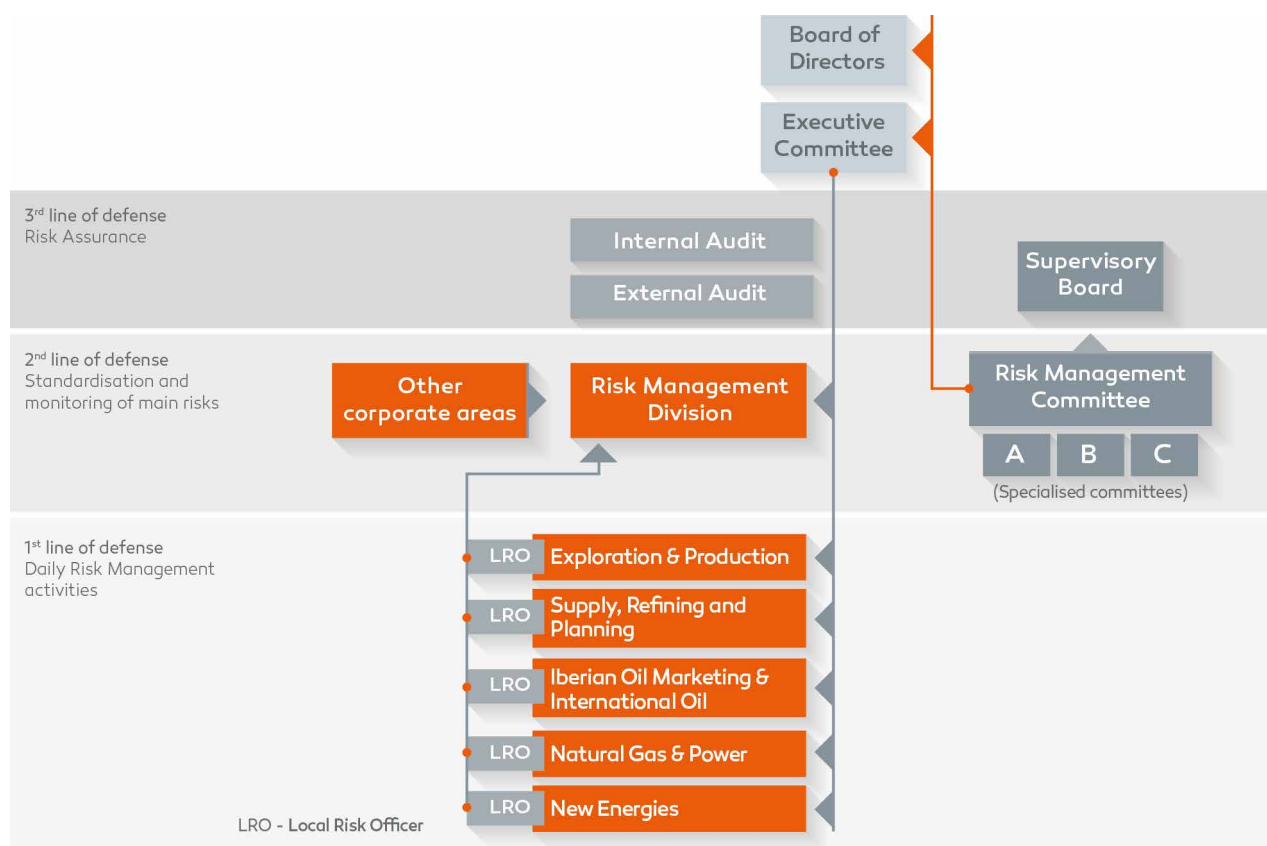
The implementation of the internal control systems is the responsibility of the local risk control and management units (Local Risk Officers) of the company and group business units.

51. Explicit definition, including a management chart, of the hierarchical and functional dependency relationships with other Company bodies and committees.

The existence of a robust regulatory framework and a disciplined approach to risk are important elements in an organisation with wide geographical diversification to ensure that the execution is carried out in accordance with the strategic objectives that the accepted risks are duly rewarded and that surplus value is created in the long term for the shareholders.

In Galp the organisation and governance structure of risk management is based on the "three lines of defence" model in accordance with generally accepted best practices, as outlined in the chart below. Daily risk management, standardisation and monitoring of the main risks, and the assurance of the risk, correspond to the first, second and third lines of defence, respectively.

GALP'S ENTERPRISE RISK MANAGEMENT (ERM)



Galp's Enterprise Risk Management is addressed in its risk management policy. This approach enables a consistent relationship between daily risk management activities, the supervision of the strategic and corporate risk, and the supervision of risk and assurance of governance, that enable to:

- Identify and understand the risk environment, evaluate and communicate the potential value of exposure to risk, determine and implement the best way of capturing or mitigating this exposure to the risk - first line of defence.
- Monitor corporate risk level, define standards and regularly report risk and the By-laws of action plans to the Risk Management Committee, the Executive Committee, the Supervisory Board and the Board of Directors - second line of defence.
- Supervise and evaluate, by recourse to independent internal and external entities, the effectiveness of the risk management and the internal control process – third line of defence.

Based on the approved strategy and on the Company's values, the Board of Directors is the highest authority for establishing the level of risk that Galp is willing to accept - the risk appetite and risk-tolerance - and for ensuring the alignment of the strategy with this risk level. Although these are responsibilities of the Board of Directors, the board may delegate powers to the Executive Committee.

In fact, it is the Executive Committee's responsibility to oversee risk management with a focus on the main risks that the Galp Group faces, including strategic, operational, financial and regulatory risks, identified and described in section 53 of this report.

Supported by the Risk Committee, the Executive Committee monitors the most material risks as well as the implementation of critical projects from the risk point of view.

The member of the Board of Directors responsible for Galp's risk management (Chief Risk Officer) is a member of the Executive Committee and chairman of the Risk Management Committee, thus ensuring that discussions of the topics are consistent and effective at all levels. The Chief Risk Officer is responsible for overseeing and coordinating risk assessment processes and respective mitigation actions throughout the Organisation, as well as for their adequate management, ensuring that the guidelines of the Board of Directors and the Executive Board are complied with and they are reflected in policies and procedures.

The Internal Auditing Division independently and systematically assesses the proper functioning of the Group's internal control systems and risk management, as well as the effectiveness and efficiency of implementation of mitigation controls and actions, regularly informing and alerting the Board of Directors and the Supervisory Board of the most relevant observations and recommendations and identifying opportunities for improvement, promoting their realization.

It is intended, therefore, to ensure the effective application of the risk management system through continuous monitoring of the adequacy and effectiveness of the monitoring of the corrective measures of any shortcomings of the system and the permanent monitoring of levels of risk and implementation of the control mechanisms pertaining to the various risks to which Galp is subject.

Annually, the Internal Auditing Division defines an audit plan, based on the results of the risk assessment of Galp's different processes and the various business units and strategic priorities that are approved by the Chairman of the Board of Directors and by the Supervisory Board.

Although it depends hierarchically on the Chairman of the Board of Directors, the Internal Audit reports functionally to the Supervisory Board, which approves the annual plan of internal audit activities and supervises their implementation.

The role of the Supervisory Board is to monitor the effectiveness of the internal control and internal audit systems, as well as to assess annually the functioning of the systems and the respective internal procedures, thus strengthening the internal control environment.

Within the framework of its supervisory function, the Supervisory Board accompanies the work plans and resources entrusted to the Internal Auditing Division and to the Compliance Department of Legal Services Division, Compliance and Corporate Secretary, which is the recipient of periodic reports made by these services, as well as information on matters related to accountability, identification or resolution of conflicts of interest and the detection of potential illegalities.

The risk management functions identified in the previous paragraph are accompanied by the Risk Management Committee, created by the Executive Committee on March 22, 2013, whose mission is to support and monitor the development and implementation of Galp's risk management strategy and policy, jointly with the Risk Management Division and those responsible for the Company's management units, which comprise the Executive Director responsible for the risk management Division (Chief Risk Officer), the Executive Director in charge of the finance department (Chief Financial Officer), the Director of the Risk Management Division and the Director of the Internal Auditing Division.

Within the sphere of the Risk Management Committee there is a work group that is subordinated to issues related to environment, quality and safety, and regulatory changes. Thus it is ensured that these matters are duly integrated into the Company's risk management system.

The relationship model between the agencies, departments and committees responsible for the implementation of internal control systems favours the centralized management of the risks at the level of the corporate Risk Management Division.

This department is responsible for defining, monitoring and evaluating risks and mitigation measures, ensuring alignment with approved policies and strategies by ensuring the consistency of the principles, concepts, methodologies and tools for the risk assessment and risk management of all the business units and companies of the Group.

The mission of the Risk Management Division is to ensure the effective application of the risk management system, through the relationship with the Executive Committee, Risk Management Committee and focal points of the business units and companies of the Group. It is its responsibility to:

- promote the implementation and coordination of the policy and the acceptable levels of risk (risk appetite and risk tolerance);
- propose and ensure the application of a risk management strategy appropriate to the approved risk profile;
- develop risk assessment methodologies and ensure consistency across the entire organisation;
- lead the process for evaluating, monitoring and mitigating risks in collaboration with the business units;
- support the Risk Committee, the Executive Committee and the Board of Directors in defining the risk strategy and policies on the supervision of risks and respective mitigation measures at the Group level;

- monitor the risk profile and report to the Risk Committee, the Executive Committee and the Board of Directors.

The Local Risk Officers (LRO's) are responsible for identifying, evaluating and managing the risks in the respective business units, in light of the defined risk management standards. They are also responsible for incorporating risk information in their decision-making process, ensuring compliance with the risk management policies and procedures. Additionally they are responsible for compiling, reporting and publishing information on exposure to risk in their business unit.

52. Existence of other functional areas with risk control powers.

As noted and described above, all Galp's management structures are responsible for controlling their risks.

In addition to those mentioned in section 50 above, we emphasize the Division of Environment, Quality, Safety and Sustainability and the Division of Information Systems.

Indeed, the Division of Environment, Quality, Safety and Sustainability have been assigned powers of corporate management of environmental, safety and security risk, in particular, to define and propose methodologies for the environmental and security risk assessment of Galp Group activities and product quality, together with the Risk Management Department, and in conjunction with the business units, ensuring the definition and scheduling of actions to remove or minimize the risks.

The cybersecurity area of the Division of Information Systems is responsible for defining and managing the cybersecurity policy of the Group's information system and data and for supporting the business units in managing risk and business continuity.

53. Identification and description of the main types of risks (economic, financial and legal) to which the Company is exposed in its business operations.

Galp's commercial operations are of a long-term nature, which implies that many of the risks to which it is exposed are permanent. However, the triggering factors of the internal or external risks, are changeable and can develop and evolve over time, and may vary in probability, severity and detectability.

We identify below the risks with high priority with regard to specific supervision which should be carried out, by the Board of Directors and its various committees. It is stressed, however, that they may undergo updates during the year, in response to changes caused by exogenous or endogenous factors.

It should be noted that there can still be no certainty as to whether our risk management activities will be able to mitigate or prevent the appearance of these or any other risk.

Main risks (in alphabetical order) for supervision by the Board of Directors and respective committees:

- discovery and development of resources and oil and natural gas reserves;
- disruptive events;
- project execution;
- geopolitical risks;
- Regulatory uncertainties (including climate change) and Compliance uncertainties;
- IT and cybersecurity;

Galp's main risks and uncertainties are managed, monitored and reported at the counterparty, project, industrial and geographical sector level, according to the case.

The risks identified through our risk management process are organised according to their degree of priority and, depending on the respective probability, severity and detectability, are communicated to the director responsible for the Risk Management Division (Chief Risk Officer). These risks are discussed in the business unit responsible for them ("owner" of the risk) and their alignment with Galp's acceptable levels is checked jointly with the Enterprise Risk Management team.

The responsibility for risk management, and the related periodic analysis, is assigned to the Company or to the functional leader. Galp has risk management strategies that classify the risks per response categories according to whether it is decided to avoid, transfer, reduce or accept the risk. These strategies are defined in such a way so as to ensure that the risks are within the acceptable guidelines by Galp's Executive Committee.

Depending on the nature of the risk involved and the Company or specific job affected, Galp uses a wide range of mitigation strategies, including delegation of duties and powers, reviews of strategic planning, organisation of processes, analysis of the operational risk, insurance and respective coverage.

The incorporation of the insurance activity in Enterprise Risk Management, enables to optimise the transfer of the risk, whenever that proves to be the best action of mitigation for the Group.

Main risk	Description and impact	Forms of mitigation
Disruptive events (including any failure in the operations of the industrial unit, which give rise to catastrophic impacts in terms of Health, Safety and Environment (HSE))	<p>The variety and complexity of Galp's operations – namely in exploration and production in ultra-deep waters or in the refining process – entails considerable potential risks. These risks include major incidents involving the safety of processes and facilities, non-compliance with the approved policies, natural disasters, civil unrest, civil war and terrorism. Exposure to generic operating risks, health and personal safety risks and risks related to criminal activities are also included.</p> <p>A major incident of this type may cause injury, loss of life, environmental damage or destruction of facilities. Depending on the cause and severity, any of these incidents may affect Galp's reputation, operating performance and financial position.</p>	<p>Galp understands that the environment, health and safety of its employees, customers and the community, combined with the protection of its assets, is key to ensure that the Company is sustainable. Consequently, the Company has established a commitment to integrating the most important aspects of HSE in its strategy and activities, as well as ensuring continuous improvement in its performance.</p> <p>It is also important to highlight the HSE management system. When implementing the guidelines of this system in the Company's daily operations, the business units can identify and manage their own operating risks, through the full cycle of the different projects, equipment and assets.</p> <p>Galp also has an insurance programme, which includes civil liability, to minimise the impact of any potential incidents.</p>
Execution of projects	<p>The organic growth of the Company depends on the creation of a portfolio of high quality assets and on the investment in the best options. If Galp is unable to make an efficient selection and does not develop its investments, the result may be a loss in value and/or higher investment costs, thus jeopardising the implementation of its strategic plan.</p> <p>The success of large-scale projects is, therefore, essential for Galp's future growth. The non-execution of these projects within the established budget and time limits, and in conformity with predefined specifications, may have an influence on the execution of Galp's strategy, as well as on its results, reputation and financial position.</p> <p>However, the implementation of projects is exposed to a variety of risks, particularly in terms of health, safety and environment, economic, technical, commercial, regulatory and legal risks.</p> <p>In addition, Galp's activities depend on the performance of various service providers and other contracted parties, therefore being exposed to the risk of execution through these entities.</p>	<p>In Galp, the final investment decision in a project is taken after a detailed review of feasibility studies, as well as the evaluation of key variables in the implementation stage, the definition of the concept of development and mitigation measures that can protect the future execution of the project.</p> <p>In addition to the teams that analyse in detail the feasibility of each project, Galp has a team that analyses the portfolio of projects/assets and how these fit into the Company's strategy. The goal is to ensure that Galp chooses its investments so as to effectively protect shareholder value and ensure the Company's sustainability.</p> <p>In the execution phase, the Company constantly monitors the critical factors in order to identify potential risks as quickly as possible, thus ensuring the timely implementation of corrective measures. Also with respect to the projects where it is not an operator, the Company monitors activities and participates in the various phases of the project, with multidisciplinary internal teams.</p> <p>The information collected in each project, and subsequently used for other projects is also important, enabling the Company to benefit from the experience and learning curve.</p> <p>Galp participates in numerous projects worldwide, which enables it to take advantage of the diversified knowledge and experience that it has acquired, by applying various techniques and experience curves from one region to another.</p> <p>With respect to the risk that arises from contracting suppliers, service providers and other third parties, Galp analyses and implements a selection and contracting process, combining multiple HSE criteria.</p>

Main risk	Description and impact	Forms of mitigation
Geopolitics	<p>Galp carries out its most important E&P projects in countries that are not part of the Organisation for Economic Co-operation and Development (OECD), which may raise some issues with respect to security failures, civil disturbance, expropriation of assets or changes in the legal, regulatory or fiscal framework, consequently compromising and negatively affecting the results of Galp's operations and financial position, and placing the implementation of the Company's strategy at risk.</p> <p>The Lula/Iracema project in Brazil is currently the biggest contributor to the Company's oil and natural gas reserves base. Although, to date, Galp has not had any material problems with its operations in that country, including, but not limited to, events involving security failures, civil disturbance, expropriation of assets or changes in the legal, regulatory or fiscal framework, there is no guarantee that these events may not occur in the future. Thus, although the authorities and the Brazilian government have been cooperating in terms of developing the country's oil and natural gas reserves, any adverse circumstances that may arise during the development phase of Galp's E&P projects could jeopardise the operations in this country. Therefore, the production targets set by the Company could be compromised and negatively impact the results and the financial position of the Company.</p>	<p>Galp is permanently aware of all the events occurring in the countries in which it conducts its activities and that may have implications for the Company's activities, particularly in Brazil.</p> <p>In the case of Brazil, the Company's presence and the relationships that it has built with the oil company, Petrobras, facilitate the opening of a channel of communication and allow it to react in a timely manner, especially with respect to the decision-making process and its subsequent ability to influence stakeholders at the local level, including its partner company.</p> <p>Given the scale of the projects being developed in Brazil and the importance they have for the country's economy, it is to be expected that the regulatory authorities and the Brazilian Government will facilitate their implementation, thus reducing the associated risk.</p>
Failures in Information Systems and Cybersecurity	<p>System failures, whether accidental, or resulting from intentional actions, such as computer attacks or others, including those that are caused by network, hardware or software failures, may have adverse impacts at various levels.</p> <p>These failures may namely affect, the quality of Galp's activities or cause an interruption of these activities, may lead to loss, misuse or abuse of sensitive information, loss of lives, damage to the environment or assets and breaches in the legal or regulatory sphere, with the possibility of fines or any other type of measures imposed by the regulatory authorities.</p> <p>These events can have consequences for the Company's reputation, may severely compromise Galp's operations and result in significant costs.</p>	<p>Galp mitigates these risks through a series of measures, including control procedures, backup systems, and protection systems, such as firewalls, antivirus and building security.</p> <p>In addition, Galp has implemented information security policies and regularly conducts audits, complementing them with computer risk assessments with respect to the most important assets.</p>
Regulatory uncertainties and Compliance	<p>Galp's main E&P projects are located in non-European countries, whose economies are under development or whose regulatory and political situation have a history of instability.</p> <p>Additionally, Galp is supplied with natural gas for its supply & trading business by Algeria and Nigeria and sells oil products in other African countries. Therefore, a portion of Galp's income is derived from, and will increasingly be derived from, or dependent on countries with greater associated economic and political risks.</p> <p>These include the possible expropriation and nationalisation of assets, significant increases in taxes and royalties on oil and natural gas production, among others.</p> <p>Moreover, political changes may lead to changes in the context in which the Company develops its activities, such as regulatory changes on matters such as allocating licenses for exploration and production, and the imposition of specific obligations on drilling and exploration activities.</p>	<p>With respect to the risks of a regulatory nature and of compliance to which the Company may be exposed in its E&P activities, Galp operates on two distinct fronts.</p> <p>First, the Company has been building a balanced portfolio of projects, entering a wide range of new geographies, which has helped to reduce its exposure to the risk related to any one country.</p> <p>The level of exposure to regulatory risks is analysed in the process of entry into new areas, and potential amendments by the lawmakers or regulators of those countries are regularly monitored.</p> <p>As a second front, Galp has implemented a procedure whereby a decision to enter into new transactions involves new counterparties being subject to due diligence.</p>

Main risk	Description and impact	Forms of mitigation
Regulatory uncertainties and Compliance (cont.)	<p>Although Galp has not experienced to date, major disturbances resulting from economic or political instability, potential future disruptions may negatively affect its activity, its operating results and its financial position.</p> <p>Galp considers that it operates in accordance with the international standards applicable in all the countries in which it carries out its activities. However, any (real or alleged) irregularities may have a very important adverse effect on Galp's capacity to develop its activity.</p> <p>Downstream and gas activities in the Iberian Peninsula are also subject to risks of a political, legal and regulatory nature. In fact, any changes in these levels can have an impact on the business context in which the Company operates, potentially affecting Galp's activities and its operating results.</p> <p>Significant changes in the tax systems in force in the countries where Galp carries out its downstream and gas activities may have a materially adverse impact on the Company's operating results and its financial position.</p> <p>Downstream and gas activities are also subject to laws and regulations on matters of competition, particularly in Portugal and in Spain, and the Company may incur significant losses in the context of proceedings filed in this context, including those where compensation is required for any alleged damages. The occurrence of these events may have an adverse impact on Galp's business, on the results of its operations and on its financial position.</p>	<p>At the same time, Galp has a code of ethics and conduct and an anti-corruption policy aimed at the public promotion of its commitment to permanently ensuring full compliance with the best practices and international law.</p> <p>In accordance with the update of its code of ethics and conduct, Galp has implemented a new version of its procedure for communication of irregularities occurring in companies of the Group. This procedure is in conformity with the best practices of corporate governance and the applicable rules and regulations of the capital markets, and is in line with the principles of loyalty, rectitude, honesty, transparency and integrity, on which Galp's activities are based, in order to promote a responsible, ethical culture and prevent or prohibit improper or illegal practices.</p>

Other relevant risks (in alphabetical order)	Description and impact	Forms of mitigation
Attraction and retention of qualified human capital	<p>The successful execution of Galp's strategy depends on the competence and efforts of its teams of employees and managers. In the oil and gas sector, in particular, the competition for human capital with qualifications and experience is very strong.</p> <p>If Galp does not manage, in the future, to attract, retain and motivate the right human capital, this could compromise the company's success and, consequently, its operational results and financial position.</p>	<p>Galp promotes a human capital strategy based upon a policy of competitive remuneration, and a strong training policy, appraising both individual and organisational performance evaluation systems, with the aim of recruiting and retaining talents.</p> <p>The training of Galp's employees, in which the company has been investing in recent years, is extremely important, particularly in relation to its advanced training programmes in management, refining and the exploration and production of hydrocarbons.</p> <p>More specifically in the E&P business, the strategy in relation to maintaining and attracting talents, focuses on the competitive position that the Company occupies in the sector at the international level.</p>

Other relevant risks (in alphabetical order)	Description and impact	Forms of mitigation
Competition	<p>The oil and gas industry is extremely competitive.</p> <p>The competition puts pressure on the prices of raw materials and products, namely affects the marketing activities relating to oil products, and demands a constant focus on cost control and increased efficiency while, at the same time, guaranteeing the safety of the operations.</p> <p>Within this context, implementation of the Company's strategy requires considerable effort, in relation to innovation and constant technological progress, including the progress achieved in terms of exploration, production, refining and energy efficiency.</p> <p>The Company's performance may be affected if its competitors develop or acquire intellectual property rights or technology that the Company needs, or if the Company is not able to keep up with the sector in terms of innovation.</p> <p>Some of Galp's competitors are operators that are well established in the market, are bigger and have access to a greater number of resources. The weight of these companies in the market is due to a combination of factors, including: diversified and reduced risk; the financial capacity necessary for the developments that require high levels of investment, the capacity to benefit from economies of scale in terms of technology and organisation; and a size that allows them to benefit from advantages related to the competencies acquired, infrastructures established and reserves. As such, these companies can acquire more or pay more for the exploratory prospects and can also invest more in the development of technologies than Galp.</p> <p>The intense competition to which the Company is subject can affect its activities, operational results and financial position.</p>	<p>In view of the competition that exists in the oil and gas industry, and to reduce the exposure to risks associated with the high level of operational complexity in the sector, Galp systematically applies the sector's best practices.</p> <p>The Company has implemented a solid culture of R&T in an attempt to continually track the most recent advances in the oil and natural gas industry, and is committed to the development of competencies, be it internally or through partnerships, that will allow for the creation, study and implementation of new and better technical and technological solutions.</p> <p>In relation to the fact that some of Galp's competitors are much bigger operators, with greater potential financial capacity and with the possibility of access to a greater amount of resources, attention should be drawn to the fact that the Company is involved in two of the most important, global-scale development projects – the pre-salt region in the Santos Basin in Brazil, and the LNG project in the Rovuma Basin in Mozambique, a situation which favours Galp's competitiveness in relation to other companies in the sector.</p> <p>In addition, Galp has a series of competitive advantages as well as a solid capital structure that supports its activities in E&P.</p> <p>In relation to the downstream and gas businesses, Galp has also made efforts to stand out from its competitors. One example of this is its project aimed at converting its refining system, allowing both refineries to operate in an integrated manner since 2013, thus increasing the Company's level of competitiveness within the European context. More complex and flexible refineries, have the capacity to better deal with the structural imbalance between the supply and demand of oil products in Europe.</p> <p>In terms of the G&P business, the initiatives to maintain trading activities on the international market should be stressed, where various players are active, including reference companies in the LNG market. In addition to the efforts to maintain a diverse and flexible range of products, these initiatives also include the strengthening of the technical and soft skills of the Company's trading team.</p>
Credit	<p>Risk arises from the possibility of a counterpart not fulfilling its contractual payment obligations, meaning that the level of risk depends upon its credibility.</p> <p>The risk includes both the possibility of one of the parties not fulfilling the payment obligations they assumed by entering into financial investment or hedging agreements (relating to exchange rates, interest rates, and others), such as the risks arising from commercial relations between the Company and its clients. The increase in the exposure to risk may, in a significant and adverse manner, affect Galp's operational results and financial position.</p>	<p>Credit risk is managed at the business unit level, in accordance with the Executive Committee's directives, specifically in relation to credit limits and actions designed to minimise or eliminate risk. The actions mentioned include: assessment and analysis of a client's credit (credit management manual, limit and rating); management of hedges through bank guarantees and credit insurance; monitoring of matured credit; sufficient efforts to recover debts and efficient litigation management; careful drafting of agreements, with the inclusion of suitable commercial conditions; monitoring of the client's profitability, including potential reimbursements; optimisation of sales/distribution channels.</p>

Other relevant risks (in alphabetical order)	Description and impact	Forms of mitigation
Discovery and development of resources and oil and natural gas reserves	<p>Galp's future production of oil and natural gas depends on its success in the consistent and profitable acquisition, discovery and development of new reserves to replace the reserves that have already been produced. However, the Company's ability to acquire and find new resources and reserves is subject to a number of risks.</p> <p>Estimates with respect to oil and natural gas reserves and resources are based on available geological, technological and economic data and is therefore subject to a large number of uncertainties. The accuracy of these estimates depends on numerous factors, assumptions and variables, some of which are outside the Company's control. These factors include changes in the prices of oil and natural gas, which may have an impact on the amount of proven reserves (given that reserves are calculated on the basis of the prevailing economic conditions on the date of the respective calculation); changes in the applicable tax regime or other regulations and contractual conditions, which occur after the date of calculation of the reserves (which can have an impact on the economic viability of the development of these reserves); and certain actions of third parties, including the operators that carry out activities in areas where Galp is involved.</p> <p>E&P activities are usually carried out in extremely challenging environments with potential risks of technical failures and natural disasters. A number of factors, such as unexpected drilling or pressure conditions, or irregularities in geological formations, equipment malfunctions or accidents, adverse weather conditions, non-compliance with the requirements imposed by government entities, as well as failures or delays in the availability of drilling rigs and equipment supply, may lead to higher costs or downsizing (decrease in staff) and delay or suspension of drilling activities.</p> <p>In addition, the production blocks of oil and natural gas are typically made available by government authorities. Galp is subject to strong competition in the bidding for these blocks, particularly with respect to those which are considered to be potentially more attractive in terms of resources. Due to this competition, Galp may not be able to obtain the desired production blocks, or may have to pay a higher price to obtain them, which may affect the economic viability of subsequent production.</p> <p>The projects may be sanctioned based on incorrect assumptions or inadequate information. The projects may be delivered late, exceed the budget or have levels lower than the operational reliability standards. If the Company is not successful in de-risking the resources and in the development of reserves, its total proven reserves may decrease and Galp may run the risk of not achieving its production targets. This may negatively affect the results and the Company's financial position.</p>	<p>Galp has a set of exceptional assets, particularly in the E&P business. All projects undertaken by the Company are rigorously analysed and submitted to the management team for approval, which is only given when the expected value exceeds the estimated cost of the capital.</p> <p>The Company has a multidisciplinary team, under the responsibility of the director of the E&P area, dedicated to identifying and assessing new areas that may contribute to the expansion of its resource base.</p> <p>Galp has been making efforts to broaden its knowledge base and strengthen the expertise of its teams, helping to provide better understanding and control over the different areas of exploration and production activities, including the estimate of reserves and resources in the portfolio.</p> <p>Every year, Galp uses an external independent audit company to carry out the certification of its reserves and resources that it holds.</p> <p>It should also be mentioned that Galp applies a phased approval mechanism to its key projects which considers the maturity and the risk of the project in question. This process allows for the assessment of the risk profile of the project over various phases, supporting a decision for its optimisation.</p> <p>At this point, and considering the existing forms of mitigation, Galp has a considerable base of contingent resources which give it a comfortable and sustainable position with regards to the future development of its assets.</p>

Other relevant risks (in alphabetical order)	Description and impact	Forms of mitigation
Funding and liquidity needs	<p>Due to its investment strategy and plan, it is expected that Galp will need significant funds. Galp expects to finance a substantial part of its investment plan using operational cash flow, cash and equivalents and other available liquidity.</p> <p>However, if its operations do not generate enough cash flow, the Company may have to turn to other sources of external financing, in addition to those which had originally been planned, including bank loans, the placing of debt and equity on the capital market, or establishing partnerships.</p> <p>There is no guarantee that Galp will be able to satisfy all of its financial needs to execute its investment plan under commercially acceptable conditions.</p> <p>If the Company is unable to deal with its financing and liquidity needs, it may have to reduce its investment plan, which could have a negative impact on the Company's strategic plan, on its activities and, consequently, on its operational results.</p>	<p>One of Galp's strategic pillars is the maintenance of a solid capital structure, specifically by means of strong financial discipline, which should facilitate access to diverse sources of financing at competitive costs.</p> <p>The solid capital structure and the resilient cash flow generated by the downstream and gas businesses, together with the expected cash flow generated by the increase of production in Brazil, will be essential for an improvement of credit conditions, extending maturity periods and negotiate competitive rates, as well as for a diversification of the sources of financing.</p> <p>In addition, Galp has maintained the lines of credit at a level that was considered suitable, thus providing them with flexibility in terms of cash needs.</p>
Losses resulting from trading activities	<p>During the course of its activities, Galp is subject to operational risks that are inherent to the activities of cash and trading management.</p> <p>Galp operates on the derivatives market, making use of procedures that are periodically performed and designed to limit its exposure to risks involved in the operations in question.</p> <p>In relation to the physical market of raw-materials connected with Galp's activities, there is no guarantee that, in the future, the Company will not come to suffer losses due to the tendency of the prices of the raw materials in question to fall, or other factors that could influence the Company's commercial positioning. The effective control of these activities depends of Galp's ability to process, manage and monitor a large number of complex operations in different markets and currencies. In relation to this, any event that results in losses could have a negative impact on Galp's activities, operational results and financial position.</p>	<p>Galp has implemented a set of procedures aimed at reducing the risk of trading activities.</p> <p>First, the Company has been strengthening its skills in this area and also developing its soft skills in order to facilitate trading activity, specifically in relation to the establishment of relationships in value-added markets.</p> <p>For a trading activity to be successful, it is also essential to ensure sufficient sourcing of oil-derived products and raw materials, such as oil and natural gas. Galp therefore makes every effort to create a diverse and flexible mix of sourcing of crude oil, natural gas and LNG.</p> <p>In relation to the trading of oil products, although the Company's priority is to place them in added-value markets, such as, for example, the Iberian Peninsula and selected African countries, Galp plans its production appropriately, analysing the best markets to place the products available for trading.</p> <p>In relation to the trading of LNG, in addition to ensuring sourcing of a diverse and flexible sourcing mix, Galp seeks to maintain a stable basis of demand for natural gas in the Iberian Peninsula, which will allow risks to be taken in the provision and management of the portfolio.</p> <p>In addition, Galp has periodically performed procedures designed to limit the exposures to risk that involve trading operations.</p>

Other relevant risks (in alphabetical order)	Description and impact	Forms of mitigation
Partner dependency	<p>Many of Galp's main projects are carried out through partnerships, and may be operated by third parties and managed by joint venture agreements. In these partner agreements, the Company may be vulnerable to events that impact their partners, even though they are not related to Galp. The Company's partners could also approve certain matters without the Company's consent.</p> <p>The partners may not have the ability to fulfil their obligations on certain projects or in relation to third parties and, as such, they could affect the viability of the projects.</p> <p>All these risks, associated with a partnership situation, could place the execution of projects at risk and, ultimately, constrain and interfere with the implementation of Galp's strategy, with this possibly having a negative impact on its operational results and financial position.</p>	<p>Despite Galp not playing the role of operator in the majority of the E&P projects in which it participates, it is actively involved in the respective implementation. The Company monitors the activities of each project on a daily basis, using internal, multidisciplinary teams, and maintaining direct contact with the operators, which essentially consist of well-respected international companies with vast experience in the sector.</p> <p>Galp utilises a decision making process that involves prior screening in relation to the selection of its strategic partners, and also using due diligence processes. The Company also develops a long process of negotiations that includes the drafting, analysis and signing of Joint Operating Agreements in order to ensure Galp's rights and powers in the governance structures under joint venture systems. The Company can exercise possible veto rights on certain matters within the consortia.</p> <p>Galp feels that its proven and diverse experience, combined with the knowledge acquired in the various projects in which it is involved, is a key factor that allows it to have influence in the partnerships in which it participates. However, the Company's objective consists of continuing to develop its exploration and production activities, which tend to increase its ability to control and influence.</p>
Volatility of prices and markets	<p>The prices of oil, natural gas, LNG and oil-derived products are affected, at any time, by the dynamics of market supply and demand. In turn, these products are influenced by different factors, such as economic and operational circumstances, natural disasters, weather conditions, political instability, armed conflicts or supply constraints of oil exporting countries. Over the course of its operations and trading activities, Galp's results are therefore exposed to the volatility of the prices of oil, natural gas and oil-derived products.</p> <p>Even though, in the long term, the operational costs tend to be in line with the rises and falls of the prices of raw materials and products, there is no guarantee that this will happen in the short term. Consequently, a reduction in the price of oil or natural gas could compromise investment plans, including exploration and development activities.</p>	<p>Galp's simultaneous presence in upstream and downstream businesses has allowed a natural hedge to form in relation to its activities.</p> <p>New projects and investments are evaluated internally, taking into consideration an analysis of their sensitivity to key variables, particularly commodity prices.</p> <p>The risk associated with the volatility of raw material prices, particularly the refining margin, is managed at the business unit level through the monitoring of the liquid global position of the Company's raw materials, balancing the obligations of sourcing and supply.</p>

Other relevant risks (in alphabetical order)	Description and impact	Forms of mitigation
Volatility of prices and markets (cont.)	<p>On the other hand, the increase in the prices of oil or natural gas could affect the value and profitability of Galp's assets. Even though the prices that the Company charges its clients reflect market prices, they cannot be adjusted immediately, and may not entirely reflect the changes in market prices.</p> <p>Additionally, the significant differences in price that are seen between the purchase of the raw materials and the sale of refined products, could negatively affect Galp's operational results and financial position.</p> <p>Galp is also exposed to fluctuations in exchange rates due to the fact that the results and the cash flow generated by the sale of oil, natural gas and refined products will normally be expressed in US dollars and in Brazilian Reais, and be affected by the exchange rates associated with these currencies.</p> <p>In those countries where Galp is developing commercial activities, be it directly or indirectly, the operational results are also exposed to the fluctuations of the relevant exchange rates.</p> <p>Galp is also exposed to the risk of exchange rates in relation to the value of its financial assets and investments, mainly those that are defined in US dollars, which could have an impact on the Company's balance sheet and accounts, given that the financial statements are expressed in Euro.</p> <p>Despite the ability to access the market instruments designed to hedge the interest rate risk, Galp's financing costs could be affected by volatility in market rates, which could, in turn, negatively influence its results.</p>	<p>The aforementioned risk is managed by means of the instrument made available by over-the-counter (OTC) or Intercontinental Exchange (ICE) markets.</p> <p>The interest rate, the exchange rate and other financial risks, including financial investments and debt, are managed centrally. Risk management of the interest rate seeks to reduce the volatility of interest charges through the use of simple derivative instruments, such as swaps. With the aim of mitigating the exchange rate risk, Galp can, whenever it deems it necessary, hedge its position by means of derivatives, for which a liquid market exists.</p>

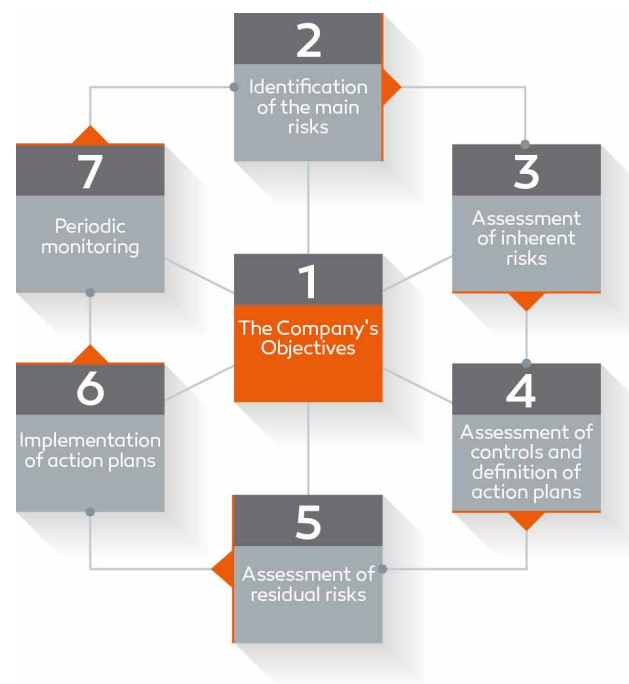
54. Description of the process of risk identification, evaluation, monitoring, control and management

The internal control system consists of a set of policies and procedures adopted for the purpose of ensuring, with a reasonable probability of success, compliance with the Company's objectives with respect to:

- conducting their activities in an orderly and efficient manner;
- safeguarding their assets;
- preventing and detecting fraud and errors;
- complying with laws and regulations; and
- reliability of financial reporting.

This system is based on the guidance of the Committee of Sponsoring Organisations of the Treadway Commission (COSO) concerning the main aspects of Galp's internal control: Control environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring.

ASSESSMENT METHODOLOGY AND RISK MANAGEMENT OF THE GALP GROUP



The control environment is the basis of the internal control system. It influences how the Company's strategy and goals are defined, how operating activities are structured and how the Company's risk culture is assumed. It consists of various elements, including values, general attitude and management style.

Galp's control environment is based on a set of internal codes, policies, standards and procedures, which define principles of ethical conduct and ensure scrutiny of the different management acts, in line with the best international practices and in conformity with the legal and regulatory requirements, which were adopted in order to ensure, with reasonable probability, compliance with the Company's goals and the expectations and requirements of the group's internal and external stakeholders.

The definition or revision of the Company's objectives is the factor that triggers the risk management process.

Timely identification of the factors and the resulting risk assessment enables the Company to identify potential events that may affect achieving corporate objectives. Accordingly, Galp promotes continuous identification of factors and a systematic assessment of the major risks that could compromise the goals of the business units. This is a bottom up process, which is the responsibility of the various business units (owners of the risk).

Through a process that involves Enterprise Risk Management and the business units, the appropriate options for mitigation of risk are identified and selected, considering not only the effect of these options on the likelihood and impact of events, in the face of corporate risk appetite, but also the cost of each option in relation to the respective benefits. After choosing the option, the business unit prepares a response action plan to mitigate, transfer, avoid or accept the risk.

The control activities for guaranteeing that responses to risk are effective, enabling business objectives to be achieved are the responsibility of each business unit. However, the Corporate Risk Management team and the committees created for that purpose are also involved. The residual risks are assessed and deviations in relation to the level of risk assumed in the business unit's business plan are identified.

This ensures the monitoring and reporting of the mitigation plan.

This process is in accordance with what is recommended by COSO and is illustrated in the previous chart, which also shows the sequence and dependencies of various activities.

To ensure an effective internal control system, Galp promotes the exchange of relevant information, maintaining permanent communication with the various stakeholders, both internal and external.

Given that the inherent risks and the effectiveness of internal controls depend on internal and external variables, this process is not static. For this reason, it is a good practice to conduct a periodic re-evaluation of the risk of Galp's main activities, in order to ensure that there is alignment between the risk profile, decided by the Board of Directors, and the mitigation plan implemented by the business units.

Finally, operational, compliance and financial audits are carried out, as well as revisions of information systems,

in order to test the effectiveness of the internal control mechanisms that have been implemented.

55. The key elements of the internal control and risk management systems implemented in the Company for the financial information disclosure process (Article 245(A)(1)(m))

The process for disclosing financial information by Galp is accompanied not only by the management and supervisory bodies but also by the business units and corporate services. The documents for presenting financial information to the capital markets are prepared by the Strategy and Investor Relations Division (DERI in Portuguese), based on information provided by the business units, the Accounting and Taxation and the Corporate Planning and Control divisions.

Before disclosure, the documents are sent to the administrative and supervisory bodies. All the documents presenting financial information are therefore approved by these two bodies before being released.

IV

Investor support

56. Service responsible for supporting investors, composition, duties, information provided by these services and contact details

Composition

The service responsible for supporting investors is part of the Strategy and Investor Relations Division (DERI) and has the following members:

Director: Pedro Dias

Investor Relations Officer: Otelo Ruivo

Employees: Cátia Lopes, Joana Pereira, João Pereira, Pedro Pinto

Main duties

The DERI performs all the duties of the investor support office. This department reports directly to the Chief Executive Officer (CEO) and its duties include devising, managing and coordinating all the activities required to achieve Galp's objectives in respect of relations with the capital market, namely, shareholders, institutional investors and financial analysts.

The Investor Relations (IR) area is responsible for ensuring that communications with capital markets result in an integrated and consistent perception of Galp's strategy and operations so that investors are capable of making informed decisions. To this end the IR area must provide the market with relevant, clear and accurate information about Galp, regularly, transparently and promptly.

The IR area is also responsible for meeting the legal obligations to report to the regulator and the market, including drawing up reports disclosing Galp's results and activities, drafting and disseminating communiqués on important matters, answering requests for information from investors, financial analysts and other capital market participants. It also supports the Executive Committee in aspects relating to Galp's market By-laws as a listed company.

The IR area monitors change in Galp's share price and those of comparable companies and supports the management team in direct and regular contact with national and foreign financial analysts and institutional investors, in conferences and collective presentations, addressed to investors and in bilateral meetings.

Information disclosed

Galp's capital market communication policy aims to provide all relevant information to enable reasoned judgements to be made about the evolution of the Company's activity, expected and achieved results and the various risks and opportunities that can affect its activity.

To this end, Galp promotes transparent and consistent communication, based on explanations of the criteria used in the provision of information and clarification of the reasons for any amendments to it, in order to facilitate the comparison of information provided in different reporting periods.

All relevant information is divulged, preferably, before the Euronext Lisbon opens, or after it closes and is made available in Portuguese and English through the CMVM's information dissemination system. The information is also provided to facilitate access, quickly and without specific costs, to a non-discriminatory database, sent by email to all investors and other stakeholders who have requested so in advance. The relevant information is disclosed simultaneously in the "Investors" section of Galp's website <http://www.galpennergia.com/EN/investidor/Noticias/Paginas/Home.aspx>

The information disclosed includes reports and presentations of quarterly and annual results and supporting files; a summary of operational information for each quarter, normally released two weeks before the announcement of the quarterly results; transcripts of telephone conferences for the presentation of results; presentations in the context of Galp's activity, including those related to Company strategy; communiqués released by the Company, including those relating to inside information. Galp also publishes agreed estimates by analysts of quarterly, medium and long-term results covering Galp's action, with a summary of the analysts' recommendations. The Company also provides its financial calendar for a period of one year.

The website for support of investor relations also has a detailed description of Galp's activities and strategy and a section on corporate governance and on the corporate bodies, with information about each member of the

Executive Committee and the Board of Directors. There is also a dedicated area for the General Shareholders Meeting, with a description of all the documents and procedures that can be downloaded, as well as a section on Galp's share prices, with comparisons with the evolution of the PSI 20 and the share prices of comparable companies, facilities for downloading series of share prices and traded volumes and a calculator to determine the value and return on investment.

Contacts

Galp promotes a close relationship with the financial community and is actively involved in meetings with institutional investors, in order to provide regular and consistent information on the Company's strategy and implementation.

In 2015, Galp held about 250 meetings with institutional investors, covering a total of 400 investment funds in Europe, North America and Latin America. Note that about 55% of these meetings were attended by at least one member of the Executive Committee, underlining the management team's high commitment level to communicating with the investors regarding the Company's strategy and its implementation.

Email is one of the channels prioritised by the financial community for submitting requests for information and is therefore a key element in Galp's communication with the market.

The email address of the Investor Relations area is: investor.relations@galpennergia.com.

During all Euronext Lisbon business hours, the IR area can also be contacted by calling: +351 217 240 866.

57. Representative for market relations

Galp's representative for market relations is Mr Pedro Dias, Director of the Division of Strategy and Investor Relations.

58. Information on the proportion of and the response time to requests for information received during the year, or pending from previous years.

To promote a close relationship with the financial community, the Director of Strategy and Investor Relations responds to information requests received, including by telephone and email.

Responses and clarifications are provided as quickly as possible, adjusting the response time to the nature and complexity of issues at hand, and always ensuring transparency, symmetry and consistency of available market information. The average response time in 2015 was one business day (in line with the target defined).

V

Website

59. Address(es)

Galp publishes information on its website: <http://www.galpenergia.com>

60. Location of information about the firm, its public company status, headquarters and other details set out in Article 171 of the Commercial Companies Code

The information set out in Article 171 of the CSC can be found on the Galp website at: <http://www.galpenergia.com/EN/Contactos/Paginas/ContactoGeral.aspx?height=600px&form=16&reload=false>

61. Location of the By-laws and regulations for governing bodies or committees

Galp's By-laws are posted on Galp's website at: <http://www.galpenergia.com/EN/Investidor/GovernoCorporativo/Paginas/Estatutos.aspx>

The Regulations of Galp's Supervisory Board can be found on Galp's website at: <http://www.galpenergia.com/EN/Investidor/GovernoCorporativo/Orgaos-sociais/Documents/Supervisory-board-regulations-2015.pdf>

The Regulations of Galp's Board of Directors can be found on Galp's website at: http://www.galpenergia.com/EN/Investidor/GovernoCorporativo/Orgaos-sociais/Documents/Regulamento_CA_EN_Web.pdf

The Regulations of Galp's Executive Committee can be found on Galp's website at: http://www.galpenergia.com/EN/Investidor/GovernoCorporativo/Orgaos-sociais/Documents/Regulamento_CE_EN_Web.pdf

62. Location of information on the identity of the members of the corporate bodies, the Market liaison officer, the Investor Support Office or equivalent service, its functions and access channels

Information on the members of the corporate bodies can be found on Galp's website at: <http://www.galpenergia.com/EN/Investidor/GovernoCorporativo/Orgaos-sociais/Paginas/Orgaos-sociais-da-Galp-Energia.aspx>

Information on the market liaison officer and the Investor Relations area can be found on Galp's website at: <http://www.galpenergia.com/EN/Investidor/Paginas/Equipa.aspx>

63. Location of accounting documents, which must be accessible for at least five years, and the six-month calendar of corporate events, released at the beginning of each semester, including, among other events, the General Shareholders Meetings, disclosure of annual and, if applicable, quarterly, accounts

The accounting documents are available on the Galp's website at: <http://www.galpenergia.com/EN/Investidor/Relatorios-e-resultados/Paginas/Home.aspx> and the calendar is available at: <http://www.galpenergia.com/EN/Investidor/Calendario/Paginas/home.aspx>

64. Location of notice convening the General Shareholders Meeting and all preparatory and subsequent information relating to it

The notice convening the General Shareholders Meeting and all preparatory and subsequent information related to it are posted on Galp's website at: <http://www.galpenergia.com/EN/Investidor/AssembleiaGeral/Paginas/Home.aspx>

65. Location of the historical record of resolutions made in General Shareholders Meetings of the Company, share capital represented and the results of votes, for the past three years

The historical record of recent years with resolutions made in the Company's General Shareholders Meetings, share capital represented and the results of votes, can be found on Galp's website at: <http://www.galpenergia.com/EN/Investidor/AssembleiaGeral/Arquivo/Paginas/Home.aspx>



PART I

D. Remuneration

- I Remuneration setting powers
- II Remuneration Committee
- III Remuneration structure
- IV Remuneration disclosure
- V Agreements with remuneration implications
- VI Share allocation and/or stock options plans

I Remuneration setting powers

66. Indication regarding powers to set the remuneration of the governing bodies, of the members of the Executive Committee, or the CEO and the Company's managers

Under the provisions of Article 8 of Galp's By-laws, the Remuneration Committee is the governing body responsible for setting the remuneration amounts payable to members of Galp's governing bodies and Executive Committee and consists of three shareholders elected by the General Shareholders Meeting who are not members of the Board of Directors or the Supervisory Board.

Galp's management, as per the provisions of Article 248 (B) (3) of the Portuguese Securities Code (CVM), are the members of the Board of Directors and the Supervisory Board of the Company. Indeed, beyond the members of these bodies, no manager has regular access to inside information, or participates in decisions about the company's management and business strategy.

II Remuneration Committee

67. Membership of the Remuneration Committee, including identification of the natural or legal persons recruited to provide it with support and statement on the independence of each member and advisor

The Company's current Remuneration Committee was elected at the General Shareholders Meeting of 16 April 2015 for the term 2015-18 and has the following members:

- Amorim Energia
- Jorge Armindo Carvalho Teixeira
- Joaquim Alberto Hierro Lopes

The members of the Remuneration Committee are independent of the executive members of the Board of Directors of the Company, in fulfilment of Article 8 of the Company's By-laws which stipulates that those positions are incompatible.

The fact that the non-executive directors Américo Amorim, Paula Amorim, Rui Paulo Gonçalves and Jorge Seabra de Freitas are members of Amorim Energia's Board of Directors does not affect the independence of that body as a member of the Remuneration Committee, given that these members

do not make, alone or together, the decisions of the Board of Directors of Amorim Energia.

In 2015, no natural or legal person was recruited to support the Remuneration Committee in the performance of its duties.

68. Knowledge and experience of the members of the Remuneration Committee in matters of remuneration policy

The members of the Remuneration Committee have control over the remuneration policy based on their academic background and extensive corporate experience and are considered suitable for reflection and decision-making on all matters under the remit of the Remuneration Committee, as evidenced by their biographical information in Annex 8.

Specifically, the Remuneration Committee member Jorge Armindo Carvalho Teixeira has vast professional experience including work in listed companies, management positions, including as Chairman, giving him appropriate knowledge in matters of remuneration in governing bodies.

III Remuneration structure

69. Description of the remuneration policy of the management and supervisory bodies, as provided in Article 2 of Law No. 28/2009 of 19 June

Under its mandate conferred by the General Shareholders Meeting, in accordance with Article 8 of the By-laws, the Remuneration Committee presented Galp's General Shareholders Meeting, held on 16 April 2015, with a statement on the remuneration policy for the management and supervisory bodies, describing the process followed for setting and implementing Galp's remuneration policy for 2015 and its general objectives and principles, in accordance with law 28/2009 of 19 June and in line with CMVM Regulation No 4/2013 and the Corporate Governance Code (Recommendations 2013), in order to ensure greater clarity and effectiveness in communication, both with the market and with shareholders.

The General Shareholders Meeting of 16 April 2015 approved the remuneration policy for the Company's corporate bodies for 2015, as proposed by the Remuneration Committee. The policy is attached to this Report as Annex 9, and a brief description of it follows.

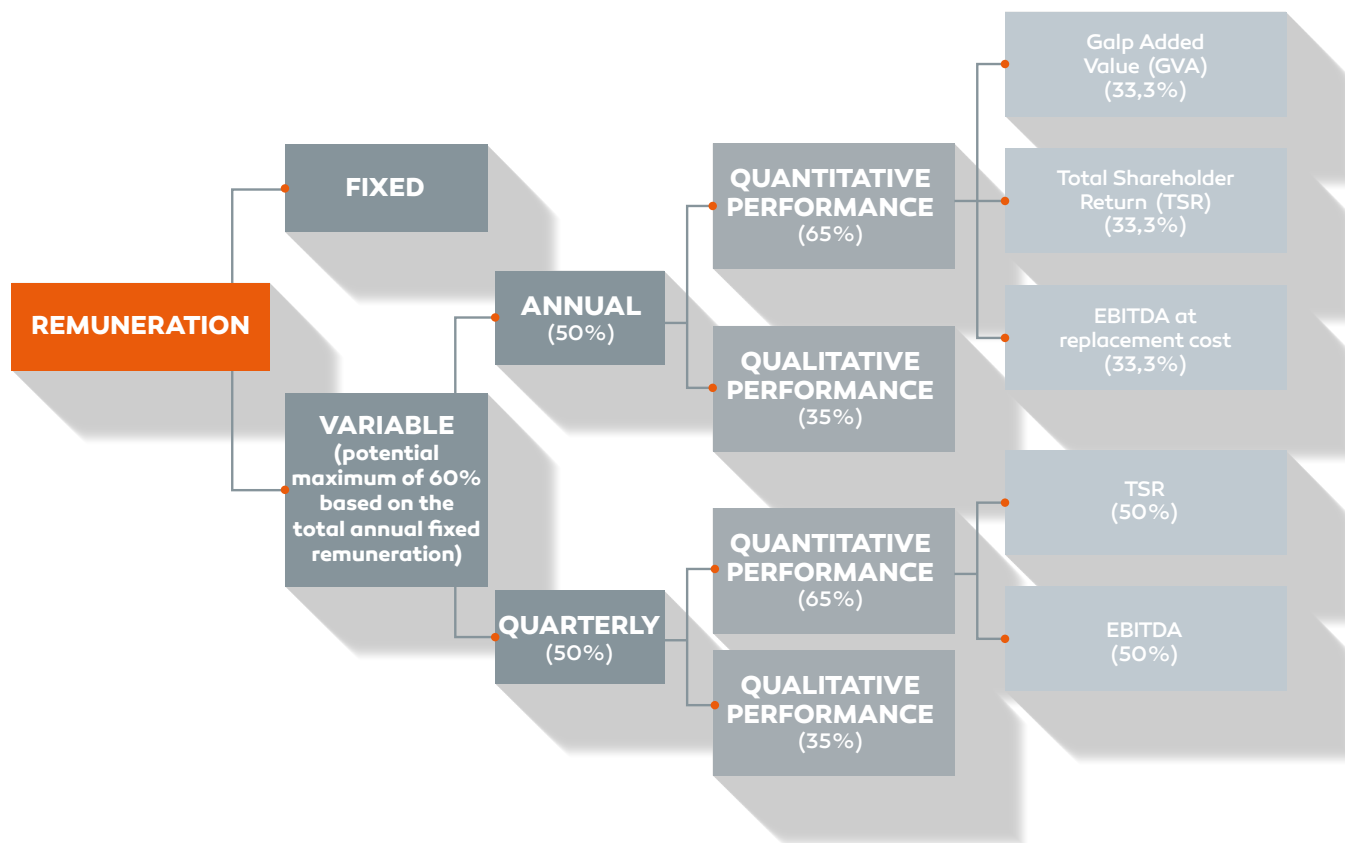
BOARD OF DIRECTORS

Non-executive members - fixed monthly sum, paid 12 times a year, in an amount set by the Remuneration Committee, taking account of standard market practice, which may be differentiated, in the case of the Chairman of the Board of Directors, in recognition of the special functions of Company representation assigned to him and in the case of non-executive members of the Board of Directors who perform special functions of supervision and monitoring of the Company, as a result of a special duty assigned by the Board of Directors or as part of the committees established by that body, currently existing, or that may be created in the future.

The remuneration of the non-executive members of the Board of Directors does not include any amount determined based on the Company's performance or value.

Executive Members

Remuneration structure



Pay for 2015 involves three main components:

Fixed remuneration - the fixed part of the remuneration is a monthly payment, in 14 annual instalments, whose amount is set by the Remuneration Committee taking account of the nature of the assigned roles and responsibilities and market practice in equivalent positions in large national and international companies operating in the same sectors.

Annual variable remuneration: represents 50% of total variable remuneration, with the appropriate amount set based on the following indicators:

- i) Galp Added Value (GVA) (Galp's "Economic Value Added"), 33.3%;

ii) Total Shareholder Return (TSR, 33.3%, to enable comparison with the change in Galp's stock market performance (including dividend payments) compared to the following group of comparable companies: Neste Oil, Repsol, OMV, MOL and ENI, and the PSI 20 index;

iii) Galp's EBITDA, at Replacement Cost (RC), 33.3%.

Three-yearly variable remuneration: represents 50% of total variable remuneration, with the appropriate amount set based on the following indicators:

i) TSR Galp vs comparable companies, 50%;

ii) Galp's EBITDA, at Replacement Cost, 50%.

The executive members of the Board of Directors are also entitled to an amount equal to 25% of their fixed remuneration, which is paid 14 times a year for the purpose of establishing a savings plan or similar financial product.

The executive members of the Board of Directors also receive the fringe benefits in force at Galp for the exercise of their role, in accordance with the Company's terms and conditions.

Executive directors who have to travel from their place of residence are entitled to receive a supplement for accommodation expenses, set by the Remuneration Committee.

The remuneration of the Galp directors includes all remunerations due for posts held on corporate bodies in other Group companies.

SUPERVISORY BOARD

The remuneration of the members of the Supervisory Board consists of a fixed monthly payment, in 12 instalments, with the Chairman of the Supervisory Board receiving a different rate from the other members of the Supervisory Board, given the special functions assigned to that position.

The remuneration of the Supervisory Board members includes no variable component.

STATUTORY AUDITOR

The Statutory Auditor is remunerated for the work of review and legal certification of the accounts of the Company and is contractually set under normal market conditions.

BOARD OF THE GENERAL SHAREHOLDERS MEETING

The members of the board of the General Shareholders Meeting are paid in a single instalment by the end of April each year.

70. Information on how remuneration is structured so that it aligns the interests of the members of the Board of Directors with the long-term interests of the Company, and on how it takes account of performance assessment and discourages excessive risk-taking

To achieve better alignment of the activities of the directors with the Company's long-term objectives, a three-year policy setting multi-year goals was introduced in 2012.

Indeed, as provided by the remuneration policy described in section 69, the variable remuneration of directors holding executive office includes annual and three-yearly variable components, of the same weighting (50%), based on performance assessment carried out by the Remuneration Committee using specific, measurable and pre-defined criteria which, together, look at the Company's growth indicators and the wealth created for shareholders in a sustained manner in the short, medium and long term, with a three-year time lag for the year in question in the case of the three-year component, under the terms of the above-mentioned remuneration policy for 2015.

Accordingly, the use of qualitative criteria oriented towards a strategic medium-term perspective in the development of the company, the three-year period considered for setting the multi-annual variable remuneration amount and the existence of a ceiling on variable remuneration, are key elements in promoting management aligned with the medium and long term interests of the Company and its shareholders.

The executive members of the Board of Directors shall not enter into contracts, either with the Company or with third parties, whose effect is to mitigate the inherent risk of their variable remuneration set by the Company.

71. Reference, if applicable, to any variable remuneration component and information on any impact of performance evaluation on this component

In 2015, the remuneration of executive directors included a variable component set based on the degree of compliance with certain economic, financial and operational objectives in respect of financial year 2014, as set out in the remuneration policy for 2015, presented by Galp's Remuneration Committee and approved at the General Shareholders Meeting of 16 April 2015.

The total variable remuneration amount for each year is set by the Remuneration Committee in accordance with the fulfilment of the previously defined specific targets, with a maximum potential of 60%, by reference to fixed annual total remuneration.

The above-mentioned performance indicators contribute 65% to the definition of the applicable annual and three-yearly variable remuneration. The remaining 35% of each of these components is based on the result of the Remuneration Committee's qualitative assessment of the work of the executive directors during the financial year or during the relevant three-year period, as appropriate.

Given the need to maintain consistency between the results obtained and the total amount of variable remuneration paid, this depends on Galp's net profit and loss. Accordingly, if Galp achieves net profit under 80% of budget, there will be no entitlement to payment of variable remuneration.

For 2015, the Remuneration Committee set the annual variable remuneration at 50% of total variable remuneration, in line with generally recognized practice in the national market and representing a reasonable balance between the variable and fixed remuneration components.

For 2015, the Remuneration Committee also set the three-year variable remuneration at 50% of total variable remuneration, in line with generally recognized practice in the national market and the arrangements applicable to banking institutions defined in Annex II (1) (n) of Directive 2011/61/EU of 8 June 2011, which sets a minimum amount of 40% for deferred variable remuneration.

72. Deferred payment of variable remuneration, with specification of the deferral period

The remuneration policy for 2015 provides for the three-year deferral of 50% of the variable remuneration component, in successive and overlapping three-year periods.

Each year the previous year is evaluated to ascertain the degree of fulfilment of its objectives, by reference to those set for the three-year period in which the year falls.

After the respective three-year period, the Remuneration Committee performs a quantitative and qualitative assessment of the fulfilment of the objectives that it set previously for the three-year period for the purposes of payment of the variable remuneration, if the objectives were achieved.

The first three-year period to be considered was 2013-15.

73. Criteria used for allocation of the variable remuneration in shares as well as retention by the executive directors of these shares in any contracts relating to these shares, namely hedging or risk transfer contracts, the respective limit and their ratio to the total annual remuneration sum.

Galp currently has no system for the allocation of variable remuneration in shares.

74. Criteria used for the allocation of variable remuneration in options and indication of the deferral period and price paid to exercise such options

Galp currently has no system for the allocation of variable remuneration in options.

75. Main parameters and rationale of any annual bonus scheme and any other non-cash benefits

Galp is not establishing any annual bonus scheme and no other significant non-cash benefits are planned.

76. Main characteristics of supplementary pension or early retirement schemes for directors and date of approval by the General Shareholders Meeting in individual terms

The remuneration policy for 2015, approved by the General Shareholders Meeting and described in section 69 of this report, provides for a retirement savings plan or similar financial product for the benefit of the members of the Executive Committee, through the application of an amount equal to a percentage of the annual fixed remuneration.

This savings plan entails no cost for Galp in the future, insofar as it represents the allocation of an amount for

financial investment, while the members of the Executive Committee perform their duties and does not fall under the terms of Article 402 (1) of the CSC.

IV

Remuneration disclosure

77. Indication of the annual remuneration amount received, aggregated and individually, by the members of the administrative bodies of the Company, coming from the Company, including fixed and variable remuneration and, for the latter, specification of the different components giving rise to it

The gross annual amount of remuneration received in aggregate form by the members of the Company's Board of Directors during financial year 2015, as set by the Remuneration Committee, was €6,642,807, of which €4,382,128 was fixed, €1,108,167 in variable annual remuneration, €802,593 for the retirement savings plan and €350,019 in other benefits.

The table below presents the itemized individual gross remuneration received by the members of the Board of Directors in 2015.

INDIVIDUAL REMUNERATION OF MEMBERS OF THE BOARD OF DIRECTORS FOR THE YEAR 2015 (€)

Name	Position	Fixed	Variable Remuneration ⁽¹⁾	PPR (profit sharing)	Other	Total
Américo Amorim ²	Non-executive chairman	0	0	0	0	0
Paula Amorim	Non-executive Vice-chairman	44,173.72	0	0	0	44,173.72
Carlos Gomes da Silva	Executive chairman and vice-chairman	972,740.68 ³	75,000.00	205,625.00	110,769.24	1,364,134.92
Filipe Crisóstomo Silva	Executive	420,000.00	75,000.00	105,000.00	0	600,000.00
Thore E. Kristiansen	Executive	490,000.00	21,583.33	122,500.00	128,191.72	762,275.05
José Sergio Gabrielli Azevedo	Non-executive	88,347.42	0	0	0	88,347.42
Abdul Magid Osman	Non-executive	88,347.42	0	0	0	88,347.42
Raquel Rute Costa David Vunge	Non-executive	44,173.72	0	0	0	44,173.72
Carlos Costa Pina	Executive	420,000.00	75,000.00	105,000.00	0	600,000.00
Francisco Teixeira Rêgo	Non-executive	29,750.00	0	0	0	29,750.00
Miguel Athayde Marques	Non-executive	44,173.72	0	0	0	44,173.72
Jorge Seabra de Freitas	Non-executive	44,173.72	0	0	0	44,173.72
José Carlos da Silva Costa	Executive	420,000.00	75,000.00	0	74,134.64	569,134.64
Pedro Ricardo	Executive	173,545.67	0	42,500.00	0	216,045.67
Tiago Câmara Pestana	Executive	169,613.64	0	42,403.41	0	212,017.05
Rui Paulo Gonçalves	Non-executive	44,173.72	0	0	0	44,173.72
Luis Todo Bom	Non-executive	44,173.72	0	0	0	44,173.72
Diogo Mendonça Tavares	Non-executive	44,173.72	0	0	0	44,173.72
Joaquim Borges Gouveia	Non-executive	44,173.72	0	0	0	44,173.72

For the previous mandate, in 2015 the amounts received by directors were as

Manuel Ferreira de Oliveira	Former vice-chairman and executive	492,594.85	539,384.00 ⁴	123,148.72	36,923.08	1,192,050.65
Luís Maria Viana Palha Silva	Former vice-chairman and executive	225,665.18	247,100.00 ⁴	56,416.30	0	529,181.48
Fernando Manuel Santos Gomes	Former non-executive	19,066.52	0	0	0	19,066.52
Luís Manuel Moreira Campos e Cunha	Former non-executive	19,066.52	0	0	0	19,066.52

⁽¹⁾ Annual variable remuneration for 2014

⁽²⁾ The Chairman of the Board of Directors donated his remuneration to the Galp Energia Foundation

⁽³⁾ Includes amount received as executive director until appointment as CEO in the GSM of 16 April 2015

⁽⁴⁾ Includes annual variable remuneration for 2014 and multi-year variable remuneration for 2013-15 and 2014-16

The members of the Board of Directors did not receive any payments from the companies in Galp's control chain.

The three-yearly variable remuneration is annually set by the Remuneration Committee, which establishes a provisional amount based on evaluation in each year of the three year period. However, the actual deferred amount of the three-year variable remuneration depends, first, on fulfilment of the overall objectives for the particular three-year period and, secondly, qualitative assessment by the Remuneration Committee, following consultation with the non-executive directors, such that the provisional amounts may be reduced or increased at the end of the three year period in question, as a result of the assessment.

78. Any amounts paid by other companies in a controlling or group relationship or under common control

The remuneration of Galp's directors includes all remunerations due for posts held on corporate bodies in other Group companies. Any amounts paid by other companies in a controlling or group relationship or under common control were not, therefore, paid.

79. Remuneration paid in the form of profit sharing and/or bonus payments and the reasons why such bonuses and/or profit sharing were paid

Galp is not establishing any other remuneration system for directors in the form of profit sharing and/or payment of bonuses, so no such payments were made.

80. Compensation paid or due to former executive directors because of termination of duties during the year

There was no compensation paid or owed to former executive directors because of termination of their duties during the 2015 financial year.

81. Indication of the annual remuneration amount received, in aggregate and individually, by the members of the Company's supervisory body, for the purposes of Law 28/2009 of 19 June

In accordance with the Remuneration Policy for 2015, approved at the General Shareholders Meeting of 16 April 2015, the remuneration of the Supervisory Board members is a fixed monthly sum, paid 12 times a year.

The aggregate remuneration paid to the members of the Supervisory Board in 2015, as per the terms set by the Remuneration Committee, was €92,649.00 (ninety-two thousand six hundred and forty-nine euros).

The Supervisory Board members do not receive variable remuneration.

The following are the individual remuneration amounts paid to the members of the Supervisory Board in 2015:

Members	Position	Fixed remuneration (€)*
Daniel Bessa	Chairman	42,113.18
Gracinda Raposo	Board member	25,267.91
Pedro Antunes de Almeida	Board member	25,267.91
Amável Calhau	Substitute member	0

*Includes amounts for holiday and Christmas pay for January, February, March and 15 days in April 2015, under the previous remuneration policy, which provided for remuneration of the members of the Audit Committee 14 times a year.

82. Indication of remuneration in the reference year paid to the Chairman of the General Meeting

In 2015, the Chairman of the Board of the General Shareholders Meeting, received remuneration in the amount of €3,000 (three thousand euros).

V

Agreements with remuneration implications

83. Contractual limitations provided for compensation for unfair dismissal of a director and ratio to variable remuneration component

In accordance with the Remuneration Policy for 2015, Galp has no agreements in place that provide for payment in the event of unfair dismissal of a director.

In the event of unfair dismissal of a director, the amounts due are those determined by legal provisions but there is no provision for the payment of remuneration sums in respect of the variable component if the net profit of the Galp group is under 80% of the budget.

84. Reference to description, if any, with indication of amounts involved, of agreements between the company and the Board of Directors and other managers, within the meaning of Article 248 (B) (3) of the Portuguese Securities Code, providing for compensation in the event of resignation, dismissal without valid reason, or termination of the employment relationship following a change in company control. (Article 245 (A) (1) (I))

Galp is not party to any agreements between the company and the Board of Directors and other managers, within the meaning of Article 248 (B) (3) of the Portuguese Securities Code (CVM), providing for compensation in the event of resignation, dismissal without valid reason, or termination of the employment relationship following a change in company control.

Galp's management, as per the provisions of Article 248 (B) (3) of the Portuguese Securities Code (CVM), are the members of the Board of Directors and the Supervisory Board of the Company. Indeed, beyond the members of these bodies, no manager has regular access to inside information or participates in decisions about the company's management and business strategy.

VI

Share allocation and/or stock options plans

85. Identification of the plan and its beneficiaries

Galp has no share allocation plans or share purchase options.

86. Characterization of the plan (allocation conditions, share inalienability clauses, criteria relating to share price and price for exercise of options, period during which options may be exercised, characteristics of shares or options to be allocated, incentives for the purchase of shares and/or exercise of options).

Galp has no share allocation plans or share purchase options.

87. Option rights allocated for purchase of shares (stock options) of which company employees are beneficiaries.

Galp has no share allocation plans or share purchase options.

88. Control mechanisms provided for any employee share-ownership scheme insofar as voting rights are not directly exercised by such employees (Art. 245(A) (1) (e))

Galp has no share allocation plans or share purchase options.



PART I

E. Transactions with related parties

- I Control mechanisms and procedures
- II Business-related elements

I

Control mechanisms and procedures

89. Mechanisms implemented by the Company for the purposes of control of transactions with related parties (refer to IAS 24)

As part of the qualitative improvement of good governance practice, the Board of Directors' meeting of 20 March 2015, at the proposal of the Supervisory Board, approved the regulatory standard on the control of transactions between Galp and related parties, in order to safeguard the Group's interest in situations of potential conflict of interest, as well as the adoption of internal procedures for compliance with the relevant accounting standards, in particular IAS 24. This standard establishes the internal rules and procedures for identification, internal reporting and responding in situations of transactions with related parties.

90. Indication of transactions subject to control in the reference year

In 2015, there were no transactions with related parties subject to the control of the Supervisory Board.

91. Description of the procedures and criteria applicable to the involvement of the Supervisory Board for the purposes of evaluation of any transactions between the Company and owners of qualifying holdings or entities in any relationship with them, in accordance with Article 20 of the Portuguese Securities Code

Galp's engagement in business with the holders of qualifying interests or entities within any relationship with them, in accordance with Article 20 of the CVM, is subject to the prior opinion of the Supervisory Board, pursuant to "Regulations applicable to Galp Group Transactions with Related Parties", approved by the Supervisory Board, to safeguard the Group's interest in situations of potential conflict of interest notwithstanding compliance with the regulatory and statutory legal provisions in force, which can be viewed at <http://www.galpenenergia.com/EN/Investidor/GovernoCorporativo/Documents/Terms-of-reference-related-parties-transactions.pdf>

This Regulation applies to Significant Transactions between Galp (or any entity in which it has a shareholding, or voting rights, or in which it is able to appoint members of the Board of Directors) and related parties.

For the purposes of the Regulation, "Related Party" means any of the following:

- a) Galp's shareholders (or the shareholders of any company in a controlling or group relationship with it) holding qualifying interests (greater than or equal to 2% of the voting rights corresponding to the respective share capital), including the situations referred to in Art. 20 of the CVM;
- b) members of the administrative and supervisory bodies of Galp (or of any company in a controlling or group relationship with it);
- c) spouse or person living in de facto union with a person referred to in the previous paragraph, dependent descendants and other family members cohabiting with him/her for over a year;
- d) the entities of which any person referred to in the preceding paragraphs is (i) a partner with limited liability, (ii) manager, particularly as a member of the administrative or supervisory bodies or with regular access to inside information and involvement in management decisions and entity strategy or (iii) holder, individually or jointly, of at least half of the share capital or voting rights, as well as entities that have been established for the benefit of any person referred to above.

For the purposes of said Regulation, the expression "Significant Transactions" means Transactions in the following situations:

- a) funding, supplies and financial investments with an aggregate annual debt amount, in individual or aggregate terms, in excess of 10 million euros, except for operations undertaken under pre-existing contractual conditions subject to the prior opinion of the Supervisory Board;
- b) acquisition or disposal of company shareholdings;
- c) acquisition, sale, marketing or supply of energy products and/or related products and services with an economic value in excess of 10 million euros;
- d) any transaction not provided for in the above paragraphs with an economic value in excess of 5 million euros;
- e) any transaction that does not fall under any of the materiality criteria defined above but is considered significant for this purpose by the Board of Directors or the Executive Committee by virtue of its nature or particular susceptibility to conflict of interest.

Business with related parties not subject to the prior opinion of the Supervisory Board, in accordance with the above requirements, shall subsequently be reported to this body for assessment of fulfilment of the principle under which

transactions must be carried out under normal market conditions.

The Executive Committee, through the Secretary of the Company, is required to subject a proposed Significant Transaction, previously approved by Galp's Executive Committee or Board of Directors, to the prior opinion of the Supervisory Board, as the body that is empowered to approve the transaction in question along with the supporting information provided by Galp's organizational and management structures (or any entity in which it holds an interest or voting rights or where it can appoint members of the Board of Directors) proposing the transaction, including, in particular, its economic value, specification of the contractual formation procedures adopted and demonstration of the compliance of the transaction conditions with normal market conditions.

The Supervisory Board must issue an opinion within ten business days, otherwise the opinion will be deemed favourable. If, for exceptional reasons, duly justified and explained, it is not possible to request the approval of the Supervisory Board prior to the transaction, authorization must be requested retrospectively with monitored regularization of the justification. If the Supervisory Board issues an unfavourable opinion, a Significant Transaction can only be approved by the Executive Committee or Board of Directors, as applicable, if it is specifically grounded in terms of the pursuit of the corporate interest of Galp or companies in a control relationship of with them.

As part of its oversight functions and to prevent conflicts of interest, the Supervisory Board is responsible for:

- a) asking the Executive Committee or Board of Directors, as appropriate, for information on the transaction in question, through the Company Secretary;
- b) making recommendations to the Executive Committee or the Board of Directors, as appropriate, in particular on measures for the prevention and identification of conflicts of interest, as well as measures aimed at making Galp's corporate interest or the corporate interest of companies in a controlling or group relationship with Galp, compatible with the completion of the transaction in question;
- c) preparing a six-monthly report on Related Party Transactions previously and subsequently evaluated;
- d) annually assessing the adequacy of the Regulation applicable to Galp group's Transactions with Related Parties and, where necessary, proposing its review to the Board of Directors.

II

Business-related elements

92. Indication of the location of the accounting documents where information is available on transactions with related parties

Information on transactions with related parties, in accordance with IAS 24 is available in Note 28 of the Annex to Galp's consolidated accounts.



PART II

CORPORATE GOVERNANCE ASSESSMENT

- 1 Identification of the Corporate Governance Code adopted
- 2 Analysis of the Corporate Governance Code adopted

1

Identification of the Corporate Governance Code adopted

Under and for the purposes of Article 2 of CMVM Regulation No. 4/2013, Galp decided voluntarily to be governed by the CMVM Corporate Governance Code, approved in 2013 (CMVM recommendations), available on the CMVM website at www.cmvm.pt.

2

Analysis of the Corporate Governance Code adopted

The Company's corporate governance has evolved towards best corporate governance practices and the CMVM Governance Code and it has adopted the vast majority of the applicable recommendations.

Indeed, out of a total of 40 recommendations, Galp has fully adopted 31, 6 of which are not applicable while 3 have not been adopted for the reasons listed in the table below. The justification of compliance with each recommendation or reference to the point of this report where the matter is addressed at length (chapter, title, section, page) is also indicated in the following table, together with the justification of any non-compliance or partial compliance and indication of any alternative mechanism adopted by the Company for the purpose of pursuing the same objective of the recommendation.

CMVM Recommendation	Company governance practice	Justification	Reference to this report
I Company vote and control			
I.1	Companies must encourage their shareholders to participate and vote in General Shareholders Meetings, namely by not setting an excessively high number of shares necessary for voting rights and by implementing the essential resources for exercising the right to vote by post and electronically.	Adopted	Chapter B, title I b), point 12, page 12
I.2	Companies must not adopt mechanisms that impede shareholder decision-making, namely by setting a quorum for passing resolutions that is higher than that provided in law.	Not adopted	The quorum for passing resolutions of two thirds of the votes cast, provided By-laws, for some resolutions of the General Shareholders Meeting, in addition to the matters provided in law, seeks to ensure that the shareholders are adequately represented in the adoption of resolutions on matters that are strategic for the Company.
I.3	Companies must not establish mechanisms whose effect is to create a time lag between the right to receive dividends or to subscribe new securities and the voting right of each ordinary share, unless properly justified based on the long-term interests of the shareholders.	Adopted	Chapter B, title I b), point 12, page 12
I.4	individually or by agreement with other shareholders, must also provide that, at least every five years, the General Shareholders Meeting shall decide whether to change or maintain this statutory provision - without quorum requirements beyond legal provisions - and this resolution shall count all votes cast without the limitation applying.	Not adopted	Galp Energia's By-laws do not impose any limitation on the number of votes that may be held or exercised by a shareholder, individually or by agreement with other shareholders.

CMVM Recommendation	Company governance practice	Justification	Reference to this report
I Company vote and control (cont.)			
I.5	No measures shall be adopted which aim to require payments or the assumption of costs by the company in the event of transfer of control or change of membership of the board of directors and which may damage the free transferability of shares and free evaluation by shareholders of the performance of the members of the administrative body.	Adopted	Chapter A, title I, point 4 page 6
II Supervision, management and oversight			
II.1 Supervision and management	II.1.1. Within the limits established by Law and unless the company is of a reduced size, the Board of Directors shall delegate the day-to-day running of the company and the delegated duties should be identified in the Annual Report on Corporate Governance.	Adopted	Chapter B, title II.a), points 21 and 29 pages 18 and 24
	II.1.2. The Board of Directors shall ensure that the company acts in accordance with its goals and should not delegate its duties, namely in what concerns: i) the definition of the company's general strategy and policies; ii) the definition of the corporate structure of the group; iii) decisions to be considered strategic due to their amount, risk or special features.	Adopted	Chapter B, title II.a), point 29, page 24
	II.1.3. II.1.3. The General and Supervisory Board, in addition to the exercise of the supervisory powers entrusted to it, shall assume full responsibilities in terms of corporate governance, so that, by statutory provision or by equivalent means, the requirement shall be enshrined for this body to deliberate on the strategy and main policies of the company, by defining the corporate structure of the group and decisions to be considered strategic due to their amount or risk. This body must also evaluate compliance with the strategic plan and the implementation of the main policies of the company.	Not applicable	Galp Energia's governance model does not include a general and supervisory board, through which to recommendation not applicable
	II.1.4. Unless the company is of a reduced size, the Board of Directors and the General and Supervisory Board, in accordance with the model adopted, shall set up the necessary Committees to: a) ensure competent and independent assessment of the performance of the executive directors as well as their own overall performance, and the performance of all existing committees; b) reflect on the adopted governance structure, system and practices, assess their efficiency and propose measures to be implemented with a view to improvement of the competent bodies.	Adopted	Chapter B title III b), points 24 and 27 pages 23 and 24 Chapter B, title III c), points 27 and 38 pages 24 and 28
	II.1.5. II.1.5. The Board of Directors or the General and Supervisory Board, in accordance with the applicable model, must set targets for risk-taking and create systems for risk control to ensure that the risks actually incurred are consistent with those goals.	Adopted	Chapter C, title III, points 50 to 52 pages 33 to 36
	II.1.6. II.1.6. The Board of Directors shall include a number of non-executive members to ensure it has efficient capability for supervision, oversight and assessment of the activity of the other members of the Board of Directors.	Adopted	Chapter B, title II a), point 18, page 16

CMVM Recommendation	Company governance practice	Justification	Reference to this report
II Supervision, management and oversight (cont.)			
II.1 Supervision and management (cont.)	II.1.7. The non-executive directors must include an adequate proportion of independent directors, given the adopted governance model, the company's size and its shareholder structure and respective free float.	Adopted	Chapter B, title II a) point 18, page 16
	<p>The independence of the members of the General and Supervisory Board and the members of the Audit Committee are gauged in terms of existing legislation, while any other member of the Board of Directors is considered independent if s/he is not associated with any specific interest group in the company and is not in any situation likely to affect his/her impartiality of analysis or decision-making, in particular because:</p> <p>a) s/he has been an employee of the Company or of a company with which it is in a controlling or group relationship in the past three years;</p> <p>b) s/he has, in the past three years, provided services or established an active business relationship with the Company or a company with which it is in a controlling or group relationship, either directly or as a partner, director, officer or manager of a legal entity;</p> <p>c) s/he is in receipt of remuneration paid by the Company or by a company with which it is in a controlling or group relationship, in addition to remuneration earned as a director;</p> <p>d) s/he is the partner, spouse or relative in the first degree and up to and including the third degree of a director or an individual with a direct or indirect qualifying holding;</p> <p>e) s/he is a qualifying shareholder or representative of a qualifying shareholder.</p>	Adopted	Chapter B, title II c), point 29, page 24
	II.1.9. The Chief Executive Officer or the Chairman of the Executive Committee shall send the calls and minutes of the respective meetings, as applicable, to the Chairman of the Board of Directors, the Chairman of the Supervisory Board, the Chairman of the Audit Board, the Chairman of the General and Supervisory Board and the Chairman of the Financial Matters Committee.	Adopted	Chapter B, title II c), point 29, page 24
	II.1.10. If the Chairman of the Board of Directors has executive powers, this body shall appoint one of its members as an independent director to ensure coordination of the work of the other non-executive members and the conditions for ensuring that they can make independent and informed decisions, or find another equivalent mechanism for ensuring such coordination.	Not applicable	The Chairman of the Board of Directors of Galp Energia does not exercise executive functions.

CMVM Recommendation	Company governance practice	Justification	Reference to this report
II (cont.)			
II.2 Supervision	II.2.1. Depending on the applicable model, the Chairman of the Supervisory Board, the Audit Committee or the Financial Matters Committee shall be independent, in accordance with the applicable legal standard and shall have the necessary skills to carry out his/her functions.	Not adopted	The Chairman of the Supervisory Board was re-elected for the third time. However, we should note that the respective appointment for completion of the 2005-07 mandate followed changes in Galp's shareholder structure and rules agreed by the shareholders regarding the election of members of the governing bodies (Shareholders' Agreement of 2006). To this end, the 2008-10 mandate is considered to be the first appointment. Given the above and the recognised and prestigious reputation for entrepreneurial and scientific excellence of Galp's Chairman of the Supervisory Board, the Company has no doubt about his independence.
	II.2.2. The supervisory body shall be the main point of contact for the external auditor and the first recipient of the respective reports, responsible, among other things, for proposing the respective remuneration and ensuring that the company has suitable conditions in place for the provision of the services.	Adotada	Chapter B, title V, point 45, page 29
	II.2.3. O órgão de fiscalização deve avaliar anualmente o auditor externo e propor ao órgão competente a sua destituição ou a resolução do contrato de prestação dos seus serviços sempre que se verifique justa causa para o efeito.	Adopted	Chapter B, title V, point 45, page 29
	II.2.4. The supervisory board shall evaluate the operation of the internal control and risk management systems and propose any necessary adjustments.	Adopted	Chapter C, title III, points 50 and 51 pages 33 and 34
	II.2.5. The Audit Committee, the General and Supervisory Board and the Supervisory Board shall decide on work plans and the resources allocated to the internal auditing services and the services that ensure compliance with the standards applicable to the company (compliance services); reports produced by these services must be sent to these bodies at least when they relate to matters of accounting, identification and resolution of conflicts of interest and detection of potential illegalities.	Adopted	Chapter C, title III, points 50 and 51 pages 33 and 34
II.3 Remuneration setting	II.3.1. All members of the Remuneration Committee or equivalent body must be independent of the executive members of the Board of Directors and there must be at least one member with knowledge and experience in remuneration policy matters.	Adopted	Chapter D, title II, point 67, page 50
	II.3.2. No natural or legal person currently providing or having in the last three years provided services to any body dependent on the Board of Directors, to the Company's Board itself, or who has a current relationship with the Company or with an advisor of the Company, shall be recruited to support the Remuneration Committee in the exercise of its duties. This recommendation also applies to any natural or legal person connected with such an employment or service provision contract.	Adopted	Chapter D, title II, point 67, page 50

CMVM Recommendation		Company governance practice	Justification	Reference to this report
II Supervisão, administração e fiscalização (cont.)				
II.3 Remuneration setting (cont.)	II.3.3. The statement on the remuneration policy of the management and supervisory bodies, as provided in Article 2 of Law No. 28/2009 of 19 June, must also contain the following: a) identification and explicit statement of the criteria for determining remuneration paid to the members of the governing bodies; b) information on any maximum amount, in individual and aggregate terms, to be paid to the members of the corporate bodies and identification of the situations in which these maximum amounts may be due; c) information as to the enforceability or unenforceability of payments for dismissal or termination of directorial functions.	Adopted		Chapter D, title III, point 69, page 50
	II.3.4. Proposals for approval of plans for allocation of shares and/or share purchase options or based on share price variations to the members of the corporate bodies must be submitted to the General Shareholders Meeting. The proposal shall mention all the necessary information for a correct assessment of the plan.	Not applicable	Galp Energia has no share allocation or share purchase options plans or share purchase plans based on change in share price, for members of the corporate bodies.	
	II.3.5. Proposals for approval of the establishment of any system of retirement benefits for the members of the corporate bodies must be submitted to the General Shareholders Meeting. The proposal shall mention all the necessary information for a correct assessment of the system.	Not adopted	In accordance with the provisions of Article 8 of Galp's By-laws, the Remuneration Committee, elected by the General Shareholders Meeting, is the body with powers to approve the pension or pension compensation, paid by the Company, to which the executive directors are entitled.	
III Remuneration				
III.1	The remuneration of the executive members of the Board of Directors must be based on actual Company performance and must discourage excessive risk-taking.	Adopted		Chapter D, title III, point 70 page 52
III.2	Remuneration of non-executive members of the Board of Directors and remuneration of the members of the supervisory board shall not include any component whose value depends on company performance or value.	Adopted		Chapter D, title III, point 69, page 50
III.3	The variable component of the remuneration must be in reasonable proportion to the fixed remuneration component and maximum limits must be set for all components.	Adopted		Chapter D, title III, point 71, page 52
III.4	A significant part of the variable remuneration shall be deferred for a period not less than three years and the right to receive it shall depend on the company's ongoing positive performance during that period.	Adopted		Chapter D, title III, point 72, page 53
III.5	The members of the Board of Directors shall not enter into contracts, either with the Company, or with third parties, whose effect is to mitigate the inherent risk of their variable remuneration set by the Company.	Adopted		Chapter D, title III, point 70, page 52
III.6	Until the end of their mandates, the executive directors shall retain the company's shares allocated to them under variable remuneration schemes, up to twice the value of total annual remuneration, except those that need to be sold for the payment of taxes on the income from the shares	Not applicable	The executive directors were not allocated any company shares by way of variable remuneration.	

CMVM Recommendation	Company governance practice	Justification	Reference to this report
III Remuneration (cont.)			
III.7	When the variable remuneration includes options, the start of the period for exercising them shall be deferred for a period not less than three years.	Not applicable	Variable remuneration does not include allocation of share options.
III.8	When the director's dismissal is not due to serious breach of duties or unsuitability for the normal exercise of the functions in question, but is still attributable to inadequate performance, the company must have recourse to suitable and necessary legal instruments to ensure that any damages or compensation, beyond what is legally due, are not enforceable.	Adopted	Directors dismissed for inadequate performance are subject to the legal rules in force and no damages or compensation beyond the legal arrangements are enforceable.
IV Audit			
IV.1	The external auditor shall, as part of his/her powers, verify the application of corporate body remuneration policies and systems, the effectiveness and operation of internal control mechanisms and shall report any shortcomings to the company's supervisory body.	Adopted	Chapter B, title V, point 45, page 29
IV.2	The company or any entities in a controlling relationship with it shall not recruit the external auditor, or any entities in a group relationship with the external auditor or in the same network, to provide services other than audit services. If there are reasons for procuring such services - which must be approved by the supervisory body and explained in its Annual Corporate Governance Report - they shall not account for more than 30% of the total amount of the services rendered to the company.	Adopted	Chapter B title V Point 46 and 47 page 29
IV.3	Companies shall promote the rotation of auditors after two or three terms, respectively, depending on whether terms last three or four years. Retaining them beyond this period must be based on a specific opinion of the supervisory board that expressly weighs up the conditions of independence of the auditor and the cost/benefits of replacement.	Adopted	Chapter B, title V, point 44, page 29
V Conflicts of interest and related party transactions			
V.1	The company's business with holders of qualifying interests or entities with which they are in any relationship, pursuant to Art. 20 of the Securities Code, shall be transacted under normal market conditions.	Adopted	Chapter A, title II, point 10, page 9
V.2	The supervisory or oversight body must establish the required procedures and criteria for setting the relevant level of business with shareholders with qualifying interests or with entities in a relationship with them as provided in Article 20 (1) of the Portuguese Securities Code - supervision of business of significant relevance dependent on the prior opinion of that body.	Adopted	Chapter E, title I, points 89 and 91 page 58

CMVM Recommendation		Company governance practice	Justification	Reference to this report
VI Information				
VI.1	Companies must provide, through their websites, in Portuguese and English, access to information providing knowledge of their development and current situation in economic, financial and governance terms.	Adopted		Capítulo C, title V points 59 to 65 page 47
VI.2	Companies shall ensure the existence of an investor support and market liaison service, to respond to requests from investors promptly. A record must be kept of requests submitted and their processing.	Adopted		Chapter C titles IV and V, point 56, page 45

ANNEX 1

INDICATION OF THE NUMBER OF SHARES HELD BY MEMBERS OF THE BOARD OF DIRECTORS AND THE SUPERVISORY BOARD

Period from 1 January to 31 December 2015								
	Total shares 30.06.2015	Acquisition			Sale			Total shares 31.12.2015
		Date	Nº. shares	Amount (€/share)	Date	Nº. shares	Amount (€/share)	
Members of the Board of								
Américo Amorim*	-							-
Paula Amorim*	-							-
Carlos Gomes da Silva	2,410							2,410
Filipe Crisóstomo Silva	5,000	11,09,2015	5,000	8,6				10,000
Thore E. Kristiansen	-							-
Sérgio Gabrielli de Azevedo	-							-
Abdul Magid Osman	-							-
Raquel Rute da Costa David Vunge	-							-
Carlos Costa Pina	-							-
Francisco Teixeira Rêgo	17,680							17,680
Miguel Athayde Marques	1,800							1,800
Jorge Seabra de Freitas*	-							-
José Carlos da Silva Costa	275							275
Pedro Ricardo	5,230							5,230
Tiago Câmara Pestana	-							-
Rui Paulo Gonçalves*	-							-
Luís Todo Bom	-							-
Diogo Mendonça Tavares	2,940							2,940
Joaquim Borges Gouveia	-							-
Members of the Supervisory								
Daniel Bessa	-							-
Gracinda Raposo	-							-
Pedro Antunes de Almeida	5							5
Amável Alberto Calhau	-							-
Statutory Auditor								
PricewaterhouseCoopers & Associados, Lda	-							-
José Manuel Henriques Bernardo	0							-

¹ For the effects of Art. 447(2) (d) of the Commercial Companies' Code, it is further declared that Amorim Energia B.V., in which the above-mentioned director also holds directorship functions, is the holder of 317,934,693 Galp shares.

ANNEX 2

QUALIFICATIONS AND OTHER INFORMATION ON THE PROFESSIONAL EXPERIENCE OF THE MEMBERS OF THE BOARD OF DIRECTORS



Américo Amorim

Américo Ferreira de Amorim is Chairman of the Board of Directors of Galp since 2012.

He is a Portuguese entrepreneur who has been Chairman of the Amorim Group for more than 30 years. The Amorim Group consists of around 200 companies operating in a wide range of areas such as Real Estate, Energy, Tourism and Hotels, Port wine and Finance. Through these companies, the Group has investments in 37 countries worldwide. After a Business Studies course, at the age of 19 Américo Amorim started working in what was, at the time, the only company in the Amorim & Irmãos Group. He travelled throughout the world visiting wine producers with the aim of selling them cork for their bottling processes.

Américo Amorim's career path has always been characterized by entrepreneurship - for example, the creation of Sociedade Portuguesa de Investimento that became Banco BPI in the 1970s, the reinvigoration of Millennium BCP and the establishment of the joint venture with the Accor Group, which opened about 40 hotel units in the classic Accor Group lines in Portugal in the 80s and the creation of the mobile phone operator, Telecel, the 90s. It was also in the 90s that Amorim founded BNC - Banco Nacional de Crédito, SA, which collaborated with other Portuguese entrepreneurs in the partial privatization of Petrolgal, the oil company, and started trading in table wines and Port in the Douro Valley. In 2003, BNC - Banco Nacional de Crédito was merged with BPE - Banco Popular Español (the third largest Spanish financial institution) and is currently its largest individual shareholder and Non-Executive Director.

In the last decade Amorim founded BIC - Banco Internacional de Crédito in Angola (2005) and through the AMORIM ENERGIA sub-holding, acquired 33.44% of the capital of GALP, in partnership with SONANGOL. Between 2007 and 2008 he acquired 25% of Tom Ford International and founded Banco BIC Português. In 2011 he was one of the founders of Banco Único, in Mozambique. In January 2012 he joined the Board of Directors of Banco Luso Brasileiro.

In July 2012, Amorim Energia increased its holding in Galp to 38.34%, when Amorim also became Chairman of the company.

Amorim has been recognized with many honorary titles throughout his career, such as the Commendation for Agricultural and Industrial Merit, awarded by General Ramalho Eanes, the President of the Portuguese Republic, in 1983, and he was appointed Honorary Consul of the Republic of Hungary, in Porto, in 1990. In 2006, he was honoured once again by the President of the Portuguese Republic, Jorge Sampaio, with Grand Cross of the Order of the Infante D. Henrique and, in 2009, he was awarded an honorary doctorate in businesses sciences by the US University of St Johns.

He was a member of the Portuguese Board of INSEAD - The European Institute of Business Administration (1998-2001) based in Fontainebleau, and is a member of the Council of Economic Cooperation, of the AEP - Associação Empresarial de Portugal, of the ACP - Associação Comercial do Porto, of the Board of Founders of the SERRALVES FOUNDATION, of the Grand Council of the BISSAYA BARRETO FOUNDATION, of the General Council of the MÁRIO SOARES FOUNDATION, founder of the BCP FOUNDATION and a Founder and Member of the Permanent Committee of the Board of Founders of the FUNDAÇÃO LUSO-ESPANHOLA.



Carlos Gomes da Silva

Carlos Gomes da Silva is CEO since April 2015.

Carlos Gomes da Silva is a professional with 27 years of experience in different industries, in particular oil & gas, energy and beverages. Carlos Gomes holds a Degree in Electrical Engineering and Computer Science by FEUP at the Oporto University and an MBA by ESADE / IEP (Barcelona). With more than 20 years in the oil & gas industry, he joined Galp Energia / Petrolgal early in the 90's, where he played several managerial roles leading refining operations, supply and trading, planning & control and strategy. From 2001 and during 6 years he served in the beverages industry (at Unicer, a Carlsberg Group company) as Head of M&A and Strategy and subsequently as Chief Operating Officer (for the supply chain, retail and human resources). He returned to the Oil & Gas industry in 2007 to serve as Board Member in Galp Energia, undertaking several executive roles since 2008 as Chief Operating Officer, namely for Marketing Oil, Gas & Power, Trading Oil & Gas and corporate divisions (Procurement, Marketing, Human Resources, Legal, Corporate Governance and Compliance).



Paula Amorim

Paula Ramos Amorim has been a member of the Board of Directors of Galp since April 2012.

She also serves as Vice-Chairman of the Américo Amorim Group. She joined the Américo Amorim Group in 1992, since when she has occupied a range of Directorial roles. Since 2005, she has also been involved in Amorim Fashion, of which company she is the sole shareholder and, in December 2010, she created the holding company Amorim Luxury – SGPS, S.A. to expand and diversify her business interests, particularly to represent the Gucci brand in Portugal through the company Amorim Five, Lda.

Paula Ramos Amorim attended the Real Estate Management course at the Escola Superior de Atividades Imobiliárias (ESAI).



Filipe Crisóstomo Silva

Filipe Crisóstomo Silva has been a member of the Board of Directors and Chief Financial Officer (CFO) of Galp since July 2012.

Before joining Galp he was responsible, since 1999, for the investment banking areas of Deutsche Bank in Portugal and since 2008 was president of the Deutsche Bank directorate in Portugal (Chief Country Officer). Filipe Crisóstomo Silva is a graduate in economics and financial management and holds a Masters in financial management, both from the Catholic University of America, Washington D.C.



Thore E. Kristiansen

Thore E. Kristiansen has been a member of the Board of Directors and of the Executive Committee of Galp since October 2014 and is responsible for the Galp E&P business unit.

He was senior Vice-Chairman of Statoil for South America and Chairman of Statoil Brazil from January 2013 until he joined Galp in October 2014. He was at Statoil for over 25 years, with responsibilities in the areas of distribution of petroleum products, trading and business negotiation in Norway, UK, Denmark and Germany, in the area of exploration and production, with a special focus on Norway and sub-Saharan Africa, South America, and corporate functions, particularly in finance and M&A, such as Investor Relations Officer. He was also Chairman of Statoil Germany and Statoil Venezuela.

Thore E. Kristiansen holds a degree in Management from the Norwegian School of Management and a Masters in Petroleum Engineering from the University of Stavanger, Norway.



Sérgio Gabrielli de Azevedo

Sérgio Gabrielli de Azevedo has been a member of the Board of Directors of Galp since July 2012.

He was secretary of planning of the State Government of Bahia between March 2012 and December 2014 and was a non-executive member of the Board of Directors of Itausa S.A. until March 2015. Before joining Galp he was a member of the Board of Directors and CEO of Petrobras between July 2005 and February 2012. He was also CFO and director of investor relations of Petrobras between 2003 and 2005.

Sérgio Gabrielli de Azevedo holds a degree and Masters in Economics from the Universidade Federal da Bahia and a doctorate in economics from Boston University. He was a visiting researcher at the London School of Economics and Political Science in 2000.

**Abdul Magid Osman**

Abdul Magid Osman has been a member of the Board of Directors of Galp since July 2012.

He is also founder and Chairman of the BIOFUND Foundation (biodiversity protection) since 2011, Chairman of the Board of Directors of Épsilon Investimento since 2007 and is Chairman of the Board of Directors and of the Executive Committee of Tchuma Cooperativa de Crédito e de Poupança.

Before joining Galp he was Minister of Finance of Mozambique from 1986 to 1991 and Minister of Mineral Resources of Mozambique between 1979 and 1983. He was a non-executive director of Mercantile Bank, South Africa, from 2002 to 2007 and Chairman of the Board of Directors and of the Executive Committee of BCI - Banco Comercial de Investimentos.

He was Director of the Division of Management, Development and Governance in the United Nations Development Programme (UNDP), managing the programme with projects in over 60 countries.

Abdul Magid Osman has a degree in economic and financial sciences from the Instituto Superior de Economia of Lisbon.

**Raquel Rute da Costa David Vunge**

Raquel Rute da Costa David Vunge has been a member of the Board of Directors of Galp since October 2014.

She is also a Member of the Board of Directors of Sonangol EP and of Banco Comercial Português. In recent years she has also been member of the Board of Directors and CFO of Sonangol EP and held other responsibilities in Sonangol EP from 1997, as Director of Finance between 2010 and 2012, Head of the Central Treasury from 2001 to 2010 and Accounts Analyst in the Accounting and Finance Department until 2001.

Raquel Rute da Costa David Vunge holds a degree in Management from the Lisbon Instituto Superior de Gestão (School of Management).

**Carlos Costa Pina**

Carlos Costa Pina has been a member of the Board of Directors and of the Executive Committee of Galp since April 2012. He is responsible for corporate services and the Biofuels business area.

Previously he worked in TMT, real estate and services companies in the Ongoing group (Portugal and Brazil). He was Secretary of State for Treasury and Finance in the XVII and XVIII Constitutional Governments (2005-2011) and therefore occupied roles in several international financial institutions. He has also been a CMVM (Securities and Market Commission) administrator (2000-2005), a member of the Advisory Board of the Insurance Institute of Portugal (2001-2005) and a lawyer with his own legal practice, particularly in oil exploration and production (1994-1998). He was also a lecturer in the Lisbon Law Faculty where he is preparing his doctorate.

Carlos Costa Pina is the author of numerous published works and holds a degree in Law and a Masters in Legal and Business Sciences from the Faculty of Law, University of Lisbon.

**Francisco Teixeira Rêgo**

Francisco Rêgo has been a member of the Board of Directors since April 2015.

He has been a Director of Amorim Holding II and other companies in the Américo Amorim group, since 2004. From 2002 to 2004 he was in the Commercial Department of SODESA, S.A., an electricity trading company. From 1997 to 2002 he was at ECOCICLO, an Energy Engineering, Audit and Consulting company.

He graduated in Mechanical Engineering at the Faculty of Engineering of Porto University and completed an Advanced Postgraduate course in Quantitative Management Methods at EGP - the School of Management of Porto University.



Miguel Athayde Marques

Miguel Athayde Marques has been a member of the Board of Directors of Galp since November 2012.

He is also a Lecturer at the Universidade Católica Portuguesa, Faculty of Economics and Management, School of Business & Economics, responsible for the areas of Corporate Governance and International Business, and has been an independent non-executive director of Brisa, Concessão Rodoviária, S.A., since December 2010, and Chairman of the Supervisory Board of Caixa Banco de Investimento, S.A., since January 2012.

Before joining Galp he was Chairman of the Board of Directors of Euronext Lisbon S.A. and Interbolsa, S.A. and Director (Managing Board Member) of Euronext N.V. (Amsterdam), between January 2005 and June 2010. During this period, he was non-executive director of Euronext Amsterdam, Euronext Brussels and Euronext Paris. Between April 2007 and June 2010, he was a member of the Management Committee of the NYSE Euronext (New York). He was Chairman of the Supervisory Board of Hugin SAS (Oslo), between 2006 and 2009, member of the National Securities Market Council, chaired by the Minister of State and of Finance, between 2006 and 2010 and a member of the CMVM Advisory Board from 2005 to 2010.

Miguel Athayde Marques holds a degree, with distinction, in Business Administration and Management from the Universidade Católica Portuguesa and a Doctorate in Business Management, from the University of Glasgow, School of Financial Studies.



Jorge Seabra de Freitas

Jorge Manuel Seabra de Freitas has been a member of the Board of Directors of Galp since November 2012.

He has also been a director of Amorim Holding II, since August 2011 and a director of Grupo Arcotêxteis, S.A., since March 2009. Before joining Galp, he was Chairman of the Board of Directors of Coelima Indústrias Têxteis, S.A., between January 1992 and May 2011.

Jorge Manuel Seabra Freitas holds a degree in Economics from the Porto Faculty of Economics, International Executive Programme, INSEAD Competitive Strategy, INSEAD.



José Carlos da Silva Costa

José Carlos da Silva Costa has been a member of the Board of Directors of Galp since November 2012 and a member of the Executive Committee since December 2012.

During the past five years, he has been Galp's Central Director of purchasing and asset management, in 2012, with purchasing responsibility for Galp's E&P, Refining, Logistics and Projects units, between 2010 and 2012, with purchasing responsibility for Galp's Natural Gas, Power and Projects units, between 2009 and 2010, responsible for the organizational restructuring proposal for the Purchasing service between 2008 and 2009, and responsible for purchasing for conversion project of the Sines and Matosinhos refineries between 2007 and 2008. José Carlos da Silva Costa holds a degree in chemical engineering from the Porto Instituto Superior de Engenharia (School of Engineering).



Pedro Ricardo

Pedro Ricardo has been a member of the Board of Directors and Executive Committee since April 2015. He is responsible for the G&P.

He joined Transgás, the company that introduced natural gas to Portugal, in 1994, where he negotiated long-term gas sales contracts with local distributors and electric power plants, with a total volume of over 1,5 bcm/year for 20 years. A year later he was appointed head of natural gas Procurement and Sales and negotiated transport contracts for the transmission of natural gas through Morocco and from Spain to Portugal. In 1998 he was appointed Executive Director of Transgás, responsible for supplies, engineering and operation and maintenance.

He was responsible for negotiating the contracts that led to the introduction of LNG in Portugal in 2000, through Huelva and, in 2003, at the Sines LNG Terminal (three long-term natural gas supply contracts with Nigeria LNG, Tolling Agreement, etc.). Between 2002

and 2005 he was executive director of GDP Distribuição, Galp's sub-holding company in the gas distribution sector, and executive director of some of the distribution companies.

Since 2006 he has been Galp's head of G&P Procurement and Trading, in recent years focusing on the internationalization of these areas, which now represent more than 50% of Galp's gas business.

Pedro Ricardo completed his studies in chemical engineering in 1987 at the Instituto Superior Técnico in Lisbon and holds an MBA from the Universidade Nova de Lisboa, 1993.



Tiago Câmara Pestana

Tiago Câmara Pestana has been a member of the Board of Directors and Executive Committee since April 2015. He is responsible for Iberion and International Oil Marketing. He has mainly occupied roles in the field of food distribution.

From 1999 to April 2014 he was CEO of Dia Portugal Supermercados, which operates 640 stores in mainland Portugal. Between 1998 and 1999 he was executive director of Minipreço, which has a network of 122 local shops, with total sales of 150 million euros, where he was responsible for company reorganization and the merger of the networks after its purchase by Dia Portugal from the Pão de Açúcar group in 1997.

Prior to joining Dia Portugal, he was executive director of Lojas de Conveniência Extra, where he was responsible for the launch of the shops network and he was executive director of the Jumbo Portugal and Spain hypermarkets network, with responsibility for direct coordination of the Commercial, Operational and Expansion areas and supervision of operations in Spain. He was also executive director of the Pão de Açúcar group, Portugal, where he was responsible for the management of the Minipreço chain, following the purchase of the Pão de Açúcar Group by Auchan.

Tiago Câmara Pestana holds a degree in Aeronautical Engineering from the University of Salford (Manchester, UK) and a Masters in Administrative and Industrial Sciences from City University (London, UK),



Rui Paulo Gonçalves

Rui Paulo da Costa Cunha e Silva Gonçalves has been a member of the Board of Directors of Galp since May 2008.

He has also been a director and General Manager of Amorim – Investimentos Energéticos, SGPS, S.A. since December 2007. He is Chairman of the Board of the General Shareholders Meeting of Amorim Holding II, SGPS, S.A. Before joining Galp, he practised Law in Porto and was visiting Lecturer at the Portuguese Institute of Administration and Marketing (IPAM) on the degree course and on various post-graduate courses between 2004 and 2007. He was legal adviser to the Unicer Group from 1995 to 2002 and later was a member of the Board of the General Shareholders Meeting of several companies of the Unicer group between 2002 and 2007 and, at the same time, Deputy Director of the Legal Office of the same group. He was also Chairman of the Board of the General Shareholders Meeting of Banco BIC Português, S.A. between 2008 and 2012.

Rui Paulo da Costa Cunha e Silva Gonçalves has a post-graduate degree in management for law graduates from the Faculty of Economic and Business Sciences of the Universidade Católica, 1995, and a Degree in Law from Law Faculty of the Universidade Católica, 1992.



Luís Todo Bom

Luís Manuel Pego Todo Bom has been a member of the Board of Directors of Galp since November 2012.

He is also Inspector-general of the Portugal Telecom group, Chairman of the PT Group's Advisory Board and non-executive Chairman of Multitel Angola, non-executive director of Onyria Internacional (Onyria group) and Scutvias - AEXXI (Globalvia group) and visiting associate lecture in "Business Planning", "Management of Innovation and Technology" and "Business Strategy" at ISCTE.

Before joining Galp, he was non-executive director of Taguspark between 2010 and 2012, non-executive director of Chamartin Imobiliária, SGPS, S.A. between 2007 and 2009, non-executive director of the Companhia de Seguros Sagres, S.A., between 2003 and 2009 and non-executive director of Amorim Imobiliária, SGPS, S.A., between 2002 and 2007. He was Chairman of the Board of AITECOEIRAS between 2008 and 2012 and a member of the MRG Group's Strategy Board between 2009 and 2012.

Luís Manuel Pego Todo Bom has a degree in chemical-industrial engineering from the Instituto Superior Técnico and a MBA from the Universidade Nova de Lisboa/Wharton School of Pennsylvania. He attended the Stanford Executive Program in 1982, the Executive Program on Strategy Organization at Stanford University in 1997 and 1998, respectively attended the DBA - Doctor of Business Administration Program at the University of Cranfield and ISCTE.



Diogo Mendonça Tavares

Diogo Mendonça Tavares has been a member of the Board of Directors of Galp since April 2012.

Before joining Galp he was advisor to the Chairman of Amorim Holding II, SGPS, S.A. between 2006 and 2011, director of the company between 2011 and 2013, and also non-executive director at Galp, S.A. between 2006 and 2008. He was President of UNIRISCO, the First Venture Capital company in Portugal and, among other positions, he was Vice-Chairman of IAPMEI, Vice-Chairman of the Tourism Institute of Portugal, Director of IFADAP, Director of IPE-CAPITAL, Vice-Chairman of ICEP and Chairman of Urbimeta, S.A. Sociedade Imobiliária.

Diogo Mendonça Tavares holds a degree in mechanical engineering from the Instituto Superior Técnico and is a graduate of the Advanced Business Management Program (IAESE / Harvard Business School).



Joaquim Borges Gouveia

Joaquim José Borges Gouveia is a member of the Board of Directors of Galp since May 2008.

He has been Professor of the Department of Economics, Industrial management and Engineering at the Universidade de Aveiro since 2001 and is also director and coordinator of several departments at the Universidade de Aveiro. He was coordinator of GOVCOPP -- Governance, Competitiveness and Public Policy - a research unit of the Research Institute of the Universidade de Aveiro, between October 2009 and June 2011 and director of the master's course in Sustainable Energy Systems, between June 2007 and October 2011. He is Chairman of the Board of RNAE – National Network of Energy and Environment Agencies.

Joaquim José Borges Gouveia holds a degree in electrical engineering from the Faculty of Engineering of Porto, 1973 and a doctorate in electrical and computer engineering, also from the Faculty of Engineering of Porto, 1983. He is an associate lecturer in Electrical and Computer Engineering at the Engineering Faculty of the Universidade do Porto.

ANNEX 3

ATTENDANCE OF MEMBERS OF THE BOARD OF DIRECTORS AT THE TEN MEETINGS HELD IN 2015.

Directors	Presence	Representation	Absence	% Attendance
Américo Amorim	9	0	1	90%
Paula Amorim	10	0	0	100%
Carlos Gomes da Silva	10	0	0	100%
Filipe Crisóstomo Silva	10	0	0	100%
Thore E. Kristiansen	10	0	0	100%
Sérgio Gabrielli	7	1	3	70%
Abdul Magid Osman	7	1	3	70%
Raquel Rute da Costa David Vunge	8	1	2	80%
Carlos Costa Pina	10	0	0	100%
Francisco Teixeira Rêgo	10	0	0	100%
Miguel Athayde Marques	10	0	0	100%
Jorge Seabra de Freitas	10	0	0	100%
José Carlos da Silva Costa	10	0	0	100%
Pedro Ricardo	10	0	0	100%
Tiago Câmara Pestana	10	0	0	100%
Rui Paulo Gonçalves	10	0	0	100%
Luis Todo Bom	10	0	0	100%
Diogo Mendonça Tavares	10	0	0	100%
Joaquim Borges Gouveia	10	0	0	100%

ANNEX 4

POSITIONS IN OTHER COMPANIES HELD BY MEMBERS OF THE BOARD OF DIRECTORS AS AT 31 DECEMBER 2015

WITHIN GALP GROUP

Galp Group	Executive						
	Carlos Gomes da Silva	Filipe Crisóstomo Silva	Thore E. Kristiansen	José Carlos da Silva Costa	Tiago Câmara Pestana	Pedro Ricardo	Carlos Costa Pina
CLC - Companhia Logística de Combustível, S.A.				CBD			
Enerfuel, S.A.							CBD
Europe Maghreb Pipeline, Ltd						D	
Galp Alentejo E&P, S.A.		D	CBD				
Galp Bionergy B.V.	D	D					D
Galp E&P Brazil B.V.	D	D	D				
Galp East Africa B.V.		D	D				
Galp Energia Brasil, S.A.	CBD	D	D	D			D
Galp Energia E&P B.V.	D	D	D	D	D	D	D
Galp Energia España, SAU	CBD	D	D	D	D	D	D
Galp Energia Overseas B.V.	D	D	D				
Galp Energia Overseas Block 14 B.V.		D	D				
Galp Energia Overseas Block 32 B.V.		D	D				
Galp Energia Overseas Block 33 B.V.		D	D				
Galp Energia Overseas LNG, B.V.		D				D	
Galp Energia Portugal Holdings B.V.	D	D	D				
Galp Energia Rovuma B.V.	D	D	D				
Galp Energia São Tomé e Príncipe, Limitada		M	M				
Galp Energia Tarfaya B.V.		D	D				
Galp Energia, S.A.	CBD	D	D	D	D	D	D
Galp Exploração e Produção (Timor Leste), S.A.	CBD	D	D	D	D	D	D
Galp Exploração e Produção Petrolífera, S.A.	CBD	D	D	D	D	D	D
Galp Gambia, Limited					D		
Galp Gas & Power, SGPS, S.A.	CBD	D	D	D	D	D	D
Galp Gás Natural, S.A.						CBD	
Galp Marketing International, S.A.					CBD		
Galp Power, S.A.						CBD	
Galp Sinopec Brazil Services B.V.	D	D	D	D		D	
Galp Swaziland, Limited					D		
Gasoducto Al-Andalus, S.A.						D	
Gasoduto da Extremadura, S.A.						D	
GDP - Gás de Portugal, S.A.						CBD	
Metragaz - Société pour la Construction de L'Exploitation Technique du Gazoduc Maghreb Europe						D	
Moçamgalp - Agroenergias de Moçambique, S.A.							CBD
Petrogal Angola, Lda.						CMB	
Petrogal Brasil B.V.		D	D				
Petrogal Brasil, S.A.	CBD	D	D	D		D	
Petrogal Guiné-Bissau, Lda					CMB		
Petróleos de Portugal - Petrogal, S.A.	CBD	D	D	D	D	D	D
Tagus-RE, S.A.							CBD
Windhoek PEL 23 B.V.		D	D				
Windhoek PEL 24 B.V.		D	D				
Windhoek PEL 28 B.V.		D	D				

CBD - Chairman of the Board of Directors

D – Director

CMB – Chairman of the Management Board

M – Manager

Non-executive members of the Board of Directors do not hold positions in other companies in the Galp group.

OUTSIDE THE GROUP

Américo Amorim

In the Américo Amorim group

Director of Amorim Energia B.V.
 Chairman of the Board of Directors of Amorim Holding II, SGPS, S.A.
 Chairman of the Board of Directors of Solfim, SGPS, S.A.
 Chairman of the Board of Directors of Amorim Financial, SGPS, S.A.
 Chairman of the Board of Directors of Amorim Holding Financeira, SGPS, S.A.
 Chairman of the Board of Directors of Amorim Negócios, SGPS, S.A.
 Chairman of the Board of Directors of Amorim Investimentos Energéticos, SGPS, S.A.
 Chairman of the Board of Directors of II – Investimentos Ibéricos, SGPS, S.A.
 Chairman of the Board of Directors of Imoeuro, SGPS, S.A.
 Chairman of the Board of Directors of API – Amorim Participações Internacionais, SGPS, S.A.
 Chairman of the Board of Directors of Vintage Prime, SGPS, S.A.
 Chairman of the Board of Directors of Stockprice, SGPS, S.A.
 Chairman of the Board of Directors of Financimgest – Sociedade de Consultoria de Gestão de Créditos, S.A.
 Chairman of the Board of Directors of Warranties, SGPS, S.A.
 Chairman of the Board of Directors of Bridge Capital, SGPS, S.A.
 Director of Investmark Holdings B.V.
 Director of Angola Real Estate Investments B.V.
 Director of Topbreach Holding B.V.
 Director of Amorim Financial Sector B.V.
 Director of Amorim Aliança B.V.
 Director of Ligardis Holding B.V.
 Director of Power Oil & Gas Investments B.V.
 Director of Oil Investments B.V.
 Director of Praia do Forte B.V.
 Director of Itacaré, B.V.
 Director of Amorim Investments II, S.A.
 Director of Amorim Investments V, S.A.
 Chairman of the Board of Directors of AHFB I, INC.
 Chairman of the Board of Directors of Amorim/TFI, INC.
 Chairman of the Board of Directors of Gestimovel, S.A.
 Chairman of the Board of Directors of Amorim Patrimónios, S.A.
 Chairman of the Board of Directors of Sotomar – Empreendimentos Industriais e Imobiliários, S.A.
 Chairman of the Board of Directors of Mosteiro de Grijó–Empreendimentos Turísticos e Imobiliários, S.A.
 Chairman of the Board of Directors of Amorim e Alegre – Sociedade Imobiliária, S.A.
 Chairman of the Board of Directors of Gaivina – Empreendimentos Turísticos e Imobiliários, S.A.
 Chairman of the Board of Directors of Imobis – Empreendimentos Imobiliários Amorim, S.A.
 Chairman of the Board of Directors of Porta do Sol – Sociedade Imobiliária Amorim, S.A.
 Chairman of the Board of Directors of Alqueva Verde, S.A.
 Chairman of the Board of Directors of Paisagem do Alqueva, S.A.
 Chairman of the Board of Directors of SSA – Sociedade de Serviços Agrícolas, S.A.
 Chairman of the Board of Directors of Casa das Heras – Empreendimentos Turísticos, S.A.
 Manager of Sociedade Agro-Florestal do Panasquinho, Lda.
 Chairman of the Board of Directors of CS01, S.A.
 Chairman of the Board of Directors of Gesfer, S.A.
 Chairman of the Board of Directors of Trilogia, S.A.
 Chairman of the Board of Directors of Luimo – Gestão de Negócios, S.A.
 Chairman of the Board of Directors of AGS – Moçambique, S.A.
 Chairman of the Board of Directors of SF Plus, S.A.
 Manager of Agrivalor, Lda.

In the Amorim group

Chairman of the Board of Directors of Amorim Investimentos e Participações, SGPS, S.A.
 Chairman of the Board of Directors of Interfamília II, SGPS, S.A.

Chairman of the Board of Directors of Amorim Capital, SGPS, S.A.
 Chairman of the Board of Directors of Amorim Global Investors, SGPS, S.A.
 Chairman of the Board of Directors of Amorim – Serviços e Gestão, S.A.
 Manager of Amorim – Viagens e Turismo, Lda.
 Manager of OSI – Sistemas Informáticos e Eletrotécnicos, Lda.
 Chairman of the Board of Directors of Amorim Desenvolvimento - Investimentos e Serviços, S.A.
 Chairman of the Board of Directors of Amorim Negócios Internacionais, S.A.
 Chairman of the Board of Directors of Gierlings Velpor, S.A.

Others

Chairman of the Board of ISPG - Instituto do Petróleo e Gás, Association for Research and Advanced Training
 Chairman of the Board of Directors of Fundação Galp
 Adviser to the Banco Luso-Brasileiro, S.A.

Paula Amorim

In the Américo Amorim group

Vice-Chairman of Amorim Holding II, SGPS, S.A.
 Chairman of the Board of Directors of Amorim Projetos, SGPS, S.A.
 Vice-Chairman of the Board of Directors of Amorim Negócios, SGPS, S.A.
 Vice-Chairman of Imoeuro, SGPS, S.A.
 Vice-Chairman of the Board of Directors of Gaivina, S.A.
 Vice-Chairman of Portal do Sol, S.A.
 Member of the Board of Directors of Stockprice, SGPS, S.A.
 Member of the Board of Directors of Alqueva Verde, S.A.
 Member of the Board of Directors of Amorim e Alegre – Sociedade Imobiliária, S.A.
 Manager of Sociedade Agro-florestal do Panasquinho, Lda.
 Vice-Chairman of the Board of Directors of Amorim Investimentos Energéticos, SGPS, S.A.
 Director A of Amorim Energia, BV
 Director B of Power Oil & Gas Investments B.V.
 Director of Holding Financeira Blocker I, Inc.
 Director of Amorim/TFI, Inc.
 Director of Tom Ford International, LLC
 Vice-Chairman of the Board of Directors of Interfamília II, SGPS, S.A.
 Vice-Chairman of the Board of Directors of Amorim Investimentos e Participações, SGPS, S.A.
 Sole director of Amorim Luxury – SGPS, S.A.
 Sole director of Amorim Fashion, SA
 Sole director of Amorim Two, SA
 Sole director of Amorim Five, Lda.

Carlos Gomes da Silva

Member of the Board of ISPG – Instituto do Petróleo e Gás, Association for Research and Advanced Training
 Member of the Board of AEM - Association of Companies Issuing Listed Securities
 Member of the General Board of COTEC Portugal - Business Association for Innovation
 Member of the Board of BSCD - Business Council for Sustainable Development
 Chairman of the Supervisory Board - Forum for Competitiveness
 Member of the Board of Directors of Fundação Galp

Filipe Crisóstomo Silva

Member of the Board of ISPG – Instituto do Petróleo e Gás, Association for Research and Advanced Training
 Member of the Board of Directors of Fundação Galp

Sérgio Gabrielli

Secretary of Planning, State Government of Bahia
 Member of the Boards of Directors of Desenharia – State Development Agency of Bahia and CAR – Companhia de Desenvolvimento e Ação Regional
 Non-executive member of the Board of Directors of Itaúsa, S.A.

Abdul Magid Osman

Chairman of the BIOFUND foundation (biodiversity protection)
 Chairman of the Board of Directors of Épsilon Investimentos, S.A.
 Chairman of the Board of Directors of Banco Único
 Chairman of the Board of the General Shareholders Meeting of FDC - Fundação de Desenvolvimento Comunitário

Raquel Rute da Costa David Vunge

Board member of Sonangol EP in Banco Comercial Português

Carlos Costa Pina

Chairman of the Scientific and Technological Council of ISPG - Instituto do Petróleo e Gás, Association for Research and Advanced Training
 Vice-Chairman of the Board of BCSD Portugal – Business Council for Sustainable Development;
 Member of the Board of AIPQR - Associação das Indústrias da Petroquímica, Química e Refinação (Association of Petrochemical, Chemical and Refining Industries)
 Member of the Board of Directors of Fundação Portugal África
 Member of the General Board of IPCG- Portuguese Institute of Corporate Governance
 Member of the General Board of EGP Porto Business School
 Director of EPRA- European Petroleum Industry Association (FuelsEurope and Concawe)
 Member of the Board of Founders of Fundação de Casa da Música
 Chairman of the Board of the General Shareholders Meeting of APEEN - Portuguese Association for Energy Economics

Francisco Teixeira Rêgo

In the Américo Amorim group

Member of the Board of Directors of Amorim Holding II, SGPS, S.A.
 Member of the Board of Directors of Amorim Negócios, SGPS, S.A.
 Member of the Board of Directors of Amorim Projectos, SGPS, S.A.
 Member of the Board of Directors of Amorim Investimentos Energéticos, SGPS, S.A.
 Member of the Board of Directors of Vintage Prime, SGPS, S.A.
 Member of the Board of Directors of Gevisar, SGPS, S.A.
 Member of the Board of Directors of Gaivina – Empreendimentos Turísticos e Imobiliários, S.A.
 Member of the Board of Directors of Porta do Sol – Sociedade Imobiliária Amorim, S.A.

Others

Substitute member of the Board of Directors of Banco Luso Brasileiro, S.A.
 Member of the Board of Directors of Época Global, SGPS, S.A.
 Member of the Board of Directors of Resultactual – SGPS, SA
 Chairman of the Board of Directors of Moreira, Gomes & Costas, SA
 Member of the Board of Directors of Cardan Grande Porto, SA
 Member of the Management Board of AVS – Agência de Viagens Sandinense, Lda.

Miguel Athayde Marques

Lecturer at the Universidade Católica Portuguesa, Faculty of Economics and Business
 Independent non-executive director of Brisa, Concessão Rodoviária, S.A.
 Chairman of the Supervisory Board of Caixa Banco de Investimento, S.A.
 Founder and Coordinator of Portugal Economy Probe
 Member of the Supreme Council of the Universidade Católica Portuguesa
 Chairman of the Supervisory Board of the Scientific Society of the Universidade Católica Portuguesa
 Member of the Scientific and Pedagogical Council of the Higher Institute of Bank Management (Portuguese Banking Association)
 Member of the Advisory Board of Junior Achievement Young Enterprise Portugal
 Member of the Advisory Council of GRACE (Group for Reflection and Support for Corporate Citizenship)

Jorge Seabra de Freitas

In the Américo Amorim group

Member of the Board of Directors of Amorim Energia B.V.
 Vice-Chairman of the Board of Directors of Amorim Holding II, SGPS, S.A.
 Member of the Board of Directors of Solfim, SGPS, S.A.

Member of the Board of Directors of Amorim Financial, SGPS, S.A.
 Member of the Board of Directors of Amorim Holding Financeira, SGPS, S.A.
 Member of the Board of Directors of Amorim Negócios, SGPS, S.A.
 Member of the Board of Directors of Amorim Projectos, SGPS, S.A.
 Member of the Board of Directors of II – Investimentos Ibéricos, SGPS, S.A.
 Member of the Board of Directors of Financimgest – Sociedade de Consultoria de Gestão de Créditos, S.A.
 Member of the Board of Directors of AGS – Moçambique, S.A.
 Chairman of the Board of Directors of Agromoz – Agribusiness de Moçambique, S.A.
 Member of the Board of Directors of Angola Real Estate Investments B.V.
 Member of the Board of Directors of Topbreach Holding B.V.
 Member of the Board of Directors of Amorim Financial Sector B.V.
 Member of the Board of Directors of Amorim Aliança B.V.
 Member of the Board of Directors of Power Oil & Gas Investments B.V.
 Member of the Board of Directors of Ligardis Holding B.V.
 Member of the Board of Directors of Itacaré, B.V.
 Member of the Board of Directors of Praia do Forte B.V.
 Member of the Board of Directors of Oil Investments B.V.
 Member of the Board of Directors of Amorim Investments II, S.A.
 Member of the Board of Directors of Amorim Investments V, S.A.
 Member of the Board of Directors of AHFB I, INC.
 Member of the Board of Directors of Amorim/TFI, INC.
 Member of the Board of Directors of Sotomar – Empreendimentos Industriais e Imobiliários, S.A.
 Member of the Board of Directors of Portal do Sol – Sociedade Imobiliária Amorim, S.A.
 Member of the Board of Directors of Lusares – Sociedade Imobiliária, S.A.

Others

Adviser to the Banco Luso-Brasileiro, S.A.
 Member of the Board of Directors of Banco Único, S.A.

Carlos da Silva Costa

Member of the Scientific and Technological Council of ISPG – Instituto do Petróleo e Gás, Association for Research and Advanced Training

Pedro Ricardo

Member of the Scientific and Technological Council of ISPG – Instituto do Petróleo e Gás, Association for Research and Advanced Training
 President of the Board of AGN - Portuguese Association of Natural Gas Companies

Tiago Câmara Pestana

Member of the Scientific and Technological Council of ISPG – Instituto do Petróleo e Gás, Association for Research and Advanced Training
 President of the Board of APETRO - Portuguese Association of Oil Companies

Rui Paulo Gonçalves

In the Américo Amorim group

Director and general manager of Amorim Investimentos Energéticos, SGPS, S.A.
 Director of Amorim Energia B.V.
 Chairman of the Board of the General Shareholders Meeting of Amorim Holding II, SGPS, S.A.

Others

Vice-Chairman of the Board of the General Shareholders Meeting of Banco Único, S.A.

Luís Todo Bom

Managing partner of Terfran – Investimentos e Serviços, Lda
 Managing partner of Angopartners Investments Consulting, Lda
 Non-executive Chairman of the Board of Directors of Multitel Angola – Serviços de Telecomunicações, Lda.
 Non-executive director of Inotec Angola – Ambiente, Energia e Comunicações, S.A.
 Non-executive director of Onyria Internacional, S.A. (Onyria group)
 Non-executive director of Scutvias – Autoestradas da Beira Interior, S.A. and Auto-Estradas XXI, SA (Globalvia group)
 Visiting Associate Lecturer of the ISCTE

Joaquim Borges Gouveia

Retired professor of the Department of Economics, Industrial management and Engineering of the Universidade de Aveiro.
Chairman of the Board of APM - Management of the Portuguese Association
Chairman of the Board of RNAE – National Network of Energy and Environment Agencies.
Chairman of the Board of Directors of ENERGAIA, Vila Nova de Gaia District Energy Agency
Member of the Board of Directors of ABAP/BIOCANT

ANNEX 5

QUALIFICATIONS AND OTHER INFORMATION ON THE PROFESSIONAL EXPERIENCE OF THE MEMBERS OF THE SUPERVISORY BOARD



Daniel Bessa

Daniel Bessa Fernandes Coelho holds a degree in Economics (Universidade do Porto, 1970) and a doctorate in Economics (Universidade Técnica de Lisboa, 1986).

Since June 2009, he has been a General Manager of COTEC Portugal - Business Association for Innovation

Between June 2000 and March 2009 was Chairman of the Board of Porto Business School.

He has held posts in teaching (Faculty of Economics and Faculty of Engineering of the Universidade do Porto and at Porto Business School), management of education units (Faculty of Economics and Vice-Chancellor's office, Universidade do Porto, School of Technology and Management of the Instituto Politécnico de Viana do Castelo) and business management (director of Finibanco and Finibanco Holding, non-executive director of CELBI - Celulose Beira Industrial, of Efacec Capital and INPARSA. - Indústrias e Participações, a member of the General and Supervisory Board of BCP - Banco Comercial Português, S.A., Chairman of the Supervisory Board of SPGM, external employee of the Sonae group). He was a director of AICEP and Chairman of the Advisory Council of IGFCSS - Institute for the Management of Social Security Capitalization Funds.



Gracinda Raposo

Gracinda Raposo is a director of ECS Capital - a "Private Equity" and "Distress Funds" management company - and a member of the Supervisory Board of Banco BIC Portugal. Between 2007 and 2009 she was advisor to the Board of Directors of the Santander Group. Between 2004 and 2006, she was also a Director of Caixa Geral de Depósitos and Non-Executive Director of Caixa BI, among other functions.

She has a degree in management from ISCTE and a Master's degree in operational management from the University of Georgetown, Minneapolis, U.S.A..



Pedro Antunes de Almeida

Pedro Antunes de Almeida has been a member of the Galp Supervisory Board since November 2012.

Since 2006 he has also been Consultant for Economic and Business Affairs to the President of the Portuguese Republic.

As an independent business consultant in the tourism industry, he was Chairman of the Board of Directors of ICEP, Chairman of the Executive Committee of ENATUR - Pousadas de Portugal, Secretary of State for Tourism (XV Government) and Ambassador of Portugal to the World Tourism Organization.

Between 2011 and 2012 he was Secretary of the Board of the Galp General Shareholders Meeting.

Pedro Antunes de Almeida has a degree in Economics and Sociology from the Universidade Nova de Lisboa, with a post-graduate qualification in European Economic Studies, from the Universidade Católica Portuguesa, Marketing and Publicity, from the Graduate School of Media, Lisbon and the Course for National Defence Auditors from the National Defence Institute.

Amável Calhau

Amável Alberto Freixo Calhau is Statutory Auditor and has been 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 for an auditing company between 1970 and 1979 and has been an individual Statutory Auditor since 1980.

Amável Alberto Freixo Calhau is an accounting expert of the Army Pupils' Military Institute and an individual Statutory Auditor.

ANNEX 6

ATTENDANCE OF MEMBERS OF THE SUPERVISORY BOARD AT THE MEETINGS HELD IN 2015

Directors	Presence	Representation	Absence	% Assiduidade
Daniel Bessa	15	0	0	100%
Gracinda Raposo	15	0	0	100%
Pedro Antunes de Almeida	13	0	2	85.7%

ANNEX 7

POSITIONS HELD IN OTHER COMPANIES AND OTHER RELEVANT ACTIVITIES PERFORMED BY THE MEMBERS OF THE SUPERVISORY BOARD IN 2015

Daniel Bessa

Chairman of the Supervisory Board of Fundação Galp
 Chairman of the Supervisory Board of Sonae, SGPS, S.A.
 Chairman of the Supervisory Board of Bial – Portela e Companhia, S.A.
 Chairman of the Board of the General Shareholders Meeting of Efacec Capital, SGPS, S.A. (until October 2015)
 Chairman of the Board of the General Shareholders Meeting of Nanium, S.A.
 Member of the Board of Directors and of the Executive Committee of Fundação Bial
 Chairman of the Advisory Board of ANI – National Innovation Agency
 Member of the Investment Board of PPCI – Portuguese Venture Capital Initiative (undertaking with investment by BEI Group, through the EIF - European Investment Fund)

Gracinda Raposo

Member of the Supervisory Board of Fundação Galp
 Member of the Board of Directors of Tagusgás – Empresa de Gás do Vale do Tejo, S.A.
 Director of ECS-Capital – private equity and distress funds management fund
 Member of the Supervisory Board of Banco BIC Portugal

Pedro Antunes de Almeida

Member of the Supervisory Board of Fundação Galp
 Consultant for Economic and Business Affairs to the President of the Portuguese Republic.
 Visiting lecturer of the ISCTE

Amável Calhau

Substitute member of the Supervisory Board of Fundação Galp

ANNEX 8

BIOGRAPHICAL DETAILS OF THE MEMBERS OF THE REMUNERATION COMMITTEE

Jorge Armindo de Carvalho Teixeira

Biography

Jorge Armindo de Carvalho Teixeira is Chairman of the Board of Directors of Amorim Turismo, SGSP, SA and associates and Chairman of APC – the Portuguese Casinos Association.

He began his professional career in 1976 as Assistant Lecturer in the Porto Faculty of Economics, teaching Business Management and International Financial Management until 1992.

In 1982 he joined what is now the Amorim group as Chief Financial Officer and in 1987 was appointed Vice-Chairman of the Group, a position he held until 2000. In 1997, at the invitation of the Government, he was appointed Chairman of Portucel – Empresa de Celulose e Papel de Portugal, SGPS, S.A. and he also took the chair of all companies in which Portucel, SGPS, S.A. had investments until its privatization.

Jorge Armindo de Carvalho Teixeira has a degree in Economics from the Faculty of Economics of Universidade do Porto.

Positions held at 31.12.2015

Member of the Board of Directors of Amorim – Entertainment e Gaming Internacional, SGPS, S.A.
 Member of the Board of Directors of Amorim Turismo, SGPS, S.A.
 Member of the Board of Directors of BLUE & GREEN – Serviços e Gestão, S.A.
 Member of the Board of Directors of BLUE & GREEN II, S.A.
 Member of the Board of Directors of CHT – Casino Hotel de Tróia, S.A.
 Member of the Board of Directors of ELEVEN - Restauração e Catering, S.A.
 Member of the Board of Directors of Estoril Sol, SGPS, S.A.
 Member of the Board of Directors of Fozpatrimónio, S.A.
 Member of the Board of Directors of Fundação do Alto da Lixa, S.A.
 Member of the Board of Directors of Goldtur – Hotéis e Turismo, S.A.
 Member of the Board of Directors of Grano Salis – Inv. Turísticos, Jogo e Lazer, S.A.
 Member of the Board of Directors of Grano Salis II – Investimentos Turísticos e de Lazer, S.A.
 Member of the Board of Directors of Hotel Turismo, SARL
 Member of the Board of Directors of Iberpartners – Gestão e Reestruturação de Empresas, S.A
 Member of the Board of Directors of Iberpartners Cafés, SGPS, S.A.
 Member of the Board of Directors of Imofoz, S.A.
 Member of the Board of Directors of Mobis – Hotéis de Moçambique, SARL
 Member of the Board of Directors of Notel – Empreendimentos Turísticos, SARL
 Member of the Board of Directors of Prifalésia – Construção e Gestão de Hotéis, S.A.
 Member of the Board of Directors of SGGHM – Sociedade Geral de Hotéis de Moçambique, S.A.
 Member of the Board of Directors of Sociedade Figueira Praia, S.A.
 Member of the Board of Directors of SPIGH – Sociedade Portuguesa de Investimentos e Gestão Hoteleira, S.A.
 Member of the Board of Directors of Troia Península Investimentos, SGPS, S.A.
 Member of the Board of Directors of Turyleader, SGPS, S.A.
 Member of the Executive Board of AHP – Hospitality Association of Portugal
 Member of the Executive Board of ELO – Portuguese Association for Economic Development and Cooperation
 Vice-Chairman of the Advisory Board of the CTP – Portuguese Confederation of Tourism
 Chairman of the Supervisory Board of the APR – Portuguese Resorts Association

Joaquim Alberto Hierro Lopes

Biography

Joaquim Alberto Hierro Lopes is a member and managing partner of GED Partners and, at the same time, a member of the Board of Directors of the Fund Management Companies GED Eastern Fund II, GED Iberian B, GED Sur (CEO) and of the Board of Directors of several GED Fund subsidiaries, including Estudio Pereda4 Ingenieria, Nuceri International, Iconsa Engineering, in Spain and FASE – Estudos e Projectos Engenharia, SA and Serlima Services SA, in Portugal. Before joining Galp, he was a Lecturer in Financial Mathematics and Management Accounting at the ISAG - Graduate School of Administration and Management. He was executive director of Norpedip/PME Capital-Sociedade Portuguesa de Capital de Risco, Chairman and Board Member of several companies, including FiberSensing, Altitude Software, Payshop, Cabelte Bluepharma, TV Tel Grande Porto, Fibroplac., and participated in the launch and management of various investment funds. Between 2007 and 2014 he was a member of the Supervisory Board of Corticeira Amorim SGPS, S.A.

Joaquim Alberto Hierro Lopes completed a degree in Accounting and Administration at ISCAP, graduated in Mathematics at the Faculty of Sciences of the Universidade do Porto in 1989, completed a MBA at Porto Business School and, in 1993, a Master in Business Management, also at the Universidade do Porto.

Positions held at 31.12.2015

Member of the Board of Directors of the GED Iberian B Fund
 Member of the Board of Directors of Fundo GED Eastern Fund II
 Chairman of the Board of Directors of Fundo GED Sur
 Member of the Investment Committees of all GED Funds
 Chairman of the Board of Directors of ISAG – Graduate School of Administration and Management

ANNEX 9

REMUNERATION POLICY 2015

I. Introduction

The remuneration committee of Galp, SGPS, S.A., (hereafter "Galp", "Company" or "Firm"), under its powers to set the pay of the members of the governing bodies of the Company, in accordance with the mandate granted to it by the General Shareholders Meeting, in accordance with Article 8 of the Company By-laws, hereby submits for the approval of the Galp General Shareholders Meeting, to be held on 16 April 2015, this Statement on the Remuneration Policy applicable to the members of the Governing Bodies, pursuant to Article 2 of Law 28/2009 of 19 June, and in accordance with CMVM Regulation No. 4/2013 and the recommendations of the CMVM Corporate Governance Code approved in 2013.

This statement describes the process followed for setting and implementing the Remuneration Policy for the members of Galp's Corporate Bodies for 2015 and its general objectives and principles, in light of the CMVM recommendations and best practice in corporate governance, in order to provide greater clarity and effectiveness in communication, both to the market and to shareholders.

The Remuneration Policy applying to the members of the corporate bodies is reviewed annually and approved by the General Shareholders Meeting at the proposal of the Remunerations Committee.

Accordingly, it is a requirement to submit the Remuneration Policy applicable to the members of the governing bodies for 2015, which complies with the fundamental principles previously set forth in the Remuneration Policy for 2014, approved at the General Shareholders Meeting of 28 April, 2014.

Information on the implementation of the Remuneration Policy 2014 and on the individual remunerations paid to the members of Galp's Board of Directors and Supervisory Board in 2014, is described in the 2014 Corporate Governance Report (cf. Section D - Remuneration).

II. General principles

The Remuneration Policy for members of the Corporate Bodies of the Company seeks to reinforce values, skills, abilities and behaviour, given the interest, culture and long-term strategy of the Company and, in particular, it is based on the following general principles:

- (i) Attract and motivate the best professionals for the positions to be held in the Company, and guarantee stability in the exercise of these positions by the members of the elected corporate bodies;
- (ii) Provide appropriate remuneration, in market conditions, for the tasks performed, results obtained and business know-how, under the powers and responsibilities involved in the roles performed by the members of the corporate bodies.
- (iii) Reward increased efficiency and productivity and the creation of long-term value for shareholders, through a defined incentive system that is linked to achieving measurable goals from an economic, financial and operational point of view, taking account of sustainable growth in earnings and discouraging excessive risk-taking;

Given the above objectives, the Remunerations Committee has defined and approved the policy for 2015 applicable to determination of the remunerations of the members of the corporate bodies of the Company.

III. Remuneration Policy 2015

1. Board of Directors

1.1. Non-executive directors:

The non-executive members of the Board of Directors shall be paid a fixed monthly fee, 12 times a year, whose amount is determined by the Remuneration Committee, with due consideration of standard market values.

Also following market practice, remuneration of non-executive members of the Board of Directors may be differentiated, in the case of the Chairman of the Board of Directors, in recognition of special functions of Company representation assigned to him and in the case of non-executive members of the Board of Directors who perform special functions of supervision and monitoring of the Company, as a result of a special duty assigned by the Board of Directors or as part of the Committees established by that body, currently existing or that may be created in the future.

The remuneration of non-executive members of the Board of Directors does not include any amount determined based on the Company's performance or value.

1.2. Executive Directors

The monthly remuneration of Galp's Executive Directors consists of two components: fixed and variable.

1.2.1. Fixed Remuneration

The fixed part of the remuneration is a monthly payment, in 14 annual instalments, whose amount is set by the Remuneration Committee, with due consideration of the nature of the assigned roles and responsibilities and market practice in equivalent positions in large national and international companies operating in the same sectors.

1.2.2. Variable Remuneration

The variable component of the remuneration, which is discretionary, is set by the Remuneration Committee based on the satisfaction of certain economic, financial and operational objectives, in order to create a competitive pay structure and deploy a system of incentives to ensure that the interests of the executive directors are aligned with those of the Company and its stakeholders, thus ensuring economic and financial sustainability.

In order to provide enhanced incentives for the alignment of the work of executive directors with Galp's long-term sustainable interests, in 2012 a multi-year targets definition policy was introduced, effective from 2013, to defer a significant part of the variable remuneration component for three years, thus linking it to Company performance over that period.

Objectives are defined every year for the following three years, and the three-yearly evaluation takes place at the end of each three-year period. The first three-year period for which multi-year targets were set was 2013-15. At the end of this period, multi-year performance will be evaluated in overlapping three year cycles.

This policy aligns Galp with best market practices in pay and with the recommendations of the CMVM in relation to the governance of listed companies.

Accordingly, the variable remuneration of executive directors includes two components:

Annual variable remuneration, representing 50% of the variable total;

Three-yearly variable remuneration, representing 50% of the variable total;

The total amount of variable remuneration for each year is set by the Remuneration Committee based on satisfaction of previously defined specific targets, with a potential maximum of 60% set by this Committee based on the total annual fixed remuneration, which is in line with generally accepted practice in the domestic market and represents a reasonable balance between the variable and fixed components.

The indicators used by the Remuneration Committee to set the annual variable remuneration in 2015 are as follows:

- i) Galp Added Value (GVA), 33.3%;
- ii) Total Shareholder Return (TSR, 33.3%, to enable comparison with the change in Galp's stock market performance (including dividend payments) compared to the following group of comparable companies: Neste Oil, Repsol, OMV, MOL and BG Group, and the PSI 20 index;
- iii) Galp's EBITDA, at Replacement Cost, 33.3%.

For the three-yearly variable remuneration, in line with best market practices, the following indicators were defined:

Total Shareholder Return (TSR Galp vs comparable companies, 50%;

Galp's EBITDA, at Replacement Cost, 50%.

Although the three-yearly variable component is validated annually by the Remuneration Committee, payment is only due if, at the end of the three years, the defined goals are achieved. Given the nature of the functions of the executive directors, the multi-annual component of the variable remuneration will be paid at the end of the three-year period 2013-2015, following clearance of the accounts of the previous financial year.

The above-mentioned indicators contribute 65% to the definition of the applicable annual and three-yearly variable remuneration. The remaining 35% of each of these components of the variable remuneration is based on the result of the Remuneration Committee's qualitative assessment of the work of the executive directors during the financial year or during the relevant three-year period, as appropriate.

Given the need to maintain consistency between the results obtained and the total amount of variable remuneration paid, this depends on Galp's profit and loss. Accordingly, if Galp achieves net profit under 80% of budget, there will be no entitlement to payment of variable remuneration.

The nature of the indicators and their weighting in setting the effective variable remuneration ensures alignment of the interests of the executive members of the Board of Directors with the interests of the company.

Moreover, the remuneration of the executive members of the Board of Directors is based on actual Company performance and disincentives for excessive risk-taking.

1.2.3. Other benefits

The executive members of the Board of Directors are entitled to a Company Retirement Savings Plan, or other similar financial product for their benefit, under terms and conditions defined by the Remuneration Committee.

The value of this Plan is calculated annually, with the necessary adjustments so that, during the year that the directorial functions start or end, the calculation is pro-rata for the period during which the position is actually held.

Directors whose permanent residence is not in the area of Galp's headquarters are awarded an amount for accommodation expenses by the Remuneration Committee.

1.2.4. Other conditions

The remuneration of the Galp directors includes all remunerations due for posts held on corporate bodies in other Group companies.

This policy does not cover the award of any damages or compensation to the directors for dismissal or termination, particularly if this is due to inadequate performance, notwithstanding the legal rules in force in this matter and any damages or compensation beyond what is legally due is not, therefore, enforceable against the director.

The executive members of the Board of Directors shall not enter into contracts, either with the Company or with third parties, whose effect is to mitigate the inherent risk of their variable remuneration set by the Company.

There are no current plans in the Company to award shares or share purchase options.

2. Supervisory Board and Statutory Auditor (ROC)

The remuneration of the members of the Supervisory Board is set by the Remuneration Committee based on national and international market practices, with the aim of achievement of the relevant oversight activity in line with the interests of the Company and its stakeholders.

The remuneration of the members of the Supervisory Board consists of a fixed monthly payment, in 12 instalments, with the Chairman of the Supervisory Board receiving a different rate from the other members of the Supervisory Board, given the special functions assigned to that position.

The remuneration of the members of the Supervisory Board does not include any amount determined based on the Company's performance or value.

The Statutory Auditor is remunerated for the work of review and legal certification of the accounts of the Company in an amount that is contractually set under normal market conditions.

3. Board of the General Shareholders Meeting

Members of the General Shareholders Meeting are remunerated with a fixed annual amount set by the Remuneration Committee, with differentiation in the case of the Chairman, the Vice-Chairman and the Secretary of the board, based on the Company's situation and market practices.



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