

NT-O-008

SAFETY AND SUSTAINABILITY GOVERNANCE MODEL

Company Standard – Organizational

Approved by the Executive Committee on 12.07.2019

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1. Object and Scope of Application

1.1 This standard establishes the persons responsible and their authority and duties on matters of Safety and Sustainability, with a view to ensuring the application and monitoring of the respective policies and objectives, including those relative to Galp's Integrated Management System - SIG¹, in the context of quality management, and promoting functional and strategic alignment among the Environment, Quality and Safety (AQS) structures of the Organisational Units (UO), in order to achieve synergies and standardise practices and procedures.

1.2 All the Organisational Units of the Galp Group and subsidiaries or other entities, regardless of their legal nature, in which Galp holds management control, covering all the geographic areas in which the Group operates, fall under the scope of application of this standard.

2. Safety and Sustainability Governance Bodies

The Safety and Sustainability Governance Model is composed of the following bodies as represented in Figure 1 below:

- a) Safety and Sustainability Department;
- b) Corporate Environment, Quality and Safety (AQS) Commission;
- c) Environment, Quality and Safety (AQS) structures of the Organisational Units (UO);
- d) Environment, Quality and Safety (AQS) Commissions of the Organisational Units (UO);
- e) Occupational Health and Safety (SST) Commission and Subcommissions ².

¹ Galp's Integrated Management System (SIG) includes and standardises the management requirements concerning the Environment, Quality, Safety, Energy and Social Responsibility (AQSE and RS).

² The composition, operation and responsibilities of these Commissions are defined in a specific standard. Pursuant to the legislation in force, they may have other designations.

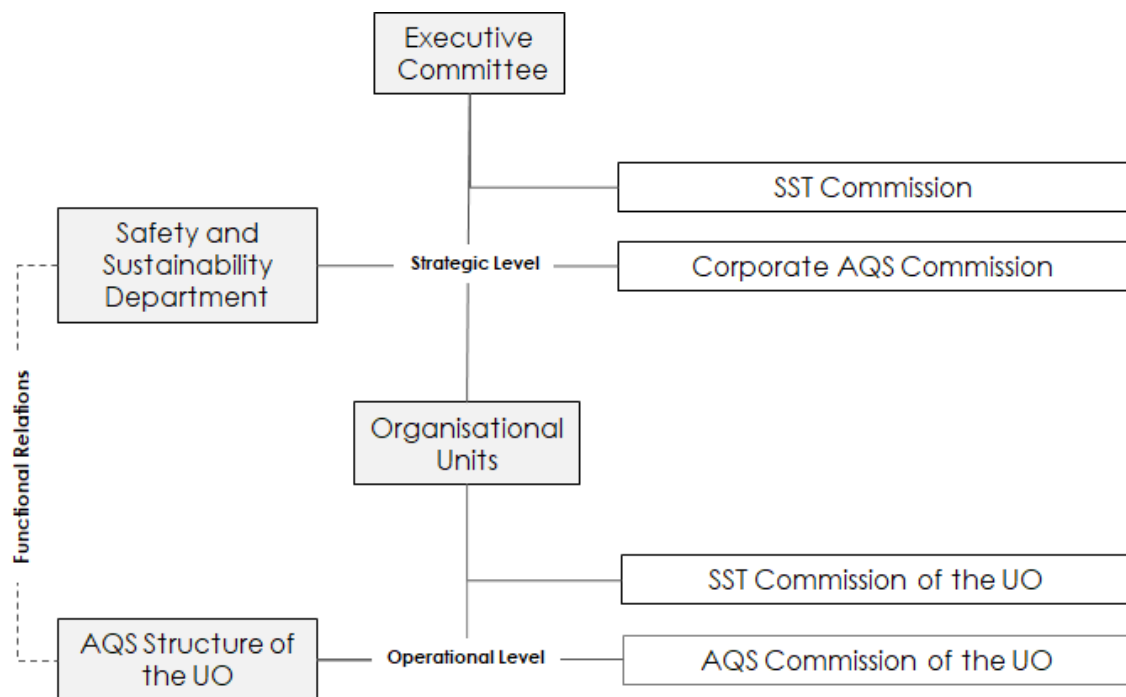


Figure 1 – Safety and Sustainability Governance Model

2.1 Safety and Sustainability Department

2.1.1 The Safety and Sustainability Department aims to promote an integrated approach to the management of Sustainability, Environment, Quality and Safety focused on protecting people, the environment, assets and product quality, with a view to creating sustainable value for the stakeholders.

2.1.2 The Safety and Sustainability Department is responsible for defining and promoting the application of the Environment, Quality and Safety policies, including those relative to the Integrated Management System, the certification strategy and the sustainability commitments based on their material significance and strategic consistency.

2.1.3 It is also entrusted with functionally coordinating the Environment, Quality and Safety structures of the Organisational Units, ensuring the development of their critical competencies, and participating in their selection and joint assessment, with the respective persons hierarchically in charge.

2.2 Environment, Quality and Safety Structures of the Organisational Units

2.2.1 The Environment, Quality and Safety structures of the Organisational Units support the

implementation of the Sustainability, Environment, Quality and Safety policies and objectives; likewise ensuring the implementation of the action plans and monitoring of performance.

2.2.2 Throughout the entire hierarchical chain, the management is responsible for the performance of its area of competence on matters of Sustainability, Environment, Quality and Safety.

2.3 Corporate Environment, Quality and Safety Commission

2.3.1 The Corporate Environment, Quality and Safety Commission aims to assist Galp's Executive Committee and other Governing Bodies in promoting its sustainability culture and the applicable standards on Environment, Quality and Safety matters, ensuring the application of the respective policies and objectives.

2.3.2 The Corporate Environment, Quality and Safety Commission is the body that controls and ensures the coherence of the activity of the Environment, Quality and Safety structures of the Organisational Units, within their competencies.

2.3.3 The main duties of the Corporate Environment, Quality and Safety Commission involve:

- a) Proposing corporate Environment, Quality and Safety policies, principles and requirements;
- b) Proposing strategic goals and objectives on Sustainability, Environment, Quality and Safety issues;
- c) Assessing the adequacy of the plans of the Organisational Units in relation to the defined strategic objectives concerning Environment, Quality and Sustainability;
- d) Proposing strategic goals and objectives on Sustainability, Environment, Quality and Safety issues;
- e) Assessing and deciding on the proposals and actions recommended by the Occupational Safety and Health Commission;
- f) Ensuring the periodic review of Galp's Integrated Management System;
- g) Assessing the adequacy of the resources allocated to the management concerning Environment, Quality and Sustainability.

2.3.4 The Corporate Environment, Quality and Safety Commission is composed of a chairman, a secretary and representatives of the relevant Organisational Units and functions, as indicated below.

The Chairman is Galp's Executive Director responsible for the Safety and Sustainability Department.

The Secretary is the Head of the Safety and Sustainability Department.

The following are also members of the Corporate Environment, Quality and Safety Commission:

- a) First Line Heads of the Organisational Units as appointed by the Chairman;
- b) Responsible for the corporate areas of Sustainable Development, Quality and Optimisation of Processes, and Safety and Security;
- c) Head of the corporate services which includes Occupational Medicine.

According to the issues dealt with, other persons invited by the Chairman may participate in the Commission meetings.

The members indicated above may, due to reasons of force majeure, appoint a representative to replace them, by notification submitted to the Chairman of the Corporate Environment, Quality and Safety Commission.

2.3.5 The Corporate Environment, Quality and Safety Commission holds four meetings a year or, exceptionally, by request of the Chairman or one of its members.

A minimum quorum of 50% of the members, or their representatives, is required to enable holding the meeting.

The secretary is responsible for organising and proposing the agenda, which shall be approved by the Chairman and sent to all the Commission members.

2.4 Environment, Quality and Safety Commissions of the Organisational Units

2.4.1 The Environment, Quality and Safety Commissions of the Organisational Units aim to ensure alignment with the decisions of the Corporate Environment, Quality and Safety Commission and ensure the implementation and monitoring of the respective policies and objectives at the level of the Organisational Units.

2.4.2 The main duties of the Environment, Quality and Safety Commissions of the Organisational Units involve:

- a) Establishing strategic initiatives and goals for issues of Sustainability, Environment, Quality and Safety for the Organisational Unit aligned with Galp's strategic objectives;
- b) Assessing and deciding on the proposals and actions recommended by the Occupational

Safety and Health Subcommissions;

- c) Reporting to the Corporate Environment, Quality and Safety Commission on pertinent topics in terms of Organisational Unit performance on matters of Sustainability, Environment, Quality and Safety;
- d) Ensuring the Review of by the sectoral management of Galp's Integrated Management System, in articulation with the Safety and Sustainability Department.

2.4.3 Each Organisational Unit constitutes the respective Environment, Quality and Safety Commission, taking into account the operational and business particularities. When necessary, Local Environment, Quality and Safety Commissions can be created, which report functionally to the Environment, Quality and Safety Commission of the Organisational Unit.

2.4.4 The Chairman of the Environment, Quality and Safety Commissions of the Organisational Unit is the most senior person in charge of the Organisational Unit. The Secretary is the Head of Environment, Quality and Safety of the Organisational Unit.

The following are also members of the Commission:

- a) Persons responsible for Environment, Quality and Safety of the Organisational Unit;
- b) Persons reporting directly to the head of the Organisational Unit;
- c) Occupational Medicine Physician.

According to the issues dealt with, other persons invited by the Commission chairman may participate in this Commission.

2.4.5 The Environment, Quality and Safety Commission holds monthly meetings.

The secretary is responsible for organising and proposing the agenda, taking into account alignment with the agenda of the Corporate Environment, Quality and Safety Commission, which shall be approved by the Chairman and sent to all the Commission members.

3. Final and Transitory Provisions

The present Standard revokes NT-O-008, revision 01, Environment, Quality and Safety Organisation and Relations, and takes effect from the date of its publication.