

Working together trusting each other

CORPORATE GOVERNANCE REPORT 2008
GALP ENERGIA





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

Impartiality, justice, integrity, responsibility, communication and transparency are the principles that guide relationships between stakeholders and are essential for creating confidence, the main goal of corporate governance.



CORPORATE GOVERNANCE REPORT 2008 GALP ENERGIA

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Statement of compliance

Galp Energia, SGPS, S.A. ("Galp Energia", "Company" or "Group") is a company that issues shares which are traded in NYSE Euronext Lisbon, called Eurolist by Euronext Lisbon.

Impartiality, justice, integrity, responsibility, communication and transparency are the principles that guide relationships between stakeholders and are essential for creating confidence, the main goal of corporate governance

Since its debut on Euronext Lisbon, Galp Energia has been developing in its organisation and workings high standard corporate conduct and social responsibility in accordance with the domestic and international best practices. It is a policy formulated from the beginning by the board of directors that has sought to incorporate these good practices in the Company's philosophy and performance with responsibility and leadership. The effects of this policy are already clear not only in decision-making but also in management mechanism, allowing its efficiency accomplishment, and supervisory and control mechanisms that ensure its effectiveness and fulfilment. These effects are already recognised by the Company's several stakeholders, such as shareholders, whose interest in value creation must be safeguarded, clients, suppliers, employees, the market and the community because everyone is aware of the high ethical standards that characterise their relationships with the Company. Impartiality, justice, integrity, responsibility, communication

and transparency are the principles that guide relationships between stakeholders and are essential for creating confidence, the main goal of corporate governance.

Galp Energia considers the corporate governance model adopted is not definitive and wants to improve it aiming at corresponding not only to the recommendations of the Societies Governance Code approved by the Portuguese securities market regulator, Comissão do Mercado de Valores Mobiliários ("CMVM"), in 2007 but also to the most demanding practices.

CMVM's recommendations are identified in the following table. The adoption or non-adoption of the recommendations applicable to Galp Energia's structure is indicated as well as suitable comments in some cases and remit to the chapter of the report where the adoption of the recommendation is described in detail. Galp Energia is not under nor has voluntarily adhered to any other corporate governance code.



CMVM recommendation		Corporate governance practice	Current status	Remit
1. General meeting board	1. The chairman of the general meeting board must have the suitable human resources and support logistics to his needs, considering the Company's economic situation.	Adopted	Galp Energia provides to the chairman of the general meeting board the necessary human resources and support technicians for the good workings of the meetings by its legal department and its investor relations department as well as by hiring an outsourced entity to provide logistic support to each meeting.	–
	2. The remuneration of the chairman of the general meeting board must be disclosed in the corporate governance report.	Adopted	In chapter 5 of the 2007 corporate governance report, the remuneration of the members of the general meeting board in financial year 2007 was disclosed. In this report Galp Energia discloses the total remuneration of the members of the general meeting board and individually the remuneration of the chairman of this committee.	Chapter 01
2. Participation in the general meeting	1. The period for depositing shares prior to participation in a general meeting shall not be longer than five business days.	Adopted	Galp Energia promotes the active exercise of voting rights, namely by requiring a period no longer than five days for depositing shares prior to participation in a general meeting (article 10, paragraph 2 of Galp Energia's articles of association).	Chapter 01
	2. In case the general meeting is suspended, the Company shall not compel share blocking during that period until the meeting is resumed and shall then follow the standard requirement of the first session.	Adopted	In case the general meeting is suspended, the Company does not compel share blocking during that period until the meeting is resumed and shall then follow the standard requirement of the first session.	Chapter 01
3. Vote and exercising of voting rights	1. Companies shall not have vote by mail restrictions in the articles of association.	Adopted	Galp Energia allows voting by mail, on any scale and without restrictions, according to the article 10, paragraphs 8, 9, 10 and 11 of the articles of association.	Chapter 01
	2. According to the articles of association, the period to receive votes sent by mail shall not be longer than three business days.	Adopted	According to the article 10, paragraph 8 of the articles of association, votes sent by mail must be received one business day before the general meeting.	Chapter 01
	3. The companies' articles of association shall attach one vote to each share.	Not adopted	According to the article 10, paragraph 3 of Galp Energia's articles of association, one vote is attached to each 100 shares. Shareholders owing less than 100 shares may unite in order to exercise their combined voting rights.	Chapter 01

I. General meeting

CMVM recommendation		Corporate governance practice	Current status	Remit
4. Quorum and resolutions	1. Companies shall not set a quorum of members or a quorum for deliberations higher than the number set out by law.	Not applicable	Galp Energia considers that this recommendation aims at making the general meetings of companies with shares dispersed by many shareholders more effective. The dispersion of shares makes quorum necessary to making important decisions for the Company more difficult to obtain. Galp Energia considers that this recommendation does not deem the dispersion of the Company's share capital among few shareholders. Therefore, Galp Energia deems this recommendation not applicable.	Chapter 01
5. Minutes and information about the adopted resolutions	1. The minutes of the general meetings shall be available to shareholders in the Company's website no longer than five days after the general meeting, although these minutes are not privileged information according to the law. The Company's website must have an archive of presence lists, agendas and resolutions of every general meeting at least in the three previous years.	Adopted	Galp Energia discloses the agenda in its website 30 days prior to the general meeting. On the day of the general meeting, resolutions, the quorum of members and the voting results for each item are disclosed. Galp Energia's website has an archive which contains the documents of every general meeting since Galp Energia is a public company. The presence list is not disclosed in the website because it is not allowed by the Portuguese data protection authority.	–
6. Measures related to corporate control	1. Steps taken to thwart the success of takeover bids should take account of the interests of the Company and its shareholders.	Adopted	Galp Energia's articles of association do not contain any clauses aimed at averting the success of takeover bids or limiting voting rights.	–
	2. According to the principle above, the Company's articles of association that limit the number of votes that may be held or exercised by a sole shareholder, either individually or united with other shareholders, shall foresee for a resolution by the general meeting at least five in five years on whether that article of articles of association is to prevail – without super quorum requirements as to the one legally in force – and in that resolutions all votes cast without that restriction being applied.	Not applicable	According to Galp Energia's articles of association, there is no limit to the number of votes that may be held or exercised by a shareholder, either individually or united with other shareholders.	–
	3. Defence measures that automatically cause serious erosion of the value of the Company in case of change of control or change in the composition of the management body, disturbing the share transferability and shareholders' voluntary evaluation of the performance of the members of the management body.	Adopted	Galp Energia has no defence measures that automatically cause serious erosion of the value of the Company in case of change of control or change in the composition of the management body.	Chapter 01

CMVM recommendation			Corporate governance practice	Current status	Remit
1. General points	1. Structure and role	1. The management body shall assess the adopted model in its corporate governance report and identify possible constraints to its work and propose measures that it deems fit to surpass them.	Adopted	This report includes an evaluation of the adopted governance model by the board of directors.	Chapter 02
		2. Companies must set up internal control systems designed to effectively detect risks to the Company's operations.	Adopted	Galp Energia has set up an internal control system for the effective detection of risks to the Company's operations, which is administered by the internal audit corporate unit and a number of specialist internal committees.	Chapter 02
		3. The management and supervisory bodies shall have working regulations and shall be available in the Company's website.	Not adopted	Galp Energia's board of directors and supervisory board have organisation and working regulations that will be available in the Company's website.	Chapter 02
2. Incompatibilities and independence		1. The board of directors shall include a sufficient number of non-executive directors whose role is to monitor and evaluate management.	Adopted	Out of 17 directors, 11 are non-executive directors whose role is to monitor and continually evaluate executive directors' management of the Company.	Chapter 02
		2. Non-executive directors must include a suitable number of independent directors. The size of the Company and its shareholder structure must be considered and the number of independent directors may never be less than a fourth of the total number of directors.	Not applicable	Galp Energia's board of directors has two independent non-executive directors. Galp Energia deems having a suitable number of independent directors considering its shareholder structure (25% of dispersion of the share capital).	Chapter 02
3. Eligibility and appointment		1. According to the applicable model, the chairman of the supervisory board, the chairman of the audit committee or the chairman of the finance committee shall be independent and have the suitable role.	Adopted	The chairman of the supervisory board fulfils every legal requisite of independence and has the suitable role.	Chapter 02
4. Whistleblowing policy		1. The Company shall adopt a policy whereby irregularities within the Company are reported. Such reports shall include the following information: (i) the means through which such irregularities may be reported internally, including the people entitled to receive the reports; (ii) how the report is to be handled, including confidentiality, in case the reporter requests so.	Adopted	Galp Energia currently has a whistleblowing policy.	Chapter 02
		2. The general guidelines on this policy should be disclosed in the corporate governance report.	Adopted	The general guidelines on this policy are disclosed in this report.	Chapter 02

II. Management and supervisory boards

CMVM recommendation			Corporate governance practice	Current status	Remit
1. General points	5. Remuneration	1. The remuneration of the members of the management body shall be aligned with the interests of the shareholders. In this context: (i) the remuneration of directors with executive responsibilities should be based on performance and a performance evaluation shall be carried out periodically by the competent body or committee; (ii) the variable component shall be consistent with the maximization of the long-term performance of the Company and shall be dependent on the sustainability of the adopted performance variables; (iii) when the remuneration of non-executive directors is not legally imposed, a fixed amount should be set.	Adopted	<p>The remuneration of the members of Galp Energia's management body is structured in order to allow the alignment of their interests with the Company's interests.</p> <p>In this manner, the remuneration of directors with executive responsibilities has a variable component, which depends on the company's long-term performance.</p> <p>The remuneration of Galp Energia's non-executive directors is a fixed amount.</p>	Chapter 02
		2. The remuneration committee and the management body shall submit a statement on the remuneration policy to be presented at the general meeting on the management and supervisory bodies and other directors as provided for in article 248/3/b of the Portuguese Securities Code. The shareholders shall be informed on the proposed criteria and main factors to be used in the assessment of the performance for determining the level (share bonuses, option on share acquisition, annual bonuses or other awards).	Adopted	In the next general meeting a statement about the remuneration policy of the management and supervisory bodies will be presented.	-
		3. At least one representative of the remuneration committee shall be present in the annual general meeting of shareholders.	Adopted	Galp Energia has ensured the presence of at least one representative of the remuneration committee in the annual general meeting of shareholders.	-
		4. A proposal shall be submitted at the general meeting on the approval of plans for the allotment of shares or options for share purchase or further yet on the variations in share prices, to members of the management and supervisory bodies and other directors within the context of article 248/3/B of the Portuguese Securities Code. The proposal shall mention all the necessary information for its correct assessment. The proposal shall contain the regulation plan or in its absence, the plan's general conditions. The main characteristics of the retirement benefit plans for members of the management and supervisory bodies and other directors within the context of article 248/3/B of the Portuguese Securities Code, shall also be approved at the general meeting.	Not applicable	Galp Energia currently has no stock and stock option plans for directors or employees.	-

CMVM recommendation		Corporate governance practice	Current status	Remit
1. General points	5. The remuneration of the members of the management and supervisory bodies shall be individually disclosed every year distinguishing, if it is the case, the fixed component and the variable component as well as the remuneration from other group companies or companies controlled by shareholders who have a major holding.	Not adopted	Galp Energia considers that this disclosure does not add relevant information to the Company's good practice, namely the one already adopted for disclosing the remuneration of governing bodies.	Chapter 02
	2. Board of directors	1. Within the limits defined by law for each management and supervisory structure and unless the Company is too small, the board of directors shall delegate the day-to-day management of the Company. The delegated roles shall be identified in the corporate governance report.	Adopted	The current management of the Company was delegated to an executive committee and these delegated functions are identified in the corporate governance report.
	2. The board of directors must ensure that the Company acts according to its goals and must not delegate its duties regarding: (i) the definition of the Company's strategy and general policies; (ii) the definition of the group's corporate structure; (iii) decisions that must be deemed strategic due to their amount, risk or special characteristics.	Adopted	Decisions about matters considered important, such as strategy definition and the Company's and the group companies' general policies, as well as decisions that must be deemed strategic due to their amount, risk or special characteristics, are duties of the board of directors.	Chapter 02
	3. In case the chairman of the board of directors has executive responsibilities, the board of directors shall create efficient coordination mechanisms of the non-executive directors' work, which ensure these may decide in an independent and informed manner. These mechanisms shall be explained to the shareholders in the corporate governance report.	Not applicable	The chairman of Galp Energia's board of directors does not have executive responsibilities.	Chapter 02
	4. The annual management report shall include a description of the activity of non-executive directors, namely possible constraints.	Adopted	The 2008 management report includes a description of the activity of non-executive directors.	–
	5. The management body shall promote a rotation of the chief finance officer at least at the end of each two terms.	Adopted	In the last three years Galp Energia had three different chief financial officers, although this rotation was not due to CMVM recommendation.	–
3. Chief executive officer, executive committee and executive board of directors	1. When directors that have executive responsibilities are requested by other members of the governing bodies to supply information, the former shall do so in a timely manner and the information provided must suitably suffice the request made.	Adopted	Information requested to executive directors by other members of the governing bodies is provided in a timely manner and suitably.	–

II. Management and supervisory boards

CMVM recommendation		Corporate governance practice	Current status	Remit
3. Chief executive officer, executive committee and executive board of directors	2. The chairman of the executive committee must send the notices of meeting and minutes of the executive committees' meetings to the chairman of the board of directors and, when applicable, to the chairman of the supervisory board or the chairman of the audit committee.	Adopted	The notices of meeting and minutes of the meetings of the executive committee are communicated to the chairman of the board of directors, which informs the other members of the board and the supervisory board.	Chapter 02
	3. The chairman of the executive board of directors shall send the notices of meeting and minutes of the meetings to the chairman of the audit board and the chief financial officer.	Not applicable	The chairman of Galp Energia's board of directors does not have executive responsibilities.	Chapter 02
4. Audit board, finance committee, audit committee and supervisory board	1. In addition to the supervisory functions, the audit board must advise, follow and continually evaluate the management of the Company's executive body. Among other matters, the audit board shall decide on: (i) definition of the strategy and general policies of the Company; (ii) the corporate structure of the Group; and (iii) decisions deemed to strategic due to the amounts, risk and special characteristics.	Not applicable	Galp Energia's governance model does not include an audit board.	Chapter 02
	2. The annual reports and financial information on the activity carried out by the audit board, the finance committee, the audit committee and the supervisory board shall be disclosed on the Company's website together with the financial statements.	Adopted	Annual reports about the supervisory board's activity are disclosed in the Company's website along with the financial statements.	–
	3. The annual reports on the activity carried out by the audit board, the finance committee, the audit committee and the supervisory board shall include a description on the supervisory activity and shall mention possible constraints.	Adopted	The annual reports about the supervisory's board activity include the description of the supervisory activities.	–
	4. The finance committee, the audit committee and the supervisory board, depending on the applicable model, shall represent the Company for all purposes in its dealings with the external auditor and shall propose the services supplier, the remuneration, ensure that suitable conditions for the supply of these services are in place within the Company as well as being the body in charge of the relation between the Company and the first recipient of the reports.	Adopted	The supervisory board represents the Company in its dealings with the external auditor. According to the article 19, paragraph 4 of the articles of association, it is the supervisory board that proposes to the general meeting the appointment of the statutory auditor or statutory audit firm and appoints or dismisses the external auditors, deciding their remuneration.	Chapter 02
	5. The finance committee, the audit committee and the supervisory committee, according to the applicable model, shall evaluate the external auditor on a yearly basis and propose his dismissal in case of fair reason.	Adopted	The supervisory board evaluates the external auditor and may propose his fair dismissal to the general meeting.	Chapter 02

II. Management and supervisory boards

III. Information and audit

CMVM recommendation	Corporate governance practice	Current status	Remit
5. Specialised committees 1. Unless the Company is of a reduced size and depending on the adopted model, the board of directors and the audit board, shall set up the necessary committees in order to: (i) ensure that a competent and independent assessment of the executive directors' performance is made as well as its own overall performance and further yet the performance of all existing committees; (ii) study the adopted governance system and verify its efficiency and propose to the competent bodies measures to be implemented with a view to its improvement.	Not adopted	Galp Energia's board of directors intends to create a corporate governance committee that aims to review and refine the Company's governance practices.	–
2. The members of the remuneration committee shall be independent of the directors.	Adopted	The members of the remuneration committee of Galp Energia are independent from members of the management and supervisory bodies.	Chapter 02
3. Every committee must draw up minutes of every meeting.	Adopted	Every committee of Galp Energia draw up minutes of the meetings.	–
1. Contact with the market 1. Quoted companies should ensure they are in permanent contact with the market and should, therefore, create an investor relations department.	Adopted	Galp Energia has a fully-fledged investor relations department whose primary role is to ensure clear and consistent communications with the equity market for a coherent and complete perception of Galp Energia to be formed, thereby facilitating investor decisions.	Chapter 03
2. The following information available in the Company's website should be disclosed in English: a) The Company, the quoted company status, the head office and other elements contained in the article 171 of the Companies Code; b) Articles of association; c) Identity of the members of the governing bodies and the representative for market relations; d) Investor Relations Department, powers and access; e) Financial statements; f) Half-year calendar of governance events; g) Proposals for discussion and voting in the general meeting; h) Notice of general meeting.	Adopted	The required information is available in the Company's website in Portuguese and English.	–

Independence of the members of the board of directors

After the independence appreciation of each non-executive director, in accordance with the article 414, paragraph 5 and the article 414-A, paragraph 1 of the Companies Code, the board of directors considers that the chairman of the board of directors Francisco Luís Murteira Nabó and the non-executive director Joaquim José Borges Gouveia fulfil the requisites contained in the rules above.

01

General meeting

At Galp Energia's general meeting all shareholders have the opportunity to talk with the management, express their doubts and share opinions.





Galp Energia's general meetings are attended by a large share of institutional investors

Composition

The general meeting board is composed of a chairman, a vice-chairman and a secretary, according to Galp Energia's articles of association. The current members of the general meeting board were elected on the 6 May 2008 general meeting for a three-year term, which ends at 31 December 2010.

According to Galp Energia's articles of association, the general meeting board can only convene for the first time when shareholders that hold at least 51% of the share capital are present, either personally or duly represented

The current composition of the general meeting board is the following:

Chairman: Daniel Proença de Carvalho

Vice-chairman: Victor Manuel Pereira Dias

Secretary: Pedro António do Vadre Castelino Alvim⁽¹⁾

Powers

The duties of the general meeting board are to conduct the general meetings and draft the minutes thereof.

According to Galp Energia's articles of association, the general meeting board can only convene for the first time when shareholders that hold at least 51% of the share capital are present, either personally or duly represented.

Except in the cases where law requires supermajorities or the articles of association require a supermajority or impose a favourable vote by a majority of the category A shares, the resolutions of the general meeting board are made by the majority of votes cast, counting out the abstentions.

According to the Company's articles of association, the article 386, paragraph 4 of the Companies Code is not applicable to the general meetings of Galp Energia's general meeting board. This means the resolutions of the general meeting board convened in a second meeting about matters related to change of the Company contract,

merger, break-up, transformation, liquidation or other matters for which the law requires a supermajority will not be decided by the majority of votes, although shareholders that hold at least half of the share capital are present, either personally or duly represented. These matters are considered to have been approved only if they attract a supermajority of two-thirds.

According to paragraph 5 of article 12 of the Company's articles of association, the resolutions by the general meeting of shareholders relating to the matters listed below are considered to have been approved only if they attract a supermajority of two-thirds:

- Matters concerning the special rights inherent to category A shares;
- Approval of new strategic guidelines;
- Allocation of net income for the year or any distribution of assets to shareholders;
- Issuance of securities outside the scope of powers of the board of directors;
- Proposals of strategic partnerships submitted to the general meeting's approval by the board of directors;
- Approval of the Company's separate and consolidated annual accounts;
- Transactions involving the break-up, merger or liquidation of the Company.

Regarding the first matter on the list above, approval requires a favourable vote by a majority of the category A shares.

Galp Energia's general meeting delegated the definition of the governing bodies' remuneration policy to a com-

Note: (1) Pedro António do Vadre Castelino Alvim tendered his resignation as secretary of the general meeting board, communicated to the market on 24 March 2009.



mittee appointed by the general meeting that is composed of shareholders' representatives. This committee is described in chapter 02 of this report.

In addition to the performance assessment made by the remuneration committee, shareholders evaluate every year the performance of executive and non-executive directors, according to the article 376, first paragraph c) of the Companies Code.

In the next general meeting Galp Energia's remuneration committee and board of directors will submit to shareholder review a statement about the remuneration policy of directors and members of the supervisory board, respectively, which explains the criteria and main parameters proposed to evaluate performance and consequently fix the variable component.

Workings

Only shareholders with voting rights can participate in the general meeting. One vote is attached to each 100 shares and shareholders with fewer shares may unite in order to exercise their combined voting rights either by one of the grouped shareholders or by another shareholder.

For participation purposes, shareholder capacity is conferred to those shareholders that have registered their shares at least five days prior to the relevant general meeting date. The register of this title to the shares must be proved to Galp Energia at least five days prior to the meeting date. In case the general meeting is suspended, the Company does not compel share blocking during that



Galp Energia's employees at a working meeting

2008 general meeting

In 2008 Galp Energia's general meeting, which was held in the Company's head office at 6 May, was attended by 81 shareholders, either personally or duly represented, accounting for 78.321% of the share capital. In spite of the increase of shareholders attendance, either personally or duly represented, in 2007 the meeting was attended by 50 shareholders, in 2008 there was a lower representation of the share capital, 78.321% against 82.136% in 2007. This decrease was due to the sell of Iberdrola's equity holding in Galp Energia, close to 4%, at the end of January 2008, which caused a larger dispersion of shares. The increase of attending shareholders is the consequence of Galp Energia's effort to promote the exercise of voting rights. Once more, small shareholders had the opportunity to talk with the management, express their doubts and share opinions. The meeting's agenda had eight items, including:

- + Approval of the annual report and accounts of 2007 and the allocation of net income;
- + General appreciation of management and audit;
- + Authorisation to exercise functions in the management body of a Galp Energia's competitor company and definition of the access regime to the Company's sensitive information;
- + Change in articles of association;
- + Ratification of the appointment of directors for the board of directors;
- + Election of the new governing bodies and the statutory auditor firm for the 2008-2010 term.

Every item was approved with over two-thirds of the votes.

period until the meeting is resumed and shall then follow the standard requirement of the first session.

Galp Energia actively promotes the exercise of voting rights, either directly – through participation in shareholder meetings and by post – or by proxy.

Within the scope of this policy, Galp Energia has taken a number of steps aimed at encouraging shareholder participation in general meetings, namely:

- The possibility to vote by post and make the voting forms available to shareholders;
- The wide disclosure by email and the internet of upcoming general meetings, their respective agendas and the various ways of exercising voting rights;
- A clear and detailed description, in the invitation and preparatory documentation sent to shareholders prior to the general meeting, of the procedures to be followed in order to exercise the right to vote by correspondence or proxy;
- The creation of a dedicated email, disclosed on the invitation to the general meeting, so as to make it easier to address doubts.

However, Galp Energia's articles of association do not plan the exercise of voting rights by electronic media. The Company wants to change this situation in the future in order to more effectively promote the exercise of voting rights.

Proxy procedures

Shareholders that are legal persons may be represented at general meetings by any person. Appointment of such representative must be made in writing. Shareholders that are physical persons may only be represented by a member of the board of directors, their spouse, direct-line relatives or other shareholders, and the appointment must be made in writing.

Except for the Portuguese State, shareholders planning to be represented at the general meeting shall make the proxy instruments available to Galp Energia until five days prior to the date of the

meeting and in accordance with the law. However, the chairman of the general meeting board may allow the participation of representatives who have not been appointed in the prescribed time, if he judges that this will not impair execution of the meeting's agenda.

Procedures for voting by post

Shareholders that are entitled to vote may do so by correspondence with regard to each item on the agenda of the general meeting. To this end, they must send to the head office of the Company, by registered mail with acknowledgement of receipt, a letter addressed to the chairman of the general meeting board and signed in such a manner that it may be verified against the signature on their identity card. The letter must be received on the day prior to the date of the general meeting.

The letter containing the ballot must be accompanied by a readable photocopy of the shareholder's identity card, in case the shareholder is a physical person. If the shareholder is a legal person, the ballot shall be signed by a legally appointed attorney whose signature shall be authenticated in that capacity. Voting by correspondence also requires the shareholder to produce evidence until five days prior to the general meeting of its registered ownership of the shares that entitle them to vote. The letters containing the ballots shall be opened by the chairman of the general meeting board at the start of the session after a quorum is present. Votes cast by correspondence shall be disclosed upon discussion of the relevant item.

The votes issued by correspondence shall be counted as disapproving votes with regard to proposed resolutions presented after the votes have been issued.

The proposals to be submitted to the general meeting for discussion and resolution as well as all the other preparatory information are made available to shareholders until 15 days prior to the date of the general meeting on both Galp Energia's address at Rua Tomás da Fonseca, Torre C, 1600-209 Lisboa and the general meeting's website.



Remuneration

In 2008 2,380 euros were paid as presence fees to the members of the general meeting board. From this amount, 1,500 euros went to the chairman.

Change of control

Currently Galp Energia has no defence measures that automatically cause serious erosion of the value of the Company in case of change of control

or change in the composition of the management body.

Galp Energia does not participate in any significant agreement that is enforced, altered or ended in case of change of control of the Company.

In addition, Galp Energia does not participate in any agreement with members of the management bodies, according to the article 248 B, paragraph 3 of the Portuguese Securities Code, which includes severance pay in case of resignation, severance or termination of the employment after a change of Company control.

Galp Energia actively promotes the exercise of voting rights, either directly – through participation in shareholder meetings and by post – or by proxy



Galp Energia's general meeting, at Lisbon congress centre in May 2007

02

Management and supervisory bodies

The current governance model aims at transparency and effectiveness and its primary goal is to separate clearly the Company's governing bodies' power, in particularly between the board of directors and the executive committee.



Galp Energia's head office that concentrates all management and supervisory bodies

Galp Energia's governance model

Galp Energia's posture on corporate governance is a transparent and consistent relationship with both investors and markets, primarily based on a governance model that safeguards the interests and rights of all shareholders.

The current governance model encompasses a management and supervisory structure composed of the board of directors and the audit board supplemented by a delegation of management powers.

The current governance model aims at transparency and effectiveness and its primary goal is to separate clearly the board's powers regarding supervision, control, strategy and relationships between shareholders and the Company's governing bodies from those conferred to the executive committee whose powers, which are delegated by the board, are of an operating nature and consist of the day-to-day management of the business units and

corporate services, according to a detail in this chapter.

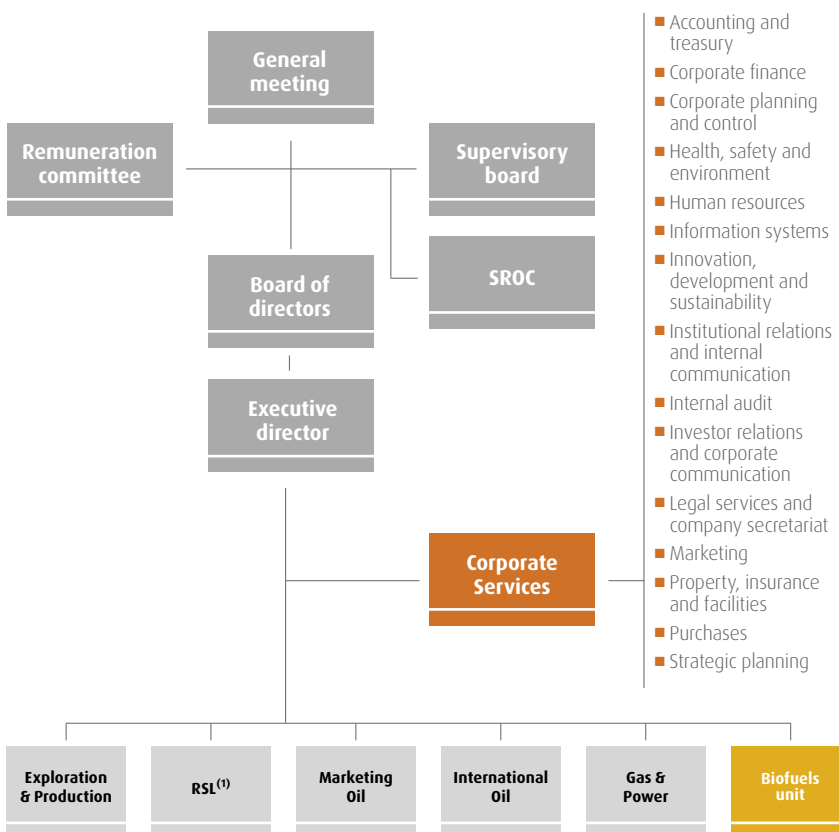
The Company's organisational structure consists of five business units, one corporate services unit under the leadership and guidance of an executive director according to the responsibility distribution approved by the board of directors and detailed in this chapter and a development project unit.

The guiding principles of the governance structure are flexibility, simplicity, efficiency and accountability and its purpose is to create shareholder value, namely by achieving synergies within the business units and between them.

In 2008 the main changes in the business units were the following:

- Combination of natural gas and power business units, previously separated but under the same executive director, in a single business unit called Gas & Power. This combination aimed at increasing the integration of both businesses, now managed as only one, and achieving synergies;
- Reorganisation of Exploration & Production business unit with a new management team to supervise the activity. The share of this business unit in Galp Energia's portfolio, namely in development projects in Angola, Brazil and Venezuela, encouraged the Company to reorganise it in order to respond more effectively to forthcoming challenges;
- Set-up of Biofuels development unit to develop Galp Energia's strategy for this business, launching the Company in an economically, socially and environmentally sustainable biofuel production and commercialisation.

Galp Energia's governance structure



Note: (1) Refining, supply and logistics



market practices. Therefore, the Company reports its activities in three business segments: Exploration & Production (“E&P”), Refining & Marketing (“R&M”) and Gas & Power (“G&P”).

The corporate services unit is composed of 15 areas and its responsibility is entrusted to various executive directors. This unit was created with the purpose of providing services to business units in different matters, such as accountancy, law consultancy and human resources, which achieved important synergies as well as made an interface between the Company and its stakeholders.

Management and supervisory structure

Galp Energia’s management and supervisory structure is currently composed of a board of directors, a supervisory board and a statutory auditor firm.

The board of directors has powers to set strategic guidelines, broadly supervise operations and monitor the day-to-day management of the Company.

The guiding principles of the governance structure are flexibility, simplicity, efficiency and accountability and its purpose is to create shareholder value, namely by achieving synergies within the business units and between them



Galp Energia’s head office, Lisbon

Linkage between business units and business segments

	Business units					Development unit
	E&P	RSL	Marketing Oil	International Oil	G&P	Biofuels
Business segments	E&P	X				
	R&M		X	X		X
	G&P				X	

This table illustrates the linkage between the five business units and the Biofuels development unit, on one hand, and the three business segments, on the other.



●
André Palmeiro
Ribeiro

●
Claudio
De Marco

●
Fernando
Gomes

●
Manuel Ferreira
De Oliveira

●
Fabrizio
Dassogno

●
Carlos Gomes
da Silva

Management of Galp Energia's business units and corporate services is entrusted to the executive committee.

The governing bodies are appointed for renewable periods of three calendar years. The year of appointment counts as a full year, the governing bodies are considered to take office as soon as they are elected and they stay in office until their successors are elected.

Governing body matters that are treated in the shareholder agreement, namely those dealing with the composition and resolutions of the various bodies, are covered in chapter 03 of this report.

The board of directors' evaluation of the adopted governance model

The board of directors postulates that the adopted governance model, following the transparency, flexibility, simplicity, efficiency and accountability guiding principles, under clear rules understood by every member, has been effective to create shareholder value.

The current governance model aims at management effectiveness, namely by separating clearly the governing bodies' powers regarding the board's supervision and control powers from the executive committee's powers conferred by the board of directors of an operating nature and day-to-day management of the business units and corporate services.

The appointment of specific management areas to each member of the executive committee makes possible an effective following of the Company's management encouraging the achievement of synergies within business units and between them.

Moreover, the existence of matters of the exclusive competence of the board of directors has given this body an effective following and control of the Company's strategic issues, main goals and organisation.

The workings of the board of directors have revealed an effective supervision and evaluation of the executive directors' activity by the non-executive directors. The board of directors' non-executive and independent chairman has an essential role in those activities as well as in the relationship between the Company and its shareholders.



Galp Energia's executive committee, elected in May 2008

Board of directors

Composition

Galp Energia's board of directors is actually composed of 17 members elected in the annual general meeting of 6 May 2008 for a three-year term, which ends at 31 December 2010.

This composition obeys the rules laid down in the Company's articles of association, according to which the board of directors may have between 11 and 21 members who are elected by the general meeting, which also appoints the chairman.

The non-executive directors Francisco Luís Murteira Nabo and Joaquim José Borges Gouveia fulfil the incompatibility requisites contained in article 414-A, paragraph 1 of the Companies

Code and the independence criteria contained in the article 414, paragraph 5 of the Companies Code.

Although José António Marques Gonçalves and João Pedro Brito are not members of Galp Energia's executive committee, these directors obtained executive roles at Petróleos de Portugal - Petrogal, S.A. ("Petrogal") with responsibilities for the engineering and projects department and Galp Energia España/integration of ongoing acquisitions of distribution operations, respectively, and became members of the board of directors of this subsidiary. The non-executive director Luigi Piro obtained management roles at Galp Exploração & Produção, S.A. with responsibilities for planning and control, liquefied natural gas and new ventures.

The composition of the board of directors is indicated in the shareholder agreement, described in chapter 03 of this report.

Composition of the board of directors

Name	Position	Year of appointment
Francisco Luís Murteira Nabo	Chairman	2005
Manuel Ferreira De Oliveira	Vice-chairman and chief executive officer	2006
Manuel Domingos Vicente	Non-executive director	2006
Fernando Gomes	Executive director	2005
José Marques Gonçalves	Non-executive director	2005
André Palmeiro Ribeiro	Executive director	2005
Carlos Nuno Gomes da Silva	Executive director	2007
Rui Paulo da Costa Cunha e Silva Gonçalves	Non-executive director	2008
João Pedro de Figueiredo Brito	Non-executive director	2005
Alberto Chiarini	Non-executive director	2008
Claudio De Marco	Executive director (CFO) ⁽¹⁾	2008
Paolo Grossi	Non-executive director	2008
Camillo Gloria	Non-executive director	2000
Fabrizio Dassogno	Executive director	2008
Giuseppe Ricci	Non-executive director	2008
Luigi Piro	Non-executive director	2008
Joaquim José Borges Gouveia	Non-executive director	2008

Note: (1) Chief Financial officer ("CFO").

The main tasks of the chairman of the board of directors are to represent the Company, to conduct the meetings of the board of directors and to supervise the relationship between the Company and its shareholders

Appointment and substitution

The members of the board of directors are appointed by election in the general meeting or an appointment of the board that must be ratified by the general meeting. The members of the board of directors have three-year renewable terms, counting as complete the civil year in which they were elected. The members of the board of directors are considered to take office as soon as they are elected and they stay in office until their successors are elected. The general meeting appoints the chairman of the board of directors.

In the regime of director substitution due to permanent absence contained in the article 393, paragraph 1 of the Companies Code, the articles of association consider that a member of the board of directors is permanently absent when absent to three consecutive meetings or five alternate meetings without a reason accepted by the management body.

The appointment and substitution of the members of the board of directors are matters of the shareholder agreement, described in chapter 03 of this report.

Powers

The board's powers is to make decisions on matters deemed to be of

great importance such as formulating corporate strategy, determining the Company's organisational structure, defining the corporate business portfolio, promoting synergies between departments, approving investment projects carrying a high risk or a high cost, setting value-creation goals for each activity and monitoring execution of key activities.

The main tasks of the chairman of the board of directors, who is not a member of the executive committee, are to represent the Company, to conduct the meetings of the board of directors and to supervise the relationship between the Company and its shareholders. The chairman is elected by a two-thirds vote and the majority of votes attached to category A shares, whose rights are described in Chapter 03.

The chairman of the board of directors shall be given notice on any executive committee resolutions and, particularly, on interim resolutions about such matters on which a decision is exclusively reserved to the board which the executive committee intends to submit to board approval – in order for the chairman to include it on he agenda of board meetings. The chairman shall inform the board of directors about such resolutions by the executive committee that are of particular importance as well as submit to their approval those resolutions whose relevance may warrant board confirmation and those regarding matters on which a decision is exclusively reserved to the board.

The resolutions of the board of directors are generally adopted by a simple majority, except for certain matters requiring a two-thirds majority which are mentioned in the articles of association, namely:

- a.** Approval of strategic investments and related funding;
- b.** Approval of annual budgets and business plans and any amendments to these documents as well as any resolutions not included in the budget or the plans that will result in a 20% increase in a given item or a 10% increase in the annual budget;
- c.** Approval of transactions with parties related to shareholders which may exceed the amount of 20 million euros;



- d.** Appointment of senior managers of Galp Energia or any company it controls directly;
- e.** Issuance of bonds or other securities within the powers of the board of directors;
- f.** Changes to the articles of association of companies controlled by Galp Energia.

There are other resolutions requiring at least two-thirds majority including a favourable vote by the chairman of the board of directors – namely the following:

- i.** Approval of strategic divestments by Galp Energia or any company it controls;
- ii.** Participation in activities outside Galp Energia's core business⁽¹⁾, namely by acquisition of an equity stake in companies whose activities lie outside Galp Energia's core business;
- iii.** Choice of strategic partners for Galp Energia's main activities;
- iv.** Approval and review of Galp Energia's strategic guidelines, strategic plan and relevant business areas;
- v.** Definition of the basic organisational and management structure including the delegation of powers by the board of directors to the executive committee or one or more managing directors including the roles of each member of the executive committee;
- vi.** Limitation of the powers conferred to management of the companies controlled by Galp Energia;
- vii.** Break-up, merger or liquidation of any company controlled by Galp Energia;
- viii.** Signing of peer or subordinate group agreements by companies directly controlled by Galp Energia;
- ix.** Payment of dividends by companies controlled by Galp Energia;

- x.** Matters related to the special rights of category A shares.

The matters described above in a, b, c, e, ii, iii, iv, v and x are duties of the board of directors, which may not be delegated, according to the Company's articles of association.

Galp Energia's articles of association do not include the possibility of the board of directors making resolutions about the issuance of new shares, according to the article 456 of the Companies Code.

The board of directors' resolutions are contained in the shareholder agreement, covered in chapter 03.

In the following table are the main decisions made by the board of directors in 2008:

Main decisions made by the board of directors in 2008

Date	Decision
7 February	Approval of the acquisition proposal of Eni, S.p.A.'s ("Eni") and ExxonMobil's assets for the distribution of oil products in the Iberian Peninsula.
1 April	Approval of the annual report and accounts for 2007.
	Approval of the alteration proposal of the articles 17 and 18 of Galp Energia's articles of association.
	Update of the 2008-2012 capital budgeting plan.
16 April	Ratification of the evaluations which determine the sales price of Agip España and Agip Portugal.
6 May	Composition of the executive committee, delegation of powers and allocation of roles.
20 May	Approval of (unaudited) results for the first quarter of 2008.
	Summary of goals and projects of the 2008-2012 plan under implementation.
6 August	Approval of (unaudited) results of the first half of 2008.
	Ratification of the joint venture agreement with LAP - Libya Africa Investment Portfolio aiming to identify oil and natural gas projects in Libya.
	Creation of Fundação Galp Energia.
28 August	Approval of the annual report and accounts of the first half of 2008 (limited review).
24 September	Approval of advance dividend payment equivalent to 0.14965 euros per share.
12 November	Approval of the (unaudited) results of the third quarter of 2008.
	Organisation of the Gas & Power business unit.
	Organisation of the Exploration & Production business unit.
	Medium and long-term financing from Caixa Geral de Depósitos, S.A. ("CGD") in the amount of 300 million euros.

Note: (1) Core business is here defined as exploration and production, refining, transportation, trading and marketing of oil and gas and power production.

In order to safeguard possible conflicts of interest the authorisation of directors to have other roles that compete with Galp Energia's activity and the corresponding access regime to sensitive information was approved at the general meeting of 6 May 2008

Workings

The board of directors shall work in accordance with the procedural rules laid down in the Company's organisational regulation approved at the start of each mandate. The approval or review of this regulation is subject to a simple majority of the directors' votes.

According to the provisions of the regulation approved by the board of directors on 31 May 2006 and currently under revision, the board shall convene at least six times a year – although the Company's articles of association only require quarterly meetings.

Largely exceeding these minimum requirements, the board of directors met 10 times in 2008.

The meetings are convened by the chairman or two directors with at least five days' prior written notice to which the agenda is appended. For board meetings to be valid, the majority of directors must attend.

In Galp Energia there are no rules about incompatibilities, either internally defined or related to the maximum number of positions that may be accumulated by the members of the board of directors. However, the members of the board of directors are bound by stringent management duties in order to guarantee that there are not any conflicts of interest when performing their duties.

The authorisation of directors to have other roles that compete with Galp Energia's activity and the corresponding access regime to sensitive information was approved at the general meeting of 6 May 2008 in order to safeguard possible conflicts of interest. The main characteristics of this regime are the following:

- A director which has a competitive role does not have access in Galp Energia to all the information about the Company and its activities in the geographical market where the competing company is a competitor of Galp Energia;
- A director which has a competitive role cannot participate in any

decision-making process in Galp Energia if:

- The competing company is a direct competitor of Galp Energia as in the case of tenders, public or private concessions, auctions, take-over or exchange bids, asset acquisition proposals or acquisition of equity holdings;
- Regarding Galp Energia's capital expenditures or commercial policy (including prices and costs) in the geographical market of the competing company and Galp Energia's competition with this Company's activities and vice versa.
- Not participating in the decision-making process involves the director's prohibition of participating in meetings within Galp Energia, including meetings of the board of directors or the executive committee, where are discussions about decisions in whose process the director has no access or information related to this process is under review. The director may not be represented by another member;
- When information susceptible of being considered sensitive, according to the access regime to sensitive information, for concerning Galp Energia and its activities in the geographical market of the competing company is discussed, under review or submitted, it is the duty of the chairman of the board of directors or the chairman of the executive committee, depending on the case, to classify this information as sensitive, when possible prior to the meeting and preferentially written on the notice of meeting.

In addition, there is no kinship between directors, between supervisory board members, between supervisory board members and directors and between members of either body and the representative of the statutory auditors.

Galp Energia's articles of association expressly consider the possibility for directors to vote by correspondence. Accordingly, 10 resolutions were voted in 2008 by electronic mail.

Executive committee

Composition

The board of directors elected for the 2008-2010 term appointed an executive committee composed of six members.

According to the Company's articles of association, the executive committee shall be composed of three to seven directors – including its chairman or chief executive officer ("CEO") – who are appointed by the board of directors for a three-year mandate coinciding with the board members' own mandate.

Meetings are valid when the majority of executive committee members attend. According to the law and the Company's articles of association, resolutions are passed by a simple majority of the attending directors.

The executive committee is responsible for the day-to-day management of Galp Energia in accordance with the strategic guidelines laid down by the board of directors.

Using the powers delegated by the board of directors according to the Company's articles of association, the executive committee drives the performance of the business units and corporate services, supervises these units, promotes synergies between the units, allocates key resources, manages human capital, formulates the brand strategy and oversees implementation of objectives, laying down its policies across the Company.

The chairman of the executive committee convenes and conducts the

committee's meetings, ensures that its decisions are properly executed, coordinates its activities and makes sure information flows continually to the non-executive directors.

The composition of the executive committee is governed by the shareholder agreement, whose principles are described in chapter 03 of this report.

Delegated powers

The board meeting of 6 May 2008 delegated day-to-day management to the executive committee, whereby the following powers were specifically assigned:

- To manage corporate affairs, enter into all transactions and take all actions required to conduct the Company's core business operations (exploration and production, refining, transportation and marketing of oil and derivatives and gas and production and commercialization of electric energy) except for those exclusively reserved to the board of directors or exceeding the powers it has been assigned;
- To represent the Company;
- To buy, sell or otherwise dispose of or encumber rights, namely the incidents about equity holdings and property (except strategic investments and divestments of the Company as well as companies where Galp Energia has an equity stake which are exclusively reserved to the board of directors) and always within the Company's main activities, whose amounts not exceeding the following limits:

Composition of the executive committee for the 2008-2010 term

Name	Position	Year of the first appointment
Manuel Ferreira De Oliveira	Chairman of the executive committee	2006
Claudio De Marco	Executive director (CFO)	2008
Fernando Gomes	Executive director	2005
André Palmeiro Ribeiro	Executive director	2005
Carlos Nuno Gomes da Silva	Executive director	2007
Fabrizio Dassogno	Executive director	2008



The appointment of specific management areas to each member of the executive committee makes possible an effective following of the Company's management encouraging the achievement of synergies within business units and between them

- 50 million euros in planned operations with budgets approved by the board of directors, except strategic investments and financing that are exclusively reserved to the board of directors;
- Exceed by more than 20% the amount in the annual budget or in the budget item of the business plan or by more than 10% the amount of the annual budget in non-strategic operations that are not planned in the annual budget or the in business plan.
- To approve the execution of investments that are within the limits defined by the board of directors as well as authorise associates to make investments within their management discretion;
- To develop the Company's technical and administrative structure as well as its internal processes and procedures, namely staff and their remuneration, based on the board of directors' resolutions that defined the management and organisational structure of the Company and the Group;
- To extend or contract the Company's scope of operations in accordance with the plans and strategies previously approved by the board of directors and the powers defined by the article 18 of the Company's articles of association;
- To change the Company's set-up, open or close branches, delegations or other forms of representation, domestically or abroad, provided those actions do not involve any alterations of the articles of association or the break-up, merger and liquidation of associates or otherwise do not include matters that, according to the Company's articles of association, are exclusively reserved to the board of directors;
- To issue binding instructions to the management of associates respecting the board of director's resolutions concerning its management autonomy having been assigned the following:
 - The matters exclusively reserved to Galp Energia;
 - The limits of commitments and charges, planned or not and approved budgets;
- The rules and procedures in matters that should be standardized within the group;
- The rules that should be followed by operations within the Group.
- To initiate or terminate enduring and significant cooperation with strategic partners that have been selected by the board of directors in the use of its exclusive powers pursuant to the Company's articles of association as well as with other companies, in accordance with the plans and strategies previously approved by the board of directors;
- To appoint representatives of Galp Energia to shareholder meetings of companies where Galp Energia has an equity stake and give them necessary instructions to act on Galp Energia's behalf, except presentation and voting of proposals for composition or recomposition of the governing bodies, alterations of the articles of association and dividend distribution in shareholder meetings where Galp Energia has an equity stake, matters which are exclusive powers of the board of directors pursuant to the Company's articles of association;
- To appoint attorneys with the powers deemed appropriate and within the limits of its authority.

Allocation of roles

In the meeting of the board of directors where the executive committee was elected and the delegation of powers was approved, responsibilities were distributed to the members of the executive committee and the roles were allocated as illustrated in the table in the next page.

In this meeting the board of directors also appointed the management bodies of Galp Energia's group companies in charge of the management of the group's several businesses:

- Petrogal – company that manages Refining, Supply & Logistics, Marketing Oil and International Oil;
- Galp Exploração e Produção, S.A. – company that manages Exploration & Production business;
- GDP – Gás de Portugal, SGPS, S.A. ("GDP") – company that manages the Natural Gas business;

Allocation of roles

	Manuel Ferreira De Oliveira CEO	Claudio De Marco Executive director (CFO)	Fernando Gomes Executive director	André Ribeiro Executive director	Carlos Gomes da Silva Executive director	Fabrizio Dassogno Executive director
Business units			Exploration & Production International Oil	Refining, Supply and Logistics	Marketing Oil	Gas & Power
Development units	Biofuels Development Unit					
Corporate services	Strategic planning Innovation, development and sustainability Investor relations ⁽¹⁾ and corporate communication Human resources strategy Engineering and projects cabinet Galp España + integration project	Legal services and company secretariat Accounting and treasury Corporate finance Information systems Corporate planning and control Investor relations ⁽¹⁾ Internal audit (Coordination) Property, insurance and facilities	Institutional relations and internal communication	Health, safety and environment	Purchases Marketing Human resources	

Note: (1) Shared responsibility.

- Galp Power, SGPS, S.A. ("Galp Power") – company that manages the Power business;
- Galp Energia, S.A. – the Group's corporate services company.

The boards of directors of these companies are composed of executive directors of Galp Energia in order to reflect the approved allocation of roles and to bring the decision centres closer to each business, except in the case described in page 25 of this report.

Workings

The powers delegated by the board of directors to the executive committee require that the latter body should meet regularly. In 2008, 49 executive committee meetings were held.

The following procedural rules were approved in the meeting of the board of directors that delegated powers to

the executive committee:

- The executive committee shall meet at least twice a month and whenever it is convened by its chairman or two executive directors;
- The meetings are convened by the chairman of the executive committee or two executive directors with at least two days' prior notice, although they may be held at any moment with the presence or representation of all members;
- Validity of an executive committee meeting requires the presence of the majority of its members;
- The executive directors may be represented by other executive directors at the meetings of the executive committee by means of a letter addressed to the chairman of the executive committee.

The powers delegated by the board of directors to the executive committee require that the latter body should meet regularly. In 2008 49 executive committee meetings were held

Specialist internal committees

Risk management committee

The mission of the risk management committee is to propose and monitor the implementation of Galp Energia's risk management policy, which is described in detail in this chapter.

Pricing committee

The mission of the pricing committee is to define the strategy and price policy of liquid fuels in Portugal. This committee is composed of the management committee and an operational team. The management committee is composed of the

chairman of the executive committee, the executive director responsible for the Marketing Oil business unit and business managers of this unit.

Quality board

In order to promote the strategic and functional alignment for Galp Energia's quality management, the quality board was created in December 2008. Its mission is to promote a positive quality culture based on a steady leadership and committed to achieve a strategic vision of quality. This board is composed of the chairman of the executive committee, which is the chairman of the quality board, the executive director with the executive responsibility for quality, the responsible for environment, quality and corporate security, the corporate quality manager, which is the secretariat of the board, and also first-level managers of units chosen by the executive director.

Best practices and conditions for quality management according with international well known procedures require the top management participation in the development and implementation of quality management systems and in the permanent improvement of its efficiency





Board of directors' biographies

The members of the board of directors' professional qualifications, main professional activities in the last five years and positions held in group companies or other companies at 31 December 2008 are in the appendices.



Galp Energia's head office

Galp Energia's employees at working meeting

Number of shares held by members of the board of directors

At 31 December 2008 the current members of the board of directors held, according to the article 447 of the Companies Code, the following shares:

Members of the board of directors	Total number of shares at 31.12.2007	Acquisition			Disposal			Total number of shares at 31.12.2008
		Date	Number of shares	Price (€/share)	Date	Number of shares	Price (€/share)	
Francisco Luís Murteira Nabo	-	-	-	-	-	-	-	-
Manuel Ferreira De Oliveira	40,475	08.01.2008	560	17.80	-	-	-	85,640
		04.02.2008	861	16.77	-	-	-	
		06.02.2008	7,498	16.10	-	-	-	
		06.02.2008	5,864	16.00	-	-	-	
		07.02.2008	28,382	16.59	-	-	-	
		27.10.2008	2,000	6.00	-	-	-	
Manuel Domingos Vicente	-	-	-	-	-	-	-	-
Fernando Gomes	1,900	06.10.2008	2,000	9.64	-	-	-	3,900
José António Marques Gonçalves	3,900	17.03.2008	2,500	14.50	-	-	-	42,700
		11.07.2008	500	13.00	-	-	-	
		10.09.2008	800	11.50	-	-	-	
		03.10.2008	17,500	10.85	-	-	-	
		16.10.2008	7,500	7.50	-	-	-	
		17.10.2008	2,500	7.62	-	-	-	
		06.11.2008	3,000	7.68	-	-	-	
		06.11.2008	2,000	7.50	-	-	-	
		20.11.2008	2,500	7.61	-	-	-	
André Ribeiro	950	-	-	-	-	-	-	950
Carlos Nuno Gomes da Silva	2,410	07.10.2008	8,700	8.63	-	-	-	11,110
Rui Paulo Gonçalves	-	-	-	-	-	-	-	-
João Pedro Brito	-	-	-	-	-	-	-	-
Alberto Chiarini	-	-	-	-	-	-	-	-
Claudio De Marco	-	-	-	-	-	-	-	-
Paolo Grossi	-	-	-	-	-	-	-	-
Camillo Gloria	-	-	-	-	-	-	-	-
Fabrizio Dassogno	-	-	-	-	-	-	-	-
Giuseppe Ricci	-	-	-	-	-	-	-	-
Luigi Piro	-	-	-	-	-	-	-	-
Joaquim José Borges Gouveia	-	-	-	-	-	-	-	-

Remuneration

According to the articles of association, the directors' remuneration may have a fixed and a variable component. Under the articles of association, this remuneration may include a percentage of the net profit for the year up to a limit of 0.5%.

The remuneration of the members of the general meeting board and the governing bodies are set by a remuneration committee, described in detail in this chapter.

Remuneration of Galp Energia's non-executive directors in 2008 was set by the remuneration committee at 1,306 thousand euros.

Galp Energia's non-executive directors did not receive the variable component in 2008.

In 2008 the total remuneration of Galp Energia's executive directors was set by the remuneration committee at 4,099 thousand euros, of which 2,911 thousand euros was fixed remuneration and 1,187 thousand euros was variable remuneration.

The remuneration paid to executive directors whose residence is not located in the neighbourhood of the Company's head office includes a house rent subsidy.

Calculating parameters for the variable remuneration were defined by the remuneration committee and is related to three different variables: (i) value generated, better known as Galp Value Added (ii) the budgeted EBITDA and (iii) the gains of Galp Energia share in comparison with a peer group. In this manner, the variable remuneration will be set according to the attainment of the goals for each variable.

Galp Energia has no bonus plan or profit sharing scheme, whereby in 2008 there were no bonuses or remuneration in the form of profit sharing.

The contributions to a complementary retirement plan in the form of a retirement savings plan in the amount of 592 thousand euros are equal to 25% of the annual gross remuneration, as set by the remuneration committee. This is the only complementary retirement plan or early retirement plan currently enforced for Galp Energia's directors.

The amount contributed is calculated annually for each executive director and adjusted proportionally for the actual time worked in the years when they have taken or left office.

Under current policy, the remuneration paid to Galp Energia directors includes all remuneration due for positions held at Galp Energia group companies.

There was no severance pay owed to ex-executive directors relative to the end of their functions in 2008.

Galp Energia currently has no stock and stock option plans or any other stock incentive plan.

No compensation exceeding the double of the fixed monthly compensation is provided for in case an executive director resigns during his term.

Board of director's remuneration is structured in order to align board members and the Company interests



Supervisory body

Supervision of the Company is currently entrusted to a supervisory board and statutory auditors.

Supervisory board

All members of the supervisory board fulfil the incompatibility and independence requirements set out in the Companies Code

Composition

The supervisory board is composed of three standing members and a deputy member who are elected by the general meeting of shareholders. The members may not be directors of the Company and are subject to the rules for avoidance of conflicts of interest contained in the article 414-A of the Companies Code.

According to the law, at least one member of the supervisory board shall have an academic degree which is suited to their role and have a good command of auditing or accounting. The majority of its members must be independent, i.e. they (i) may not be associated with any specific interest groups in the Company or (ii) find themselves in a situation where their independent judgement would be affected, namely because they:

- Hold title to – or represent major shareholders with – 2% or more of the shares of Galp Energia;
- Have been re-elected for more than two terms, either continually or intermittently.

All members of the supervisory board fulfil the incompatibility and independence requirements set out in article 414-A paragraph 1 and article 414 paragraph 5 of the Companies Code.

The shareholder agreement also provides for a supervisory board at Galp

Energia and the rules for its election are described in chapter 03 of this report.

Powers

According with article 19 of Galp Energia's articles of association the supervisory board's duties include proposing to the general meeting the appointment of a statutory auditors, appointing or dismissing the external auditors, overseeing the preparation and disclosure of financial information and the certification of the Company's accounts and verifying the independence of the statutory auditors, namely with regard to the provision of additional services.

The supervisory board shall make sure an independent external auditor is appointed among internationally renowned accountancy firms. The external auditor shall, without restricting the duties of either the supervisory board or the statutory auditors firm, verify Galp Energia's annual accounts and other accounting documents.

Workings

The supervisory board shall convene at least once every quarter and report to both the board of directors and the general meeting on its findings.

In 2008, 13 meetings of the supervisory board were held.

Remuneration

In 2008, the remuneration of the members of the supervisory board, set out by the remuneration committee, amounted to 92,400 euros.

Supervisory board members' biographies

The supervisory board members' professional qualifications, main professional activities in the last five years and positions held in other companies at 31 December 2008 are in the appendices.

Galp Energia shares held by members of the supervisory board

At 31 December 2008, the current members of the supervisory board did not hold any Galp Energia share pursuant to the article 447 of the Companies Code.

Composition of the supervisory board for the 2008-2010 term

Name	Position	Year of the first appointment
Daniel Bessa Fernandes Coelho	Chairman	2006
José Gomes Honorato Ferreira	Member	2006
José Maria Rego Ribeiro da Cunha	Member	2006
Amável Alberto Freixo Calhau	Deputy	2006

The supervisory board was elected by shareholders on 6 May 2008 for the 2008-2010 term, which ends on 31 December 2010.

Statutory auditors

Composition

According to Galp Energia's articles of association, the statutory auditor or firm of statutory auditors shall be proposed to the general meeting by the supervisory board and may not be part of this body.

Galp Energia's present statutory auditors firm, which have been appointed by the shareholder meeting of 6 May 2008 for the 2008-2010 term, proposed by the supervisory board, pursuant to the article 420, paragraph 2 b) of the Companies Code and the article 19, paragraph 4 of Galp Energia's articles of association, is the following:

- **Standing:** P. Matos Silva, Garcia Jr., P. Caiado & Associados, SROC, whose head office is at Rua Luciano Cordeiro, n.º 113 – 6.º esq., 1150-214 Lisboa, member n.º 44 of the Portuguese Institute of Statutory Auditors and member n.º 1054 of CMVM, represented by Pedro João Reis de Matos Silva, member n.º 491 of the Institute of Statutory Auditors;
- **Deputy:** António Campos Pires Caiado, member n.º 588 of the Institute of Statutory Auditors, whose business address is Campo Grande, n.º 382 – B – 3.ºD, 1700-097 Lisboa.

Powers

The statutory auditors firm's duties are to perform all checks and verifications towards auditing and certifying the Company's accounts as well as exercise other powers and rights conferred by law.

Remuneration

In 2008 the statutory auditors firm was remunerated according with best practices and conditions available for similar services, subject to a services provider contract which resulted in a remuneration of 70 thousand euros.



Risk management and control system

As an oil operator, Galp Energia is exposed to several kinds of market risk that are inherent to the oil and natural gas industry, namely the price of raw materials, the refining margin, exchange and interest rates.

Galp Energia has a risk management committee that reports directly to the executive committee whose powers is to propose and support implementation of Galp Energia's risk management policy.

Galp Energia has implemented policies and procedures to measure, control and manage its multiple risk exposure. The purpose of the risk management programme is to help business units to reach their objectives by monitoring the impact of risk variables on earnings. Risk management strategies seek to optimise natural hedges within and between business units. In this manner, Galp Energia identifies residual market risk likely to affect earnings

and reviews it in an integrated fashion, taking into account correlations between exogenous variables with an impact on net operating profit.

Galp Energia's risk management policy, which is formulated by the board of directors, sets objectives and procedures and assigns responsibilities for the management of risk in the Company.



Tejo river bridge, Lisbon



The disclosure process of Galp Energia's financial information is followed by management and supervisory bodies as well as by business units and corporate services

The risk management committee devises the mechanisms for implementation of the risk management policy and submits them for approval to the board of directors. Product risk management is implemented at business unit level, whereas exposure to interest rate risk, exchange risk and other financial risks are managed at corporate level.

The disclosure process of Galp Energia's financial information is followed by management and supervisory bodies as well as by business units and corporate services. Investor relations and corporate communication department produce the presentation of financial

information to capital markets based on information of the business units, accounting and treasury and corporate planning and control. This document is sent to the management and supervisory bodies prior to its divulgation. In this manner, every presentation of financial information is approved by these two bodies prior to divulgation.

Remuneration committee

In accordance with the articles of association, the remuneration of the members of the governing bodies is set by a remuneration committee composed of representatives of three shareholders and elected by the general meeting for a three-year term, which ends at 31 December of the third year.

The articles of association also set role incompatibilities between the positions of member of the board of directors or member of the supervisory board and the position of member of the remuneration committee.

Alike members of the board of directors and members of the supervisory board, the members of the remuneration committee stay in office until the general meeting elects their successors.

The current members of the remuneration committee, appointed by the general meeting at 6 May 2008 for the 2008-2010 term, are the following:

Chairman – CGD, represented by António Maldonado Gonelha;

Member – Eni, represented by Maurizio Cicia;

Member – Amorim Energia, B.V. ("Amorim Energia"), represented by Américo Amorim.

Members of the remuneration committee or their spouses, direct-line relatives or relatives until the third degree are not part of the management body.

In 2008 the remuneration committee held two meetings.

Codes of conduct and internal regulations

The Company status as a listed company, coupled with growing attention to ethics, prompted a reappraisal of established rules and codes. Changed procedures will ensure, in a clear and efficient way, full independence between governing bodies and between these and the Company, and will guarantee the professional and personal integrity of their members. To this end, codes of conduct and ethics, in particular for the governing bodies, as well as other internal regulations designed to resolve conflicts of interest, secrecy matters and role incompatibilities are currently under preparation.

Whistleblowing policy

In accordance with CMVM's recommendations, Galp Energia has developed several systems that ensure good management practices in Group companies.

Among these systems is the prevention of irregular acts committed by employees.

In case the preventive measures do not attain success, detection is sought as soon as possible in order to avoid worse situations for the Company, the Group, shareholders and employees.

In this manner, Galp Energia provides a channel where any employee can report, directly or confidentially, any kind of illegal acts practiced within the Company, in accordance with CMVM's regulation Regulamento da CMVM n.º 1/2007. To this



end, employees may choose to communicate with the immediate superior or report to a dedicated email, if the employee wants to protect his confidentiality.

The confidentiality guarantee requires the participant's identification, according to the responsibility principle in providing information.

Any employee may not only freely communicate his worries or suspicions of dubious or illegal behaviour but also allow a swift detection and avoid its accomplishment. In this manner, any employee may avoid damage to Galp Energia, shareholders, clients and other employees.

These communications are managed and investigated with confidentiality by a committee appointed by the board of directors, which gives an opinion on the case to the Company's management body, which has the duty of taking actions.

Galp Energia ensures that the employee which reports any illegal practice or just a suspicion shall not be retaliated or be subject to disciplinary action, except if it is proven that the employee acted in bad faith.



Galp Energia employees

03

Additional information

During 2008 Galp Energia was awarded various prizes related to the quality of the information we provide to financial markets. We are aware of the role played by quality in the information we disclose, particularly to small investors.

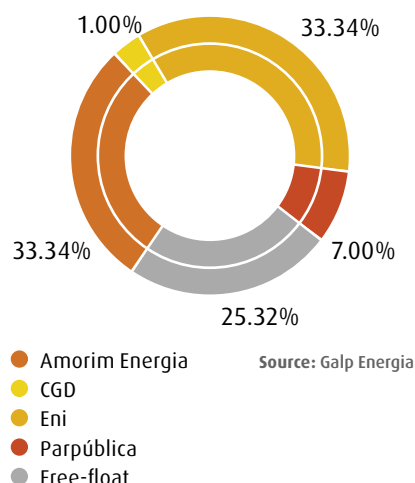




Galp Energia in the equity market

In 2008 there were changes in Galp Energia's shareholder structure with the sell in January of Iberdrola's close to 4% equity holding in Galp Energia and the dispersion of BPI's 5% major holding.

Galp Energia's shareholder structure at 31 December 2008



Description of the largest shareholders

Amorim Energia is based in the Netherlands and its main shareholders are Power, Oil & Gas Investments B.V. (30%), Amorim Investimentos Energéticos, SGPS, S.A. (20%), Oil Investments B.V. (5%) and Esperaza Holding B.V. (45%). Esperaza Holding B.V. is owned by Sonangol, EP, Angola's state oil company. Portuguese investor Américo Amorim owns, directly or indirectly, Power, Oil & Gas Investments B.V., Amorim Investimentos Energéticos, SGPS, S.A. and Oil Investments B.V..

CGD is the largest Portuguese bank, which is wholly-owned by the Portuguese state.

Eni is the leading Italian-based energy company listed on the Milan and New York stock exchanges, and its operations in Exploration & Production, Gas & Power, Refining & Marketing of Oil Products, Petrochemicals and Engineering, Construction and Drilling services span over 70 countries. Its equity market value at 31 December 2008 was 67 billion euros.

Parpública – Participações Públicas, (SGPS), S.A. ("Parpública") is the holding vehicle for the Portuguese State's equity stakes in several companies.

Information for the shareholder

Number of shares

Galp Energia's share capital is composed of 829,250,635 shares. At 31 December 2008 Galp Energia had no treasury shares.

Share negotiation

Except for equities covered in the shareholder agreement between Amorim Energia, CGD and Eni, Galp Energia's shares are freely negotiable.

From the 829,250,635 shares that compose Galp Energia's share capital, 771,171,121 shares are listed for trading on Euronext Lisbon. The Galp Energia share is included in the main indexes: PSI-20, Dow Jones STOXX 600, Dow Jones Europe STOXX Oil & Gas ("SXEP"), Euronext 100, FTSE World Oil & Gas and MSCI Euro Index. The entry into MSCI Euro Index, which occurred at 26 November 2008, caused the year's largest daily traded volume.

Shareholders with major holdings at the end of 2008

Shareholders	N.º Shares	% Vote
Amorim Energia	276,472,161	33.34%
CGD	8,292,510	1.00%
Eni	276,472,160	33.34%
Parpública	58,079,514	7.00%
Other shareholders	209,934,290	25.32%
Total	829,250,635	-

The shareholders with major holdings in Galp Energia's share capital, were calculated according with the article 20 of the Portuguese Securities Code.

Under article 20 paragraph 1c) of the Portuguese Securities Code, voting rights arising from the shares owned in Galp Energia by each party to the agreement are reciprocally assigned to the other parties. Consequently, according to the law, Galp Energia is considered to be jointly controlled by the shareholders that are parties to the shareholder agreement, that is, Amorim Energia, CGD and Eni.



At the start of 2008 the ISIN PTGALOAM0015 shares were merged for trading under one single code - ISIN PTGALOAM0009. Consequently, the GALPK security was retired from trading and the only shares listed for trading are ISIN PTGALOAM0009 shares.

Galp Energia share codes

ISIN	
Symbol: GALP (type B)	PTGALOAM0009
Portuguese state shares (type A)	PTGALSAM0003
Portuguese state shares (type B)	PTGALXAM0006
SEDOL	
	B1FW751
WKN	
	A0LB24

The shares that are indirectly owned by the Portuguese state through Parpública (40,000,000 A shares and 18,079,514 B shares) are not listed for trading but simply registered with Eurolist by Euronext Lisbon.

Reuter's ticker for Galp Energia is GALP.LS and Bloomberg's is GALP PL.

Share categories

There are two categories of Galp Energia shares: 40,000,000 shares of category A, which represents 4.8% of the share capital, and 789,250,635 shares of category B, which represents 95.2% of the share capital.

Category A shares carry the following special rights:

- The election of the chairman of the board of directors must be approved by a majority of the vote cast by category A shareholders;
- Any resolutions that authorise the signing of peer or subordinate group agreements or may jeopardise the safe supply of oil, gas, electricity or their derivatives to the country may not, under any circumstance, be approved against the majority of votes cast by A shares;
- Any resolutions about matters under the special rights inherent to category A shares may only be approved with the majority of votes cast by A shares.



In 2008 over 65 meetings were held with institutional investors in the United States

Share transferability

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

Share transferability is referred to in the shareholder agreement, described on this chapter.

Shareholder agreement

The shareholder agreement between Galp Energia's core shareholders is valid until March 2014

The shareholder agreement between Amorim Energia, CGD and Eni (the "Parties"), Galp Energia's core shareholders, regulates some of the main features of the Company's governance. Signed on December 2005 and enforced in March 2006, this agreement is valid for an eight-year period. The shareholder agreement governs the following matters:

Temporary restriction on the transfer of shares

The Parties have committed to maintaining their equity stake in Galp Energia until 31 December 2010 (the "lock-in period"), although they may sell their holdings in the following stances:

- Deadlock situations as detailed below;
- Change of control as detailed below;
- Default on the shareholder agreement as detailed below.

Each Party undertakes, except in the above instances, not to increase beyond 33.34% its stake in Galp Energia in the lock-in period. In these instances, if Amorim Energia is the seller, CGD has the right, before the other Parties, to buy the shareholding offered for sale or to appoint a third Party meeting the requirements outside in CGD's preference rights below.

Sale of shares

After 1 January 2011 – when the lock-in period has elapsed – the Parties may only sell their holdings in one single block. The other Parties will have either a pre-emptive right to buy or a tag-along right to join, on the same terms, a sale to a third party.

If Amorim Energia is the seller, CGD will have the preferential right to

acquire, wholly or partly, before any other Party, the shares offered for sale by Amorim Energia or, alternatively, to appoint a third Party (that shall meet the requirements outlined in "CGD's preference right" below) to buy the shares.

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

CGD's preference right

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

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

- It shall not be a controlling shareholder or be part of the same group of companies as: (i) CGD, (ii) any public-sector entities, (iii) any companies whose share capital is

exclusively owned by the state or (iv) any state-owned enterprises;

- It shall not to be a company operating in the energy sector;
- It shall enter into the existing shareholder agreement, taking over the rights and obligations of the selling party.

Except for a sale by Eni, CGD's exercise of the preference rights arising from the shareholder agreement may not result in the Portuguese State or any other related Parties holding shares that account for more than 33.34% of the share capital of Galp Energia.

Composition of governing bodies

General meeting board and Company secretary

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

Composition of the board of directors and the executive committee

Current mandate (2008 – 2010)

Exclusively in 2008-2010 term, the board of directors shall have 17 members, six of which shall compose the executive committee.

CGD has the right to appoint a director who will always be the chairman of the board of directors and the director appointed by the State, in its capacity as category A shareholder. Both Amorim Energia and Eni shall have the right to appoint seven directors. Amorim Energia, Eni and CGD will together appoint a director. In case of failure to reach agreement, this director shall be appointed by a majority vote among the three entities, provided CGD's favourable vote can be obtained.

Amorim Energia and Eni shall – subject to CGD's approval, which shall not be withheld on CGD's approval, which shall not be withheld on unreasonable grounds – jointly appoint the CEO.

The executive committee shall have the following composition: the chairman shall be the CEO and Amorim Energia and Eni shall separately appoint two directors each. Amorim Energia and Eni shall jointly appoint the sixth director from the directors appointed separately by Amorim Energia and Eni as described above.

In case a director is appointed pursuant to the article 392 of the Companies Code, they shall replace the director who has been jointly appointed by Amorim Energia, Eni and CGD. Notwithstanding, the Parties shall be bound to cast their votes in a concerted manner.

Subsequent mandates

The board of directors shall have 15 members, five of which shall also be members of the executive committee. CGD has the right to appoint a director who will always be the chairman of the board of directors and the director appointed by the State, in its capacity as category A shareholder.

Both Amorim Energia and Eni shall have the right to appoint six directors. Amorim Energia, CGD and Eni will together appoint a director. In case of failure to reach agreement, this director shall be appointed by a majority vote among the three entities, provided CGD's favourable vote can be obtained.

Amorim Energia and Eni shall – subject to CGD's approval, which shall not be withheld on unreasonable grounds – jointly appoint the CEO. The executive committee shall have the following composition: the chairman shall be the CEO and Amorim Energia and Eni shall separately appoint two directors each.

In case a director is appointed pursuant to the article 392 of the Companies Code, they shall replace the director who has been jointly appointed by Amorim Energia, CGD and Eni. Notwithstanding, the Parties shall be bound to cast their votes in a concerted manner.

The Parties may agree to increase the number of directors to nineteen, in which case both Amorim Energia and Eni shall have the right to appoint an additional director each. The other two directors shall be independent and appointed by Amorim Energia and Eni.



Galp Energia shares are freely transmittable



Galp Energia's CEO,
Manuel Ferreira De
Oliveira

Auditing and supervision

The shareholder agreement provides for Galp Energia to have a supervisory board composed of three members and a statutory auditors or statutory auditors firm. Eni, Amorim Energia and CGD shall jointly propose a member and its deputy for the supervisory board and both shall be statutory auditors and independent. Both Amorim Energia and Eni shall have the right to propose an independent member. CGD shall have the right to decide which one of the directors separately appointed by Amorim Energia and Eni will be the chairman of the supervisory board.

The statutory auditor or firm of statutory auditors shall be recommended to the general meeting by the supervisory board. The supervisory board shall hire the services of an independent external auditor, who shall be selected among internationally renowned accountancy firms. In parallel with the supervisory board's and the statutory auditors' roles, the external auditors shall verify Galp Energia's accounts and other annual accounting documents.

Dismissal

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

Board resolutions

Approval of the following matters requires at least two-thirds majority by the members of the board of directors:

- Strategic investments and related funding;
- Annual budgets and business plans and any changes thereto as well as any resolutions that are not contained in the mentioned documents or exceed by more than 20% the amount of a given item or by more than 10% the amount of the annual budget;
- Transactions in excess of 20 million euros with Parties related to shareholders;

- Appointment of senior managers of Galp Energia or any other Company it controls directly;
- Issuance of bonds or other securities within the powers of the board of directors;
- Alteration of the articles of association of any company controlled by Galp Energia.

Under the shareholder agreement, approval of the matters listed below shall require a two-thirds majority vote by the members of the board of directors, which shall include the favourable vote of at least one member of the board of directors separately appointed by each Party to the agreement:

- Strategic divestments by Galp Energia or any company it controls;
- Involvement in activities outside Galp Energia's core business⁽¹⁾, namely through the acquisition of equity stakes in companies pursuing those activities;
- Selection of strategic partners for Galp Energia's core business;
- Changes to Galp Energia's strategic guidelines, strategic plan or business areas;
- Definition of Galp Energia's organisational structure and delegation of powers by the board of directors to the executive committee or one or more managing directors (including the roles of executive committee members);
- Scope of management autonomy by any company controlled by Galp Energia;
- Break-up, merger or liquidation of any company controlled by Galp Energia;
- Signing of peer or subordinate group agreements by any company controlled by Galp Energia;
- Dividend payments by any company controlled by Galp Energia;
- Matters related to the special rights of category A shares.

Note: (1) Core business is here defined as exploration and production, refining, transportation, trading and marketing of oil and gas and power production.

Composition of the boards of directors of companies controlled by Galp Energia

The Parties have agreed that the board members of Petrogal, GDP and Galp Power shall be the same as the members of Galp Energia's executive committee. Similarly, the chairman of Galp Energia's executive committee shall be the chairman of these companies' boards of directors.

Exclusively in 2008 – 2010 term, Petrogal's board of directors may include two additional members that shall be jointly appointed by Amorim Energia and Eni from Galp Energia's non-executive directors.

General meeting resolutions

The Parties undertake to present proposals and vote in a concerted and unanimous manner with regard to the following matters which require, under article 12, paragraph 5 of Galp Energia's articles of association, a two-thirds majority vote:

- Matters regarding the special rights of category A shares;
- Approval of and changes to Galp Energia's strategic guidelines, strategic plan or business areas;
- Resolution on the allocation of net profit for the year or the delivery of assets to shareholders;
- Issuance of securities outside the powers of the board of directors;
- Proposed strategic partnerships submitted for approval by the board of directors to Galp Energia's general meeting;
- Approval of Galp Energia's separate and consolidated annual accounts;
- Break-up, merger or liquidation of Galp Energia.

Deadlock situations

In case a quorum is not obtainable for the board of directors or the general meeting of shareholders to make reso-

lutions on the aforementioned matters, or in case the Parties cannot reach an agreement in thirty days, a deadlock situation is considered arise under the shareholder agreement, whereby the matter giving rise to that situation shall be submitted to the judgement of experts appointed by the Parties.

In case the Party that has argued an understanding subsequently overturned by the experts' decision wishes to dispose of its shareholding in Galp Energia, it shall initially offer the shares to the other Parties to the shareholder agreement. Only if the other Parties have no intention to acquire its shareholding will the selling party be entitled to dispose of its shares on a regulated market.

Payout of dividends

The Parties shall propose the annual payout of at least 50% of Galp Energia's net profit, subject to the net debt to EBITDA ratio not exceeding 3.5 for the current and following year, as budgeted.

Change of control

In case one Party (the "Affected Party") is affected by change of control when the shareholder agreement is in force, the other Parties shall have the right to acquire the affected Party's holding in equal proportions, while respecting CGD's preference right as described above in "CGD's preference right".

Under the shareholder agreement, change of control is said to occur when, following one or more actions or agreements, irrespective of their legal form or title:

- One or more entities, individually or jointly, come to own, directly or indirectly, (i) over half of the Affected Party's shares or voting rights or (ii) the right to appoint or dismiss the majority of the members of the Affected Party's board of directors.
- One or more entities acquire the possibility to impose or veto the affected party's strategic decisions;
- A merger, the signing of a peer or

Changes to the articles of association of Galp Energia must be approved in general meeting by two thirds of the votes

subordinate group agreement or any other similar event occurs in relation to the affected party; or

- The whole or at least two-thirds of the affected party's assets are transferred (by any means) to one or more entities.

The above is not applicable (i) in situations where change of control is the consequence of an exclusive transaction with one or more Parties of the shareholder agreement, (ii) in CGD's case when change of control is the consequence of transactions between state-owned companies and (iii) in case of a legitimate succession of Américo Amorim or any member of his family.

On 10 July 2008 the entities that control the Parties are:

Amorim Energia – indirectly controlled by Américo Amorim family, comprising exclusively any of the following people: Américo Ferreira de Amorim, Maria Fernanda de Oliveira Ramos Amorim, Paula Fernanda Ramos Amorim, Marta Cláudia Ramos Amorim Barrocas de Oliveira and Luísa Alexandra Ramos Amorim.

Eni – listed on the regulated securities market in Milan and New York and its largest shareholder is the Italian ministry of economy and finance, which holds, directly and through its subsidiary CDP, S.p.A., 30.3% of Eni's share capital. Eni's articles of association give some special rights to the Italian State.

CGD – 100% owned by the Portuguese State.

Assignment of rights and obligations and tag-along rights

No Party may assign the rights or obligations arising from the shareholder agreement without the other Parties' prior written consent or the assignee's prior acceptance of the assignment and its terms, without any reservations.

In case a Party transfers its shares, wholly or partly, to a third Party, the transferor undertakes to obtain the transferee's full and unconditional acceptance of the provisions of the shareholder agreement.

Cooperation and non-competition duties

The Parties agreed to attribute Galp Energia, if she wants so, certain rights related to cooperation and non-competition of Eni with Galp Energia in exploration and production, refining and marketing and natural gas in the Portuguese and Spanish markets. These rights may involve an agreement on certain activities or streamlining at market prices.

Default

In case a default on the shareholder agreement by any Party (the "Defaulting Party") has not been remedied, each Party that is not in default shall have the right (i) to acquire the equity owned in Galp Energia by the Defaulting Party or, alternatively, (ii) to receive a sum as damages. In either case, the Party shall in thirty days notify the other Parties of its choice.

General strategic objectives and guidelines

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

Validity

The shareholder agreement entered into force on 29 March 2006 and shall remain valid for a period of eight years.

Alteration of the articles of association

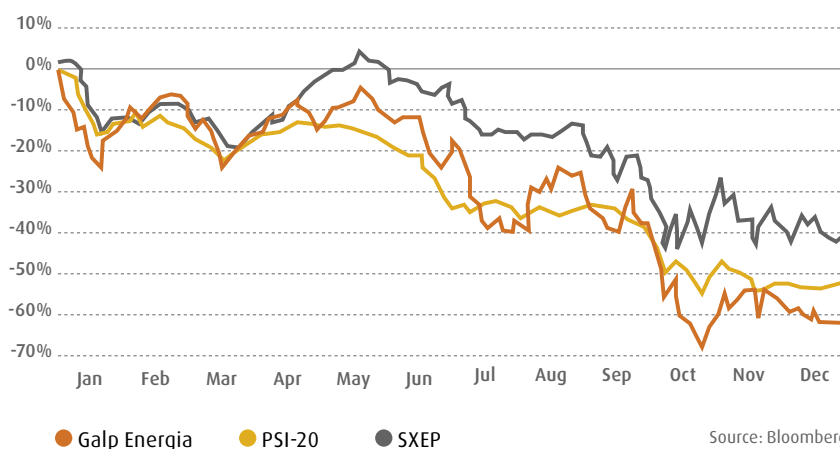
Galp Energia's articles of association do not have special rules for changes. The rule in the article 386 of the Companies Code, that is, the resolution of changes to the articles of association must be approved in general meeting by two thirds of the votes, shall be applied.

The Galp Energia share

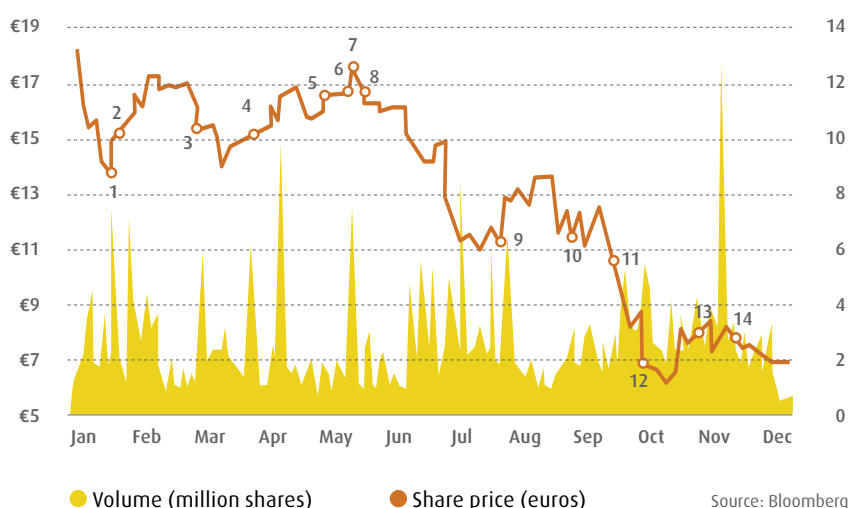
Performance of the stock

Galp Energia's equity market value at 31 December 2008 was 5.95 billion euros, a decrease in comparison with the equity market value of 15.2 billion euros in 2007 and reflected the huge losses in the world equity markets in the second half of 2008.

Comparison with SXEP and PSI-20 index in 2008



Performance of Galp Energia share in 2008



In this year the share lost 60.96%, following the trend of the Dow Jones Europe STOXX Oil & Gas index and PSI-20, the Portuguese equity market's benchmark index.

In 2008, 644 million shares were traded, which corresponds to 78% of the share capital or, more significantly, to three-times its free float. This amount shows the stock's high liquidity in Euronext Lisbon and the investors' increasing interest. Average daily traded volume increased to 2.5 million shares per day compared with 1.4 million in 2007. The total number

of shares traded increased 83% in comparison with 2007. In 2008 there were close to 739,000 trades, that is, a daily average of 2,890 trades.

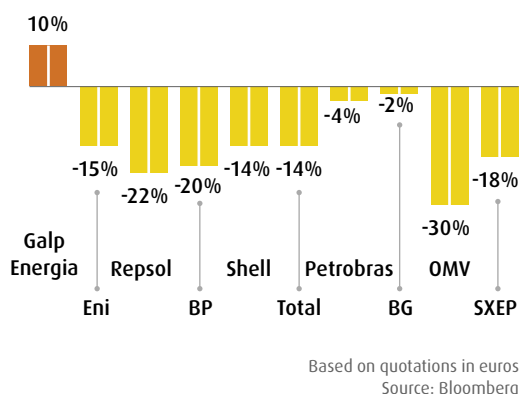
The Galp Energia share peaked at 18.95 euros per share on 2 January, while the lowest price, 5.95 euros, was reached on the stock exchange session of 27 October 2008.

In spite of the losses in 2008, the share was always traded above the IPO price. At the end of the year the gain relative to the issue price in October 2006 was 23.58%.

Major events in 2008

Event	Date
New discovery in the Santos basin's pre-salt layer: block BM-S-24 (Júpiter)	21 January
Sale of Iberdrola's major holding	30 January
Earnings release for the fourth quarter of 2007	5 March
The board of directors approves the annual report and accounts of 2007	1 April
Annual general meeting of shareholders	6 May
Earnings release for the first quarter of 2008	20 May
New discovery in the Santos basin's pre-salt layer: block BM-S-8 (Bem-te-vi)	21 May
Ex-dividend date for payment of the second dividend for financial year 2007	26 May
Earnings release for the first half of 2008	6 August
Relevant discovery in the Santos basin's pre-salt layer: block BM-S-11 (Iara)	10 September
Close of the Agip acquisition	1 October
Ex-dividend date for payment of the first dividend for financial year 2008	17 October
Earnings release for the third quarter of 2008	12 November
Close of the ExxonMobil acquisition	1 December

Annualized return between 23 October 2006 and 31 December 2008



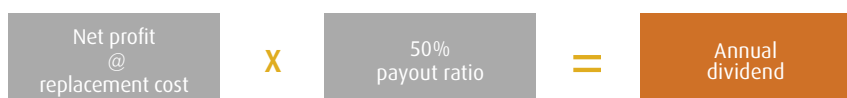
The performance of the stock in this period compared with a benchmark group is showed in the chart on the left.

Dividend policy

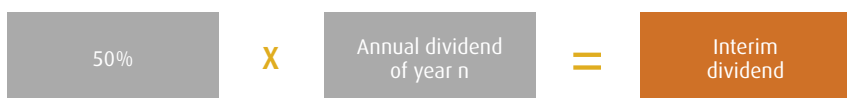
In 2008 Galp Energia maintained the dividend policy approved in 2007. This policy sets out a payout ratio of 50% of net profit calculated according to the replacement cost method and half-yearly dividend payments. The half-yearly interim payment will thus be equal to 50% of the previous annual dividend pursuant to the articles 32, 33 and 297 of the Companies Code.

Dividend policy

Annual dividend of year n

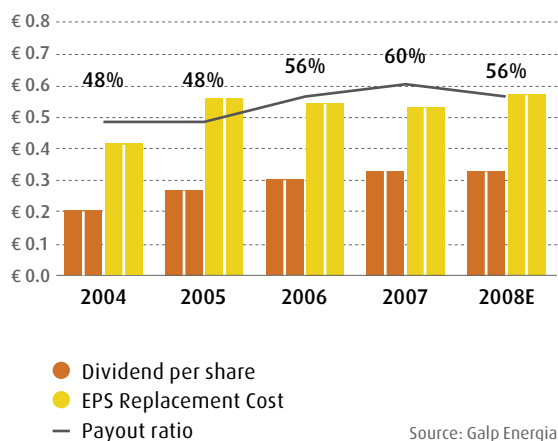


Interim dividend of year n+1



Accordingly, the board of directors will recommend to the annual general meeting scheduled for 27 April 2009 that a dividend of 0.32 euros per share shall be paid in respect of 2008. On the basis of the share price at 31 December 2008 the recommended dividend payment will equate to a dividend yield of 4.5%.

Dividend and net profit per share (euros per share)



Note: Earnings per share on a replacement cost basis, except for 2006 when adjusted net profit of the sale of regulated natural gas assets was considered.



Transactions between the Company and members of the governing bodies, shareholders or associates

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

A summarised description of a transaction between Galp Energia and a major shareholder, Eni, is presented below for considering this transaction is not part of the Company's course of business.

Galp Energia has agreed to buy from Eni the latter's marketing operations for oil products in Portugal and Spain through Agip Portugal and Agip España, respectively. On 1 October 2008 this transaction was completed. The sales price was determined by three investment banks appointed by the Parties. The purpose of this valuation method was to ensure transparency throughout the process as well as execution at fair market value, according to international best practice.

Capital markets communications

Representative for market relations

Galp Energia's representative for market relations is Tiago Maria Ramires da Providência Villas-Boas, head of the investor relations and corporate communication division.

Communications policy

Galp Energia's communications policy aims to provide all relevant information to the market so that a well-founded judgement is formed about the Company's operations and earnings as well as its growth prospects, profitability and risks.

To this end, Galp Energia promotes transparent and consistent communications supported by the principles followed in the disclosure of information and the explanation of the reasons for changes to those, if any, so as to ensure comparability of information between reporting periods.

All relevant information is preferably disclosed either before the Euronext Lisbon open or after it closes, in both Portuguese and English, by means of CMVM's information disclosure system, the investor relations website or an email notice to any private or institutional shareholder having previously requested it.

Investor relations and corporate communication department

In 2007 the investor relations department, which was set up to accompany the initial public offering (IPO) of the Company's shares, was merged with the corporate communication department, which resulted in communications with the markets and the press being unified. The main benefit of this integration was to ensure that the information conveyed to the public was consistent, with the Company speaking with one single voice.

The investor relations and corporate communication department, or DRICE in the Portuguese acronym, in particular in its investor relations arm, reports directly to the chief executive and chief financial officers and its powers is to plan, manage and coordinate all activities towards attainment of Galp Energia's objectives for its relations with shareholders, institutional investors and financial analysts, among

others, resulting in a coherent and complete perception of Galp Energia that will facilitate investor decisions. This mission equates to providing the market with rigorous, regular and timely information about Galp Energia.

The DRICE brief also includes taking the necessary risks to comply with legal information requirements including the responsibility for preparing earnings and activity reports, for disclosing price sensitive information, for replying to requests for information by investors, financial analysis and other market participants and for assisting the executive committee in addressing issues relating to Galp Energia's status as a public company.

Since the third quarter of 2006, Galp Energia has disclosed quarterly information about its activities and consolidated results. Aiming to increase the number of releases to the market, Galp Energia started to disclose in 2008, one month after the end of each calendar quarter, a summary of operating data for that period in order to make available financial information in an increasingly timely way in order to facilitate the estimation of Company results by both analysts and investors.

In its advisory role to the executive committee, the DRICE has structured the process for monitoring the performance on the market of the Galp Energia share as well as those of its peers. The department also provided assistance to both the CEO and CFO in their direct and regular contacts with financial analysts and institutional investors, both domestic and international, at conferences, investor presentations and one-to-one meetings.

Galp Energia's communications policy aims to provide all relevant information to the market so that a well-founded judgement is formed about the company's operations and earnings as well as its growth prospects, profitability and risks



PAULA NUNES - DIÁRIO ECONÓMICO



Investor Relations & Governance Awards 2008, when Galp Energia received the awards of best performance of 2007 and best investor relations officer. From left to right: Samuel Dias, Tiago Villas-Boas, Inês Santos, Manuel Ferreira De Oliveira, Maria Borrega and Tiago Lage

Activity in 2008

In 2008 DRICE held over 430 meetings with institutional investors in Europe, in United States and in Latin America, more than twice the meetings held in 2007, which shows investors' high interest in knowing the Company better.

For earnings announcements, Galp Energia held quarterly meetings with analysts and investors in order to discuss results, answer questions about the Company's strategy and disclose the management's point of view of current issues. The CEO and CFO participate in the conference call

with webcast where results are disclosed. On the day following the earnings announcement a telephone number that gives access to the conference call held the day before and a weblink that gives access to the audio webcast are made available. In addition, the complete transcription of the conference call is made available.

The website

Galp Energia makes available a website for disclosing corporate information about the Company. The website address is: <http://investor.relations.galpenergia.com>.

Information made available on the investor relations website includes:

- A detailed description of Galp Energia's operations;
- Reports and presentations of earnings announcements and transcriptions of the presentations;
- Annual report and accounts available in pdf format;
- Real-time publication of releases and appended presentations, if any, through CMVM's information disclosure system;
- Details about each member of the executive committee and board of directors, with their profiles (CV, picture and previous roles);
- Galp Energia share prices, tracked against the PSI-20 and with the possibility to download historical prices and traded volumes;
- List of equity analysts covering the Galp Energia share;
- Financial calendar with key dates for earnings announcements and dividend declarations;
- Area dedicated to the general meeting where all procedures are described and documents can be downloaded.

The investor relations ("IR") website is available in both Portuguese and English. All corporate information that is public and substantive is, as a rule, available on the site.

In its efforts to create a close relationship with the financial community, Galp Energia offers on its IR website the possibility to register on a mailing list for news and other new content posted on the site.

The investor relations website complies entirely with CMVM's recommendations on the use of the internet as a way of disclosing corporate information.

Email

Besides being posted on CMVM's information disclosure system and Galp Energia's own IR website, releases of price sensitive information and other disclosures are emailed to those analysts, institutional investors or private individuals who have made an express request for it.

Electronic mail is also a key tool for the Company's communications with the market as it is one of the financial community's preferred means to express doubts or request information.

The DRICE's email is investor.relations@galpenergia.com.

External auditor

Galp Energia's external auditors are independent from the Company and responsible for expressing their opinion on the separate financial statements prepared in accordance with Portuguese GAAP and the consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. The external auditors guarantee quality, consistency and transparency in the financial information disclosed to the market.

Galp Energia's external auditors in the 2008 financial year were Deloitte & Associados, SROC, S.A., member n.º 43 of the Portuguese Institute of Statutory Auditors and member n.º 231 of CMVM, represented by Jorge Carlos Batalha Duarte Catulo.

The auditors' total remuneration in the year for Galp Energia's group companies was 820 thousand euros.

In addition to auditing services, Deloitte was also hired to provide consultancy services, which amounted to 1,098 thousand euros including 177 thousand euros of reliability guarantee services, 42 thousand euros of fiscal consultancy and 880 thousand euros of services other than auditing.

The investor relations website is available in both Portuguese and English. All corporate information that is public and substantive is, as a rule, available on the website

04

Appendices

Board of directors' biographies



Francisco Luís Murteira Nabo

Age:	69
Academic degrees:	Degree in Economics from Instituto Superior de Ciências Económicas e Financeiras, Lisbon; Master's degree in Business Administration from AESE – Escola de Direcção de Negócios.
Main professional activities in the last five years:	Chairman of the Portuguese Economic Society; Chairman of the board of directors and executive committee of Portugal Telecom, SGPS, S.A.; Non-executive director of BES – Banco Espírito Santo, S.A. and chairman of COTEC Portugal.
Positions held in Group companies at 31 Dec 2008:	–
Other positions held at 31 Dec 2008:	Curator at Fundação Oriente; Non-executive director of Holdomnis – Gestão e Investimentos, S.A., Templo – Gestão e Investimentos, S.A., Lenitudes, SGPS, S.A. and Seng Heng Bank, Macao.

Manuel Ferreira De Oliveira

Age:	60
Academic degrees:	Degree in Electric Engineering from the Engineering Faculty at the University of Porto; Master of Science (MSc) in Energy from the University of Manchester; PhD in Energy at the University of Manchester; Associated Professor at University of Porto where he became a Professor in 1979; Management studies at IMD, Switzerland, Harvard Business School and Wharton Business School in United States; Advisory member of the Portuguese Engineer Society as a specialist in industrial management and energy.
Main professional activities in the last five years:	Chairman of the board of directors and chief executive officer of Unicer – Bebidas de Portugal, SGPS, S.A. between 2000 and 2006; Chairman of the Advisory Board of EGP – Escola de Gestão da Universidade do Porto; Vice-chairman of Casa da Música in Porto; Vice-chairman of the European Brewery Convention.
Positions held in Group companies at 31 Dec 2008:	Chairman of the board of directors of Galp Exploração e Produção Petrolífera, S.A.; Chairman of the board of directors of Petrogal; Chairman of the board of directors of GDP; Chairman of the board of directors of Galp Power; Chairman of the board of directors of Galp Energia, S.A.; Chairman of the board of directors of Galp Energia España, S.A. (“Galp Energia España”), Chairman of the board of directors of Galp Exploração e Produção (Timor Leste), S.A.; Director of Galp Energia E&P B.V.; Member of the Advisory Board of Petrogal Brasil, Lda.; Member of the Advisory Board of Galp Exploração Serviços do Brasil, Lda.
Other positions held at 31 Dec 2008:	Member of the advisory board and the strategy board of some Portuguese universities.

Manuel Domingos Vicente

Age:	52
Academic degrees:	Degree in Electrical Engineering from the University of Angola; His training in management and the oil industry was pursued mainly at London-based OGCI – Oil & Gas Consultants International.
Main professional activities in the last five years:	–
Positions held in Group companies at 31 Dec 2008:	–
Other positions held at 31 Dec 2008:	Chairman of the board of directors of Sonangol; Chairman of the board of directors UNITEL, S.A.R.L. (Angola's mobile telecommunications company); Chairman of the board of directors of Sonils – Sonangol Integrated Logistic Services, Lda.; Member of the board of directors of BAI - Banco Africano de Investimentos and Carlyle Group, among other roles.

Fernando Manuel dos Santos Gomes

Age:	62
Academic degrees:	Degree in Economics and Visiting Professor at Universidade Lusíada of Porto.
Main professional activities in the last five years:	Member of the Portuguese Parliament; Chairman of the UIP Delegation;
Positions held in Group companies at 31 Dec 2008:	Visiting Professor at Universidade Lusíada of Porto. Member of the board of directors of Galp Exploração e Produção Petrolífera, S.A.; Member of the board of directors of Petrogal; Member of the board of directors of GDP; Member of the board of directors of Galp Power; Member of the board of directors of Galp Energia, S.A.; Member of the board of directors of Galp Energia España; Member of the board of directors of Galp Exploração e Produção (Timor Leste), S.A.; Member of the board of directors of Sopor – Sociedade Distribuidora de Combustíveis, S.A.; Member of the board of directors of Galp Energia E&P B.V.; Chairman of the board of directors of Galpbúzi – Agro Energias, S.A.; Chairman of the board of directors of Moçamgalp Agroenergias de Moçambique, S.A.; Chairman of the managing board of Petrogal Angola, Lda.; Chairman of the managing board of Petrogal Cabo Verde, Lda.; Chairman of the managing board of Petrogal Moçambique, Lda.; Chairman of the managing board of Petrogal Guiné-Bissau, Lda.; Member of the advisory board of Petrogal Brasil, Lda.; Member of the advisory board of Galp Exploração Serviços do Brasil, Lda.; Chairman of the executive committee of Galp Moçambique, Lda.; Chairman of the board of Galp Gambia Limited; Chairman of the board of Galp Swaziland, Limited.
Other positions held at 31 Dec 2008:	–

José António Marques Gonçalves

Age:	57
Academic degrees:	Degree in Mechanical Engineering from Instituto Superior Técnico, Lisbon; Degree from Harvard Business School in United States; Degree from the General Motors Institute in United States; Several management courses in England, USA and Japan.
Main professional activities in the last five years:	Vice-chairman of the executive committee of Galp Energia from January 2007 to May 2008; Chief executive officer of Galp Energia from May 2005 to December 2006; Chairman and chief executive officer of General Motors Portugal (from 2002 to 2004). Returned to England at the end of 2004 to become an executive director of Vauxhall Motors;
Positions held in Group companies at 31 Dec 2008:	Member of the board of directors of Petrogal.
Other positions held at 31 Dec 2008:	–

André Freire de Almeida Palmeiro Ribeiro

Age:	34
Academic degrees:	Degree in Business Administration from Universidade Católica of Lisbon.
Main professional activities in the last five years:	Held various management positions at Credit Suisse First Boston, London, including Director (2003-2005).
Positions held in Group companies at 31 Dec 2008:	Member of the board of directors of Galp Exploração e Produção Petrolífera, S.A.; Member of the board of directors of Petrogal; Member of the board of directors of GDP; Member of the board of directors of Galp Power; Member of the board of directors of Galp Energia, S.A.; Member of the board of directors of Galp Energia España; Member of the board of directors of Galp Exploração e Produção (Timor Leste), S.A.; Director of Galp Energia E&P B.V.; Chairman of the board of directors of Sacor Marítima, S.A.
Other positions held at 31 Dec 2008:	–

Carlos Nuno Gomes da Silva

Age:	42
Academic degrees:	Degree in Electrical Engineering and Computer Science from the University of Porto's Engineering Faculty; Master in Business Administration from Escuela Superior de Administración y Dirección de Empresas de Barcelona and Instituto Empresarial Portuense.
Main professional activities in the last five years:	Several executive roles at Grupo Américo Amorim between 2007 and 2008; Several executive roles including member of the board of directors of Unicer Bebidas de Portugal, SGPS, S.A. between 2006 and 2007 and member of the board of directors of affiliate companies between 2003 and 2006; Chairman of Associação Portuguesa dos Industriais de Águas Minerais Naturais between 2003 and 2006 and vice-chairman of Associação Nacional de Indústrias de Refrigerantes e Sumos de Fruta between 2005 and 2007.
Positions held in Group companies at 31 Dec 2008:	Member of the board of directors of Galp Exploração e Produção Petrolífera, S.A.; Member of the board of directors of Petrogal; Member of the board of directors of GDP; Member of the board of directors of Galp Power; Member of the board of directors of Galp Energia, S.A.; Member of the board of directors of Galp Energia España; Member of the board of directors of Galp Exploração e Produção (Timor Leste), S.A.; Director of Galp Energia E&P B.V.; Chairman of the board of directors of CLC – Companhia Logística de Combustíveis, S.A.; Chairman of the board of directors of Sopor – Sociedade Distribuidora de Combustíveis, S.A.
Other positions held at 31 Dec 2008:	Member of the board of directors of Amorim Investimentos Energéticos, SGPS, S.A. and Amorim Energia, B.V..

Rui Paulo da Costa Cunha e Silva Gonçalves

Age:	41
Academic degrees:	Law degree from the Law Faculty of Universidade Católica of Lisbon; Post graduation in management for law graduates at Economics Faculty of Universidade Católica of Lisbon.
Main professional activities in the last five years:	Visiting Professor in various courses and post graduations at Portuguese Marketing Institute between 2004 and 2007; Member of the general meeting board of several companies of Grupo Unicer between 2002 and 2007; Deputy director of the law department of Grupo Unicer between 2002 and 2007.
Positions held in Group companies at 31 Dec 2008:	–
Other positions held at 31 Dec 2008:	Director and managing director of Amorim – Investimentos Energéticos, SGPS, S.A.; Vice-chairman of the general meeting board of Banco BIC Português, S.A

João Pedro Leitão Pinheiro de Figueiredo Brito

Age:	43
Academic degrees:	Degree in Economics from Instituto Superior de Economia at Universidade Técnica of Lisbon, with a specialisation in International and Financial Economics. Degree in Economics from Instituto Superior de Economia at Universidade Técnica of Lisbon, with a specialisation in International and Financial Economics.
Main professional activities in the last five years:	Executive director of Galp Energia from May 2005 to May 2008; Held several senior positions in Galp Energia's Refining & Marketing business segment, namely head of Direct Clients and Head of the GPL sub-unit.
Positions held in Group companies at 31 Dec 2008:	Member of the board of directors of Petrogal; Member of the board of directors of Galp Energia España; Member of the board of directors of Compañia Logistica de Hidrocarburos CLH, S.A.; Chairman of the managing board of Galp Comercialização, Lda.; Chairman of the board of Galp Comercializacion Oil España, S.L.; Chairman of the board of directors of Galp Distribuição Portugal, S.A.; Chairman of the board of Galp Distribución Oil España, S.A.U.; Chairman of the board of directors of Galp Energia Portugal Holdings B.V..
Other positions held at 31 Dec 2008:	–

Alberto Maria Chiarini

Age:	45
Academic degrees:	Degree in Economics.
Main professional activities in the last five years:	Executive-director of Eni UK between September 2004 and May 2006; Head of finance, fiscal and control department of Agip KCO between October 2002 and August 2004.
Positions held in Group companies at 31 Dec 2008:	–
Other positions held at 31 Dec 2008:	Vice-chairman of planning and control of Eni's Exploration & Production division.

Claudio De Marco

Age:	51
Academic degrees:	Degree in Economics and Banking at University of Siena; Master in management control at SDA Bocconi.
Main professional activities in the last five years:	Head of management, finance and control of Italgas S.p.A. since August 2007, Head of management, finance and control of Snam Rete Gas, S.p.A. from July 2001 to July 2007.
Positions held in Group companies at 31 Dec 2008:	Member of the board of directors of Galp Exploração e Produção Petrolífera, S.A.; Member of the board of directors of Petrogal; Member of the board of directors of GDP; Member of the board of directors of Galp Power; Member of the board of directors of Galp Energia, S.A.; Member of the board of directors of Galp Energia España; Member of the board of directors of Galp Exploração e Produção (Timor Leste), S.A.; Director of Galp Energia E&P B.V..
Other positions held at 31 Dec 2008:	–

Paolo Grossi

Age:	37
Academic degrees:	Degree in Economics at LUISS University in Rome; Master in Business Administration in Finance at City University in London.
Main professional activities in the last five years:	Head of management control of Eni's Refining & Marketing division between July 2005 and November 2007; Head of mergers and acquisitions of Eni's Refining & Marketing division between June 2003 and June 2005.
Positions held in Group companies at 31 Dec 2008:	–
Other positions held at 31 Dec 2008:	Vice-chairman of planning and control of Eni's Refining & Marketing division.

Camillo Gloria

Age:	55
Academic degrees:	Degree in Mechanical Engineering at Turin Polytechnic; Executive programme at INSEAD.
Main professional activities in the last five years:	Chairman of Transgás, a company of Galp Energia group which manages the natural gas business, between 2004 and 2006; Executive director of Galp Energia between 2004 and 2006; Vice-chairman of international activities and trading of Eni's Gas & Power division.
Positions held in Group companies at 31 Dec 2008:	–
Other positions held at 31 Dec 2008:	Vice-chairman of Eni's Gas & Power division; Member of the board of directors of Eni UK; Chairman of Eni Gas & Power Trading B.V.; Vice-chairman of the board of directors and chairman of the strategy committee of Distrigas S.A.; Member of the board of directors and chairman of the strategy committee of Altergaz.; Chairman of Eni G&P Belgium S.A.; Vice-chairman of the audit board of GVS GmbH.

Fabrizio Dassogno

Age:	49
Academic degrees:	Degree in Civil Engineering at the University of Bologna.
Main professional activities in the last five years:	Head of international markets of Gas & Power division of Eni; Non-executive director of Eni Gas & Power Trading B.V.; Non-executive director of GVS; Non-executive director of TIGAZ; Head of Power Trading and Tolling Management of Gas & Power of Eni from January 2007 to August 2007; Head of trading and risk management of Eni Power S.p.A. from September 2000 to December 2006.
Positions held in Group companies at 31 Dec 2008:	Member of the board of directors of Galp Exploração e Produção Petrolífera, S.A.; Member of the board of directors of Petrogal; Member of the board of directors of GDP; Member of the board of directors of Galp Power; Member of the board of directors of Galp Energia, S.A.; Member of the board of directors of Galp Energia España; Member of the board of directors of Galp Exploração e Produção (Timor Leste), S.A.; Director of Galp Energia E&P B.V.; Chairman of the board of directors of Galp Gás Natural, S.A.; Chairman of the board of directors of Galp Power; Chairman of the board of directors of Galp Central de Ciclo Combinado de Sines, S.A.; Member of the board of directors of Gasoducto de Extremadura, S.A.; Member of the board of directors of Gasoducto Al-Andalus, S.A.; Member of the board of directors of Europe Maghreb Pipeline, Ltd.; Member of the board of directors of Metragaz - Société pour la Construction et L'Exploitation Technique du Gazoduc Maghreb Europe.
Other positions held at 31 Dec 2008:	Member of the board of directors of Tígáz ZRt., Budapest (Hungary); Member of the audit board of GVS, GasVersorgung Süddeutschland GmbH, Stuttgart (Germany).

Giuseppe Ricci

Age:	50
Academic degrees:	Degree in Chemical Engineering at Turin Polytechnic.
Main professional activities in the last five years:	Operations manager of Eni's Refining & Marketing division in 2008; Head of planning at Gela refinery from November 2004 to April 2006; Client manager of ICT refinery of Eni's Refining & Marketing division between June 2002 and March 2004; Head of productivity process development between July 2000 and November 2004.
Positions held in Group companies at 31 Dec 2008:	–
Other positions held at 31 Dec 2008:	Chief executive officer of Gela refinery.

Luigi Piro

Age:	49
Academic degrees:	Master in Oil Engineering.
Main professional activities in the last five years:	Managing director of Eni Angola between April 2005 and October 2007; Responsible for Eni Angola's Development & Products between October 2002 and March 2005.
Positions held in Group companies at 31 Dec 2008:	Member of the board of directors of Galp Exploração e Produção Petrolífera, S.A..
Other positions held at 31 Dec 2008:	Vice-chairman for the Middle East and China of Eni's Exploration & Production division.

Joaquim José Borges Gouveia

Age:	58
Academic degrees:	<p>Degree in Electrical Engineering from the University of Porto's Engineering Faculty in 1973;</p> <p>PhD in 1983 and post PhD in 1998, both in Electrical Engineering and Computer Science from the University of Porto's Engineering Faculty.</p>
Main professional activities in the last five years:	<p>Currently, Professor of the Department of Economics, Management and Industrial Engineering of Aveiro University;</p> <p>Head of the business competitiveness study centre of the Department of Economics, Management and Industrial Engineering of Aveiro University, among other centres;</p> <p>Member of the board of the master course in sustainable energy systems;</p> <p>Head of advanced training courses in energy efficiency and renewable energies and executive programmes;</p> <p>Member of the board of directors of EDV Energia;</p> <p>Member of the board of directors of ABAP/BIOCANT.</p>
Positions held in Group companies at 31 Dec 2008:	–
Other positions held at 31 Dec 2008:	–

Supervisory board members' biographies

Daniel Bessa Fernandes Coelho

Age:	60
Academic degrees:	Degree in Economics from the University of Porto (1970) and PhD in Economics from the Technical University of Lisbon (1986).
Main professional activities in the last five years:	<p>Non-executive director of Agência para o Investimento e Comércio Externo de Portugal, E.P.E. – AICEP, since June 2007;</p> <p>Member of the board of directors of Fundação Bial since January 2003;</p> <p>Chairman of the board of EGP – University of Porto Business School from June 2000 to March 2009;</p> <p>Member of the board of directors of Finibanco, S.A. from November 1997 to March 2008;</p> <p>Chairman of the Supervisory Board of SPGM - Sociedade de Investimentos, S.A. from March 1997 to April 2007;</p> <p>Non-executive director of CELBI - Celulose Beira Industrial, S.A. from May 1996 to March 2006.</p>
Positions held in Group companies at 31 Dec 2008:	–
Other positions held at 31 Dec 2008:	<p>Member of the board of directors of Finibanco Holding, SGPS, S.A. since May 2001;</p> <p>Non-executive director of Efacec Capital, SGPS, S.A. since May 2004;</p> <p>Chairman of the Supervisory Board of Sonae, SGPS, S.A. since April 2007;</p> <p>Chairman of the Supervisory Board of Bial – Portela e Companhia, S.A. since March 2008.</p>

José Gomes Honorato Ferreira

Age:	65
Academic degrees:	Degree in Economics from the Technical University of Lisbon's Instituto Superior de Ciências Económicas e Financeiras.
Main professional activities in the last five years:	Director of Fundação Luso-Espanhola.
Positions held in Group companies at 31 Dec 2008:	–
Other positions held at 31 Dec 2008:	–

José Maria Rego Ribeiro da Cunha

Age:	61
Academic degrees:	Degree in Finance from the Technical University of Lisbon's Instituto Superior de Ciências Económicas e Financeiras (1972).
Main professional activities in the last five years:	Managing director of Statutory Auditors Amável Calhau, Ribeiro da Cunha e Associados – Sociedade de revisores Oficiais de Contas.
Positions held in Group companies at 31 Dec 2008:	–
Other positions held at 31 Dec 2008:	As managing director of the above mentioned company, has several positions as sole statutory auditor and member of the supervisory board, on more than 420 small, medium and large companies.

Amável Alberto Freixo Calhau

Age:	62
Academic degrees:	Statutory auditor (ITMPE)
Main professional activities in the last five years:	Statutory auditor and a managing partner of Amável Calhau, Ribeiro da Cunha e Associados – Sociedade de Revisores Oficiais de Contas; Independent statutory auditor.
Positions held in Group companies at 31 Dec 2008:	–
Other positions held at 31 Dec 2008:	–

+ Edition



+ Translation



+ Design and conception



+ Non-identified photos

Manuel Aguiar and Image Bank



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