



ANNUAL GENERAL MEETING OF GALP ENERGIA, SGPS, S.A.

APRIL 12, 2019

PROPOSAL REGARDING ITEM 12

Resolve on the granting of authorization to the Board of Directors for the acquisition and sale of treasury shares and bonds or other treasury, by the Company or by its affiliates

Whereas:

- A.** The general regime applicable to commercial companies regarding the purchase and sale of treasury shares and own bonds;
- B.** The provisions of articles 5(3) and 6 of the Articles of Association that permit, respectively, (i) the purchase, holding and sale of treasury shares, in the cases and conditions permitted by law and (ii) the Company to carry out the transactions permitted by law on bonds and any other own debt securities;
- C.** The provisions of articles 319(1) and 320 of the Commercial Companies Code and in the regulations issued by Comissão do Mercado de Valores Mobiliários;
- D.** The provisions of Regulation (EU) n.º 596/2014 of the European Parliament and of the Council, of 16 April 2014, and connected regulatory provisions, establishing, inter alia, the conditions in which the purchase of treasury shares integrated into buy-back programs are exempted from the prohibitions of (i) abuse of privileged information and illegal transmission of privileged information; and (ii) market manipulation.
- E.** The duties of communication and disclosure of treasury share transactions made by companies with shares traded on a regulated market, under the terms established in CMVM Regulation No. 5/2008;
- F.** The convenience for the Company of, in various circumstances and with different goals, maintaining, for the time allowed by the law, the option to purchase or sell treasury shares and own bonds or other own debt securities issued by the Company, directly or through its subsidiary companies.

The Board of Directors submits the following resolutions to the General Shareholders Meeting for approval:

1. To grant authorisation to the Board of Directors for the purchase and sale of treasury shares and own bonds, regardless of the applicable law, or other securities or debt securities of the Company or of a dependent company, in accordance with the terms and conditions of the following deliberations and with the requirements of Regulation (EU) n.º 596/2014 of the European Parliament and of the Council, of 16 April 2014 and its connected regulatory provisions;
2. To approve the purchase by Galp or by any current or future dependent company of treasury shares and own bonds, regardless of the applicable law, or other securities or debt securities of the Company or of any dependent company, subject to a decision by the Board of Directors of the Company, under the following terms and conditions:
 - a) **Maximum number of shares to be purchased:** up to a limit, at any time, of 10% of the Company's share capital, consolidated with the shares purchased pursuant to article 483(2) of the Commercial Companies Code by dependent companies and without prejudice, if applicable, to the amount required to meet the obligations of the purchaser arising from a law, contract or the issuance of other securities, namely exchangeable bonds or bonds redeemable into company shares, subject, if applicable, to the subsequent sale, pursuant to the law, of shares that exceed that limit;
 - b) **Maximum number of bonds to be purchased:** (i) when the purchase is intended for the total or partial amortisation of the bonds purchased, up to the total number of bonds of each issue made; or (ii) when the purchase is intended for other purposes, up to the limit corresponding to 10% of the total nominal amount of the entirety of the bonds issued, less the sales made, without prejudice to the exceptions provided for in article 317(3) of the Commercial Companies Code and of the amount required to meet the obligations of the purchaser arising from a law, contract or the terms of the corresponding issue conditions;
 - c) **Term:** the purchase may be made within 18 months from the date of approval of this proposal by the Company's General Shareholders Meeting;

d) Forms of purchase:

of shares: subject to the mandatory terms and limits of the law, the purchase of shares, or rights to the purchase or allotment of shares, can be made for consideration in any form, including the purchase of shares or bonds that are exchangeable or redeemable into shares, by means of transactions carried out in the regulated market or outside the market, in which case from certain entities designated by the Company's Board of Directors, namely financial institutions, counterparties in equity swap agreements or other similar derivative instruments, or as a form of payment in kind, as well as for, or due to, compliance with obligations arising from the law or a contract, or the conversion or exchange of convertible or exchangeable securities issued by the Company or a dependent company, under the terms of the corresponding issue conditions or contracts entered into with regard to such conversion or exchange;

of bonds: subject to the mandatory terms and limits of the law, the purchase of bonds can be made for consideration in any form, by direct transaction or using derivatives, in a Portuguese or international regulated market or outside the market, possibly through financial institutions;

e) Minimum and maximum consideration:

of shares: The purchase price must (i) be contained within an interval of 20% below or above the weighted average of the daily closing prices of Galp shares traded on the two trading days immediately preceding the date of purchase or acquisition of the right to purchase or allot shares; or (ii) correspond to the purchase price resulting from financial instruments entered into or resulting from the conditions of the issue made by the Company or a dependent company of securities, including bonds, exchangeable or redeemable into Company shares or contracts entered into with regard to such exchangeable bonds or bonds redeemable into Company shares;

of bonds:

- 1)** the purchase price must (i) be contained within an interval of 20% below or above the weighted average of the daily closing prices published on the five trading days immediately preceding the date of purchase; or (ii) correspond to the purchase price resulting from financial instruments entered into or

resulting from the conditions of an issue made by the Company or a dependent company;

- 2) for unlisted issues, the maximum and minimum limits indicated in (i) of the previous paragraph is determined by reference to the corresponding nominal value;
 - 3) if the transaction is made as a result of or is related to the exercising of conditions set out in a securities issue, the price shall correspond to that which is determined pursuant to those conditions;
- f) **Time of purchase:** to be determined by the Company's Board of Directors, taking into account the market situation, the specific objectives, at any moment, of the acquisition and the conveniences and obligations of the Company, of a dependent company or of the purchaser(s) and may be on one or more occasions, in the proportions determined by the Board.
3. To approve the sale of treasury shares or own bonds or, regardless of the applicable law, of other securities or debt securities, which may have been purchased by the Company or by any current or future dependent company, subject to a decision of the Board of Directors of the Company, under the following terms:
- a) **Minimum number of shares to be sold:** corresponding to a sufficient quantity to meet obligations deriving from the law, contracts or the issuance of other securities, namely bonds exchangeable or redeemable into the Company's shares and, in other cases, the number defined by the Company's Board of Directors;
 - b) **Maximum number of bonds to be sold:** corresponding at the total quantity of bonds held;
 - c) **Term:** 18 months from the date of approval of this proposal by the Company's General Shareholders Meeting;
 - d) **Form of sale:**
of shares: subject to the mandatory terms and limits of the law, the sale of shares, or rights to the purchase or allotment of shares, can be made for consideration in any form, including the sale, exchange or redemption of bonds issued by the Company, by invitation, public offer or under the terms of the issue conditions, by means of transactions carried out in the regulated market or outside the market, in which case to certain entity(ies) designated by the Company's Board of Directors, namely financial institutions, counterparties in

equity swap agreements or other similar derivative instruments, or as a form of payment in kind, as well as for, or due to, compliance with obligations arising from the law or a contract, or the conversion or exchange of convertible or exchangeable securities issued by the Company or a dependent company, under the terms of the corresponding issuance conditions or contracts entered into with regard to such conversion or exchange;

of bonds: subject to the mandatory terms and limits of the law, the sale of bonds can be made for consideration in any form, by direct transaction or using derivatives, in a Portuguese or international regulated market or outside the market, possibly through financial institutions;

e) Minimum consideration:

of shares: in the case of sale for consideration, (i) the consideration may not be more than 20% less the weighted average of the daily closing prices of Galp shares traded on the two trading days immediately preceding the date of purchase or acquisition of the right to purchase or allot shares, or (ii) correspond to the price determined or resulting from the issue terms and conditions of other securities, namely obligations exchangeable or redeemable into Company shares, or a contract entered into in relation to this issuance, exchange or redemption, in the case of a sale deriving therefrom;

of bonds:

- 1)** the cost of the sale (i) must not be more than 20% less the weighted average of the daily closing prices published on the five trading days immediately preceding the date of the sale; or (ii) correspond to the sale price resulting from financial instruments entered into or resulting from the conditions of an issuance made by the Company or a dependent company;
- 2)** for unlisted issues, the minimum limit indicated in (i) of the previous paragraph is determined by reference to the corresponding nominal value;
- 3)** if the transaction is made as a result of or is related to the exercising of conditions set out in a securities issuance, the price shall correspond to that which is determined pursuant to those conditions;

f) Time of sale: to be determined by the Company's Board of Directors, taking into account the market situation, the specific objectives of the sale, and the conveniences and obligations of the Company, or dependent company, and

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.



may be on one or more occasions, in proportions to be determined by the Board of Directors.

Lisbon, 12 March 2019.

The Board of Directors