

Galp Gás Natural Distribuição, S.A.
Annual General Shareholders Meeting
May 22, 2018

Proposal regarding item 1

Resolve on the amendment to paragraph 1 of article 20 of the Company's Articles of Association

Whereas:

1. The approval by the Board of Directors of a Company Standard related to the attribution to the GGND Group's employees of a participation in the results;
2. The proposal presented by the Board of Directors of attribution to the GGND Group's employees of a participation in GGND's 2017 results;
3. the current By-Laws of GGND does not allows the distribution of results to their employees,

The Board of Directors propose to the General Shareholders Meeting the approval of the amendment of paragraph 1 of article 20 of the Company's By-laws, which shall be read as follows:

“ARTICLE TWENTY

Financial year profits

1. The profits of the financial year, established in accordance with the law, are applied towards the constitution or reinforcement of legal reserves and the residual *as resolved by the General Meeting of Shareholders.* “

Lisbon, April 10, 2018

The Board of Directors