

# Respect for Human Rights

Status report

2023

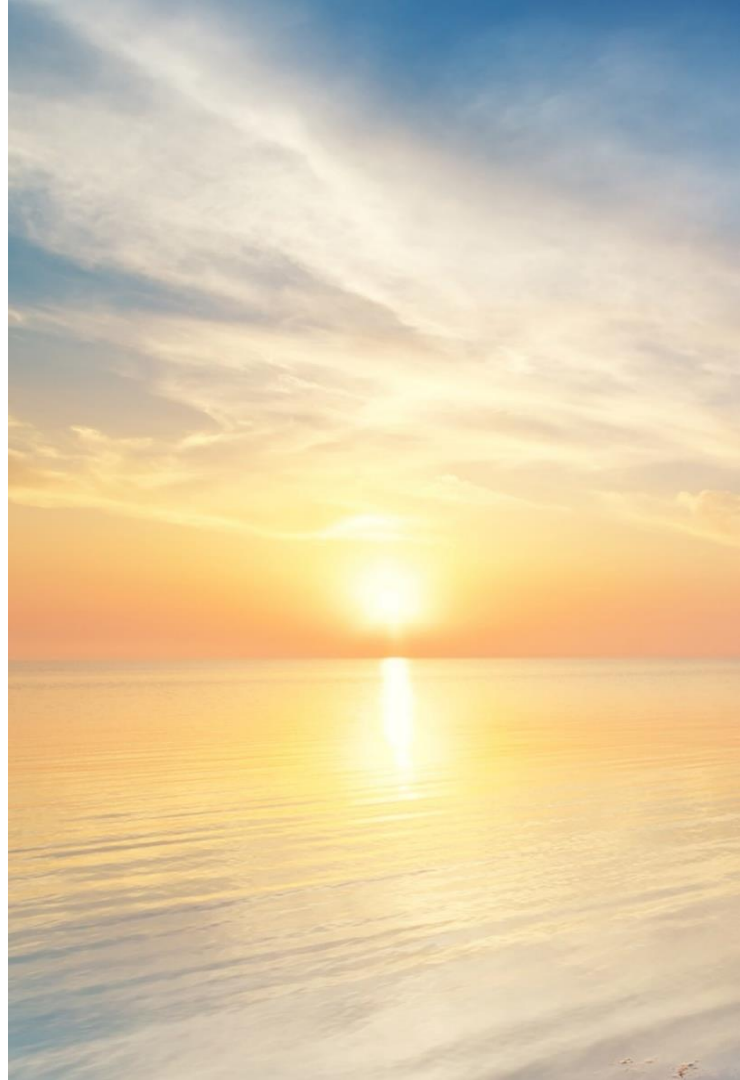


# Our ambition

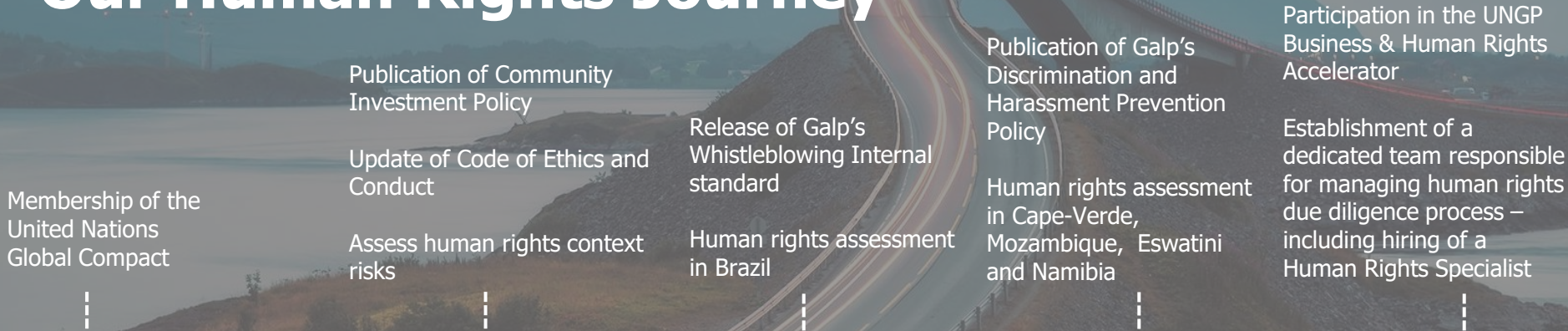
In 2022, we redefined our **Sustainability Roadmap** and its **2030 ambitions**, that **including a specific ambition on Human Rights**, aiming to leverage our performance in this material topic.

## ➤ **Respect Human Rights**

In our [Human Rights Policy](#), which generally aligns with internationally recognised standards, such as the **Human Rights principles of the UNGC**, the **United Nations Guiding Principles on Business and Human Rights**, the **OECD Guidelines on Responsible Business Conduct** as well as the **Principles of the International Labour Organization (ILO)** and the **respect for the fundamental rights and freedoms of indigenous communities (ILO 169 and IFC PS7)**, we establish our commitment to respect Human Rights within our stakeholders – employees, communities, suppliers, partners and customers – defining measures to prevent our operations and value chain from causing, directly or indirectly, any abuses or violations of Human Rights.



# Our Human Rights Journey



Membership of the United Nations Global Compact

Publication of Community Investment Policy

Update of Code of Ethics and Conduct

Assess human rights context risks

Release of Galp's Whistleblowing Internal standard

Human rights assessment in Brazil

Publication of Galp's Discrimination and Harassment Prevention Policy

Human rights assessment in Cape-Verde, Mozambique, Eswatini and Namibia

Participation in the UNGP Business & Human Rights Accelerator

Establishment of a dedicated team responsible for managing human rights due diligence process – including hiring of a Human Rights Specialist

2013    ...    2016    2017    2018    2019    2020    2021    2022    2023

Galp formally established its commitment to respect human rights across its operations, approving its Human Rights Policy

Publication of Galp's Security Policy

Human rights assessment in Mozambique, STP, Portugal and Spain (Gijon and Valencia)

Update of the Galp's Safety, Health and Environment Policy

Human rights assessment in Angola

First release of the Operational Human rights assessment – status report 2021

Update of the Galp's Sustainable Procurement Policy

# Our approach

In order to align our own business operations – and our supply chain – with business and human rights standards, **Galp looks at potential impacts through a corporate policies and systems that reflect its duty to respect human rights** in light of the United Nations Guiding Principles for Business and the Organization for Economic Co-operation and Development (OECD) guidance.

**Galp is committed to improve its ongoing Human Rights due diligence process** to ensure a systematic and comprehensive approach to identifying, assessing, preventing, mitigating, and accounting for potential human rights risks and impacts within its operations and across its value chain.

Moreover, to ensure the systematic integration of responsible business conduct, **Galp initiated a comprehensive review process** in 2023 of its corporate policies, internal standards, and management processes. This review aims **to incorporate human rights due diligence practices** throughout the entire organization.

## Due diligence: A continuous and dynamic risk mitigation process

**Identify & assess** adverse impacts

**Cease, prevent or mitigate** adverse impacts

**Track** – Implementation and Results

**Communicate** how impacts are addressed

**Provide for or cooperate** in remediation when appropriate



# Our approach

## Human Rights Assessment

Galp has corporate policies and mechanisms in place that reflect human rights concerns and aim at proactively prevent and mitigate risks and impacts.

Following this, for the past years, **Galp has been undertaking independent third-party human rights assessments in its operations** throughout Europe, Africa and Brazil.

**Concerning Galp's value chain**, we conduct **assessments and audits of our suppliers and business partners**, with a specific focus on human rights issues, such as forced and child labour, discrimination, health and safety, working hours, among others.

## Grievance mechanisms

At Galp, **we support and encourage communications of suspected violations** of the law or Galp's Code of Ethics and Conduct. **OpenTalk** is a secure and confidential channel for questions, concerns or reports of breaches.

For Galp, a **robust grievance mechanisms is a crucial aspect of responsible business conduct**, contributing to the accountability and transparency.

These mechanisms not only provide affected parties with a means to express their concerns but also offer valuable insights into potential areas for improvement in our operations and relationships with stakeholders

## Remediation & improvement action plan

Addressing adverse impacts on human rights involves a **comprehensive approach** that includes ceasing, preventing, and mitigating such impacts.

Considering Galp's commitment to human rights and applicable regulatory requirements, **Galp reinitiated an in-depth reflection** regarding this matter and decided to **leverage its due diligence maturity**, resulting in a **new programme for human rights** and the hiring of a Human Rights Specialist .

## Communication

To meet the expectations of our stakeholders, we seek to **report**, on annual basis, **relevant information** about policies, processes and assessments conducted to identify and address human rights impacts and risks, including its conclusions and results.





# Our major actions in 2023

Recognizing Galp's responsibility concerning Human Rights, the company acknowledges the need for a more proactive approach. This entails designing and implementing an ongoing due diligence process in light of the UNGPs that is effectively embedded in relevant business activities from a risk-based, specialized and centralized perspective.



In that context, in 2023, **we designed the fundamental principles of a newly created Human Rights Due Diligence programme** within the Company and defined the preliminary steps towards a formal kick-off in early 2024. This means that, **although Galp has in place risk-based mechanisms concerning the respect for human rights** throughout multiple policies and management systems, **it decided to bolster its Human Rights commitments with a specialized, central and updated project** to adequately embed human rights due diligence in its relevant operations in light of the UNGPs and the OECD Guidelines. In order to leverage our human rights due diligence process, we've hired a Human Rights Specialist in 2023.

## Other 2023 significant actions

- **Human rights were a topic of the Sustainability Committee's agenda**, focused on the upcoming EU CSDDD (Corporate Sustainability Due Diligence Directive) requirements.
- **In loco visits to relevant geographies** by Compliance and Safety team's leading members, namely, to Cape Verde and Guinea-Bissau.



# Our major actions in 2023

## Other 2023 significant actions

- We are currently **conducting a sustainable supply chain program**, starting with a select group of strategic suppliers, and evolving the collaboration of different teams across the Organisation. As a key component of this initiative, we will focus on **updating and reinforcing ESG criteria, including human rights criteria.**
- In the last 3 years, **more than 180 audits were carried out on strategic suppliers** focused on **human rights issues**, namely child and forced labor, discrimination, health and safety, working hours, remuneration, freedom of association, among other topics.
- We dedicated c. **1,500 hours of training in Human Rights topics** to our employees across all geographies, including the **active participation in the UN Global Compact's Business & Human Rights Accelerator**. This 6-month programme aimed to move the global business community from policy to action to respect and support human rights.
- Regarding our local community and as **part of our license to operate**, in 2023 we continued to **promote a social project** in Vila da Madalena, in São Tomé and Príncipe, with the involvement of different stakeholders, aiming to **complete the refurbishment of a primary school** and a **construction a sports facility** to support school activities.
- With a view of creating a remuneration framework which ensures the alignment of the interest of **Galp's executive management** with the interests of the Company and its respective stakeholders, also from a long-term sustainability perspective, we've established the **Lost-Time Injury Frequency Rate (LTIFR)**, with a weight of 10% an indicator of the Executive Committee's variable remuneration, in the 2023 Remuneration Policy.



# Human Rights Assessments

by geography





# Portugal & Spain

## Issues identification - findings and recommendations

Galp made an internal assessment according to the Portuguese standard of Social Responsibility Management System - NP 4469-1:2008, aligned with ISO 26000:2010 — Guidance on social responsibility. This standard focus 7 relevant aspects, related to social responsibility, namely:

- Organizational Governance
- Human Rights and Labour Practices (including Safety)
- Environment
- Fair operational practices
- Consumer issues
- Engagement and development of communities

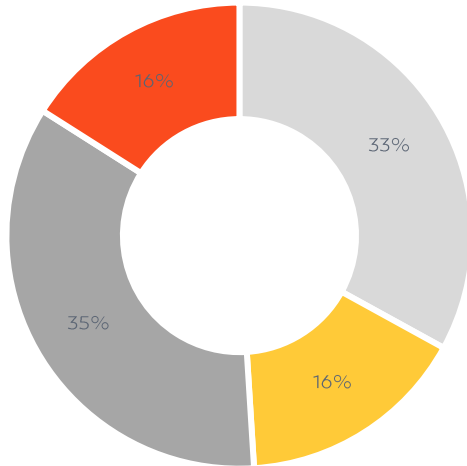
This assessment included all the activities in Portugal and Spain (Gijon and Valencia) and **zero findings** were identified in the external audit, related to Human Rights and Labour Practices.



# Brazil

## Issues identification - findings and recommendations

### Recommendations by type



- Organizational governance
- Occupational Health and Safety
- Human Rights and Labour Practices
- Engagement and development of communities

The type of issues<sup>1</sup> identified in the assessment were:

- Organizational governance
- Occupational Health and Safety
- Human Rights and Labour Practices
- Engagement and development of communities

For each finding we identified:

- Potential sources of Risk
- Rights at Risk
- Existing Mitigation
- Additional Management Measures

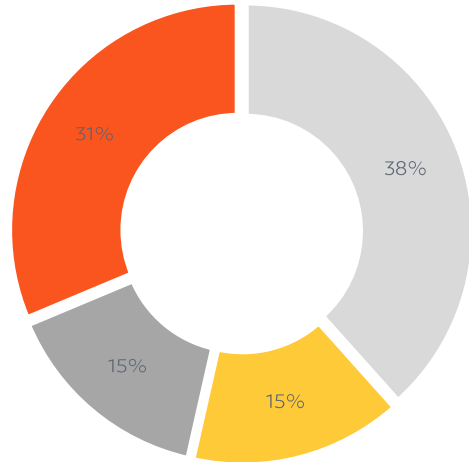
<sup>1</sup> The human rights topics related to the vulnerable groups covers Employees and Contractors



# Cape-Verde

## Issues identification - findings and recommendations

### Recommendations by type



- Labour Standards
- Occupational Health & Safety
- Security Arrangements
- Community Impacts

The type of issues<sup>1</sup> identified in the assessment were:

- Organizational governance
- Occupational Health and Safety
- Security Arrangements
- Community Impacts

For each finding we identified:

- Potential sources of Risk
- Rights at Risk
- Existing Mitigation
- Additional Management Measures

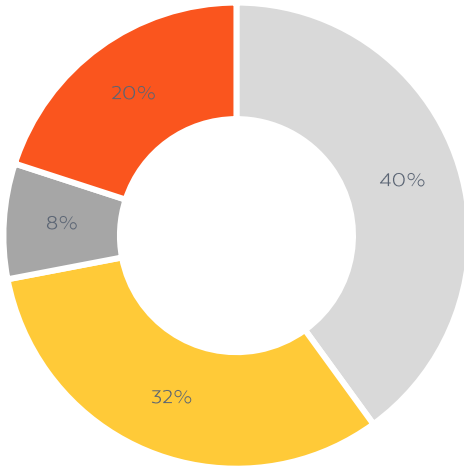
<sup>1</sup> The human rights topics related to the vulnerable groups covers Employees, Suppliers and Partners.



# Mozambique

## Issues identification - findings and recommendations

### Recommendations by type



- Labour Standards
- Occupational Health & Safety
- Security Arrangements
- Community Impacts

The type of issues<sup>1</sup> identified in the assessment were:

- Organizational governance
- Occupational Health and Safety
- Security Arrangements
- Community Impacts

For each finding we identified:

- Potential sources of Risk
- Rights at Risk
- Existing Mitigation
- Additional Management Measures

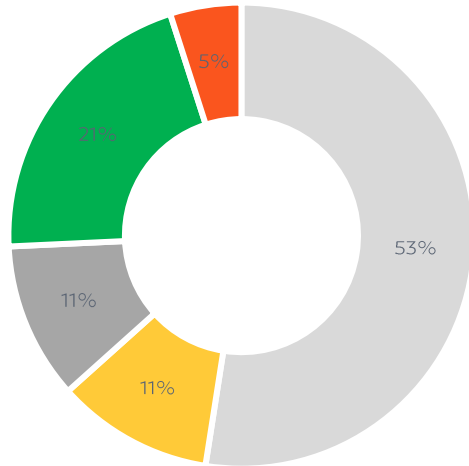
<sup>1</sup> The human rights topics related to the vulnerable groups covers Employees, Suppliers and Partners.



# São Tomé and Príncipe

## Issues identification - findings and recommendations

### Recommendations by type



- Labour Standards
- Presence and support to government
- Loss of Fishing Livelihoods
- Community Health and Safety
- Stakeholder Engagement and Access to Remedy

The type of issues<sup>1</sup> identified in the assessment were:

- Labour Standards
- Presence and support to government
- Loss of Fishing Livelihoods
- Community Health and Safety
- Stakeholder Engagement and Access to Remedy

For each finding we identified:

- Potential sources of Risk
- Rights at Risk
- Existing Mitigation
- Additional Management Measures

<sup>1</sup> The human rights topics related to the vulnerable groups covers Employees, Contractors, Sub-contractors, Dealers, Local Communities and Suppliers.

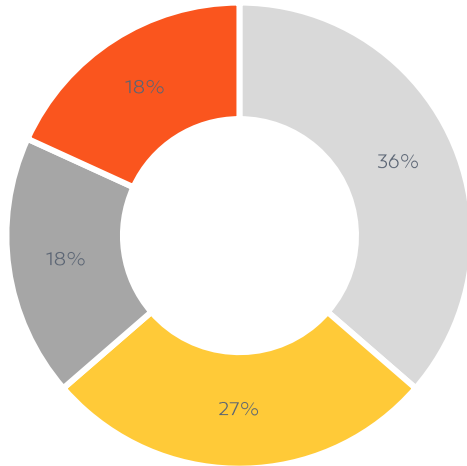




# Eswatini

## Issues identification - findings and recommendations

### Recommendations by type



- Labour Standards
- Occupational Health & Safety
- Security Arrangements
- Community Impacts

The type of issues<sup>1</sup> identified in the assessment were:

- Organizational governance
- Occupational Health and Safety
- Security Arrangements
- Community Impacts

For each finding we identified:

- Potential sources of Risk
- Rights at Risk
- Existing Mitigation
- Additional Management Measures

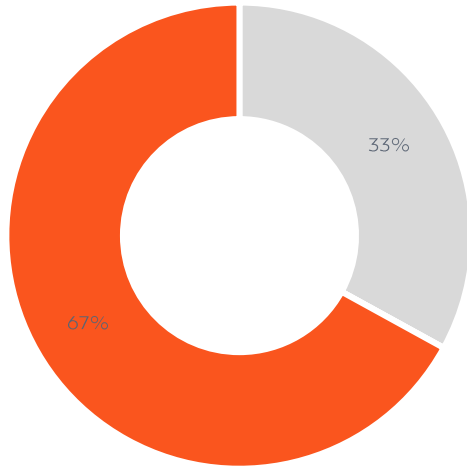
<sup>1</sup> The human rights topics related to the vulnerable groups covers Employees, Suppliers and Partners.



# Namibia

## Issues identification - findings and recommendations

### Recommendations by type



■ Labour Standards ■ Community Impacts

The type of issues<sup>1</sup> identified in the assessment were:

- Organizational governance
- Occupational Health and Safety
- Security Arrangements
- Community Impacts

For each finding we identified:

- Potential sources of Risk
- Rights at Risk
- Existing Mitigation
- Additional Management Measures

<sup>1</sup> The human rights topics related to the vulnerable groups covers Employees, Suppliers and Partners.



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