



# 2023 Equality Plan

Approved at the Executive Committee meeting on September 9, 2022



**TABLE OF CONTENTS**

<b>1. INTRODUCTION</b>	<b>3</b>
<b>2. FRAMEWORK</b>	<b>3</b>
<b>3. PLAN GOALS</b>	<b>4</b>
<b>4. IMPLEMENTED MEASURES AND PRACTICES</b>	<b>4</b>
<b>5. MEASURES TO IMPLEMENT IN 2023</b>	<b>10</b>
<b>6. PLAN EVALUATION AND FOLLOW-UP</b>	<b>13</b>

## INTRODUCTION

The pursuit of active gender equality policies is a duty that stems from companies' corporate social responsibility and is an obligation of all their employees.

According to the 2020 EU Sustainable Development Objectives (SDO) Progress Report, which includes, for the first time, the individualised situation and progress of each member-State with regard to the implementation of the SDOs, the SDO 5 (Gender Equality) is one of the objectives that displays the least progress in the last 5 years, in global terms.

There are also several international studies that prove the link between gender equality and productivity and value creation across companies in various areas, namely:

Optimizing management systems, organizational performance and leveraging retention and loyalty of the best human resources;

Driving creativity and innovation, the cornerstones of competitiveness, and enabling more accurate and cooperative decision-making;

Positively correlating the presence of women in management bodies with companies' profitability.

The gender equality issue must therefore be considered in all aspects of companies' operations.

## FRAMEWORK

The Portuguese Council of Ministers' Resolution No. 19/2012, dated 8th of March 2012, established that all entities in the State business sector must adopt an equality plan, aiming to achieve equal treatment and opportunities between men and women, eliminate discrimination, and enable balance between personal, family and professional life.

This obligation was then extended to publicly-listed companies by Law No. 62/2017 of 1st of August, which approves the balanced representation regime between women and men in governing and audit bodies of public sector business entities and publicly-listed companies, with Article 7 setting down an obligation to draft equality plans every year "to achieve equal treatment and opportunities between women and men, promoting the elimination of sex discrimination and fostering balance between personal, family and professional life."

Law No. 62/2017 came to be regulated by Legislative Order No. 18/2019 of 17th of June 2019, which established, namely, the obligation of publicly-listed companies to communicate their equality plans in the information dissemination system to the CMVM (Comissão do Mercado de Valores Mobiliários [Securities Market Commission]) which it forwards on to the Commission for Equality at Work and Employment (Comissão para a Igualdade no Trabalho e no Emprego [CITE]) and the Gender Equality and Citizenship Commission (Comissão para a Cidadania e Igualdade de Género [CIG]), as well as the production of a guide to prepare the annual equality plans.

## 2023 Equality Plan

---

The Portuguese Labour Code, under Subsection III - Articles 23 to 65, stresses the importance of Gender Equality, namely through general positions on equality and non-discrimination, prohibition of harassment, equality and non-discrimination based on gender and parental status.

Through Law No. 90/2019 of 4th of September, the Portuguese Labour Code was amended to reinforce protection of parenthood, as well as the statutory order that specifically regulates social protection of parenting in the social welfare system and in the solidarity subsystem, namely establishing a prohibition of discrimination based on workers' exercise of their maternity and paternity rights, in terms of remuneration related to awards for attendance and productivity, as well as unfavourable impacts on career progression.

The Portuguese Parliament has issued several recommendations to the Government on this subject:

Resolution No. 116/2012, dated 13th of July, which recommends taking pro-family measures that enable balance between family life and work life;

Resolution No. 260/2017, dated 30th of November, which recommends the adoption of measures ensuring effective compliance with working hours and the balance between work and family life.

Through Law No. 60/2018 of 21st of August, the Portuguese Parliament approved measures to promote equal pay between women and men for the same work or work of the same value, through four types of information, assessment and correction mechanisms, which will come into force on the 21st of February 2019.

## PLAN GOALS

Bearing in mind the importance of Gender Equality, as a way of demonstrating Galp's commitment to this issue, and in compliance with Article 7 of Law No. 62/2017 of 1st of August and Legislative Order No. 18/2019 of 17 June, Galp presents its Equality Plan for 2023, aiming to achieve effective equality of treatment and opportunities between women and men, promoting the elimination of gender discrimination, and fostering balance between personal, family and professional life. The plan also covers areas as Strategy, Mission and Values and Initial and Continuous Training

## IMPLEMENTED MEASURES AND PRACTICES

Galp has been incorporating into its management strategy some actions that contribute to make gender equality, in its various dimensions, a reality of company life.

As a way of demonstrating its commitment, and after joining in 2014, Galp renewed in 2022 its partnership with the Business Equality Forum - IGEN, a national body that promotes equality and non-discrimination between men and women at work, in employment and professional training, and has – over the past few years – established some specific commitments.

## 2023 Equality Plan

During the year 2022, Galp's People Strategy was reviewed, and DEI was defined as one of the priority work-streams, as it were the related gender equality activities. Aligned with this, there is a clear goal to, during 2023, reinforce resources and focus on DEI topics, namely emphasizing Galp's commitment to promote an accelerate convergence towards gender parity in all management and non-management positions.

Continuing to fulfil the commitments made to IGEN Business Forum for Equality, and pursuing the goals settled in the Equality Plan for 2022, Galp implemented the following initiatives between 2021 and 2022 (few still to be initiated):

### To ensure implementation of the Equality Plan, its monitoring, tracking and sustainability:

- In the scope of Dow Jones Sustainability Index, reporting the performance of Gender Equality indicators on 31<sup>st</sup> December 2021:

Gaps	Indicators <sup>1</sup>	2020	2021
Increase the % of women in Management positions	Women at Galp (% compared to total employees)	43	44
	Women in Executive/Top Management positions (%)	20	20
	Women in Middle/General Management positions (%)	27	27
	Women in First Line Management/Supervisor positions (%)	35	37
	Women in all management positions (%)	32	33
	Women in management positions whose function generates value (%)	32	31
Reduce the pay gap between genders, reaching an average annual W/M wage ratio of 1	Base salary ratio W/M (Executive level)	0.91	0.87
	Base salary ratio W/M (Management level)	0.89	0.89
	Total remuneration ratio W/M (Management level)	0.93	0.89
	Base salary ratio W/M (Non-management level)	0.86	0.90

<sup>1</sup> verified by third party

- Utilization of disaggregated data by gender in the key management instruments – Comp. & Ben; Attraction/ Recruitment - allowing to analyse and define corrective measures that address potential specific gender related challenges.

### To stimulate awareness of Equality Plan and reinforce its strategic importance to the company:

- Disclosure of the Equality Plan for 2022 on the Company's official website, intranet and via email.

**To ensure respect for the principle of equality and non-discrimination in external relationships:**

- All Galp's external suppliers with contract, managed by procurement services, are obliged to accept a non-discrimination by gender clause.

**To contribute to a fair and objective R&S process between men and women and counter barriers to equality:**

- Implementation of a training plan to key people involved in R&S processes – HR and managers – to reinforce non-gender-biased selection and recruitment practices. Internal on-the job training for HR recruiters and around 45 managers trained during 2020 and 2021;
- Requirement to have a 50% goal of candidates from both genders to external recruitment partners, or external selections (with little exceptions dictated by the supply market). Between Jan 21 and Jun 22, 51% of the new hires were women;
- The same requirement, related to equal representation from both genders, was respected in Galps' Trainees Program, with 51% of women recruited (additionally, other forms of non-discrimination were considered, and it was the first year in which applicants without a university degree were accepted).

**To promote a culture of equality between women and men and encouraging practices in line with it through initial and continuous training:**

- Deployment of the program LeadHER, as a set of initiatives designed to strengthen and support the development of women identified as having high potential to grow into positions of greater responsibility and impact, including initiatives such as:
  - Global mentoring programme (for women in senior management positions Mentoring with Board Members);
  - Participation in external Leadership programmes: "Promova" and "Women on Board"
  - Career interviews (for women in senior management positions personal development plan defined and followed-up by an external coach and customized development initiatives);
  - External mentoring programs ("PWN" partnership was renewed);
  - "Women talks" and "Get togethers". As a highlight, reference to "Women@Galp", an event that took place in our Sines Refinery, typically considered as a male environment, where the goal was to break barriers and inspire women to pursue their greater objectives, even if normally achieved or linked to men. The event, attended by all Board Members, included the testimonies of two successful Galp women – a board member and the Sines Refinery CEO – and external speakers that shared relevant info about gender barriers, stereotypes and strategies to overcome it.

## 2023 Equality Plan

---

- Implementation of the initiative "Diversity Talks", which, during 2021-2022, had more than 357 participations in 5 digital sessions with internal and external guests, covering topics such as: generation diversity, inclusion of people with disabilities and gender diversity.
- Inclusion of transversal actions in the annual training plan to increase DEI topics awareness. More than 2660 participants between 2021-2022, mostly in the following projects:
  - "What if that was with you?" - A cross-company program portraying non-tolerable behaviors for the organization, such as: Segregation, Sexual Harassment, Discrimination, Favoring and Moral harassment;
  - "The Power of Feedback", "Ask, Give and Receive Feedback" and "Effective Feedback" - Training sessions with the purpose of raising awareness about good feedback practices reinforcing how important it is to analyze people, and give them feedback, as free as possible from stereotypes and prejudices;
  - "Unconscious Bias" – program with the aim to mitigate the effects of unconscious biases within the performance evaluation process, as well as awakening Galp's people to the importance and impact of unconscious biases in all conversations, particularly in those that include feedback.
- Inclusion of unconscious bias module in the on-boarding welcome training kit.

### **To foster a culture of parenting protection and support:**

- Disclosure in the Intranet of the "Parenting Kit" with information on all the relevant new parenting topics (rights and duties, legal regime, useful contacts and procedures);
- Delivering of a physical Parenting kit to all new parents (e.g., voucher, bag with diapers-change);
- Guarantying the necessary support and clarification of new parents doubts via Employee Relations Centre, where any employee could open a request for clarification on these subjects. Since the beginning of 2022 around 24 tickets on the topic were open and solved (40 on average per year).

### **To promote balance between employees' professional and family/personal live**

- Full implementation of the "Smart Work" – Hybrid Home Office Policy- designed to ensure special monitoring of minor dependents during the Covid-19 pandemic period but maintained, after the critical period, as the new normal in order to provide better conciliation options. This goal was confirmed by a survey where the respondent employees rated 7.89 in 10 considering their level of satisfaction with the new model and 4,29 in 5 when asked if the new model helped having better work-life conciliation;
- Continuity of the commitment and work developed within the Flexible Benefits Programme to give access to a set of social benefits for employees and their families according to their preferences. Among these benefits are Childhood Ticket, Vocational Training, Technology Procurement, among others;

## 2023 Equality Plan

---

- Maintenance of the possibility of temporary replacement of employees on parental leave with optimization of the process to request info about the procedure, via Employee Relations Centre;
- Still to be created the formal procedure to assure implementation of CITE indication in case of disagreement between employee and company regarding flexible working hours request.

### **To encourage balanced participation of women and men in decision making positions:**

- Performance Management Model was just reviewed and is totally based in non-gender-biased evaluation criteria. Additionally, the forced ranking was abandoned to guarantee that everyone gets the deserved/fair evaluation. Training sessions for managers will be deployed before the evaluation period and the opportunity will be used to reinforce messages related to unconscious bias and the need to never penalize an employee for exercising family responsibilities;
- All the information related to Performance Model was disclosed in the intranet and via email, and clarification requests were possible through Employee's Relations Centre;
- Still to be defined a formal and structured procedure that guarantees the needed information to identify under-represented people in top, senior and leading positions, and the procedure to guarantee that progressively those people start being promoted or recruited to those positions. Despite the lack of structured procedures, should be noted the slight increase in 2022 of women in management positions (specifically first line management positions).

### **To ensure principle of equal pay for equal work or work of equal value**

- Apply the principle of performance meritocracy to the Promotions & Progression exercise leading to a previewed reduction of 20% in the gender salary pay gap;
- Internal procedures were created and implemented to monitor, in a timely manner, the evolution of Men/Women salaries, as well the progressions and promotions, to ensure the proper actions to avoid, or reinforce, potential gender imbalance.

Besides the commitments made under the IGEN Forum, and the Equality Plan defined for 2022, the following initiatives were implemented:

- Participation in the Target Gender Equality Program of the United Nations Compact Network with work sessions to define the needed strengthen actions to improve our score regarding our gender equality policies maturity (scoring as Achiever, pursuing Leader Level);
- Recognition in 2020, 2021 and 2022 in the Bloomberg Gender Equality Index;
- Participation in the Girl Move Project, an association that aims to empower young Mozambicans to be development agents through a local pilot project in Beira, with UniZambéze University;
- Development of Social Responsibility projects in partnership with Helpo, with the Mozambican community, aiming to empower the community with regard to family planning and women's empowerment issues.



## 2023 Equality Plan

---

With more than 40% of employees in the Group being female, 26.3% of Galp's Board of Directors are women, complying with Law No. 62/2017. Galp also maintains a female Chairman of the Board of Directors and two female non-executive directors.

Until 2030, Galp will work on an accelerated convergence to gender parity, in all management and non-management positions.



## MEASURES TO IMPLEMENT IN 2023

Dimension: Company Strategy, Mission and Values					
Goals	Measures	Persons In-Charge	Budget	Indicators	Target
<b>Ensure implementation of the Equality Plan, its monitoring, tracking and sustainability</b>	Define and monitor measurable strategic goals for promoting equality between women and men	People Team	Does not involve specific costs	<p><b>Increase the % of women in Management positions (W:M - 50:50)</b>                      Women at Galp (% compared to total employees)                      Women in Executive/Top Management positions (%)                      Women in Middle/General Management positions (%)                      Women in First Line Management/Supervisor positions (%)                      Women in management positions (%)                      Women in management positions whose function generates revenue (%)</p> <p><b>Reduce the pay gap between genders, reaching a W/M annual average wage ratio of 1</b>                      W/M base salary ratio (executive level)                      W/M base salary ratio (management level)                      Total W/M remuneration ratio (management level)                      Base salary W/M ratio (non-management level)</p> <p><b>Total turnover rate (monitor and promote balanced talent retention between genders)</b>                      differential rate &lt; 1 p.p. between M and W</p>	Measurable strategic goals defined for promoting equality between women and men
	Continuity of the work and monitoring of the disaggregation of all data by gender across all company management instruments, namely, in diagnostics and reports	People Team+ Safety and Sustainability	Does not involve specific costs	<p><i>Indicator</i> Dashboard:                      - People                      - AQS                      - Health                      - Sustainability</p>	Inclusion and monitoring of data disaggregated by gender in key management instruments and publish it on the company's intranet
<b>Dedicated DEI structure</b>	Creation of a structure dedicated exclusively to DEI, with the initial goal of defining a DEI policy, with a group focused on the Gender Equality Plan	People Team	No specific costs involved, but may generate a movement of resources within the area	Structure created	2023 With a defined Action Plan
<b>Follow-up OpenTalk actions to anticipate mitigation plan in scope</b>	Support the OpenTalk actions and define specific indicators to communicate to the organization	OpenTalk Team+ People Team	Costs will be variable in case mitigation actions are cross-cutting for development and training. Within the training and development budget	% of complaints investigated; % positive complaints; % Mitigation actions	Dashboard created with indicators for monitoring
<b>Encourage work with women-led businesses</b>	Encourage work with women-led businesses (women entrepreneurs), intensifying the demand in the procurement processes and services contracts	the whole organisation	Does not involve specific costs	Define a cross-cutting procedure in a first phase. Define a monitoring tool in later phases.	Initially, cultural change in business from a gender perspective
<b>Ensure respect for the principle of equality between women and men and non-discrimination in external relationships</b>	Create and implement procedure to verify respect for the principle of equality between women and men and non-discrimination by counterparties/suppliers	Procurement	Does not involve specific costs	Procedure created and implemented % of partners covered	Procedure created and implemented

## 2023 Equality Plan

Dimension: Equal Employment Access					
Goals	Measures	Persons In-Charge	Budget	Indicators	Target
<b>Counter structural barriers to equality between women and men</b>	Formalize, in contracts with external recruiters, the guarantee of parity in the presentation of candidates, and in under-represented positions, maintain positive discrimination	People Team	Does not involve specific costs	No of contracts with external recruiters updated with the gender parity clause	50% of contracts

Dimension: Initial and Continuous Training					
Goals	Measures	Persons In-Charge	Budget	Indicators	Target
<b>Promote a culture of equality between women and men in the workplace, encouraging management practices in line with it</b>	Continue driving a comprehensive development program for Women of High Potential at all organizational levels to sustainably ensure the parity goal	People Team	Costs incorporated in the Target Groups Development Plan	No. of people covered/trained No. of actions implemented	For the population identified, management and implementation of development actions
	Include in the Leadership Program, a specific module to increase this commitment	People Department- Leadership Management	Costs incorporated in the budget for the Leadership Programme	No. of people covered/trained No. of actions implemented	For the population identified, management and implementation of training and development actions
<b>Biases and People Relations</b>	Comprehensive training on violence, harassment and sexual exploitation	People Team	Costs incorporated in the Cross-cutting Development Plan	No. of people covered/trained	Training module in annual training plan
	Continue carrying out actions that reinforce the deconstruction of biases about personal relationships (gender, race, age) – through Diversity Talks	People Team	TBD	No. of people covered/trained No. of actions implemented	Implementation of transversal actions

Dimension: Parental Protection					
Goals	Measures	Persons In-Charge	Budget	Indicators	Target
<b>Foster a culture of parenting, through the organisation and disclosure of the company's instruments for providing such support</b>	Draw up an action plan for situations of return from maternity, paternity and caregiving leave	People Team- Health	Costs arising from implementing proposals that go further than the law	Defining and implementing a Parentality Policy Number of persons enjoying the benefits of the new policy	Implementing first action from the Policy in 2023

## 2023 Equality Plan

Dimension: Equality in Working Conditions					
Goals	Measures	Persons In-Charge	Budget	Indicators	Target
<b>Encourage balanced participation of women and men in decision-making positions</b>	Analyze gender representation by BU. This will bring commitments and specific action plans for recruitment, succession and mobility into line with the overall gender goal, with objectives per leader and area for 2023/2024, and control mechanisms for their achievement	People Department with BU Focal Points	Does not involve specific costs	% of women per Business Unit Definition of objectives by Unit Communication to each Strategic developer Signing of commitments until 2030 Definition of the variables that will condition the objectives. Create an implementation monitoring tool	2023 With a defined Action Plan
	Create and implement a procedure to identify under-represented people in top, senior and leading positions so that they may have the opportunity in the future to be promoted or recruited for those positions	People Team	Does not involve specific costs	In-company procedures created and implemented Ratio between the No. of persons identified and the No. of persons in the aforementioned functions	Optimisation and maintenance of in-company procedures created and implemented
<b>Ensure a fair and objective assessment process for women and men</b>	Review of the current performance assessment model and possible revision to ensure that it excludes any gender-based discrimination and does not penalise employees for exercising family responsibilities	People Department	Does not involve specific costs	Measures implemented	Diagnostic report and corrective actions taken (if necessary)
	Maintain disclosure of the performance model by email, <i>intranet</i> , digital programs and Employee Relations Centre	People Team+ Marketing and Communication Department	Does not involve specific costs	Intranet disclosure, via email and via digital programme No. of people covered	Disclosure on the <i>intranet</i> , via email, digital programmes and Employee Relations Centre

Dimension: Equal Pay					
Goals	Measures	Persons In-Charge	Budget	Indicators	Target
<b>Ensure principle of equal pay for equal work or work of equal value</b>	Keep monitoring basic and supplementary remuneration of women and men to ensure there are no disparities or, if there are any, that these are justifiable and free of gender discrimination	People Department	Does not involve specific costs	Monitoring Procedures implementation	Optimisation and maintenance of in-company procedures created and implemented
	Continue working on performance indicators, and salary progression, to keep reducing the gender salary pay gap towards parity	People Team	Does not involve specific costs	Decreased % gap of gender salary	+ 20% vs 2022 target

Dimension: Balance between professional activity and family and personal life					
Goals	Measures	Persons In-Charge	Budget	Indicators	Target
<b>Promote balance between employees' professional and family and personal lives</b>	Creation and implementation of an internal procedure that ensures that, in the event of an unfavorable opinion issued by the CITEon the intention to refuse a request for flexible working hours, the company respects the opinion, allowing the worker to work the requested hours	Legal	Does not involve specific costs	Procedure implemented	Procedure creation and implementation
	Adapt in the Wellbeing Plan a space for gender differentiated actions	People Team- Health	Costs included in the Transversal Wellbeing Plan, but with specific allocation for differentiated actions	Gender-differentiated actions	Action Plan creation and implementation

## **PLAN EVALUATION AND FOLLOW-UP**

The Galp People Team will track and monitor the implementation of the plan, verifying that the measures established are being put into practice and the goals are being achieved, and it must present the results for internal or external processes and reports requests and to all Galp's government bodies, when relevant.