

2020 Equality Plan

Approved at the Board of Directors meeting on 27 September 2019



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1. 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.

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

- Optimising management systems, organisational 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.

2. 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 also established, for publicly-listed companies, a representation quota of 20% for both genders, from the first elective general meeting taking place after 1st of January 2018, and of 33.3%, from the first elective general meeting taking place after 1st of January 2020, applying to all directors (both executive and non-executive).

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.

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.

3. 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 2020, aiming to achieve effective equality of treatment and opportunities between women and men, promoting the elimination of sex discrimination, and fostering balance between personal, family and professional life.

The plan covers the areas included in the above-mentioned order, which are the following:

- Equal employment access
- Equality in working conditions
- Equal pay
- Protection of parenting
- Balance between professional activity and personal and family life

The plan also covers the following areas:

- Strategy, Mission and Values
- Initial and continuous training

4. 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, in 2014 Galp joined the Business Equality Forum - IGEN, within the framework of the Commission for Equality at Work and Employment, 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.

As part of its active participation in the IGEN Forum, Galp is part of the working groups which discuss measures to promote gender equality in organisations and, since 2019, it has led the working group for the IGEN Education Academy.

In 2016, an in-company work group was set up with a mission to diagnose policies and practices in the Galp Group in the fields of Gender Equality and non-discrimination between women and men, relating to the legal and regulatory environment and best practices, and the resulting analysis of quantitative and qualitative data.

Following the action plan presented by the work group in 2016/2017, several initiatives and actions were implemented in the various gender equality vectors, such as:

- Redefining Galp's values with reference to behaviours in a comprehensive and inclusive manner;
- Inclusion of Gender Diversity/Equality in Galp's Code of Ethics and Conduct and Galp's Social Responsibility and Human Rights Policies;
- Creation of a guide for employer branding presentations and including the subject of Gender Equality;
- Text insert at the end of every Galp job advertisement (in-company and external) highlighting respect for equal opportunities and non-discrimination by gender, race, religion;
- Holding a conference cycle at Galp (extra *Talks@Galp*), open to outsiders and with guests from other companies, on diversity and Gender Equality, and how organisations are managing these issues;
- Identification of the types of services/partners which facilitate access to relevant services and protocols established with partners through Clube Galp;
- Review of climate questionnaire in order to include diversity questions;
- Adoption of inclusive language and communication across the board.

In developing and implementing the commitments made by Galp for 2019 within the scope of the IGEN Business Forum and included in its 2019 Equality Plan, Galp implemented the following initiatives in 2019:

- Continuation of the work carried out by the permanent and multidisciplinary in-company reflection and action group with the purpose of promoting the discussion, definition and implementation of good practices on the issue of equal opportunities. The group carried out a series of discussions, analysis of good practices and trends, as well as collecting and analysing in-company information on indicators, to deepen the diagnosis/assessment on the issue of Gender Equality. This enables the drafting of an action plan that has an impact on the lives of Galp employees;
- Implementation of a set of training actions on the subject, specifically, training on unconscious bias across the organisation;
- Definition of the final structure and respective in-company approval of the Mentoring Program devoted exclusively to a set of employees;
- Participation of members of the work group in the executive program Women on Boards, led by Vieira de Almeida (VDA) and in partnership with ISEG, Porto Business School and PWN [Professional Women's Network] - Lisbon
- Holding in-company workshops with PWN on gender and neuroscience.

Besides the commitments assumed under the IGEN Forum, the following initiatives were implemented:

- Galp joined the Lisbon's Professional Women's Network [PWN].
- Galp joined the UN Global Compact's "Equality means business" initiative as a way of measuring gender disparity and alignment of commitments in this area;
- Galp joined the *Bloomberg Gender Equality Index*, thus becoming the only Portuguese company present therein;
- Participation in the Girl Move Project, an association that aims to empower young Mozambican women to be development agents through the inclusion of two Mozambican female trainees in in-company teams;
- 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.

At Galp's Annual General Meeting held on 12 April 2019, the new members of the governing bodies for the 2019-2022 quadrennium were elected. The Board of Directors is now composed by five women out of 19 members, one of whom holds the position of Chairman of the Board of Directors and two are on the Company's Executive Committee made up of seven members. Women thus represent 26.3% of the Board of Directors, above the legally established 20%, and 28.6% of the Executive Committee. The audit body consists of 3 full members, one of whom is a woman.

5. MEASURES TO IMPLEMENT IN 2020

Dimension: Company Strategy, Mission and Values						
Goals	Measures	Departments /Units Responsible/ Focal Point	Departments/Units Involved/ Focal Point	Budget	Indicators	Target
Ensure implementation of the Equality Plan, its monitoring, tracking and sustainability	Define measurable strategic goals for promoting equality between women and men	People Department	People Department Galp IG in-company Taskforce	Does not involve specific costs	M/F ratio by functional group No. of New M/F Onboarding Among others to be set in the reference year	Measurable strategic goals defined for promoting equality between women and men
	Disaggregation of all data by gender across all company management instruments, specifically, in diagnostics and reports	People Department	People Department Communications Department	Does not involve specific costs	Indicators Dashboard: <ul style="list-style-type: none"> • Representativeness • Salary • Assessment • Recruiting & Onboarding • Training • Parenting 	Inclusion of data disaggregated by gender in key management instruments
Make the Equality Plan known and its importance	Sharing the Equality Plan with all employees	People Department Learning	People Department Galp IG in-company Taskforce Communications Department	Does not involve specific costs	Publication on the company's official website, intranet (mygalp) and via email	Publication on the company's official website, intranet (mygalp) and via email

Goals	Measures	Departments /Units Responsible/ Focal Point	Departments/Units Involved/ Focal Point	Budget	Indicators	Target
Ensure respect for the principle of equality between women and men and non-discrimination in external relationships	Create and implement a procedure to verify compliance with the principle of equality between women and men and non-discrimination by counterparties/suppliers	People Department Procurement and Contracting Department	People Department Procurement and Contracting Department	Does not involve specific costs	Procedure created and implemented	Procedure created and implemented
Dimension: Equal Employment Access						
Goals	Measures	Departments /Units Responsible/ Focal Point	Departments/Units Involved/ Focal Point	Budget	Indicators	Target
Contribute to a fair and objective selection and recruitment process between men and women	Conduct training for people responsible for selection and recruitment interviews on non-gender-biased selection and recruitment procedures	People Department	Those responsible for Development and Education divisions and BU people involved in the selection and recruitment process	€13,000	Ratio between the number of people responsible for interview processes covered by the training actions and the ratio of the total number of people identified to receive this training	50% of people

Goals	Measures	Departments/ Units Responsible/ Focal Point	Departments/Units Involved/ Focal Point	Budget	Indicators	Target
Counter structural barriers to equality between women and men	Instructing external selection and recruitment bodies to ensure 50% representation of each gender in company applications for positions with both sexes at 50%	People Department	People Department	Does not involve specific costs	M/F % in 2020 job applicants	50% minimum representation of each sex in job applications (with 50% of both sexes)
Dimension: Initial and Continuing Training						
Goals	Measures	Departments/ Units Responsible/ Focal Point	Departments/Units Involved/ Focal Point	Budget	Indicators	Target
Promote a culture of equality between women and men in the workplace, encouraging management practices in line with it;	Integration into general leadership training actions of subjects relating to inclusive language, parenting protection, balance of work, family, personal life, bullying and sexual harassment at work	People Department	People Department - responsible for the Education and Learning division	NA	Inclusion of subject and no. of people covered/trained	Training module in annual training plan

Dimension: Equality in Working Conditions

Goals	Measures	Departments/ Units Responsible/ Focal Point	Departments/Units Involved/ Focal Point	Budget	Indicators	Target
Encourage balanced participation of women and men in decision-making positions	Creation and implementation of a procedure to identify under-represented people in top, senior and leading positions so that they may in future have the opportunity to be promoted or recruited for those positions	People Department	BU Managers	Does not involve specific costs	In-company procedures created and implemented in 2020	In-company procedures created and implemented in 2020
	Organisation and provision of support sessions (training, mentoring, coaching) to achieve balanced participation of women and men in top decision-making and leadership positions	People Department	BU Managers	€15,000	Action implemented and no. of people covered	Action Implemented

Goals	Measures	Departments/ Units Responsible/ Focal Point	Departments/Units Involved/ Focal Point	Budget	Indicators	Target
Ensure a fair and objective assessment process for women and men	Analysis of the current performance appraisal model and possible revision to ensure that it excludes any gender-based discrimination and does not penalise employees for exercising family responsibilities	People Department	People Department	Does not involve specific costs	Measures implemented	Diagnostic report and corrective actions taken (if necessary)
	Publication of the performance model via email and intranet	People Department	People Department	Does not involve specific costs	Publication on the Intranet (mygalp) and email	Publication on the Intranet (mygalp) and email
Dimension: Equal pay						
Goals	Measures	Departments/Units Responsible/ Focal Point	Departments/Units Involved/ Focal Point	Budget	Indicators	Target
Ensure principle of equal pay for equal work or work of equal value	Conduct an in-company review and review (if necessary) of the job analysis system, ensuring that it meets clear, objective and transparent evaluation criteria	People Department	BU Managers	Does not involve specific costs	Diagnostic report performed in 2020 and corrective actions taken (if necessary)	Diagnostic report performed in 2020 and corrective actions taken (if necessary)
Ensure principle of equal pay for equal work or work of equal	Diagnosis of basis and complementary remuneration of women and men	People Department	People Department	Does not involve specific costs	Diagnostic report performed in 2020	Diagnostic report performed in 2020

value	Creation and implementation of monitoring procedures for basic and complementary remuneration of women and men to ensure there are no disparities or, if there are any, that these are justifiable and free of gender based discrimination.	People Department	People Department	Does not involve specific costs	Procedure creation and implementation	Procedure creation and implementation
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Dimension: Protection of Parenting

Goals	Measures	Departments/Units Responsible/ Focal Point	Departments/Units Involved/ Focal Point	Budget	Indicators	Target
Foster a culture of parenting, through the organisation and disclosure of the company's instruments for providing such support	Creation of the Parenting Kit, which contains all the necessary information on parenting (legal regime, insurance, records, rights and duties, etc.)	People Department, Risk Department (insurance) Communications Department	People Department, Risk Department (insurance) Communications Department	Does not involve specific costs	Creation of Parenting Kit	Creation and sharing of Parenting Kit by Employees

Dimension: Balance between professional activity and family and personal life

Goals	Measures	Departments/Units Responsible/ Focal Point	Departments/Units Involved/ Focal Point	Budget	Indicators	Target
Promote the balance between workers' professional and family and personal lives	Informal facilitation of working from home and flexible hours when necessary for work-life balance.	People Department	Remuneration Area BU Managers	Does not involve specific costs	Measure implemented	Procedure creation and implementation
	Possibility of temporary replacement of employees on parental leave, through procedures to ensure such replacement	People Department	People Department	NA	Measure implemented	Procedure creation and implementation

6. PLAN EVALUATION AND FOLLOW-UP

The Galp People Department, with the support of the in-company working group, 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 Galp Executive Committee with a quarterly report.