

Voluntary Principles on Security and Human Rights

Galp Energia 2020 Annual Report

Introduction

Galp is an integrated energy player that develops profitable and sustainable businesses, aiming to create value for its stakeholders; with a mission to create energy, and share the energy created globally. Galp's activities are located mainly in 11 countries - Portugal, Spain, Brazil, Angola, Mozambique, Cape Verde, Guinea-Bissau, Eswatini, East Timor, São Tomé and Príncipe and Namibia.

A. Commitment to the Voluntary Principles

Galp joined the Voluntary Principles on Security and Human Rights (VPs) in October 2016. Since then, the company has been working diligently towards finding ways in which to promote and integrate the VPs across its operations and business functions.

This report details Galp's implementation of the VPs over the course of 2020, as well as the next steps moving into 2021.

B. Policies, Procedures, and Related Activities

Galp continued to monitor and implement the procedures, the actions plans and projects identified in the previous years:

- Training on sustainability issues (which included human rights) and Galp's Code of Ethics for new employees. Within the theme of Human Rights training, in 2020, 3762 employees received 5875 hours of training on ethics and code of conduct;
- To promote full alignment of suppliers and service providers with the Code of Ethics and Conduct, in 2020, 100% of Tier 1 ⁽¹⁾ employees and suppliers had access to e-learning sessions on Galp's Code of Ethics and Conduct. Galp ensures all suppliers are committed to four fundamental principles: Human rights and work conditions, Transparency and integrity, Quality and Protection of environment, people and assets;
- Monitoring of the hotline for reporting grievances through its Reporting of Irregularities Procedure ("Open Talk" Ethics Line); this includes incidents related to human rights by public/private security forces of Galp's activities. Galp's hotline for reporting irregularities is publicly available at: [Galp Reporting](#). In 2020, 11 cases were reported and about 82% of all reports were addressed;
- Monitoring of the requirements (related with the VPs) established in the NT-R-008 Standard, Health, Safety, Social and Environmental Specific Requirements in Projects. More information is publicly available at: [HSSE Specific Requirements in Projects](#);

⁽¹⁾ Tier 1 is a primary containment failure with major consequences: unplanned release from a process of any material, including non-toxic and non-flammable materials, resulting in very serious consequences.

- Implementation of the Mozambique and Brazil human rights assessment action plan. This is to be discussed in the next section.
- In 2020, due to the outbreak of the COVID-19 pandemic we were not able to start the training pilot on Voluntary principles on Security and Human Rights in our geographies to our security forces. However, we prepare and adapt the training content for each geography to be ready to start in the next year.
- In 2020, Galp developed a security risk assessment standard for our facilities based on the API Security Vulnerability Assessment Methodology for the Petroleum and Petrochemical Industries.

C. Country Implementation

Galp In-country implementation of the VPs began in 2017 with a country human rights context review that was carried out in the countries where Galp has operations (Angola, Brazil, Cabo Verde, Guinea-Bissau, Mozambique, Namibia, Portugal, São Tomé and Príncipe, Spain and Swaziland) and, in 2018 the country assessment in Mozambique.

In 2020, Galp continued with the implementation of the action plan that resulted from the human rights assessments carried out in Mozambique and Brazil, as well as the training on human rights and the use of force. To address some of the gaps identified in the Mozambique assessment, 16 actions were implemented in 2020 most of them focused on improving the health and safety of our employees and contractors.

In 2020, Galp carried out an assessment in Angola for Retail, Marketing (retail stations, dealers and lubricants storage parks) and Engineering and Construction and started the implementation of the actions to address some of the gaps identified.

The Operational Human Rights Assessment Status Report is publicly available at [Galp: Human Rights](#).

Projects with an impact on local communities

During the course of 2020, there has been a development in projects in the areas of access to sustainable energy in Guinea-Bissau: FUMUKABA – a project that aims to promote the substitution of charcoal and firewood with butane gas in the preparation of food in 25,000 Guinean households; and Mozambique: ENERGIZA – a project that aims to provide solar energy in the provinces of Manica, Sofala and Cabo Delgado, impacting 6000 Mozambicans and generating approximately 50KWh of renewable energy (photovoltaic panels). In 2020 was concluded the reconstruction of Chissiuangue infrastructure due to cyclone IDAI.

More information on both projects is publicly available at:

- [Guinea-Bissau: FUMUKABA](#)
- [Mozambique: ENERGIZA](#)

In 2020, Galp activated the Social Emergency Response due to the COVID-19 pandemic, with a total of 900 hours of volunteering for more than 500,000 people in all geographies. In Mozambique and São Tomé e Príncipe was also given support to refugees and COVID emergency response with more than 87,000 people impacted. More information about the COVID-19 social emergency response is publicly available at:

- [COVID-19 Social Emergency Response](#)

For further information on other ongoing projects that Galp is involved consult here:

- [Galp Foundation](#)
- [Galp Energiser](#)

D. Lessons and Issues

Lessons and Issues

The lessons and highlights from 2020 are largely related to the COVID-19 pandemic that created a challenge to Galp in supporting health systems and responding to social emergencies in all geographies.

Next Steps for 2021 onwards

- Continue to address gaps in Galp's policies and procedures related to human rights and security;
- Continue to implement the human rights action plan, resulting from all the assessments carried out in previous years;
- Continue to conduct Human Rights Assessments in other Galp geographies;
- Continue to implement projects with impact on local communities in all Galp's geographies developing more energy projects with social impact;
- Pilot training in Mozambique for the Security Forces in Voluntary Principles on Security and Human rights.