

Galp Energia Annual Report 2021

**Voluntary Principles on Security and
Human Rights**

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 10 countries - Portugal, Spain, Brazil, Angola, Mozambique, Cape Verde, Guinea-Bissau, Eswatini, 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 2021, as well as the next steps moving into 2022.

B. Policies, Procedures, and Related Activities

Galp continued to monitor and implement the procedures, the actions plans and projects identified in the previous years and implemented new initiatives, such as:

- 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 2021, a total of 4398 hours of training on ethics and code of conduct were provided ;
- Inclusion of Sustainability criteria clauses in 100% of Galp's purchase contracts guided by four fundamental principles (respect human rights and work conditions; act with transparency and integrity; understand quality as a critical success factor; protect the environment, people and assets) ensuring that all suppliers are committed to them throughout the entire value chain;
- 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 OpenTalk](#). In 2021 this channel was renovated, guaranteeing a closer alignment with the European Directive to increase the confidence of its people. In 2021, 25 cases were reported. Of the 25 cases reported, 8 were archived, 8 required the adoption of measures and 9 are in progress.
- 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](#);
- Implementation of the Cape Verde, Mozambique, Eswatini and Namibia human rights assessment action plan. This is to be discussed in the next section.

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 Eswatini) 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.

In 2021, Galp carried out HR Assessments on (i) the retail, and marketing Joint-Venture where Galp has a shareholding participation named ENACOL (Cape-Verde); (ii) Galp operations in Mozambique and Namibia where Galp is currently involved in early upstream exploration phases through unincorporated Joint-ventures with other partners; and (iii) Eswatini, where Galp carries out retail and marketing activities.

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 2021, as a continuation of the work developed in previous years, 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), ensuring electricity to 123 infrastructures.

More information on both projects is publicly available at:

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

In 2021, Galp continued the Social Emergency Response due to the COVID-19 pandemic, developing new initiatives such as the food emergency response “Every step counts” with 2.2 tons of goods (food and water purifiers) distributed in 9 locations in Sofala province, Mozambique; + 1 million people receiving meals assistance in Portugal; 500 orphan children receiving support in Eswatini and more than 1,000 families receiving meals assistance in Brazil. In Mozambique was also given support to refugees and displaced communities due to the armed conflict with more than 300,000 people impacted. More information is publicly available at:

- [COVID-19 Social Emergency Response](#)
- [Integration of Displaced Communities](#)

In early 2022, Galp also developed several initiatives to help people affected by the Ukrainian conflict: a donation of €2.5 m to the Red Cross and the cost of fuel for humanitarian flights that transport Ukrainian refugees to Portugal was supported by Galp. In addition, a set of initiatives including partnerships for the supply of energy and goods (donation of welcome kits, food and essential goods) to refugee centres, school grants for young Ukrainians and a trainee program designed for Ukrainian refugees are also in the pipeline. In total, Galp will allocate €6.5 m for humanitarian support and engage with several partners such as the Red Cross, the Government, Municipalities and companies to assure an agile response.

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

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

- [Galp Integrated Report 2021](#)

D. Lessons and Issues

Lessons and Issues

The lessons and highlights from 2021 are still impacted by the COVID-19 pandemic that created a challenge to Galp in supporting health systems and responding to social emergencies in all geographies. The Ukrainian conflict in the beginning of 2022 also played an additional challenge for Galp to ensure the security and protection of Human Rights.

Next Steps for 2022 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 the most representative Galp's geographies;
- Continue to implement projects with impact on local communities in all Galp's geographies developing more energy projects with social impact;
- Continue Galp's presence in Humanitarian aid in the Ukrainian conflict and others that might emerge.