

energy creates energy



**Company Standard - Organisational**

**NT-O-008**

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# **HSEQ Organisation and Relationship**

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Approved by the Executive Committee on 2016-09-23

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## 1. Object and scope of application

**1.1** The present standard establishes the Organisation model aimed at assuring Galp's functional and strategic alignment on matters of Environment, Quality and Safety (HSEQ), through the proactive, regular and systematic participation of the managers and all other employees.

**1.2** This standard applies to all Organizational Units (OU) of the Galp Group and affiliates or other entities, regardless of their legal nature, in which Galp owns management control, covering all the geographies in which the Group operates.

**1.3** The personnel appointed by Galp for the directorship of the entities of the Galp Group shall ensure the approval and adoption of this standard by the respective management bodies.

## 2. HSEQ functional organisation

### 2.1 Composition

**2.1.1** HSEQ organisation is led by the most senior hierarchical positions, and is composed of representative bodies of the different OU. Its mission is to assure the application and monitoring of HSEQ policies and objectives, and foster functional and strategic alignment with the HSEQ structures of the OU, so as to achieve synergies and standardise practices and procedures.

**2.1.2** The HSEQ structure is composed of the following bodies:

- a) HSEQ Board;
- b) HSEQ Sectorial Commissions;
- c) HSEQ Forum;
- d) Specific Intervention Groups;
- e) Occupational Health and Safety Commission and subcommissions<sup>1</sup>.

### 2.2 Responsibilities of the functional organisation

**2.2.1** The AQSS Corporate Department defines Galp's Policies and Strategic Objectives for HSEQ topics, assuring their monitoring and exercising strategic control.

**2.2.2** Coordinates functionally the OU HSEQ structures and participates in their selection and shared assessment, with the persons hierarchically in charge.

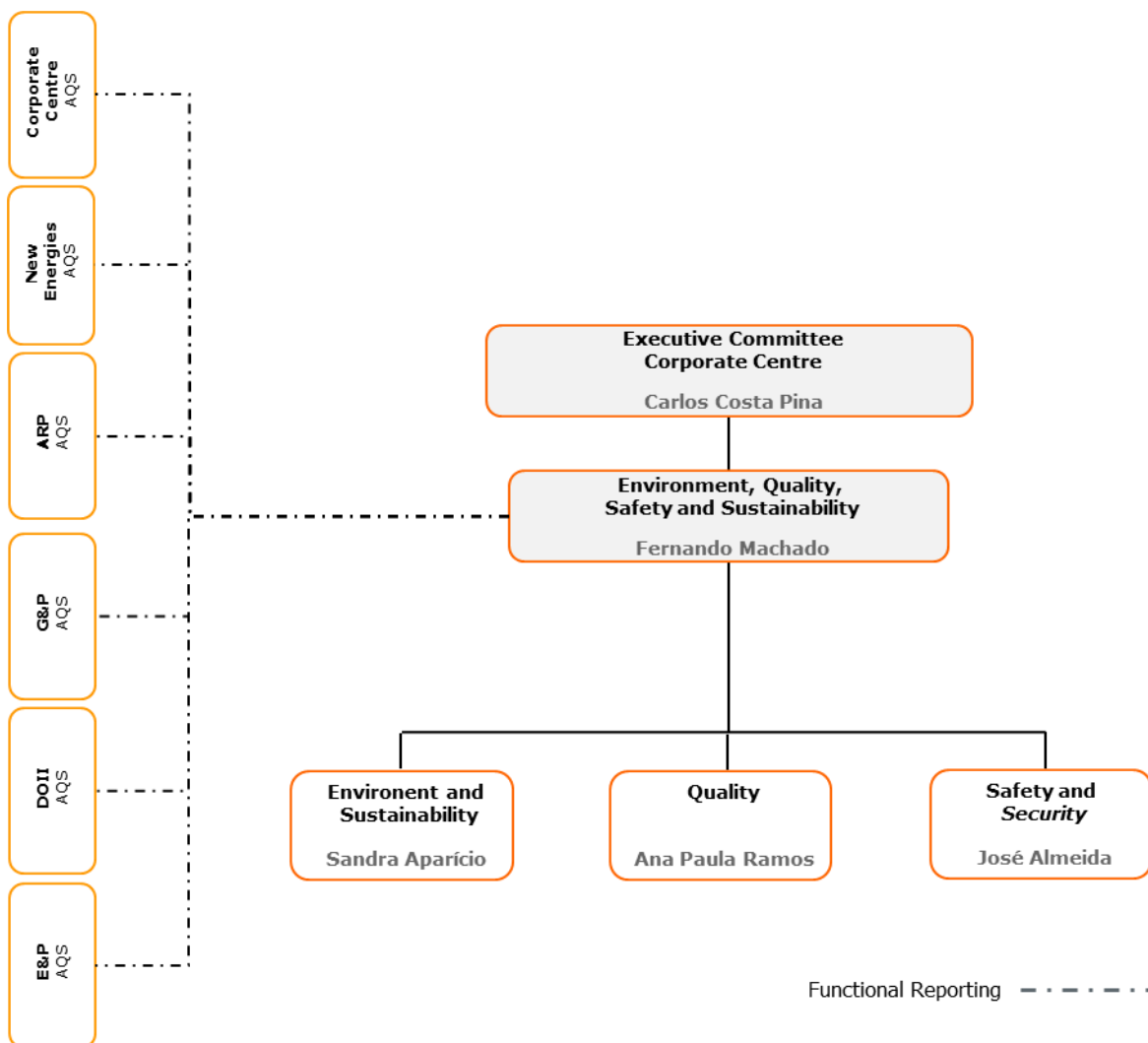
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<sup>1</sup> The composition, operation and duties of these Commissions are defined in Specific Regulations. Pursuant to the legislation in force, they may have other assignments.

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**2.2.3** The HSEQ structures stimulate the deployment of HSEQ policies and objectives, assuring the involvement of the management in their implementation and promoting the active participation of all the members of the OU in the implementation of HSEQ commitments and action plans, being responsible for assuring the local monitoring of performance.

**2.2.4** In the entire hierarchical chain, the management is responsible for the performance in HSEQ of its scope of competence, being entrusted with the implementation of HSEQ policies and objectives.



### 3. HSEQ bodies

#### 3.1 HSEQ Board

The HSEQ Board is the body that ratifies the decisions relative to HSEQ issues to be submitted to the approval of the Executive Committee.

Whenever applicable, sectorial bodies shall be created at Galp's different organisational levels, embodied in sectorial HSEQ Commissions.

##### 3.1.1 Mission

Assist the Executive Committee in promoting the principles that sustain Galp's HSEQ culture through firm and consistent leadership, assuring the application of the policies and strategies concerning HSEQ.

##### 3.1.2 Duties and responsibilities

The main duties and responsibilities of the HSEQ Board involve:

- a) Endorse HSEQ policies for approval by the Executive Committee;
- b) Endorse Galp's HSEQ strategic objectives;
- c) Assessing the adequacy of the HSEQ plans of the OU, in relation to the defined strategic objectives;
- d) Creating transversal Specific Intervention Groups, when necessary;
- e) Monitoring the HSEQ performance level, including compliance with external commitments and regulatory obligations;
- f) Assessing the adequacy of the resources allocated to HSEQ management (human, financial and material), in relation to the defined objectives.

##### 3.1.3 Composition

The HSEQ Board is composed of a chairman, a Secretary and various representatives of the relevant OU and functions, as indicated below.

The Chairman is the Executive Director responsible for the AQSS Corporate Department.

The Secretary is the Head of the AQSS Corporate Department.

The following participate in the HSEQ Board:

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- a) First Line Heads of the OU as appointed by the Chairman;
- b) Heads of Corporate Environment, Quality and Safety;
- c) Head of the corporate service which includes Occupational Medicine;
- d) According to the issues dealt with, other persons may participate in this board.

The members indicated above may, due to reasons of force majeure, appoint a representative to replace them, by notification submitted to the Chairman of the HSEQ Board.

### 3.1.4 Agenda

The HSEQ Board holds at least two meetings a year in order to comply with its duties or, exceptionally, upon request of the Chairman or one of its members.

There must be a minimum quorum of 50% of the members, or their representatives, to enable holding the meeting.

The secretary is responsible for organising and proposing the agenda, which shall be approved by the Chairman.

## 3.2 HSEQ Sectorial Commissions

### 3.2.1 Mission

Assure alignment with the guidelines issued by the HSEQ Board and assure the implementation and monitoring of HSEQ policies and objectives.

### 3.2.2 Duties and responsibilities

The main duties and responsibilities of the HSEQ Sectorial Commissions involve:

- a) Establishing HSEQ strategic initiatives and goals for the OU, aligned with Galp's strategic objectives;
- b) Assessing and deciding on the proposals and actions recommended by the Specific Intervention Groups and Occupational Safety and Health Subcommissions;
- c) Reporting to the HSEQ Board on topics relevant to HSEQ performance of the OU;
- d) Assuring the management review of the business unit management systems in articulation with the transversal systems and standards;
- e) Creating Specific Intervention Groups at the Organisational Unit, when necessary.

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### 3.2.3 Constitution

Each OU constitutes the Sectorial HSEQ Commissions, taking into consideration the operational and business specifics, as well as the hierarchical structure. When necessary, Local HSEQ Commissions can be created, which report functionally to the Sectorial HSEQ Commission of the OU.

### 3.2.4 Composition

The Chairman of the Sectorial HSEQ Commissions is held by the most senior executive position of the OU.

The Secretary of the Sectorial HSEQ Commissions is the head of HSEQ of the OU.

The following participate in HSEQ Sectorial Commissions:

- a) Heads of Environment, Quality and Safety of the OU;
- b) Direct reporting lines;
- c) Doctor in charge of Occupational Medicine;
- d) According to the issues dealt with, other persons may participate in this Commission, as invited by the Chairman of the Sectorial HSEQ Commission.

### 3.2.5 Agenda

The Sectorial HSEQ Commissions hold at least 4 meetings a year, in order to deal with the HSEQ topics of the OU. The agenda should be aligned with the HSEQ Board, with focus on implementation and detailed suitably to the activity of the OU.

The secretary is responsible for organising and proposing the agenda, which shall be approved by the Chairman.

## 3.3 HSEQ Forum

### 3.3.1 Mission

Promote functional and strategic alignment with the HSEQ structures of the OU, so as to achieve synergies and standardise practices and procedures.

### 3.3.2 Duties

- a) Disseminate technical, scientific, regulatory or legislative knowledge, in order to create value, with a view to supporting the decision-making process;

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- b) Stimulate cooperation between Galp's OU, so as to achieve synergies and standardise practices and procedures;
- c) Monitor the evolution of the main initiatives, assuring that the objectives and goals are achieved and the plans are formulated so that their attainment is feasible.

### 3.3.3 Composition and operation

The HSEQ Forum is coordinated and stimulated by the AQSS Corporate Direction, being composed by senior management staff and heads of HSEQ of the OU and Corporate Centre. According to the issues dealt with, other persons may participate in this forum.

The HSEQ Forum holds meetings every four months in order to comply with its duties or, exceptionally, when considered relevant. The AQSS Corporate Direction is responsible for the Forum's call and organisation.

## 3.4 Specific Intervention Groups

### 3.4.1 Mission

Address the relevant HSEQ topics for the organisation in a systematic, participatory and integrated way in Galp's activities and developing specific projects and/or plans to foster the implementation of HSEQ Policies and Strategic Objectives.

### 3.4.2 Duties

Each Specific Intervention Group is appointed to develop a specific activity with defined duties. These duties may include:

- a) Developing corporate or local plans and programmes, with the objective of continuous improvement, the standardisation of processes and their transversal coordination;
- b) Submitting programmes and/or plans for approval to the HSEQ commission that appointed them;
- c) Developing rules, regulations and/or procedures;
- d) Assuring that the plans and programmes are implemented.

### 3.4.3 Composition and agenda

The Specific Intervention Groups (GIE) can be permanent or temporary, with their composition being appropriate to the nature of the topics/activities to be developed.



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The GIE are chaired by a senior management staff member of the company, in the case of groups appointed at a corporate level, or by a representative of the Sectorial HSEQ Commission involved in the topic, in the case of local groups.

These groups are composed of representatives of different areas and functions with influence or experience in the specific topics of the GIE, namely:

- a) HSEQ representative of the OU involved;
- b) Specialists, whenever necessary, according to the topic to be developed.

The operation of the GIE takes place under the terms established by its chairman, which should have the consent of this group.

### **4. Final and transitory provisions**

This standard repeals NO-003/2008, Constitution of the Quality Board, and NR-004/2011, SSA Management System - Organisational Structure, taking effect as from the date of its publication.