

energy creates energy



Purchasing Policy

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Context

Galp carries out global operations in different and highly competitive markets, and purchases goods and services for its entire value chain under commercial relations and partnerships with suppliers and other stakeholders.

Thus, at Galp, the selection and contracting of suppliers is governed not only by compliance with commercial and technical conditions, but also by compliance with the provisions of Galp's Code of Ethics and Conduct and normative documents that make it up, as well as compliance with the current legislation in the countries where it operates, with the purpose of creating shared value, in a sustained manner.

Company's position

Galp's relationship with its suppliers implies compliance with the requirements that meet each of the following principles:

Principle 1 – Respect for Human Rights and Working Conditions

- Ensure that child labour is not used;
- Ensure that forced or coercive labour is not used;
- Allow freedom of association of its workers;
- Forbid any form of discrimination;
- Forbid the mistreatment and harassment of its employees;
- Remunerate its employees fairly and equitably, according to their competences, functions and responsibilities;
- Respect the maximum number of weekly working hours, overtime and rest times of its employees;
- Promote a safe and healthy working environment for its employees.

Principle 2 – Act with transparency and integrity

- Respect and act in accordance with the laws, regulations and other rules applicable in the countries in which it operates;
- Ensure and be responsible for the security, confidentiality, privacy, and appropriate use of information obtained during the business relationship with the Galp Group companies including after its termination, respecting the provisions of the applicable legislation and contracts concluded with Galp regarding allocation of intellectual property of technologies and know-how;

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- Provide its employees with appropriate communication channels so that they can internally report irregularities or illegal practices that have come to their knowledge, which have taken place at its premises or by means of the company's activity, ensuring their anonymity and non-retaliation;
- Refrain from any anti-competitive practices;
- Cooperate with Galp in conducting on site audits, providing human resources and documentation that is necessary for their proper conduct.

Principle 3 – Assume quality as a critical success factor

- Ensure compliance with the agreed contractual and quality requirements;
- Promote continuous improvement in its organization, in order to increase the efficiency/effectiveness of the performance of its activity;
- Ensure the training of its employees and the dissemination of its policies, procedures and objectives;
- Develop and adopt management systems and have mechanisms for the identification and mitigation of operational risks;
- Develop conditions for the generation of ideas and their implementation.

Principle 4 – Protection of the environment, people and assets

- Ensure compliance with agreed legal and contractual requirements on environment, safety and health;
- Ensure an efficient management of energy and resources, minimizing the negative impact of activities while maximizing their positive impact;
- Ensure the correct handling of chemical or toxic products and present all the necessary permits for that purpose;
- Obtain and maintain in force the licenses and certifications required for the exercise of the respective activities.

Final statement

Galp is committed to establishing and maintaining relationships only with suppliers who are committed to the principles set out in this Policy, throughout its entire value chain, adopting the measures considered appropriate in cases where the ethical and professional conduct of the suppliers and their sub-contractors is questionable with regard to this Policy.