

Social Impact Analysis Report

- SROI Methodology -

GALP Energia Solidária

Maio 2016

Acronyms and Abbreviations

CNIS – National Confederation of Institutions of Solidarity
FENACERCI - National Federation of Social Solidarity Cooperatives
UMP – Union of Portuguese Mercies
MP - Union of Portuguese Mutual Societies
GES – Solidary GALP Energy
SEE – Social Economy Entities
MSESS – Ministry of Solidarity, Employment and Social Security
IPSS - Private Institution of Social Solidarity
SME – Small and medium-sized enterprises
CSR – Corporate Social Responsibility
Consumers – persons who obtain support from social organizations services
m. € - thousands of euros
M. € - millions of euros
SROI – Social Return on Investment

Glossary

Attribution An assessment of how much of the outcome was caused by the contribution of other organisations or people.

Cost allocation The allocation of costs or expenditure to activities related to a given programme, product or business.

Deadweight A measure of the amount of outcome that would have happened even if the activity had not taken place.

Discounting The process by which future financial costs and benefits are recalculated to present-day values.

Displacement An assessment of how much of the outcome has displaced other outcomes.

Drop-off The deterioration of an outcome over time.

Duration How long (usually in years) an outcome lasts after the intervention.

Financial value The financial surplus generated by an organisation in the course of its activities.

Impact The difference between the outcome for participants, taking into account what would have happened anyway, the contribution of others and the length of time the outcomes last.

Income An organisation's financial income from sales, donations, contracts or grants.

Inputs The contributions made by each stakeholder that are necessary for the activity to happen.

Valuing To assign a financial value to something.

Net present The value in today's currency of money that is expected in the future minus the investment required to generate the activity.

Net social Net present value of the impact divided by total investment. return ratio

Outcome The changes resulting from an activity. The main types of change from the perspective of stakeholders are unintended (unexpected) and intended (expected), positive and negative change.

Outputs A way of describing the activity in relation to each stakeholder's inputs in quantitative terms.

Outcome Well-defined measure of an outcome.

Proxy An approximation of value where an exact measure is impossible to obtain.

Scope The activities, timescale, boundaries and type of SROI analysis.

Sensitivity Process by which the sensitivity of an SROI model to changes in analysis different variables is assessed.

Social return Total present value of the impact divided by ratio total investment.

Stakeholders People, organisations or entities that experience change, whether positive or negative, as a result of the activity that is being analysed.

Note about this report:

This report presents an impact analysis for the program Galp Energia Solidarity based on the SROI methodology at an preliminary stage. It was produced by CORE CRL, a consultant on corporate social responsibility, for GALP. The author of Tiago Miguel de Seixas report holds training SROI and is a member of the Social Value International (formely SROI Network).

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1. Introduction

This report presents the social return of investment analysis to Solidary Galp Energy program (GES). GES is a GALP social program, developed since 2013, as a result of a signed protocol between GALP, the Portuguese Government and four Portuguese Social Economy Entities (SEE), as the National Confederation of Institutions of Solidarity (CNIS), the Union of Portuguese Mercies (UMP), Union of Portuguese Mutual Societies (MP), and the National Federation of Social Solidarity Cooperatives (FENACERCI) who joined the program in 2015. This protocol aimed to make available a discount package to these institutions and their associated organizations, which are approximately 3 664, in providing fuel for automobile fleets, electricity, natural gas, technical services and energy efficiency, having joined, so far, 284 organizations.

This analysis is based on SROI methodology (Social Return on Investment), a cost-benefit analysis of the generated social value, comparing program outcomes with the investments needed to generate those benefits. To calculate the social return of GES investment, key stakeholders were asked about the program deliveries, in order to understand its wider impact in a quantifiable way. The SROI analysis was carried out to the standard approach to SROI as documented in the Cabinet Office sponsored Guide to SROI (The SROI Network, 2012). This analysis aims three final results:

1. Assess and understand the changes generated in the different groups of stakeholders in GES program;
2. Measure the effectiveness in creating social impact through the calculation of a social indicator value ratio generated for each € 1 invested in GES initiative;
3. Make recommendations to maximize the social value of GES initiative.

2. Executive Summary

Analysis Scope

This analysis studies the social impact of GES program, for a period of 24 months during which the 294 adherent organizations, associated of SEE, benefit from discounts of electricity, natural gas and fuel for vehicle fleets, as well as special conditions on access to technical assistance and energy efficiency.

Inputs

During the 24 months it is estimated that the program has consumed, in the pursuit of its social objectives, the equivalent of 180m. € in resources. This calculation assumed the accounting and

valuation of cash and non-cash items such as the time consumed. Other inputs for the analysis are the human resources involved in GES program. The program involved 2 human resources from GALP directly involved in development, implementation and management (establishment of the conditions for discounts, marketing, support organizations for membership agreements; program management along time); 4 SEE human resources, responsible for the program dissemination near their associated organizations; answering questions and clarifying doubts; provide support in the registration process; and also 1 human resource from each beneficiary organizations (294), involved in the procedures regarding membership application.

Outputs

GES program, during 24 months, resulted in 294 memberships, which corresponds to 15M. Kw's of energy consumption, 3.4M.€ in billing costs and 167m. € in cost savings.

Benefits

GES program contributed with the following benefits:

- ✓ Increased financial capacity of SEE's members, resultant from financial savings by reducing the value of their energy costs and therefore, an increased capacity to respond to their consumers' social needs;
- ✓ Promotion of institutional relationship between Government; GALP (private sector) and Social Economy Entities (CNIS; FENACERCI; UM; MP) from the perspective of the creation of strategic partnerships for development;
- ✓ Increased benefits to members of the four SEE's covered by the GES Protocol, by allowing their access, mainly of less-resourceful organizations, to this benefit;
- ✓ Development of other social responsibility programs/initiatives, enhanced by the partnership started in this protocol;
- ✓ Increased reputation and a better company image from its social responsible commitment and concern to social causes;
- ✓ Increased GALP new customers; and
- ✓ Strengthening sustainability of SEE's, as a result of the "alleviation" on financial expenditure in energy costs associated with the provision of social services to consumers.

Social impact

GES social impact is roughly equivalent to 234m. €. This result corresponds to the value assigned to each benefit generated by the program, having the calculation being made based on financial proxies (i.e. approximations of monetary value that can translate the impact on stakeholders).

SROI

The SROI calculates that, based on the information currently available for every euro invested in GES, the likely social value created through these outcomes is about €1.3, so it is effective in creating social value. This ratio is based on conservative assumptions of the analysis, mainly because it has not been calculated and valued all the indicators linked to the benefits identified by stakeholders.

A number of recommendations have been made as a result of this analysis, which may help shape data collection and improve the quality of future social impact measurement of GES.

3. Social Impact concept

Social Impact refers to the change created by an organization, program or initiative on the welfare of individuals and communities, reflected in economic, social and environmental impacts.

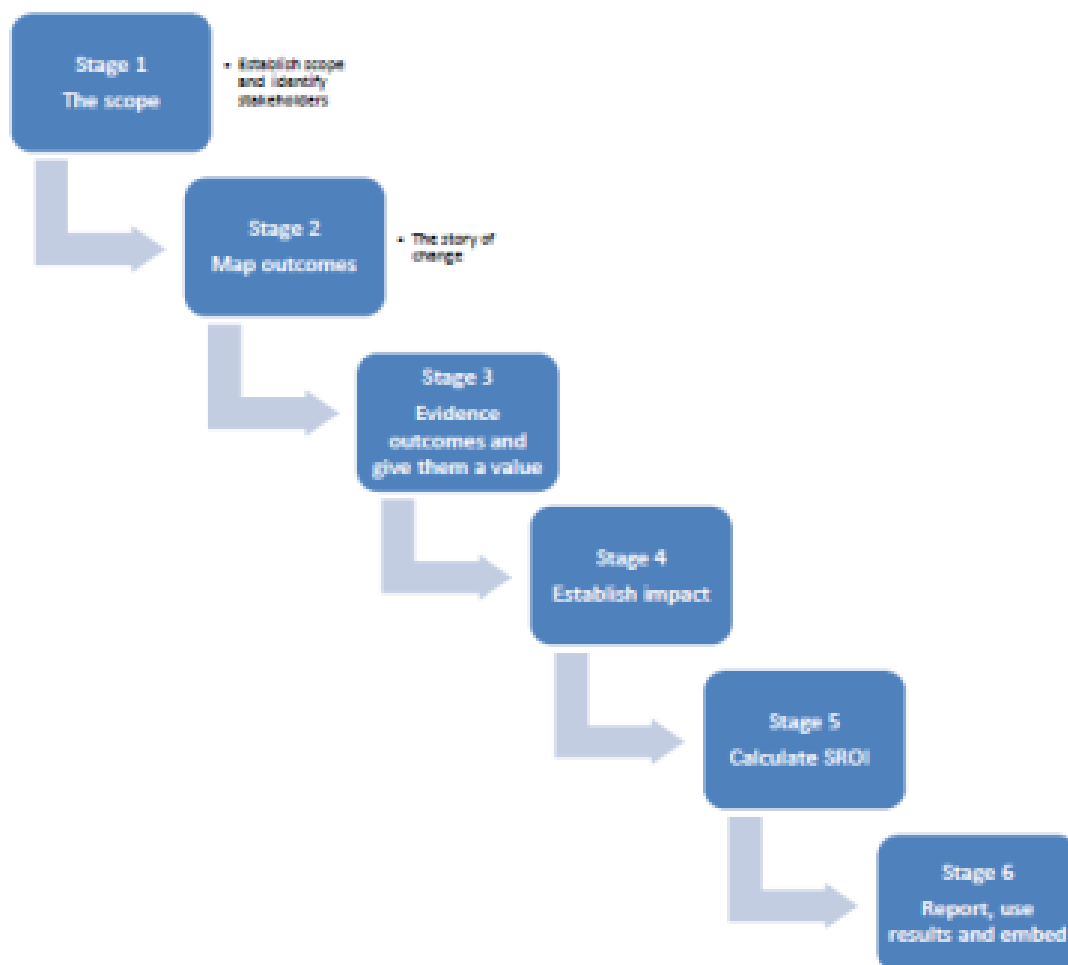
Measuring social impact can be a process with a high degree of complexity, since the economic, social and environmental impacts are often translated in intangible benefits.

In this context, academics and practitioners have been developing several standards for measuring social impact, and the most developed and used is the *Social Return On Investment* methodology, recommended by world reference entities.

4. SROI Methodology

The SROI model provides a method for understanding, measuring and reporting on the social and environmental value that is created by an organization or project, as well as the economic value. It examines the impact that is achieved through the program, and attributes financial values to these based on common accounting and investment appraisal methods. However, SROI goes beyond the monetary value of the impacts created. It tells a story of what the program does and how this creates change for a number of different groups. In doing so, it reflects the experiences and views of stakeholders about what is important to them. This is critical as there is a growing requirement to demonstrate to funders activities that also show economic sustainability.

There are six stages to SROI and this report follows this structure:



Principles

The SROI Principles are critical to the methodology:

1. **Involve stakeholders** - Inform what gets measured and how this is measured and valued in an account of social value by involving stakeholders.
2. **Understand what changes** - Articulate how change is created and evaluate this through evidence gathered, recognising positive and negative changes as well as those that are intended and unintended.
3. **Value the things that matter** - Making decisions about allocating resources between different options needs to recognise the values of stakeholders. Value refers to the relative importance of different outcomes. It is informed by stakeholders' preferences.
4. **Only include what is material** - Determine what information and evidence must be included

in the accounts to give a true and fair picture, such that stakeholders can draw reasonable conclusions about impact.

5. **Do not over-claim** - Only claim the value that activities are responsible for creating.
6. **Be transparent** - Demonstrate the basis on which the analysis may be considered accurate and honest, and show that it will be reported to and discussed with stakeholders.
7. **Verify the result** - Ensure appropriate independent assurance.

5. Program Context

GALP

Galp Energia is an energy company – finding and extracting oil and natural gas from sites across four continents to deliver energy to millions of customers every day (www.galp.pt).

GES program (Solidary Galp Energy) arose from the challenge launched by the Ministry of Solidarity, Employment and Social Security from Portuguese Government, to build favorable conditions for the existence of cooperation protocols between Social Economy and lucrative Private Sector.

Aware of the role that social organizations play with most disadvantaged groups of society, in the areas of disability, mental health, poverty and social exclusion, and recognizing the weight that energy bills represent in the expenses of their social services provision, GALP decides to support social organizations through this initiative, reducing the value of their energy costs (gas, electricity and fuel).

Profile of the Social Economic Entities (SEE's) beneficiaries: CNIS; FENACERCI; UMP; MP

CNIS - National Confederation of Institutions of Solidarity

The National Confederation of Institutions of Solidarity (CNIS) works to promote social and community integration of citizens in their entire life cycle, particular those experiencing vulnerable situations include illness, disability, poverty, decrease capacity for subsistence and work, education or professional training, and also works in overcoming housing problems and in the development of health promotion and protection. CNIS embraces a total of 2 813 Private Institution of Social Solidarity (IPSS).

FENACERCI - National Federation of Social Solidarity Cooperatives

The National Federation of Social Solidarity Cooperatives (Fenacerci) is committed to contribute to the quality of life of people with special communication needs. This structure represents the entire Portuguese social cooperatives who shared its mission, to promote the creation of conditions through the strengthening of partner organizations; to promote the interests and rights

of people with intellectual disabilities and their families. The 53 member cooperatives ensure a significant number of services in order to cover different age groups and different degrees of disability. Examples of this services are the Vocational Training Centers; Centers of Occupational Activities; Housing Units, Early Intervention Unit, Vocational Rehabilitation, Enclaves and Unit Family Support, Individualized Home Support, among others.

UMP – Union of Portuguese Mercies

The Union of Portuguese Mercies was established in 1976 to guide, coordinate and represent all Mercies, defending their interests and organizing common interest services. The UMP develops itself in giving support to Mercies and helping their choices and priorities in areas of aging, health, childhood and youth, in combating poverty and in the advocacy and protection of their culture and heritage. Jointly with the Ministry of Solidarity, Employment and Social Security, UMP has developed a Protocol Negotiation and Cooperation Agreements with Private Sector Entities profitable as a mean to defend the interests of its associates and ensure their sustainability. There are 398 Mercies registered and active members of the Union.

MP - Union of Portuguese Mutual Societies

The Union of Portuguese Mutual Societies, founded in 1984, is a high grade mutual association that brings all national mutual associations, aiming to promote and represent together the public, private and social organizations, defining the strategic guidelines and broad lines direction of Mutualist Movement, as a part of its statutory purposes, but also sees itself as a partner in Cooperation Pact for Social Solidarity, participating in national and international representations. It has the essential purpose to promote the protection, development, culture and practices of mutual solidarity; promoting the association and conquering social intervention spaces, in benefit of mutual societies and their associates; building a more cohesive society by encouraging the citizens involvement in their protection and promoting a higher life quality for the Portuguese families, finding the protection of social security, health and social support, adequate solutions to needs of citizens. It has about 76 mutual associates, and more than 2 million beneficiaries nationwide.

6. Social Impact Analysis

Purpose

The social impact analysis of GES program intends to recognize and valuing the generated changes, not only on how many organizations were supported as well as on the scope of the changes, based on a shared value perspective. GALP and GES program has clear social drivers to make social value more efficient. By measuring its social impact, the analysis aims to build up evidence on how the program can better be able to increase attractiveness for new members to join in the future, improve stakeholders engagement to a collaborative work for greater changes and also maximize its benefits to social organizations, beyond energy discounts, such as energy efficiency services. The report will be reviewed internally, and used to direct resources more

effectively to achieve maximum impact.

The analysis goals are:

1. Understanding the dynamics and scope of the changes generated according to the perspective of the stakeholders;
2. Measuring and valuing the efficiency of creating social value, taking into account all the resources consumed;
3. Checking how the objectives of the program are being implemented and how they are aligned with Galp' mission, and;
4. Presenting the changes generated by the program based on the findings of this analysis.

Data sources

The data on which this analysis is based are derived from accounting data sources provided by GALP SME Dpt. (number of subscriber's member's customers and non-customers, annual turnover, estimated energy consumption, value of discounts / cost savings).

The non-accounting data were collected through interviews with stakeholders (May 2016) following a qualitative interview with open-ended questions.

Time period analyzed

This analysis evaluates the impacts of GES program between November 2013 and November 2015 (24 months).

Stakeholders

Stakeholders are defined as people or organizations that experience change or affect the activity, whether positive or negative, as a result of the program being analyzed. SROI analysis is concerned primarily with finding out how much value has been created and for whom. The involvement of stakeholders in the analysis allow to understand all the changes generated by the program under consideration, ensuring that what is being measured it is the subjective impact.

The list of Stakeholders is summarized in the table below.

Table 1 - Included and excluded stakeholders for the SROI analyses.

Stakeholders	Characterization	Inclusion	Reason
1. Consumers	Consumers of the organizations supported by the program (people in vulnerable situations and / or social exclusion).	No	It was considered difficult to measure the direct benefits of the program for consumers.
2. GES program Members	Organizations associated of SEE's who develop a set of activities in the communities in which they operate. They can take different legal forms.	Yes	They are the main beneficiaries of the program, as such their inclusion are central to the analysis.
3. SEE's	Organizations responsible for the negotiation, dissemination and management of the program on behalf of its associates.	Yes	Responsible for promoting the program among its associates and potentiate memberships.
4. Dpt. CSR GALP	Department responsible for program implementation and management.	Yes	Their inclusion is important because it is a group of stakeholders impacted directly by the program.
5. Dpt. Marketing GALP	Department responsible for manage the GALP program communication	Yes	Its operation is directly affected, in pursuing the goals of the dpt. on behalf of the company.
6. Dpt. SME GALP	Department responsible for the operational management and implementation of the program.	Yes	It is considered that the program directly impacts the department in achieving its business goals.
7. Government (Ministry of Solidarity, Employment and Social Security)	Entity responsible for mediating the negotiations.	No	Although consider directly impacted by the program, it was found that its impact derived in the same proportion by the impact of GES Program Members (social and financial sustainability).

Stakeholder engagement

A stakeholder engagement plan was developed to identify how relevant stakeholders were to be consulted and to ensure that as many significant stakeholders as possible received the opportunity to contribute to the analysis.

The first stage of the consultation involved discussions with a number of key members of GES program staff at GALP to garner initial opinions of who the relevant and significant stakeholders are, and the outcomes that occur for them. This phase was then followed by consulting directly with representatives of the key stakeholder groups (SEE's), through one to one interviews carried out by the SROI practitioner, in order to explore and investigate further what they considered their respective outcomes could be. Stakeholders were asked about their broader perspective of the changes that may have occurred directly from GES program and how they can demonstrate to others that this change has happened.

Inputs

The investment considered in SROI analysis refers to the financial value of all resources used in the course of time considered in the analysis (24 months). This table includes cash and non-cash data inputs as the time dedicated to the program and the resources involved.

Table 2 - Inputs, indicating the contribution made by each group of stakeholders to enable GES program.

Stakeholders	Typology	Value	Rational
1. Consumers	n/a	n/a	n/a
2. GES Program Members	Time	5 292,00 €	Organizations invest their time as a resource, particularly in contacts with the SEE's and GALP for the membership to the program. We've estimate their investment in 1174 hours for all the 294 organizations. Assuming that the value / time per hour of an HR is € 4.50 (net monthly salary of an HR is € 1,171.00), the total amount spent by the 294 institutions in joining the program is € 5 292.00.
3. SEE's (CNIS; Fenacerci; UM; MP)	Time	2 160,00 €	These four entities invest their time as a resource, in particular for the dissemination with the potential beneficiaries, and in contacts with GALP. We've estimate their investment in 480 hours for all the SEE's involved. Assuming that the value / time per hour of an HR is € 4.50 (net monthly salary of an HR is € 1,171.00), the total amount spent by the four SEE is € 2 160,00.
4. Dpt. CSR GALP	Time & Money	5 000 €	The department invests money as a resource, through sponsorship, as a result of the protocol and institutional relationship established with SEE's, for a joint meeting between all the 4 SEE's and GALP. In addition, the department invests time in implementing GES program, however, it was considered difficult to determine because this time is spread within the other activities.
5. Dpt. Marketing GALP	n/a	n/a	n/a
6. Dpt. SME GALP	Time & Money	167 201,88 €	The department invests time and money. The monetary value is calculated based on the discount / savings to GES program members. The time as resource was not integrated because it was considered difficult to ascertain what was spent on the implementation of the program and dissociating it from the remaining normal daily activity of the human resources department.
7. MESS	n/a	n/a	n/a

Outputs

This section identifies the direct and tangible results of the activity, i.e. their outputs.

Table 3 - Outputs of GES

Description of Outputs	GES in numbers (2014/2015)
The 4 SEE entities together represents around 3664 Portuguese social institutions. Since the signing of the protocol 294 entities have become members of GES Program representing a total of 3.4M. € of their payed energy consumption, with an estimated costs saving of 167m. € granted by GALP under the program.	3664 organizations associated of SEE's 3.4M. € of biannual turnover
To implement of the program, GALP and, SEE's counted 10 human resources (representing leaders) involved in the negotiation stage (not accounted in this study) and 300 human resources; 294 from social organizations members involved in the program membership procedures; 2 from Galp involved in program management and 4 from SEE's involved in program dissemination and support in memberships.	15M. KWh's consumed / 575m. liters of fuel consumed 167m. € costs saving / discounts granted in gas, electricity and fuels
In addition, the signature of the protocol was attended by the former Prime Minister of Portugal, Pedro Passos Coelho, the former Minister of Solidarity, Employment and Social Security, Pedro Mota Soares, the former Secretary of State for Solidarity and Social Security, Agostinho Branquinho, the former Executive Chairman of GALP Energia, Manuel Ferreira de Oliveira and former GALP Energia Vice President, Luís Palha da Silva.	1 human resources involved for each SEE entity (4) 2 GALP Human Resources involved 1 Human Resource per social organizations (294)

Theory of change

A theory of change describes the process through which change occurs, with those involved in benefiting from a service/intervention/program, being actively involved in “telling the story” of how the service affected them. Thus, for the purpose of measuring the impact generated by GES program, were conducted interviews with stakeholders in order to identify and understand all intentional and unintentional changes resulting from the program.

The benefits of the initiative, which are positive changes generated in the stakeholders, are as follows:

Table 4 – Benefits included in the analysis

Stakeholder	Benefits	Rational (chain of events)	Testimonies collected in interviews
1.	Increased capacity of the organizations to address consumers' social needs.	Through this program, social organizations members save on energy costs; increase their financial capacity; increase the capacity to address consumers' social needs and their own sustainability.	"The discount granted by GALP under the program represents significant savings for organizations. The cost reduction contributes to a greater availability of funds for the implementation of activities and services." UMP
2.	Increased benefits to members and associates of the four SEE's covered by GES Protocol	Through its association with SEE's, social organizations see themselves represented in the defense of their interests and also benefits from institutional strengthening.	"Protocols are an element to defend the interests of the entities with less access to resources and bargaining power with its suppliers" UMP
3. 4. and 7.	Promotion of institutional relationship between Government; GALP and SEE's from the perspective of the creation of strategic partnerships for development	GES program helped to create shared value by serving the interests of the company, the needs of social organizations and the citizens and communities they are serving.	"The institutional relationship between the SEE's and businesses promotes the achievement of a shared value, making a match between company goals (business and CSR) and community needs." GALP
4.	Development of other social responsibility programs/initiatives, enhanced by the partnership	GES initiative is a potential for the development of other initiatives among social entities included in the scope of social responsibility.	"The direct relationship with the entities through a social response promotes the development of other initiatives" GALP
5.	Increased reputation and a better company image from its social responsible commitment and concern to social causes	Program associated with benefits for GALP reputation, image and social responsible identity associated with their bond to social causes and social agents, aligned with its corporate mission and values.	"Our strategy of engagement with the community is aligned with our mission and our values. We seek to monetize the use of available resources in a responsible and transparent manner and to identify the priorities, the objectives to achieve and the expected benefits." GALP
6.	Increased of GALP new customers	The program resulted in gains for the company translated into an increase of customers (293) and a profit in energy consumption of the 294 member's entities.	"The design of a program that reduces the weight of the energy bill in social organizations can increase their financial capacity, and therefore increase their social action to consumers, allowing to create shared value by attracting new customers to our strategy business" GALP
7.	Strengthening sustainability of SEE's	This program supported the pursuit of making most sustainable social economy organizations and, thus, being better able to pursue their social mission.	"Through this protocol, we further strengthened the action we have been taking to reinforce the sustainability of Social Economy at the same time we can promote concerted action with various agents on several fronts" Minister of MESS

The benefits associated with use of optimization services, energy efficiency and technical assistance services were not accounted (as agreed in the protocol and described in the chapter scope of analysis of this document) because, so far, none of the members' entities requested it.

7. Benefits and evidence

This section intends to present the benefits identified in the Theory of Change of GES program.

Indicators

Once defined the benefits of the initiative, is time to identify which are the indicators to prove that they actually occur and quantifying their volume. In this analysis, the choice of appropriate indicators to confirm and measure each benefit was based on the interviews with stakeholders.

Table 5 – Indicators to measure the benefits

Benefits	Indicators	Quantity
Increased capacity of the organizations to address consumers' social needs.	Volume in euros of entities savings in energy costs	167m. €
Increased benefits to members and associates of the four SEE's covered by GES Protocol	Number of entities that have joined the program	294
Promotion of institutional relationship between Government; GALP and SEE from the perspective of the creation of strategic partnerships for development	Number of joint meetings of GALP and the SEE's	1
Development of other social responsibility programs/initiatives, enhanced by the partnership	Number of initiatives promoted between GALP and SEE's or its associates since 2014	0
Increased reputation and a better company image from its social responsible commitment and concern to social causes	Analysis of favorability and return (Advertising Value Equivalency) of the number of press releases published regarding protocol signature	31
Increased GALP new customers	Increase of the number of customers according goals and balanced scorecards defined by the company's business strategy	2%

Duration

The duration indicates the period of time in which a benefit can cause differences after the end of the program. Regarding GES program, it was considered the benefits occur for a short duration and within the studied program period (24 months), not being extended, except for the institutional relationship and the development of other programs/initiatives. In this analysis, the estimated time duration of the benefits is not incorporated into the valuing due the fact the program hadn't ended yet.

Value

The valuing of benefits reveals its importance to the context of GES program and makes it possible to compare, according to the same unit of measurement between the social value created and the amount invested.

The SROI methodology uses financial proxies to convert the social value of the benefits that are intangible.

Starting by the qualitative description given by the stakeholders on the importance of the benefits of the program, it was chosen the valuation methods that were most suited to the nature of the benefits and the beneficiaries:

1. Market Prices

This method is effective when there is a service in the market which has an impact similar to the benefit to be monetizing. In this case we can use the market price of this service because, by definition, this is the monetary value that the average consumer is willing to pay for the kind of impact in question. However, for this induction to be valid, it is necessary that the group of stakeholders who enjoys the benefit have preferences similar of the average consumer.

2. Impact on income

The benefits can be translated into direct changes in the income of stakeholders (i.e. start earning a salary or save money). Its value is equivalent to the amount of money that the stakeholders have gained or avoided losing.

Table 6 – Valuing benefits

Benefits	Value	Method for valuing social outcomes
Increased capacity of the organizations to address consumers' social needs.	568,71€	Impact on Income
Increased benefits to members and associates of the four SEE's covered by the GES Protocol	0,00€	n/a
Promotion of institutional relationship between Government; GALP and SEE from the perspective of the creation of strategic partnerships for development	5 000,00€	n/a
Development of other social responsibility programs/initiatives, enhanced by the partnership	0,00€	n/a
Increased reputation and a better company image from its social responsible commitment and concern to social causes	1 980,02€	Market prices

8. Total impact of GES

The previously analysis shows that GES has generated, over these two years, a positive impact which is, converted into monetary units, the equivalent to € 233 582.61. This value can be interpreted as a social gain that stakeholders could lose if GES program ended.

Table 7 – Total value of GES

Benefits	Quantity	Value	Total Value
Increased capacity of the organizations to address consumers' social needs.	294	€568,71	€167 201,88
Increased benefits to members and associates of the four SEE's covered by the GES Protocol	294	€0,00	€0,00
Promotion of institutional relationship between Government; GALP and SEE's from the perspective of the creation of strategic partnerships for development	1	€5 000,00	€5 000,00
Development of other social responsibility programs/initiatives, enhanced by the partnership	0	€0,00	€0,00
Increased reputation and a better company image from its social responsible commitment and concern to social causes	31	€1 980,02	€61 380,73

9. SROI da GES

The Social Return On Investment (SROI), is expressed by the ratio between the value of the impact of the program and the value of its investment.

$$\text{SROI} = \text{Social Impact Value} / \text{Value of Inputs (Investment)}$$

Taking into account the benefits and inputs calculated, i. e. the social impact generated by the program over two years, translated in 233,6m. € and with a total investment of 188m. €:

It is concluded that GES program is efficient in the creation of social value, representing a total amount of benefits higher than the amount invested.

GES SROI ratio = 1,3:1 – The program creates 1,3 € of social value by each euro invested.

10. Research recommendations

More than a comparison tool, the SROI ratio is a management tool. This ratio is based on conservative assumptions of the analysis, in particular for not having been calculated and valued

all indicators linked to the benefits identified by stakeholders. We believe that GES program will be able to demonstrate the production of a higher social value compared to the amount invested in it.

Calculations related to rates of deadweight, cost allocation, reduction and displacement were not done due the fact that were not expected a significant impact in final SROI.

The great added value of ratio is to enable monitoring the performance of the program in generating and maximizing their social impact, and in the definition of its main indicators associated with satisfaction reported by stakeholders.

As previously mentioned, this study suffers from the typical limitation of a first SROI analysis. While this may reduce the accuracy of measuring the impact, it is inaugurated a future path of assessments and analysis of GES program, based on impact systems already implemented and tested.

This report also represents the starting point for other impact analysis on how maximize the benefits of GES and its management.

The SROI methodology offers a vision of the measures that can be taken to maximize the social return of GES program:

1. analyze what are the most effective activities in generating positive impact in the group of stakeholders involved;
2. conduct a deep stakeholders' auscultation to assess which are the activities linked to a higher positive impact.

Table 1 – Further research recommendations

Benefit / Change	Research recommendation
Increase organizations capacity' to address consumers' social needs	- Identify new benefits and valuing: valuing the benefits reported by the group of stakeholders who benefit directly from the program (294 organizations associates of SEE's) assessing the impact energy costs saving had on their incomes and organizational management.
Maximize the impact evaluation of the benefits to members and associates of the four SEE's covered by the GES Protocol	- Valuing: valuing the impact of the discount on the margin to negotiate of the 3664 beneficiaries of the program. - Deadweight: identify non-member entities that requested the proposal for energy discounts (simulation of energy billing savings) compared to the number of member entities.
Increase GALP new customers	- Valuing: valuing the financial impact of these new costumers to the company.

Understanding and managing this broader value is becoming increasingly important for the public and private sectors alike. This is true whether it is civil society organisations working to create value, Governments commissioning and investing in activities to create social value, investors seeking to ensure that their investments will make a difference, or private businesses recognising both risk and opportunity in the wider effects of operations. SROI Network, 2012

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