

OUR ENERG IS CREA THE FUTURE

2019 Activity Report

WE SOW THE SEEDS OF THE FUTURE EVERY DAY



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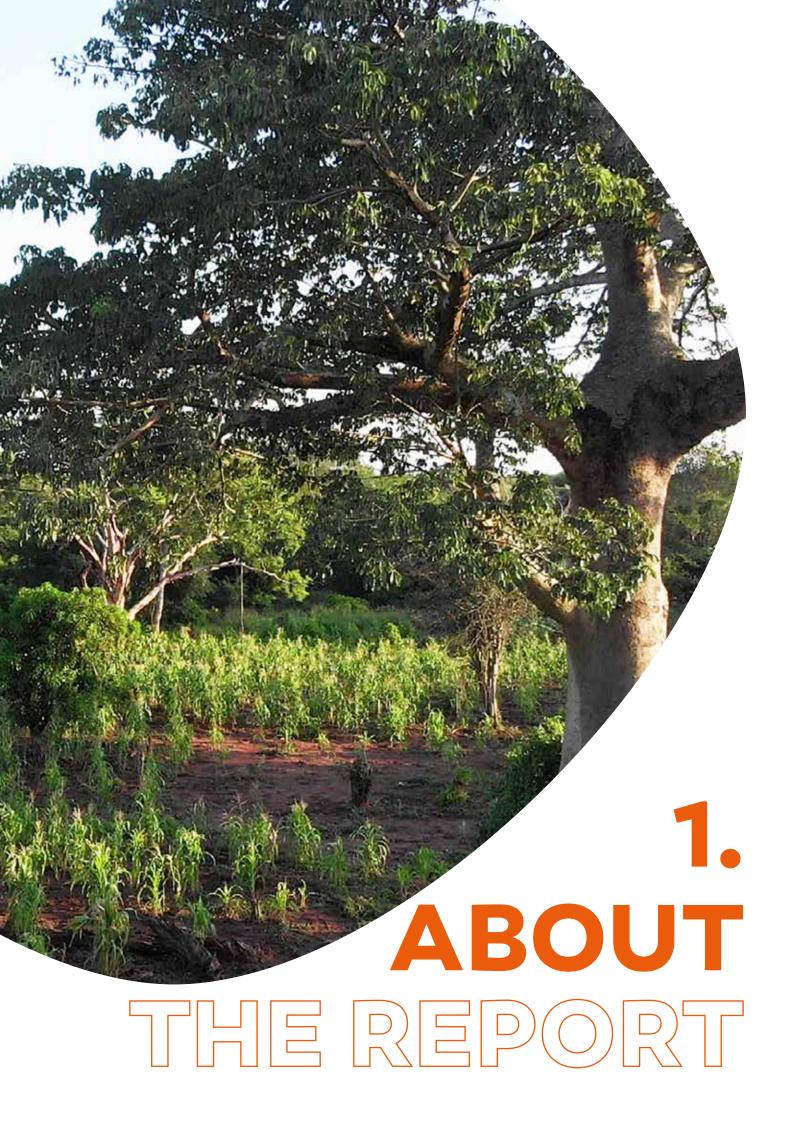
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ABOUT THE REPORT

The goal of the Galp Foundation report is to disclose and communicate to all stakeholders, transparently and in detail, its growth and contribution to the sustainable development of the communities in which Galp has a presence. The contents refer to the calendar year 2019 and include, wherever possible, appropriate and significant information about the main indicators for the years 2016, 2017 and 2018 and the global impact of each project.

Throughout this report, we identify the social impact of the various partnership projects carried out by the Galp Foundation together with its communities and other entities in order to create social value.

"Aware that the longevity of relations with its stakeholders is based on principles of transparency and trust, this activity report has been checked by Ernst & Young Audit & Associados, SROC, S.A. for consistency with the information in the financial statements".

Your opinion

The Galp Foundation wishes to establish an ongoing inclusive dialogue with its stakeholders, adding value and seeking to provide a response to their needs and expectations. Please send us your opinion of this report and contact us with any questions you may have about our projects at the number or addresses below:

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fundacaogalp.com



OUR PURPOSE

The sustainability challenge involves looking forward towards a common shared future. We believe that partnership and cooperation provide the best responses to the growing social, environmental and economic needs, for a more humane and egalitarian world.

Education, technology and climate change are topics which contribute to the rise in economic and social inequalities worldwide. Therefore, in 2019, the Galp Foundation bolstered its focus on inclusion and on mobilising young people and communities towards sustainability through education, fostering a responsible use of energy and protecting natural resources.

It innovatively sought to involve its partners, sponsors and volunteers in identifying new projects in its strategic investment areas for 2020-2021. Within the galp Group, it launched a call to submit social projects in the countries in which the Group has a presence. 34 projects were received, mainly in the area of education, fostering equality and social inclusion and access to sustainable energy. From these, projects in Mozambique, São Tomé and Príncipe and Brazil were selected, representing a total investment of €130,000.

The Terra de Esperança Movement (Land of Hope)

is the result of this power to mobilise around an important common cause: the protection of biodiversity through forest preservation. The goal of this movement which was founded two years ago is to plant 500,000 trees by the end of 2020. It has already mobilised over 6,500 volunteers, 4,500



children and 30 municipalities from the north to the south of Portugal: all of these have put their energy into a greener country in a project which has a carbon dioxide sequestration potential of approximately 42.5 thousand tonnes over the next 30 years.

With the dedication and commitment of many Galp volunteers, the Galp Foundation continued the *Energiza* and *Fumukaba* projects in Mozambique and Guinea-Bissau, designed around the energy and biodiversity protection challenges in both countries. Together, they will enable access to sustainable energy for over 225,000 inhabitants, in addition to fostering entrepreneurism and gender equality in these communities.

By fostering access to education, the Galp Foundation helps reduce inequalities and promote inclusive learning opportunities. To this end, it has continued its partnerships with entities that work in close contact with this reality, specifically *EPIS - Empresários pela Inclusão Social* (EPIS -Entrepreneurs for Social Inclusion) e *Associação Bagos d'Ouro* (Bagos d'Ouro Association).

Still with regard to education and gender equality, in Mozambique and in São Tomé and Príncipe and in conjunction with the NGDO Helpo, the Galp Foundation set up the project *Educar para o Futuro* (Educate for the Future), the main objective of which is to support the education of school-age children and their families in nine communities in the north of Mozambique and seven communities in São Tomé. By 2021, 675 merit scholarships will have been awarded and 11,421 pupils will have benefited from support for fees, school materials, meals, and nutritional and health advice programmes.

The Galp Foundation also boosted social support in the wake of Cyclone Idai and Cyclone Kenneth for the people of Mozambique, where it worked with Galp volunteers, the NGDOs Helpo and the Mozambican Red Cross, by setting up the Vamos ajudar

Moçambique (Let's help Mozambique) campaign. The aim of this campaign was to collect approximately three tonnes of food and mother-andchild goods. In addition, a contribution of €150,000 in emergency goods was made to the Mozambicam Red Cross to support rescue operations for Cyclone Idai victims in Sofala province.

2019 was also the year in which Galp's social and educational projects in Portugal were given fresh impetus and reinvented through the creation of the *Movimento Social Educativo Galp* (Galp Social Educational Movement). The Programme seeks to foster inclusive education, social entrepreneurism and innovation among the very young, developing their digital skills and soft skills, working on topics related to the sustainability of the planet.

The Movimento Social Educativo Galp (Galp Social Educational Movement) goes hand-in-hand with the Global Teacher Prize Programme which is now on its 3rd round in Portugal and has the continuing support of the Galp Foundation. With the goal of recognising the importance of teachers, this partnership project lends visibility and encouragement to those who, through their talent, are committed to creating a better future for all of us as a society. In 2019, the Galp Foundation also worked with artistic and cultural initiatives towards social inclusion and generating opportunities in certain contexts and communities. With this purpose in mind, the Galp Foundation continued its partnership with the Serralves Foundation, investing in the development of a social and educational programme which includes the arts, culture and the environment.

It worked hand-in-hand with the artistic group Ondamarela, which brought together the Associação de Surdos of Ilha de São Miguel and the Escola de Música de Rabo de Peixe at the opening concert for the 6th Festival Tremor (Tremor Festival), providing a true example of equality and social inclusion through music. The implementation of the different projects and activities carried out in 2019 was only possible thanks to the involvement and assistance of countless people, partners, institutions, volunteers and friends. The Galp Foundation would like to thank everyone who contributed, directly or indirectly, to the implementation of its projects in Portugal, Mozambique, Guinea-Bissau, and São Tomé and Príncipe.

We would like to extend our special thanks to the founder group, the galp Group, and, in particular, to the four sponsors (Galp Energia SGPS, S.A., Galp Gás Natural, S.A., Petrogal, S.A. and Lisboagás Comercialização), which provided the Galp Foundation with the financial resources necessary for its activity in 2019.

We would also like to thank the members of the Foundations's management and supervisory bodies for the help and incentive they provided throughout the year.

The Galp Foundation will remain committed to helping communities in which Galp operates, fostering their development in terms of energy, environment, education and culture.

Lisbon, 2 April 2020

The Board of Directors



3. THE ENERGY TRANSFORMING THE WORLD

OUR FOCUS

"There can be no doubt: sustainability will be one of the most complex challenges facing humankind in the coming years. Education and literacy about sustainability are essential so that each one of us - at home, at school, at the office, in the community and in life in general - can act with real knowledge of the true impact any gesture of ours has on the current and future collective".

Carlos Gomes da Silva, member of the Board of Directors of the Galp Foundation and CEO of Galp

The challenges of the sustainability of the planet call for a worldwide commitment where we are all moving towards an uncertain but unknown future, yet the only future possible. One that can build a more sustainable and less unequal world. One that protects our planet and moves forward the mission to build a better world. A future where the balance between population growth, energy needs and the preservation of our ecosystems is possible.

We believe that this is a global mission for each one of us: to transform the world we live in. A world where it is up to all of us to act, where our energy is fundamental for triggering change, from small acts to big projects!

It is with this goal in mind - that it is possible to achieve a long-lasting and sustainable future - that the Galp Foundation bolsters its commitment to community development. Our decisions are focused on social investment and its contribution to the attainment of the Sustainable Development Goals in the different countries it operates in, supporting the galp Group in its desire to generate shared value.

Knowing that a new generation of inequalities arises around education, technology and climate change and that these inequalities are a barrier to the implementation of the 2030 Agenda for Sustainable Development, in 2019, the Galp Foundation strengthened its focus on the education, inclusion and mobilisation of young people and communities towards sustainability, thus consolidating its strategic social investment areas.



Sustainable energy and protecting biodiversity

Fostering community development through access to and responsible use of energy and contributing to the preservation of and respect for the planet's natural resources.



Education and knowledge

Access to inclusive quality education, entrepreneurism and social innovation. Instilling a change in the behaviour of young people and the communities by acknowledging the merit of pupils and teachers.



Social emergency

Supporting communities in unexpected situations with humanitarian aid, in cooperation and partnership.

Our energy is creating the future

WHERE WE ARE



4. **STAINABLE ENERGY AND PROTECTION** OF BIODIVERSITY

TERRA DE ESPERANÇA LET'S START SOWING THE SEEDS OF TOMORROW TODAY

PORTUGAL REFORESTATION AND FOSTERING THE PRESERVATION OF BIODIVERSITY

We understand that our lives are dependent on forests, but are we aware of their true potential?

If forests are responsible for retaining 2/5 of all the carbon stored in our land ecosystems, 500 thousand trees will certainly make a difference. Together, we will reduce our carbon footprint and foster the preservation of biodiversity for future generations.

Forests cover approximately 30% of the planet's land surface and are carbon sinks. The forest area in Portugal is currently three million, one hundred and eighty-two hectares - over 30% of the country.

It is in the forests and other vegetation cover that photosynthesis is carried out and oxygen produced from carbon dioxide. This is why they are considered the "lungs of the world".

Launched at the end of 2017 by the Galp Foundation in partnership with the Associação Nacional de Empresas Florestais, Agrícolas e do Ambiente (ANEFA) (National Association of Forest, Agricultural and Environmental Companies) and Galp, the mission of Terra de Esperança Movement (Land of Hope) is to assist in the reforestation of the burnt areas and foster the preservation of Portuguese forests in partnership with the municipalities and the community.

Founded more than two years ago, the goal of the movement is to have planted **500,000 trees by the** end of 2020 and it has already mobilised over 6,500 volunteers, 4,500 children and 30 municipalities from the north to the south of the country. All of these have put their energy into a greener Portugal. The project has a carbon dioxide sequestration potential of approximately 42.5 thousand tonnes over the next 30 years.

The movement goes on and new partnerships with various municipalities mean that the original goal is likely to be reached.

Anyone wishing to participate in *Terra de Esperança* Movement (Land of Hope) should visit www. terradeesperanca.pt and sign up as a volunteer.



SOCIAL OBJECTIVE

SOCIAL IMPACT

TERRA DE ESPERANÇA MOVEMENT (Land of Hope)

Reforestation and fostering the preservation of biodiversity.

- + 500,000 trees as final planting goal
- + 280,000 trees already planted
- + **42.5 thousand tonnes of CO**₂ sequestered over the next 30 years
- + 6,500 volunteers already involved
- + 30 municipalities

SUSTAINABLE DEVELOPMENT GOALS (SDG)

GALP FOUNDATION SOCIAL INVESTMENT

INVESTMENT PERIOD

13 clawre Correction 15 Protect Analous

€224,204 (2017-2020); Galp group €500,000.

2017-2020



ENERGIZA THE ENERGY THAT CONNECTS US

200

MOZAMBIQUE COMMUNITY DEVELOPMENT AND THE FIGHT AGAINST POVERTY

"It's a new day for a population that never had electricity. In Chissinguane village – one of four where the *Energiza* project is providing clean solar power – they now have access to frozen fish and fresh water. The electrification of infrastructure such as commercial banks and health units, like the local hospital, has changed the lives of these Mozambicans forever".

Joana Garoupa, Executive Director of the Galp Foundation, Chissinguane, Sofala Province, Mozambique, August 2019

Galp Foundation mission is to carry out projects which have a positive impact on the communities and the environment, particularly as regards access to sustainable energy. This was the backdrop for the launch of the *Energiza* project in Mozambique to provide renewable energy to schools, health units and households in rural areas. With a total population of approximately 29 million people, Mozambique faces a huge challenge when it comes to access to electricity. Around 70% of the population lives in rural areas and approximately 16 million Mozambicans have no access to electricity¹.

The project that is being carried out in partnership with *FUNAE – Fundo de Energia Moçambicano* (Energy Fund) falls within the Sustainable Development Goals of the 2030 Agenda established by the United Nations. *Energiza* aims to install photovoltaic solar systems ("solar villages") in Cabo Delgado, Manica and Sofala. These solar systems enable access to "clean" energy in the communities to the benefit of the services provided in the community infrastructure and improving the living standard of thousands of people.

¹Source: worldbank



SOCIAL OBJECTIVE

SOCIAL IMPACT

ENERGIZA

To ensure that **schools, homes and health centres have electricity**.

- + **6,000 Mozambicans** will have access to renewable energy sources
- + **1,017 families** will have an improved standard of living, in terms of health and education
- + **54 tonnes of CO₂/year** will be prevented by not using non-renewable fuels in electricity generation
- + **foster** the **development** of trade and of small local businesses



€600,000 (approximately 40 million meticals). In 2019, the amount spent was €150,000.

2016-2020 (In 2019, for security reasons, it was not possible to complete the infrastructure located in Cabo Delgado province. It is now expected to be completed in 2020).



GALP FOUNDATION SOCIAL INVESTMENT

INVESTMENT PERIOD



FUMUKABA CLEANER ENERGY

GUINEA-BISSAU PROMOTES THE USE OF MORE SUSTAINABLE HOUSEHOLD ENERGY

Over 3 thousand million people in the world can only cook or heat their homes with wood or coal – the main pollutant, which accounts for 40% of total fossil fuel emissions.

Acabar com a fumaça - The Fumukaba project in Guinea-Bissau promises to get rid of smoke. In 2019, it brought butane gas to approximately half the families living in the region, with an impact on more than 220 thousand people.

Currently, approximately **95% of the resident population of Guinea-Bissau uses wood and charcoal for cooking and for other energy needs.** This is due to the low production of electricity and the almost nonexistent supply and regular use of butane gas.

The initiative is funded by the European Union and co-funded by Galp Foundation, in partnership with

the União das Cidades Capitais de Língua Portuguesa (European Union, the Union of Portuguese-Speaking Capital Cities) and Bissau municipality, under the auspices of the programme called Pacto dos Autarcas para a Autarcas África Subsaariana – Fase II (Covenant of Mayors for Sub-Saharan Africa – Phase II).

This initiative, apart from promoting better health for these families, is an incentive to create new trade and small business opportunities for the families and for the women, in particular. It is estimated that the deforestation of an area equivalent to 100 thousand hectares can be avoided over the next ten years.

This is a step forward in working together towards sustainable development and promoting the energy transition in the communities.



SOCIAL OBJECTIVE

SOCIAL IMPACT

FUMUKABA

To foster the use of **sustainable household energy**, gender equality and reduce the devastation of the Guinea-Bissau forests.

- + 220,000 Guineans covered by the project
- + **25,000 families** will have a better standard of living
- + **530 thousand tonnes of CO**₂ avoided by not using coal and wood (in 10 years)
- + **100 thousand hectares** of deforestation avoided (in 10 years)



€100,000 (€51.2 k in 2018 and €48.8 k in 2019), European Union - €900,000 (overall investment of approximately 10,348 million Guinean francs).

2018-2019

SUSTAINABLE DEVELOPMENT GOALS (SDG)

> GALP FOUNDATION SOCIAL INVESTMENT

INVESTMENT PERIOD



5. EDUCATION AND KNOWLEDGE

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MOZAMBIQUE SÃO TOMÉ AND PRÍNCIPE FOR QUALITY EDUCATION

"At Natoa school, a father comes up to thank me. He and his wife were never able to study but today, with the help of the Galp Foundation and Helpo, his daughter in in 5th grade and she's been teaching her parents to read and write in the evening".

Ruben Cossa, Galp volunteer, Nampula Province, Mozambique

Mozambique has one of the highest school dropout rates in the world: only 24% of children between the ages of 13 and 17 go to high school.

The reasons for this include the long distances (between 1.5 km and 40 km) between home and school and not being able to afford the school costs involved.

In São Tomé and Príncipe, universal primary school education has been achieved but additional efforts

are vital to improve the quality of teaching and the transition rate from middle school to high school.

For this reason, the Galp Foundation, in association with Galp and in partnership with Helpo² (Helpo Association), set up the Educate for the Future programme, which provides educational support for children and young people in nine communities in the north of Mozambique and seven communities in São Tomé and Príncipe. By the end of 2021, 675 merit scholarships will have been awarded and 11,421 pupils will have benefited directly, through fees, school materials, meals, and nutritional and health advice programmes for the families.

² In operation since 2008, the Associação Helpo (Helpo Association) is a non-governmental development organisation (NGDO) focusing on education and nutrition. This NGDO has reached over 19,000 children and finances its activities through the Child Sponsorship Programme, donations and projects funded by international agencies and companies.



SOCIAL OBJECTIVE

SOCIAL IMPACT UP TO 2021

EDUCATE FOR THE FUTURE

To promote access to **education and equal opportunities and to acknowledge merit in Mozambique and in São Tomé and Príncipe**.

- + 11,421 pupils
- + 675 merit scholarships
- + 16 communities

Mozambique, Nampula (seven):

EPC de Natoa; Salas anexas da Escola Secundária de Namaita; Escola Polivalente São João Batista do Marrere; Escolinha de Micolene; Escolinha de Ilocone: Escolinha de Mahunha: Escolinha de Munimaca Moçambique, Cabo Delgado (two): Escola Secundária Januário Pedro; EPC de Chinda São Tomé and Príncipe (ten): Creche de Monte Café; Creche da Saudade; Creche de Ribeira Afonso; Creche Arca de Noé; Creche de São José; Creche de Novo Destino; Creche de São Nicolau; Escola Primária de Santa Catarina; Escola Básica da Trindade; Lar das Irmãs Teresianas



€97,146 (2019: €29,014); Galp €82,854.

SUSTAINABLE DEVELOPMENT GOALS (SDG)

> GALP FOUNDATION SOCIAL INVESTMENT

INVESTMENT PERIOD

2019-2021



FUTURE UP GALPSOCIAL EDUCATIONAL MOVEMENT PROVIDING THE MOTIVATION TO BUILD THE FUTURE

witch up

PORTUGAL **"FUTURE UP"**

Everyday is a good day for us to change with the planet.

And for us to change the planet.

This is the time to set an example.

To redefine consumption habits. Rethink attitudes and actions.

Reduce, reuse, recycle and refurbish.

For a more sustainable and more human world.



The Movimento Social Educativo Galp (Galp Social

Educational Movement) challenges pupils and teachers to put forward sustainable solutions for the problems in their communities. An educational programme with the goal of raising community awareness of planet sustainability topics and, at the same time, funding the best projects carried out in Portuguese schools which are based on Sustainable Development Goals (SDG).

The project seeks to foster social entrepreneurism and innovation among our youngest, developing their digital skills and soft skills.

There are three key areas of action for the *Future Up*:

- promoting the energy transition (SDG 7 and 13) by promoting sustainable mobility and energy efficiency;
- promoting sustainable consumption (SDG 12) of natural resources;
- promoting the protection of the oceans and ecosystems (SDG 14 and 15)

The activities are carried out throughout the school year by teams of pupils – formed by the schools – with the accompaniment and guidance of the teachers and Galp volunteers.

The final challenge is to present their project at the Galp Energy Bootcamp. This is a yearly competition with various prizes and where the winners receive funding to implement their project.

In the 2018/2019 school year, the Galp Foundation received 150 projects in line with the Sustainable Development Goals and which would have a social impact on the community.

The project is carried out in partnership with the General Directorate of Educational Services, Portuguese Environment Agency, Directorate General of Energy, ADENE - Energy Agency, UNESCO, the Apps For Good project and Junior Achievement Portugal.

This *Movimento* (movement) has already had an impact on the lives of over one million pupils, has taken 500 Galp volunteers into the schools and arranged for over 5,000 classes on energy.

BOOTCAMP 2019 WINNERS INSPIRING CHANGE AND REALISING DREAMS

Pupils from the 1st grade at *Escola Básica de Águeda*, the 7th grade at the International School of Palmela and the 11th grade at the *Academia de Formação Atec* in Palmela inspired change and were the winners of the first Galp Energy Bootcamp.

These projects raised community awareness of the sustainable use of resources and the protection of biodiversity and involved social economics entities.



FROM IDEA TO REALITY

In December 2019, the Academia de Formação ATEC inaugurated the Laboratório Fundação Galp (Galp Foundation Laboratory). It was the culmination of a process that had started eight months earlier. In view of the challenge launched by the Galp Foundation, under the auspices of the 2019 Galp Energy Bootcamp, a group of four pupils proposed to find a solution for the following problem: excess energy costs in social solidarity housing and institutions.



The ideas flowed and, with the help of the teachers, they soon designed a device that would reharness the flow of water, generating electricity and enhancing consumption efficiency. The prototype was made and they called it "Green Water Solutions".

"Not only was it a source of great pride for us and the teachers, for ATEC and for our parents, it was also a major victory for which we had worked very hard. Our dream now is to implement the product in the entire community and market it."

Beatriz Mendes, 19-year pupil at ATEC, Palmela

The product is at the final installation stage and will subsequently be replicated in a youth support social solidary institution. The funding also made it possible to set up and equip a space called the *Laboratório Fundação Galp* (Galp Foundation Laboratory) – a place with tools and new technologies where pupils from *ATEC* and other social solidarity institutions can carry out their projects.

"This laboratory is vital for our skills development strategy which will prepare young people for the technological evolution we are undergoing." João Carlos Costa, Director of *ATEC*, Palmela

SOCIAL OBJECTIVE

SOCIAL IMPACT

2019/2020 school year, in partnership with Apps For Good and JAP Portugal

GALP SOCIAL EDUCATIONAL MOVEMENT "Future UP"

To promote **social inclusion through education, citizenship and social entrepreneurism** for the protection of natural resources and community development.

- + 950 schools
- + 49,000 students
- + 2,655 teachers
- + 210 classes on energy

SUSTAINABLE DEVELOPMENT GOALS (SDG)

GALP FOUNDATION SOCIAL INVESTMENT

INVESTMENT PERIOD



€74,668.47 (2019); € 109,000 (2020).

Ongoing project.





PORTUGAL GLOBAL TEACHER PRIZE ACKNOWLEDGING THE TEACHERS

"I felt that the work I'd done over the years was being recognised and this recognition encourages us to go on."

Maria Inês Rodrigues, 9th, 10th and 11th grade language teacher in Gondomar, winner of an Honourable Mention in the 2nd Global Teacher Prize Portugal awarded by the Galp Foundation

Teachers are at the forefront of one of the noblest missions in society: to motivate young people and get them excited about learning. We cannot build a better future if the new generations have not acquired these precious tools.

The Global Teacher Prize is a stimulating project which the Galp Foundation founded in 2018. It is an award for teachers which was introduced by the Varkey Foundation, with the goal of raising recognition of the central role that teachers have in the formation of fairer and more developed societies.

The winners of the Portuguese competition receive an award of \in 30,000, 85% of which should subsequently be used for carrying out their education project. They are also included in the list of finalists for the Global Teacher Prize, which awards one million dollars to the winning teacher. At the same time, the Galp Foundation awards an Honourable Mention of €5,000 to the teacher recognised by the jury as having made a major contribution in the area of education to social sustainability and energy efficiency.

The winner of the second Portuguese award was a history teacher at the *Escola Básica de Santo Onofre* in Caldas da Rainha who teaches 7th to 9th grade pupils. Her project entailed capturing the attention of the pupils through interactive methods and practical activities with the goal of optimising concentration cycles. The project originated in the need to increase attention levels, passing on the message that learning can be fun for both pupils and teachers.

Maria Inês Rodrigues, who was among the ten finalists, received an honourable mention. She teaches 121 pupils at the Gondomar Agrupamento de Escolas N°1 and her classes are based on problem-solving, a modern teaching techniques which favours practical work. The solutions developed by her pupils were later implemented in communities in Africa or in Portugal.



SOCIAL OBJECTIVE

SOCIAL IMPACT – 2ND YEAR

GLOBAL TEACHER PRIZE PORTUGAL

To promote the importance of the teaching profession by **recognising teachers** who are an inspiration to education in Portugal, from kindergarten to the end of the 12th grade.

- + 1,423 recommendations submitted
- + 200 teachers involved
- + 82% rise in participation
- + Applications from all districts in Portugal
- + Teachers from all teaching levels
- + **30 educational projects** distinguished



€353,650 (2nd year: €230,000).

SUSTAINABLE DEVELOPMENT GOALS (SDG)

> GALP FOUNDATION SOCIAL INVESTMENT

INVESTMENT PERIOD

2018-2020



SERRALVES FOUNDATION

EDUCATING FOR CULTURE AND ENVIRONMENTAL CITIZENSHIP

PORTUGAL PROJECT IN PARTNERSHIP WITH SERRALVES FOUNDATION EDUCATING FOR CULTURE AND ENVIRONMENTAL CITIZENSHIP

The Galp Foundation partners Serralves Foundation in carrying out educational programmes involving the arts, culture and the environment. Believing that energy is the dynamising force that brings reflection and knowledge to practice, the programme strengthens the bond between energy and environmental citizenship and educational activities promoted through experimentation in an informal educational setting.

The educational service activities are aimed at various publics – school community, families, infants and children, teenagers and young adults, adults and older people – and the goal is to foster knowledge as a cultural component, particularly for social intervention in underprivileged communities or special support needs communities.

The basis of all these is the concept of "Hands On/ Minds On", in which we assume that the learning process presupposes the active participation of all, with ENERGY being the CATALYST that brings knowledge and practice together in building an enriching learning experience: **Experimenting:** activities aimed at the school community, consisting in particular of guided visits which foster knowledge about the artistic, architectural and environmental heritage of **Serralves Foundation**. Experimentation workshops and laboratories aim to stimulate curiosity and creativity, foster the learning of science contents and environmental citizenship;

Inclusion: activities which foster social and intellectual inclusion through activity programmes for special needs groups or socially vulnerable groups;

Sharing: activities for families, young people and children, which aim to promote sharing as an educational, ethical, pedagogical and social value;

Involvement: activities for the adult public, fostering the approximation of the community to the Serralves Museum and Park through participation and joint reflection.



SOCIAL OBJECTIVE

SOCIAL IMPACT School year 2018-2019

PARTNERSHIP PROJECT WITH SERRALVES FOUNDATION Educating for culture and environmental citizenship

To foster education, environmental citizenship and culture, **based on sustainability and social inclusion principles**.

- + 184,621 pre-school and higher education students and teachers
- + 570 schools
- + 20 districts in the country covered



€300,000, in the three school years 2017-2020.

SUSTAINABLE DEVELOPMENT GOALS (SDG)

> GALP FOUNDATION SOCIAL INVESTMENT

INVESTMENT PERIOD

2017-2020

EPIS ASSOCIATION PROMOTING SUCCESS AT SCHOOL

110

PORTUGAL PARTNERSHIP PROJECT WITH EPIS ASSOCIATION PROMOTING SUCCESS AT SCHOOL

"My experience as an EPIS tutor has been very gratifying and rewarding, since the change in the attitude of the pupils is so obvious because of the discipline and positive results, both in terms of motivation for studying and better grades."

Catarina Pedro, Galp mentor

Galp Foundation is a member of *EPIS – Empresários pela Inclusão Social* (Entrepreneurs for Social Inclusion) which, since 2007, has been responsible for the largest Portuguese programme of involvement in civil society to promote the social inclusion of young people through academic achievement and jobs.

Over the past 12 years, the academic risk profile of around 65,000 1st grade to 12th grade pupils was analysed and approximately 30,000 pupil were monitored around the country based on their success at school. In close partnership with the Ministry of Education and the regional and local governments around the country, and with the cooperation of an extraordinary and dedicated network of professional mentors, they promoted success at school and the spread of good management practices in schools. Each year, around 50 Galp volunteers also embrace this project and become mentors for pupils at the *Escola Secundária Mães d'Água in Amadora*.

Apart from this programme, Galp Foundation awarded threeyear academic merit scholarships to 9th grade pupils from schools in the municipalities of Matosinhos, Sines and Santiago do Cacém. In 2019, the following pupils were awarded these scholarships:

- Mafalda Ribeiro Abreu pupil in the municipality of Sines who completed 9th grade with an average of 5.00 and is now in 10th grade at *Escola Secundária Padre António Macedo in* Santiago do Cacém;
- Rodrigo Miguel Antão pupil in the municipality of Matosinhos who completed 9th grade with an average of 4.72 and is now in 10th grade at *Escola Secundária da Senhora da Hora* in Matosinhos;
- Cristina Ramos Rijo pupil in the municipality of Santiago do Cacém who completed 9th grade with an average of 4.00 and is now in 10th grade at *Escola* Secundária Padre António Macedo in Santiago do Cacém.



PROJECT

Scholarships

GOALS (SDG)

GALP FOUNDATION SOCIAL INVESTMENT

INVESTMENT PERIOD

SOCIAL OBJECTIVE

SOCIAL IMPACT 2019/2020 EPIS Programme

SUSTAINABLE DEVELOPMENT

2019/2020 Galp Mentors Programme:

PARTNERSHIP PROJECT WITH EPIS ASSOCIATION

To foster success at school and social inclusion

To foster success at school and social inclusion, with the goal of reducing the failure and drop-out rate in Portugal.

- + **11,298 students, 294 schools,** 88% pass rate.
- + **28 young people** supported by the Galp Mentors Programme (2019-2020)
- + **50 Galp workers,** on a volunteer basis (2019-2020)
- + three merit-based scholarships (3 years)



€16,500/years (co-funding).

Ongoing partnership.



BAGOS D'OURO ASSOCIATION REWRITING HISTORY

PORTUGAL PARTNERSHIP PROJECT WITH BAGOS D'OURO ASSOCIATION REWRITING THE HISTORY OF DOURO CHILDREN

"Bagos D'Ouro plays a key role in our personal and professional training. It is extremely important that we believe in ourselves, in our ability to be bigger and better, that we are determined, interested and able to learn on our own. All these skills are encouraged by the people who work closely with us so that we can attain our academic and professional goals. Today, I'm a psychologist and I'm proud to say that I'm a member of this big family. Even in the most difficult times, the emphasis was always on finding solutions and positive aspects, which helped me to never give up. I would like to thank Bagos D'Ouro for all its support."

Inês Rodrigues, Participant in the *Bagos d'Ouro* Programme



Approximately one-quarter of the Portuguese

population is at risk of poverty or exclusion and the

of the regions with the highest poverty index in the

Fostering education is one of the most valid ways

to reverse the social exclusion cycle. This is a cause

country and in Europe, particularly the communities

most affected are single-parent families with three or

more dependent children. The north of Portugal is one

to accompany and provide education indices it vidule to accompany and provide educational support for 161 children and young people and to recognise their merit by awarding scholarships in six municipalities. The aim is to ensure that these young people flout destiny and build a successful career.

³- A Eurostat, 2015 and 2017.

situated in the Douro³.



PROJECT

SOCIAL OBJECTIVE

SOCIAL IMPACT

BAGOS D'OURO ASSOCIATION

To foster the **education of underprivileged children and young people from Douro as a way of social inclusion in the area**.

- + 161 children and young people in 6 municipalities
- + 1,017 individual accompaniment sessions
- + **301 home** visits to accompany the family
- + **89% academic achievement** from junior school to university education
- + **64% of the pupils** had good, very good and exceptional performance
- + **72% increased or maintained** the annual overall averagel

1 FRANCEARE TYTTE TYT

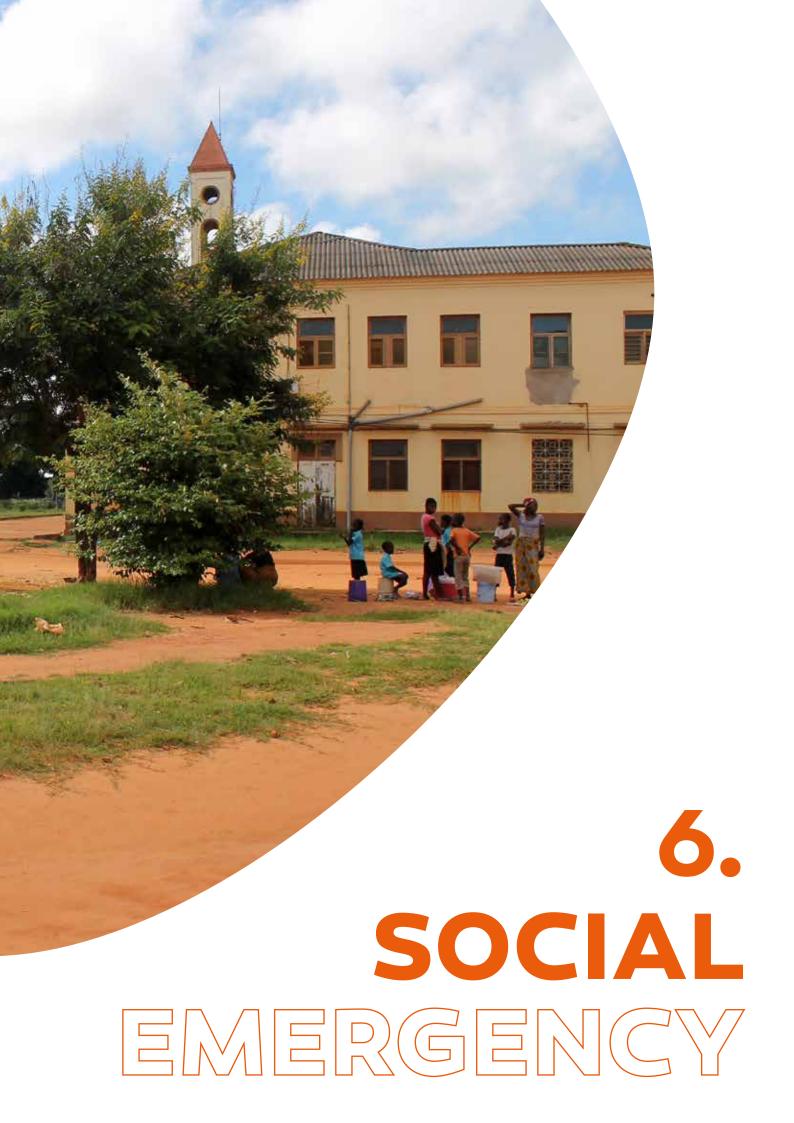
€22,800/year (co-funding).

SOCIAL DEVELOPMENT GOALS (SDG)

GALP FOUNDATION SOCIAL INVESTMENT

INVESTMENT PERIOD

Ongoing partnership.



MOZAMBIQUE LET'S HELP MOZAMBIQUE SUPPORTING COMMUNITIES IN THE WAKE OF CYCLONE IDAI AND CYCLONE KENNETH

"In his day-to-day life, Mozambican Issufo Mutuala tries to inspire young people to follow in his footsteps and not drop out of school. He does this through the Galp Foundation and the talks he gives in the different social responsibility activities he participates in. His courageous reaction after Cyclone Idai was therefore natural. His mission began with the Galp team and their families and it was he who helped a team of volunteers, providing a Galp pickup for them to be able to travel around in the midst of the chaos. Besides the vehicle, Galp supplied food and first aid materials, construction materials to restore the houses that were destroyed and products to protect against cholera and malaria. "People's faith was renewed and all this help raised their spirits".

Issufo Mutuala, Galp volunteer in Beira, Mozambique

Almost two million people had to face the devastation caused by Cyclone Idai. Half of these were children at the time.



In the wake of Cyclone Idai and Cyclone Kenneth, which hit Mozambique in March and April 2019, Galp Foundation joined up with Galp volunteers, NDGOs, Helpo and the Mozambican Red Cross to help populations affected by one of the biggest tropical storms which devasted several areas in central Mozambique.

The Vamos ajudar Moçambique (Let's help

Mozambique) campaign, which aimed to collect food and mother-and-child goods, gathered around three tonnes from the various regions in which Galp operates. We also made a Galp Foundation contribution of €150,000 in emergency goods to the Mozambican Red Cross to support rescue operations in Sofala Province.

In September 2019, the last humanitarian aid delivery was made in Tete, in the District of Mutarara. The community received two thousand mosquito nets, 166 kitchen kits, over 12,000 packets of seeds and over five tonnes of agricultural tools such as watering systems, hoes and machetes, to respond to the needs of approximately 3,000 families.

This support was vital for the community to recover the fields destroyed in the deluge caused by Idai. These small farms sustain most of the families in the community who earn a living from agriculture. This was the focus of Galp Foundation's support for the Mozambican Red Cross in this and other communities.

PROJECT

SOCIAL OBJECTIVE

GALP FOUNDATION

SOCIAL INVESTMENT

INVESTMENT PERIOD

SOCIAL IMPACT

LET'S HELP MOZAMBIQUE

To provide humanitarian aid to communities in Mozambique in **the wake of Cyclone Idai and Cyclone Kenneth**.

- + 14,528 families received shelter and non-foodstuffs
- + 3.048 families received food
- + **3,000 kg** of food collected by Galp volunteers in Portugal, Spain and Mozambique
- + **6,000 polar blankets** send to support Helpo's mother-and-child operations
- + **€150,000** in goods delivered to Mozambican Red Cross

SUSTAINABLE DEVELOPMENT GOALS (SDG)

€150,000.

2019





PORTUGAL COLLECTIVE PROTOCOL SOLIDARITY GALP FOUNDATION BEING IN SOLIDARITY

Throughout 2019, the Galp Foundation monitored and participated in the work done by the 12 social institutions whose mission is to help and support the needier cases in society, which include severe disability, abandonment, extreme poverty, diseases and loneliness. Here are some of the institutions covered by the *Fundação Galp Solidária* (Solidarity Galp Foundation) protocol:















GOVERNANCE

Galp Foundation is a private, non-profit, social interest foundation set up on 8 January 2009 in accordance with the Portuguese Civil Code and in compliance with the provisions of the Foundations Framework Law. Its founders are the following companies:

- Galp Energia, SGPS, S.A.
- Galp Exploração e Produção Petrolífera, S.A.
- Petrogal, S.A.
- Gás Natural, S.A.
- Galp Power, S.A.
- Galp Energia, S.A

On 22 July 2018, Galp Foundation was awarded the status of public usefulness for another five years.

Galp Foundation has obtained declarations of recognition of cultural interest for its various activities, issued on 23 October 2013 by the Secretary of State for Culture and on 30 December 2016 and 7 February 2018 by the Minister of Culture.

Galp Foundation is a legally independent entity with its own governance model defined in its By-laws. However, it is linked to the organisational culture of the founding group with which it shares its name.

THE GALP FOUNDATION ETHICS CODE

Galp Foundation is primarily involved in energy and environment, education and culture, and social development. In its Ethics Code which was approved and published in 2018, Galp Foundation outlines the key ethical directives for its actions and undertakes ethical and conduct commitments to:

- (1) the people in the Foundation;
- (2) the intentions of its founders and other financiers of the Foundation;
- (3) the partners of the Foundation;
- (4) the suppliers of the Foundation;
- (5) the beneficiaries of the Foundation's activity; and
- (6) society in general, both present and future.

The Ethics Code affirms the importance of clearly establishing the principles and responsibilities which Galp Foundation recognises, accepts, shares and assumes in its relations with its people and all the other parties interested in the purposes of the Foundation, taking into account the specific nature of its institutional mission. For each of the situations envisaged in the Ethics Code, it sets down commitments and responsibilities but, also and no less importantly, how these should be legally implemented.

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THE GALP FOUNDATION ETHICS AND CONDUCT COMMITTEE

The Ethics and Conduct Committee is the internal structure responsible for monitoring, independently and impartially, the application and interpretation of the Ethics Code. Its three members are appointed by the Galp Foundation Supervisory Board, at the proposal of the Board of Directors.



MANAGEMENT AND SUPERVISORY BOARDS

As at this date, the Galp Foundation management and supervisory boards, elected for the 2019-2022 term, are as follows:

Board of Directors:

Chairman: Paula Fernanda Ramos Amorim

Members: Carlos Nuno Gomes da Silva Filipe Crisóstomo Silva

Supervisory Board:

Chairman: José Pereira Alves

Members: Maria de Fátima Castanheira Cortês Damásio Geada Pedro Antunes de Almeida

Alternate: Amável Alberto Freixo Calhau

Executive management:

Joana Maria Soares de Oliveira da Rosa Garoupa e Silva

PROPOSAL FOR APPLICATION OF RESULTS

Galp Foundation completed the financial year 2019 with a net loss of €831,953.15.

The Board of Directors proposes that the net loss of €831,953,15 be transferred to retained earnings.

Lisbon, 2 April 2020

Board of Directors:

Chairman Paula Ramos Amorim

Members Carlos Nuno Gomes da Silva Filipe Crisóstomo Silva



8.1 FINANCIAL STATEMENTS

BALANCE SHEET

BALANCE SHEET AS AT 31 DECEMBER 2019

BALANCE SHEET AS AT 31 DECEMBER 2019			Unit: Euro
Headings	Notes	Dates	
		31-12-2019	31-12-2018
Assets			
Non-current assets		1,788,325.00	1,788,325.00
Historical and cultural heritage assets	4	1,788,325.00	1,788,325.00
Current assets		519,080.47	1,089,004.95
Amounts receivable	16.6	104,994.69	6,319.00
Deferrals	16.10	1,656.02	35,001.20
Other financial assets			
Cash and bank deposits	16.3	412,429.76	1,047,684.75
Total assets		2,307,405.47	2,877,329.95
Equity and liabilities			
Equity			
Equity	16.8	7,188,325.00	7,188,325.00
Retained earnings		(4,325,460.67)	(4,512,368.43)
Net result for the period		(831,953.15)	186,907.76
Total equity		2,030,911.18	2,862,864.33
Liabilities			
Current liabilities		276,494.29	14,465.62
Suppliers	16.4	276,219.29	12,606.75
Other accounts payable	16.2	275.00	1,858.87
Total liabilities		276,494,29	14,465.62
Total equity and liabilities		2,307,405,47	2,877,329.95

The notes to the financial statements are an integral part of the balance sheet.

STATEMENT OF INCOME BY NATURE

STATEMENT OF INCOME BY NATURE

		Unit: Euro
Notes	Periods	
	2019	2018
8	910,504.19	822,814.79
8	(146,052.35)	(178,546.57)
8	(1,595,248.25)	(456,715.14)
	(830,796.41)	187,553.08
16.7	(1,156.74)	(645.32)
	(831,953.15)	186,907.76
	-	-
	(831,953.15)	186,907.76
	8 8 8	2019 8 910,504.19 8 (146,052.35) 8 (1,595,248.25) (830,796.41) 16.7 (1,156.74) (831,953.15)

The notes to the financial statements are an integral part of the statement of income by nature.

STATEMENT OF CHANGES IN EQUITY

	Equity att	ributed to those who set	up the entity	
Description	Funds	Retained earnings	Net result for the period	Total equity
Position at the beginning of the period	7,188,325.00	(4,512,368.43)	186,907.76	2,862,864.33
Changes during the period				
Other changes recognised in equity		186,907.76	(186,907.76)	-
	-	186,907.76	(186,907.76)	-
Net result for the period			(831,953.15)	(831,953.15)
Comprehensive income			(831,953.15)	(831,953.15)
Position at the end of the period	7,188,325.00	(4,325,460.67)	(831,953.15)	2,030,911.18

The notes to the financial statements are an integral part of the Statement of Changes in Equity.

STATEMENT OF CASH FLOWS

STATEMENT OF CASH FLOWS Year ended 31 December 2019

Year ended 31 December 2019			Unit: Euro
Headings	Notes	Periods	
rieduings		2019	2018
Cash flows from operating activities			
Payments to suppliers		(104,699.24)	(188,740.58)
Cash generated by operations		(104,699.24)	(188,740.58)
Other amounts receivable/payable		(1,439,903.20)	(641,292.50)
Cash flows from operating activities (1)		(1,544,602.44)	(830,033.08)
Cash flows from funding activities			
Income from:			
Community grants	8	250,504.19	312,814.79
Funds - Donations	8	660,000.00	510,000.00
Payments relating to:			
Interest and similar costs		(1,156.74)	(645.32)
Cash flows from funding activities (3)		909,347.45	822,169.47
Variations in cash and cash equivalents (1+2+3)		(635,254.99)	(7,863.61)
Exchange rate effect			
Cash and cash equivalents at the beginning of the period	16.3	1,047,684.75	1,055,548.36
Cash and cash equivalents at the end of the period	16.3	412,429.76	1,047,684.75

The notes to the financial statements are an integral part of the statement of cash flows.

APPENDIX

1. Details of the Foundation

Galp Foundation ("Foundation") is a perpetual nonprofit-making entity governed by private law, set up in January 2009 under the name Galp Energia Foundation by Galp Energia, SGPS, S.A., Galp Exploração e Produção Petrolífera, S.A., Petrogal, S.A., Galp Power, S.A., Galp Energia, S.A. and Galp Gás Natural, S.A. Its headquarters are in Lisbon, Portugal, at Rua Tomás da Fonseca, Torre C. In September 2018, it changed its name to Galp Foundation.

The Foundation was recognised by way of Order No. 14158/2010, of 27 August 2010, issued by the Secretary of State for the Presidency of the Council of Ministers, published in the II Series of the Official Gazette (*Diário da República*) of 10 September 2010 and declared a community interest organisation by Order No. 9537/2013, of 5 July, of the Minister for the Presidency and Parliamentary Affairs (DR) II Series, No. 139, of 22 July 2013.

The Foundation has also obtained Declarations of Recognition of Cultural Interest for its various activities, issued on 23 October 2013 by the Secretary of State for Culture and on 30 December 2016 and 7 February 2019 by the Minister for Culture, pursuant to Articles 62(6)(a), (7) and (10) of the Tax Benefits Statute.

The goal of the Foundation is to express and implement the Galp group's commitment to social intervention and development support by holding and supporting action programmes, initiatives and activities in Portugal and aboard, particularly in the Portuguese-speaking countries in which the Group operates, which are aimed at or favour energy advances, awareness-raising and the promotion of energy-efficient practices, the rational use of energy and alternative energy, specifically for fostering technological and cultural education and training, as well as initiatives and activities that foster innovation and the development of tourism, health, culture and sport, among others, directly or in partnership with other Foundations that have identical purposes.

The attached financial statements are shown in euros (functional currency) since this is the preferred currency used in the economic setting in which the Foundation operates.

2. Preparation of the financial statements

The financial statements for the year ended 31 December 2019 were prepared on a going-concern basis from the Foundation's accounts books and records and in accordance with the Portuguese Accounting and Financial Reporting Standards for Not-for-Profit Entities (NCRF-ESNL).

During the financial year to which these financial statements refer, there were no exceptional cases that would directly imply derogation from any NCRF-ESNL provision.

3. Summary of the main accounting policies

The main accounting principles applied by the Foundation in the preparation of the financial statements were as follows:

3.1. Presentation

3.1.1. Continuity

Based on the available information and future expectations, the Foundation will continue to operate for the foreseeable future and it is assumed that there is no intention or need to liquidate it or reduce the level of its operations considerably. For Not-for-Profit Entities, this assumption does not involve an economic or financial concept but rather the continuation of the serviceproviding activity or the capability to achieve its ends.

3.1.2 Accruals

The effects of transactions and other events are recognised as they occur (once the definitions and the recognition criteria have been met depending on the conceptual structure, irrespective of the time of payment or receipt) and are booked and reported in the financial statements for the period to which they refer. The difference between amounts received and paid and the corresponding income and expenditure is booked in the headings "Accounts receivable/Other accounts payable".

3.1.3. Consistency of presentation

The financial statements are consistent from one period to another both in terms of presentation and of the account entries that gave rise to them, unless there are material changes in nature which, in this case, are duly identified and justified in this Appendix. In this way, users are given the most significant and most reliable information.

3.1.4. Materiality and aggregation

The significance of the information is affected by its nature and materiality. Materiality depends on the quantification of the omission or error. The information is material if its omission or inaccuracy influence the economic decision made by users based on the financial statements. Items which are not materially significant enough to justify being presented separately in the financial statements may be materially significant enough to be discussed separately in the notes to this Appendix.

3.1.5. Offsetting

Due to the importance of assets and liabilities, as well as expenditure and income, being separately reported, these must not be offset.

3.1.6. Comparative information

Comparative information must be disclosed in the financial statements with reference to the previous year. In line with the continuity principle of the Foundation, accounting principles must be applied consistently over time to the entire Foundation. If there are changes to the accounting policies, the comparative amounts affected by the restatement must be disclosed, taking into account:

- a) the nature of the restatement;
- b) the amount of each item or class of item that has been restated; and
- c) reason for the restatement.

3.2. Recognition and measurement policies

3.2.1. Historical and cultural assets

"Historical and cultural assets" are valued at acquisition cost. This cost was determined on the date of the contribution in kind made by the founder Petrogal, S.A., by an appropriate independent entity.

The work done on such assets is considered an asset if and only if it generates increased productivity, capability or efficiency of the asset or an extension of its useful life. If there are no extensions, maintenance and repair is recorded as costs during the period. As the actual useful life of these assets cannot be assessed with any certainty, these are not depreciated. However, the Foundation takes into account the capability for present and future activities and the technical means necessary for preservation and maintenance.

3.2.2. Provisions

From time to time, the Foundation analyses any obligations arising from past events which must be recognised or disclosed. Therefore, the Foundation creates a provision when it has a present (legal, contractual or constructive) obligation resulting from a past event and from which there is likely to be an outflow to satisfy this obligation, which is estimated on a reasonable basis.

The current value of the best estimate, on the reporting date, of the resources necessary to satisfy the obligation is the amount that the Foundation recognises as a provision, taking into account the inherent risks and uncertainties of the obligation.

On the reporting date, the provisions are reviewed and adjusted to best reflect the estimate on that date.

In turn, contingent liabilities are not recognised in the financial statements but are disclosed whenever there is a possibility of an outflow of resources which includes contributions to the pursuit of the current and future activities of the Foundation. Like contingent liabilities, contingent assets are not recognised in the financial statements but are disclosed only when the existence of an inflow is likely.

3.2.3. Financial assets and liabilities

Financial assets and liabilities are recognised in the Balance Sheet when the Foundation is a contractual party to the relevant financial instrument.

a) Receivables

Receivables are initially booked at fair value and subsequently measured at amortised cost less any impairment losses and recognised in the heading Impairment losses on accounts receivable. Usually, the amortised cost of these assets is not different from their nominal value.

b) Classification of equity or liabilities

Financial liabilities and equity instruments are classified according to the substance of the contract, irrespective of its legal form.

c) Accounts payable and other accounts payable

Accounts payable are initially booked at fair value and subsequently measured at amortised cost. Usually, the amortised cost of these liabilities is not different from their nominal value.

d) Cash and cash equivalents

The amounts included in Cash and cash equivalents refer to cash, bank deposits, term deposits and other treasury investments with a maturity of less than three months and which can be mobilised immediately with a negligible risk of a change in value.

For the purposes of the statement of cash flows, Cash and cash equivalents also includes the bank overdrafts included in the Borrowings heading in the Balance Sheet.

3.2.4. State and other state bodies

Tax returns are subject to review and correction in accordance with the legislation in force for a period of four years (five years as from 2001) unless inspections, complaints or challenges are already underway. In such cases, depending on the circumstances, the time limits are extended or suspended. In other words, the Foundation's tax returns for the financial years 2015 to 2019 may still be subject to review. However, it is the Board's understanding that the corrections of any Tax Authority reviews/ inspections will have no material effect on these financial statements.

3.2.5. Balance sheet classifications

Assets and liabilities which may be realised or claimed more than one year after the date of the financial statements are classified as non-current assets and liabilities, respectively.

3.2.6. Subsequent events

Events after the date of the financial statements which provide additional information about conditions existing as at the date of the financial statements are reflected in the financial statements. Events after the date of the financial statements which provide information about conditions occurring after the date of the financial statements are disclosed in the notes to the financial statements if they are material.

3.2.7. Estimates and judgements

The preparation of financial statements in accordance with generally accepted accounting principles requires estimates to be made which affect the amounts of the booked assets and liabilities, the representation of contingent assets and liabilities at the end of each financial year, and the income and expenditure recognised in each financial year. The actual results may be different depending on the estimates made.

Estimates are deemed critical if:

(i) the nature of the estimates is considered material owing to the levels of subjectivity and judgements necessary for recording situations where there is great uncertainty or owing to the high susceptibility to change in such situations and; (ii) the impact of the estimates on the financial situation or operating actions is material.

The Foundation has not identified any critical estimates.

4. Historical and cultural assets

In the financial years ended 31 December 2019 and 2018, the movements in Historical, artistic and cultural assets were as follows":

31 December 2019			
Tangible assets	Balance on 01-Jan-2019	Acquisitions / endowments	Balance on 31-Dec-2019
Artistic heritage – works of art	1,663,325.00	-	1,663,325.00
Other fixed tangible assets	125,000.00	-	125,000.00
Total	1,788,325.00	-	1,788,325.00

31 December 2018			
Tangible assets	Balance on 01-Jan-2018	Acquisitions / endowments	Balance on 31-Dec-2018
Artistic heritage – works of art	1,663,325.00	-	1,663,325.00
Other tangible fixed assets	125,000.00	-	125,000.00
Total	1,788,325.00	-	1,788,325.00

The amounts of ϵ 1,663,325.00 and ϵ 125,000,00 refer to the contribution in kind made as an initial endowment by the founder Petrogal, S.A., comprising the artistic and historical assets valued at these amounts by an independent entity.

5. Intangible assets

Not applicable.

6. Borrowings

Not applicable.

7. Inventories

Not applicable.

8. Income and expenditure

Supplies and external services

Supplies and external services in the years ended 31 December 2019 and 2018 were as follows:

Description	2019	2018
Cultural book "40 anos Galp".	50,176.50	116,648.42
"História de Angola" book	35,001.20	-
Galp Foundation website	-	31,617.08
Specialist services	27,429.19	12,537.00
Tower space	6,465.72	6,465.72
Insurance	1,059.53	1,354.92
Other services	25,920.21	9,923.43
Total	146,052.35	178,546.57

Operating grants, donations and bequests

The heading Operating grants, donations and bequests is divided as follows:

Description	2019	2018
Operating grants, donations and bequests	910,504.19	822,814.79
Total	910,504.19	822,814.79

The operating grants, donations and bequests are as follows:

	2019	2018
Donations:	660,000.00	510,000.00
Galp Gás Natural, S.A.	360,000.00	360,000.00
Petrogal, S.A.	150,000.00	-
Lisboagás, S.A.	135,000.00	135,000.00
Galp Energia, SGPS, S.A.	15,000.00	15,000.00
Grants:	250,504.19	312,814.79
European Union - Fumukaba Project	250,504.19	312,814.79
Total	910,504.19	822,814.79

These amounts are earmarked for Foundation activities in accordance with its stated purposes.

Other costs and losses

The Other costs and losses heading is divided as follows:

Description	2019	2018
Partnerships:	1,544,176.56	396,022.00
Fumukaba Projet	644,586.05	-
Global Teacher Projet	236,150.00	123,035.00
FUNAE - Fundo Nacional de Energia (National Energy Fund) - Mozambique	150,000.00	100,000.00
Serralves Foundation	200,000.00	100,000.00
Terra de Esperança (Land of Hope) Reforestation Volunteer Action	20,358.04	31,787.00
Educate for the Future	29,014.00	-
Galp Social Educational Movement	74,768.47	-
Bagos d'Ouro Association	22,800.00	29,200.00
EPIS – Empresários pela Inclusão Social (Entrepreneurs for Social Inclusion)	16,500.00	12,000.00
Social Emergencies - Red cross of mozambique	150,000.00	-
Solidarity Galp Foundation:	51,050.00	47.950,00
Bagos d'Ouro Association	1,400.00	8,250.00
Irmãs de Santa Cruz - Nun Congregation	9,000.00	-
Irmãs do Cottolengo do Padre Alegre, Servidoras de Jesus – Nun Congregation	6,000.00	5,000.00
Missionaries of Charity (Mother Theresa of Calcutta)	6,000.00	6,000.00
Filhas de Maria Auxiliadora – Laura Vicuña Centre	6,000.00	6,000.00
Mais Proximidade, Melhor Vida Association	6,500.00	5,500.00
Santa Teresinha Carmel	4,200.00	4,200.00
Imaculada Institute for People with Special Needs	2,750.00	3,000.00
Raízes – Association for Child and Youth Support	2,750.00	3,250.00
Irmãs Hospitaleiras do Sagrado Coração de Jesus – Nun Congregation	3,000.00	3,250.00
Obra do Frei Gil – Social Promotion Organization	1,800.00	1,800.00
Obra da Rua – Casa do Gaiato of Porto – private social solidarity institution	1,650.00	1,950.00
Others:	21.69	12,743.14
Other costs	21.69	12,743.14
Total	1,595,248.25	456,715.14

9. Provisions, contingent liabilities and contingent assets

Not applicable.

10. Government subsidies and aid

Not applicable.

11. Financial instruments

The Foundation has no financial instruments besides the financial assets and liabilities referred to in Note 16.

12. Employee benefits

Not applicable.

13. Post-balance sheet events

No subsequent events are known as at the date of approval of these financial statements which would have a material impact on the financial statements as at 31 December 2019. After the financial year was closed and up to the time these notes were prepared, there were no facts that could alter the situation shown in the accounts.

At the beginning of 2020, the COVID-19 pandemic has added to the uncertainty in the world economy regarding short-term prospects. However, on this date, the future medium- and long-term prospects of the Foundation which were included in the impairment tests remain unchanged. The financial statements for the year ended 31 December 2019 were approved by the Board of Directors on 2 April 2020.

14. Agriculture

Not applicable.

15. Disclosures required by other legislation

The Foundation has no debts in arrears to the State, pursuant to Decree-Law 534/80, of 7 November.

In compliance with the provisions of Decree-Law 411/91, of 17 October, the social security affairs of the Foundation are in order, within the legally prescribed time limits.

16. Other disclosures

For a better understanding of the remaining financial statements, the following information is disclosed.

16.1. Founders

See Note 16.8.

16.2. Other debts payable

As at 31 December 2019 and 2018, this heading had the following balances:

Description	2019	2018
Accrued costs		
Insurance payable	-	1,583.87
Others	-	275.00
Sub-total	-	1,858.87
Other creditors		
Other creditors	275.00	-
Sub-total	275.00	-
Total	275.00	1,858.87

16.3. Cash and bank deposits

The balance of the heading Cash and Bank Deposits, as at 31 December 2019 and 2018, was as follows:

Description	2019	2018
Demand deposits	412,429.76	1,047,684.75
Total	412,429.76	1,047,684.75

16.4. Suppliers

The balance of the Suppliers heading is broken down as follows:

Description	2019	2018
Suppliers c/a	276,219.29	12,606.75
Total	276,219.29	12,606.75

16.5. State and other state bodies

Not applicable.

16.6. Receivables

The Receivables heading is broken down as follows:

Description	2019	2018
Accrued revenue		
Fumukaba Project co-funding	99,580.65	-
Other accounts payable	5,414.04	6,319.00
	104,994.69	6,319.00

16.7. Financial results

In the financial years 2019 and 2018, the following costs and income relating to interest and similar income were recognised:

Description	2019	2018
Interest and similar costs paid		
Other funding costs and losses	1,156.74	645.32
Financial results	1,156.74	645.32

16.8. Funds

The capital of the Foundation on 31 December 2019 comprises the founders' original contribution of €7,188,325.00, including the contribution in kind of €1,788,325.00 made by its founder Petróleos de Portugal – Petrogal, S.A., (Note 4) and is broken down as follows:

	Made in	de in Made in	Made in	Made in	Total
	2009	2010	2011	2012	
Cash contributions					
Galp Energia, S.A.	1,060,000.00	781,320.23	572,211.11	967,255.13	3,380,786.47
Galp Energia, SGPS, S.A.	200,000.00	135,979.87	95,368.53	62,238.72	493,587.12
Galp Power, S.A.	200,000.00	135,979.87	138,839.37	18,767.88	493,587.12
Galp Gás Natural, S.A.	200,000.00	135,979.87	138,839.37	18,767.88	493,587.12
Galp Exploração e Produção Petrolífera, S.A.	200,000.00	135,979.87	138,839.37	18,767.88	493,587.12
Petrogal, S.A.	-	-	-	44,865.05	44,865.05
Sub-total	1,860.000.00	1,325,239.71	1,084,097.75	1,130,662.54	5,400.000.00
Contributions in kind					
Petrogal, S.A.	1,788,325.00	-	-	-	1,788,325.00
Sub-total	1,788,325.00	-	-	-	1,788,325.00
Total	3,648,325.00	1,325,239.71	1,084,097.75	1,130,662.54	7,188,325.00

16.9. Income tax

As a legal person whose main activity is not trade, industry or agriculture, the Foundation is liable to Corporate Income Tax and is taxed, under Article 3(b) of the IRC Code, on its overall income, which is the sum of the income from the various categories taken into account for IRS purposes and increases in net worth obtained free of charge. However, up to 2019, the Foundation only obtained aid (endowments and donations) aimed at funding the pursuit of its stated purposes, which is not considered income liable to IRC and therefore is not taxed. Tax returns are subject to review and correction, in accordance with the legislation in force, for a period of four years (five years as from 2001), except when inspections, complaints or challenges are already underway. In such cases, depending on the circumstances, the deadlines are extended or suspended. In other words, the Foundation's tax returns for the years 2016-2019 may still be subject to review. However, it is the Board's understanding that the corrections of any Tax Authority reviews/inspections will have no material effect on these financial statements.

16.10. Deferrals

The Deferrals heading can be broken down as follows:

Description	2019	2018
Deferred costs		
"História Concisa de Angola"	-	35,001.20
Insurance	1,656.02	-
	1,656.02	35,001.20

Financial statements as at 31 December 2019

THE BOARD OF DIRECTORS:

Chairman: Paula Fernanda Ramos Amorim

Members: Carlos Nuno Gomes da Silva Filipe Crisóstomo Silva

Certified Accountant: Paula de Freitas Gazul

Financial statements as at 31 December 2019

8.2 SUPERVISORY BOARD REPORT AND OPINION AND AUDIT REPORT



SUPERVISORY BOARD REPORT AND OPINION

Dear Founders,

In compliance with the law and the By-laws, the Supervisory Board hereby presents the Report and Opinion on Galp Foundation accounts for the period between 1 January and 31 January 2019, for which the Board of Directors is responsible.

Within the scope of our duties, we supervise the pursuit of Galp Foundation activity, the regularity of its accounting records and its conformity with legislation and its by-laws at the intervals and to the extent that we consider appropriate.

We have also analysed the financial statements (balance sheet, statement of income by nature, statement of changes in equity, statement of cash flows and the notes to the financial statements) and the management report for the year between 1 January and 31 January 2019, as well as the audit report issued by Ernst & Young Audit & Associados – _SROC, S.A., with which we agree.

In view of the accounting documents approved by the Board of Directors on this date, we are of the opinion that the financial statements and the management report are in accordance with the applicable accounting, legal and by-law provisions.

Lisbon, 2 April 2020.

José Pereira Alves Chairman

Maria de Fátima Castanheira Geada Member

Pedro Antunes de Almeida Member



Ernst & Young Audit & Associados - SROC, S.A. Avenida da República, 90-6° 1600-206 Lisboa Portugal Tel: +351 217 912 000 Fax: +351 217 957 586 www.ey.com

Audit Report

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the attached financial statements of *Fundação Galp*, which include the balance sheet as at 31 December 2019 (showing a total of 2,307,405 euros and total equity of 2,030,911 euros, including a loss of 831,953 euros), the statement of income by nature, the statement of changes in equity and the statement of cash flows for the year ended on that date and the notes to the financial statements which include a summary of the relevant accounting policies.

In our view, the attached financial statements give a true and fair view, in every material respect, of *Fundação Galp's* financial position as at 31 December 2019, its financial performance and its cash flows for the year ended on that date, in accordance with the Accounting and Financial Reporting Standard for Not-for-Profit Entities adopted in Portugal by way of the Accounting Standards System.

Basis for the opinion

Our work was conducted in accordance with the International Auditing Standards (ISA) and other technical and ethical rules and guidelines of the Portuguese Institute of Statutory Auditors. Our responsibilities under these rules are described in the section below entitled "Responsibilities of the auditor". We are independent of the Entity in accordance with the law and are in compliance with the other ethical requirements under the ethics code of the Portuguese Institute of Statutory Auditors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis regarding Covid-19

Recent developments as a result of the Covid-19 (Coronavirus) pandemic have had a significant impact on the health of the people and of society as a whole, adding to the uncertainty regarding the operating and financial performance of companies and other organisations.

Note 13 of the notes to the financial statements discloses the impacts and uncertainties resulting from the Covid-19 (Coronavirus) pandemic, estimated by the Board of Directors for *Fundação Galp*, based on the information available at this time. Our opinion on this matter has not changed.

Responsibilities of the management board for the financial statements

The management board is responsible for:

- preparing financial statements that give a true and fair view of the financial position, financial performance and cash flows of the entity in accordance with the Portuguese Accounting and Financial Report Standard for Not-for-Profit Entities;
- drawing up the Activity Report in accordance with the law and regulations;
- setting up and maintaining an appropriate internal control system to enable the preparation of financial statements free from material misstatements due to fraud or error;
- adopting appropriate accounting policies and criteria for the circumstances; and
- assessing the entity's capacity to continue and disclosing, where applicable, the matters that can raise significant doubt about the continuity of its activities.



Responsibility of the auditor for the financial statement audit

Our responsibility is to obtain reasonable assurance that the financial statements as a whole are free from material misstatements due to fraud or error and to issue a report containing our opinion. Reasonable assurance is a high level of certainty but it is not a guarantee that an audit conducted in accordance with the ISA will always detect a material misstatement. Misstatements may be caused by fraud or error and are considered material if, individually or in conjunction, they can be reasonably expected to influence the financial decisions of the users based on these financial statements.

In an audit conducted in accordance with the ISA, we make professional judgements and maintain our professional scepticism during the audit and, in addition:

- we identify and assess the risks of material misstatement in the financial statements due to fraud or error, we design and carry out auditing procedures for these risks and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting one resulting from error, since fraud may involve collusion, forgery, deliberate omissions, false statements, or the overriding of internal controls;
- we obtain an understanding of the relevant internal audit control with the goal of designing appropriate audit procedures, but not to express an opinion on the effectiveness of the Entity's internal controls;
- we assess the suitability of the accounting policies used and the reasonableness of the accounting estimates and disclosures made by the management body in accordance with the Portuguese Accounting and Financial Reporting Standard for Not-for-Profit Entities adopted in Portugal by way of the Accounting Standards System;
- we conclude as to the appropriacy of the use, by the management body, of the continuity basis and, based on the evidence obtained in the audit, whether there is any material uncertainty related to events or conditions that could raise significant doubt about the Entity's capability to continue its activities. If we conclude that there is a material uncertainty, we must draw attention in our report to the related disclosures in the financial statements or, if these disclosures are inadequate, alter our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may lead to the Entity discontinuing its activities;
- we assess the presentation, structure and overall content of the financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events and provide an appropriate presentation; and
- we communicate with those in charge of governance, among others, regarding the scope and forecast calendar for the audit, and the key conclusions of the audit, including any shortcomings in internal controls identified during the audit.

Our responsibility also includes checking that the information contained in the Activity Report is in line with the financial statements.



Fundação Galp Legal certification of accounts 31 December 2019

REPORT ON LEGAL AND REGULATORY REQUIREMENTS

About the Activity Report

In our opinion, the Activity Report was prepared in accordance with the applicable legal and regulatory requirements and the information contained in the Report is consistent with the audited financial statements. No materia inaccuracies have been identified.

Lisbon, 8 April 2020

Ernst & Young Audit & Associados – SROC, S.A. Statutory Auditors

Represented by: Signed by: RUI ABEL SERRA MARTINS Identification no: BI091334357 Date: 08.04.2020 18:02:15+01'00'



Citizen's Card

Rui Abel Serra Martins – Statutory Auditor No. 1119 Registered with the Securities Market Commission under no. 20160731