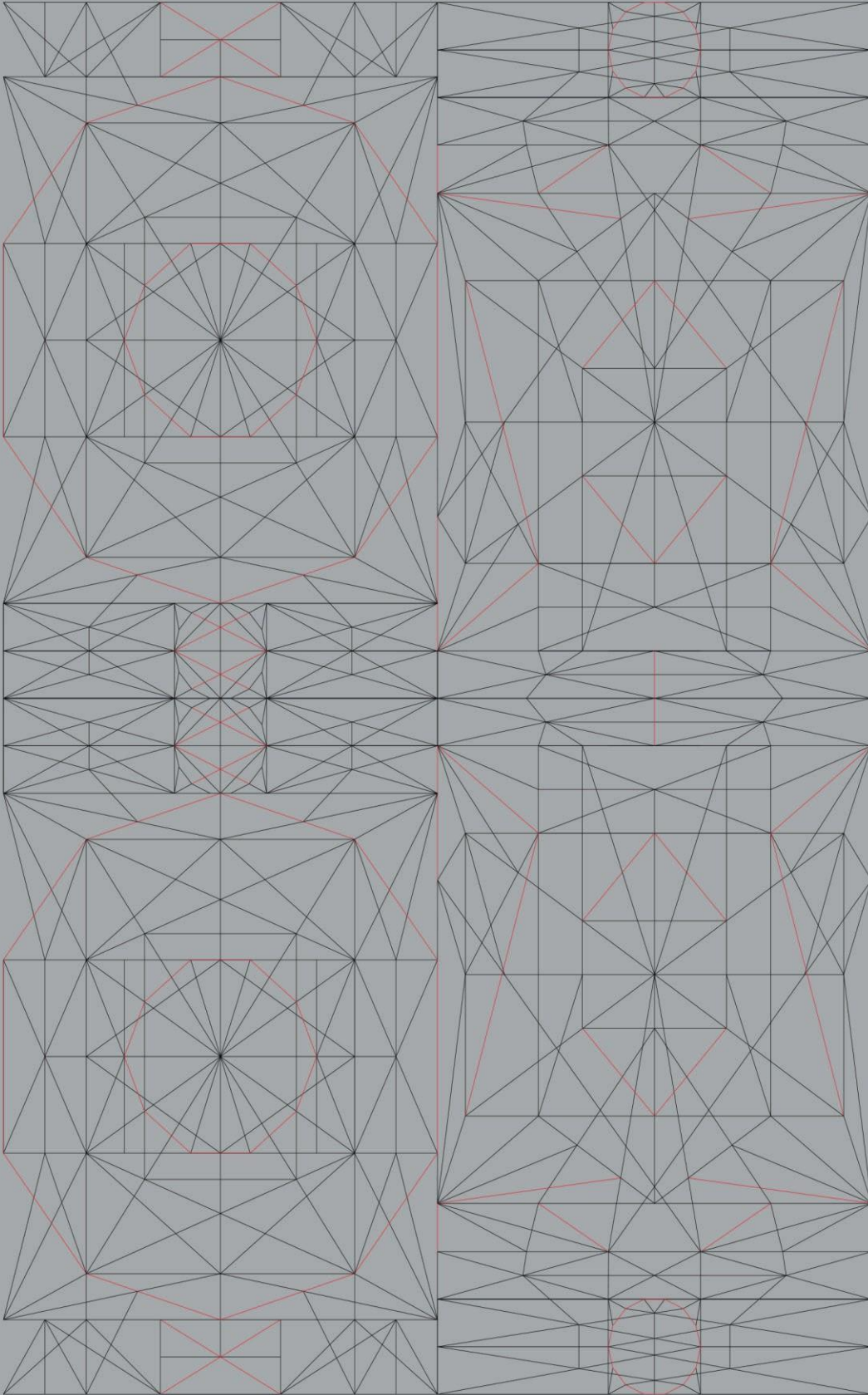


## GENDER EQUALITY AND DIVERSITY PLAN



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### BACKGROUND

Council of Ministers Resolution no. 19/2012 of 08 March 2012 requires the mandatory adoption of an equality plan by all entities in the state corporate sector, with a view to achieving equal treatment and equal opportunities between men and women, eliminating discrimination and reconciling personal, family and professional life.

This obligation was extended to listed companies through Law no. 62/2017 of 01 August, which passed the scheme for equal representation between men and women in the managing and supervisory boards of entities from the corporate public sector and listed companies. Article 7 of this law establishes the obligation to prepare annual equality plans “aimed at effectively achieving equal treatment and equal opportunities between men and women, eliminating gender discrimination and reconciling personal, family and professional life”.

Law no. 62/2017 also requires listed companies to have quotas representing both sexes of 20% (beginning on the first elective General Meeting of Shareholders held after 01 January 2018) and 33.3% (beginning on the first elective General Meeting of Shareholders held after 01 January 2020) vis-à-vis all executive and non-executive directors.

Sub-section III, articles 23 through 65 of the Labor Code gives relevance to the topic of gender equality through general positions on equality and non-discrimination, the prohibition of harassment and equality and non-discrimination according to gender and parenthood.

The Portuguese parliament has issued several recommendations to the government in this regard:

- Resolution no. 116/2012 of 13 July, recommending that it take family support measures to reconcile family life with professional life;
- Resolution no. 260/2017 of 30 November, recommending measures to ensure actual compliance with working hours and the reconciliation of work with family life.

Through Law no. 60/2018 of 21 August, the Portuguese parliament passed measures promoting wage equality between men and women for the same work or work of equal value, through four types of information, evaluation and correction mechanisms, which will enter into force on 21 February 2019.

## INTRODUCTION

In this context, the main aspects, documents, practices and processes in place at the Novabase Group, which it believes have an impact on non-financial issues relevant to the Group (namely involving the environment, society, labour, gender equality, non-discrimination, human rights and the fight against corruption), are listed below:

- Novabase's business and the conduct of its employees are governed by applicable law in relevant jurisdictions, and by Novabase's Code of Conduct (published at its corporate website), an internally approved document in effect at the Group since 2011 aimed at guiding the conduct of Novabase's professionals according to the values cultivated by the Group, not only when relating with customers, but also when relating with each other.
- The company's business is managed in accordance with the Integrated Management System.

- Novabase’s companies are audited by its financial auditors; its certifications in quality (ISO 9001), environmental management (ISO 14001) and occupational health and safety (ISO 45001) are renewed each year after internal and external audits, the latter conducted by certifying entities.
- The company regularly monitors customer satisfaction, along with its employees’ satisfaction with company services and other issues of interest to the management.
- In compliance with Portuguese Corporate Governance Institute recommendations regarding the governance of listed companies, and in view of fostering a culture of responsibility and compliance, Novabase has adopted a system for reporting irregularities (known as “SPI”) that may occur within its Group. Any report of irregularities made through the SPI is directed to a member of the Audit Board specifically designated for this purpose.
- The company also has “Internal Regulations on Business Dealings with Qualified Novabase, SGPS, S.A. Shareholders” in effect.

## **MANAGING AND SUPERVISORY BOARD DIVERSITY POLICY**

At Novabase, we believe in equal opportunities and mutual respect regardless of ethnicity, gender, religion, beliefs, social background, or sexual orientation. These differences tend to enhance the quality of decision-making processes through multiple perspectives, greater intellectual and cultural richness, and a better representation of reality and of those involved.

For this reason, we also believe that diversity in our corporate boards helps to improve Novabase’s performance and competitiveness. As such, we are committed to the following policy:

- Compliance with Law no. 62/2017 of 01 August, since gender diversity provides different management styles and complementary approaches;

- With regard to age, there must be a balance between experience and maturity on the one hand, and youth and energy on the other hand, the latter being so essential to the fast-paced innovation of our highly dynamic sector (information technologies);
- With regard to qualifications and education, in addition to areas associated with technology, various other areas of knowledge must also be represented, in view of the mounting importance of multidisciplinary in team performance.

Novabase will monitor this policy's implementation, in accordance with its corporate governance model, and will review it whenever deemed appropriate.

## RESULTS AND INDICATORS

Since no matters involving human rights, corruption or attempted bribery were reported in 2019 to the management of Novabase SGPS, S.A. through the available channels for this purpose, there are no indicators to report in this regard.

As regards gender equality, the key indicator considered is the proportion of men and women vis-à-vis all employees, which should tend to be balanced. This indicator changed slightly in 2019: 68% men and 32% women, compared with 70% men and 30% women in 2017 and 2018.

## MEASURES AND PRACTICES TO BE IMPLEMENTED

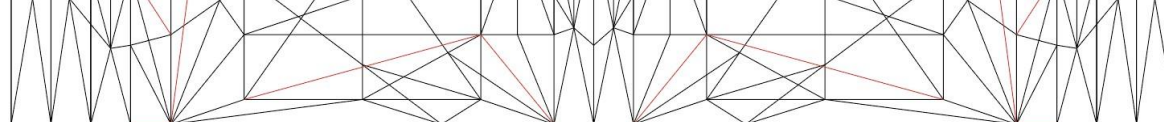
At NOVABASE, creating an ever more inclusive culture is one of our main goals and it is the path that we have chosen to follow up to now. Execution of this Equality Plan reflects our wish to make the organization more inclusive, more diverse, offering more equal opportunity, all the while fulfilling our duties and adding value to our people, partners and clients.

In this topic we illustrate the evolution of the goals that are proposed in the Equality Plan 19/20, this is where we indicate their status (Table 1), summarize the measures implemented in 19/20 and indicate our proposed actions for 20/21 (Table 2).

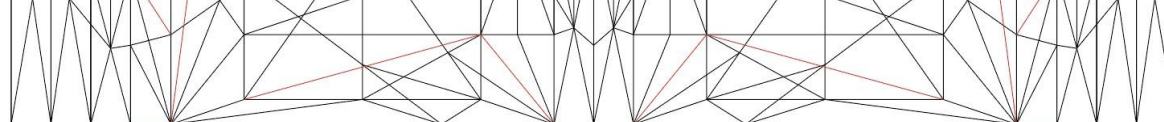
Equality Plan 20/21 has been created based on the diagnostic conducted in 2019 and backed by the support framework made available by CITE – *Guia de Auto-Avaliação da Igualdade de Género nas Empresas* (Self-Assessment Guide on Gender Equality in Companies). NOVABASE has conducted a detailed analysis of the document, exploring the various dimensions mentioned in it, with the aim of taking inventory of those existing organizational practices that relate to each of those topics, thereby identifying strengths and areas that need improvement in that regard. After this first phase we will be attempting to draw up new action proposals in view of responding to the main issues that ensued from the previous analysis. This diagnostic was undertaken by a diverse and multi-disciplinary team consisting of members from the human resources, legal, and business departments, and it has been an ongoing process.

Those measures that have been applied with the aim of enforcing the law are considered priority measures by the organization, namely those pertaining to establishing an obligatory system of quotas for people with disabilities, with a degree of disability equal to or greater than 60%, out of all employees working for the company.

Monitoring and assessing compliance with these actions shall be based on a monthly follow-up meeting with those persons responsible for implementing each of the described measures (Table 2). In addition, the Committee for Gender Equality and Diversity shall meet on a quarterly basis with the same objective, and also in order to make decisions regarding the proposed Plan whenever deemed necessary.



Goals	Team	Description of Actions	Indicators	Status
<p><b>Create a gender equality and diversity committee</b></p>	<p>CEO CHRO HR Manager Legal Department Investor Relations Coordinator of operating team for gender equality and diversity (appointed by HR)</p>	<p>Create a gender equality and diversity committee to:</p> <ul style="list-style-type: none"> <li>› Design, ensure and monitor implementation of gender equality and diversity measures</li> <li>› Promote discussion on gender equality and diversity trends and practices</li> <li>› Implement plan</li> <li>› Coordinate plan with Executive Committee</li> <li>› Establish operating team for gender equality and diversity</li> </ul> <p>This committee's target is to hold quarterly meetings starting in November 2019.</p>	<p>Meeting minutes Activity matrix</p>	<p>Complete</p>
<p><b>Hold quarterly meetings of the gender equality and diversity committee</b></p>	<p>CEO CHRO HR Manager Legal Department Investor Relations Coordinator of operating team for gender equality and diversity (appointed by HR)</p>	<ul style="list-style-type: none"> <li>› Disseminate various initiatives and measures within the organization.</li> <li>› Identify potential improvements and new measures to be implemented.</li> </ul> <p>Done every three months. Launch in November 2019.</p>	<p>Meeting minutes Activity list</p>	<p>In progress</p>
<p><b>Strengthen Novabase's commitment to gender equality and diversity through more cooperation with public entities and/or organizations from society</b></p>	<p>Gender equality and diversity team</p>	<p>Analyse the possibility of joining public entities and/or organizations which promote gender equality and diversity:</p> <ul style="list-style-type: none"> <li>› iGen Forum</li> <li>› PWN (Professional Women's Network)</li> <li>› "Portuguese Women in Tech" program</li> <li>› Survey Women on Boards – Portugal</li> <li>› "Women Engineers for One Day" initiative</li> </ul>	<p>Affiliation process</p>	<p>In progress</p>
<p><b>Establish an action plan, by initiative of the committee, to promote gender equality and diversity</b></p>	<p>Gender equality and diversity team</p>	<p>Define an action plan by analysing different aspects of gender equality and diversity.</p> <ul style="list-style-type: none"> <li>› Organizational mission and values</li> <li>› Staff selection and recruitment</li> <li>› Vocational training</li> <li>› Career management and remuneration</li> <li>› Reconciliation of professional, personal and family life</li> <li>› Parental protection and family assistance</li> <li>› Obligation to respect dignity in the workplace</li> </ul> <p>See description of measures in the following table.</p>	<p>Action plan</p>	<p>In progress</p>


**Table 1.** Status of 2019/2020 Equality Plan.

GENDER EQUALITY & DIVERSITY DIMENSION	TEAM	IMPLEMENTED IN 2019/2020	ACTIONS TO 2020/2021
<b>Mission, values, strategy &amp; communication (internal and external)</b>	GENDER EQUALITY & DIVERSITY TEAM	› Signature of the Plan for Gender Equality and Diversity (published on the website): “Fórum iGen” agreement › Update to the Code of conduct (published on the website and employee notebook: KIT)	› Update the Integrated Management System Policy; › Gradual implementation of inclusive language in public documents; › Support and give visibility to corporate movements for inclusion (gender equality, diversity, non-discrimination and others): 1 - Participation in “Fórum iGen” work teams. 2 - To evaluate the participation in programs and initiatives;
<b>Equal access to employment: recruitment and selection</b>	GENDER EQUALITY & DIVERSITY TEAM	› No measures have been implemented in this regard.	› Establishment of a mandatory quota system for disabled persons, with a disability degree equal or superior to 60%, in the employer's headcount (priority); › Make sure that the job offers are written inclusively;
<b>Performance Management and Career Development</b>	GENDER EQUALITY & DIVERSITY TEAM	› No measures have been implemented in this regard.	› Promote awareness about how to avoid bias;
<b>Protection in parenting</b>	GENDER EQUALITY & DIVERSITY TEAM	› Absences related to paternity and maternity leave do not have an impact on the bonus payment.	› Define a Remote Work Policy;
<b>Work-life balance &amp; Well Being</b>	GENDER EQUALITY & DIVERSITY TEAM	› Healthy week › Creation of the Novabase+ platform (employee discount club).	
<b>Respect for the dignity and integrity of workers</b>	GENDER EQUALITY & DIVERSITY TEAM	› Specific procedure for reporting cases of sexual or moral harassment › Psychological support (external entity) to support the victim › Disciplinary procedure in case of proof of harassment situations.	› Reinforce the disclosure of our internal procedure in different communication channels (onboardings, newsletters, others) and make sure this topic gets revisited;
<b>Remuneration</b>	GENDER EQUALITY & DIVERSITY TEAM	› Diagnosis about the salary distribution at Novabase.	› Conclusion of the diagnosis on salary distribution in the organization; › Defining the approaches needed to address the issues that may emerge from the study's conclusions.

**Table 2.** Measures implemented in 2019/2020 and proposed actions for 2020/2021.