

NOVABASE

GENDER EQUALITY AND DIVERSITY PLAN

2022 | 2023

Managing diversity is essential for all of our businesses. We believe our people are more productive when they are treated with respect and dignity, when they feel engaged and proud of their contribution towards helping the company grow, when they feel reflected in corporate policies, and when their skills are leveraged so that they develop in a working environment whose doors are open to diversity and inclusion.

Background

At Novabase, we believe in equal opportunities and mutual respect regardless of each individual's ethnicity, gender, religion, beliefs, social background or sexual orientation. These differences which characterize us, and a variety of perspectives, tend to enhance the quality of decision-making processes, providing greater intellectual and cultural richness and a more accurate reflection of reality and of those involved.

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 through values cultivated by the Group in its customer and interpersonal relations;
- In 2019, a specific procedure was implemented on how to act in the event of workplace harassment, a conduct which Novabase considers to be unacceptable;
- 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 whistleblowing system for reporting irregularities (known as "SPI") that may occur within its Group (for a detail of the system, please see <https://content.novabase.com/storage/uploads/comunicacao-de-irregularidades-2.pdf>);
- The Prevention Plan for the Risks of Corruption and Related Offences was approved in September 2021;
- The company also has "Internal Regulations on Business Dealings with Qualified Novabase, SGPS, S.A. Shareholders" in effect.

All of the above practices address the legal and regulatory requirements applicable to Novabase's business, including:

- Council of Ministers Resolution no. 20/2112 of 08 March 2012, which 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, which also requires listed companies to have quotas representing both genders 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 Labour Code, which 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 also issued a number of recommendations to the government in this regard:

- Resolution no. 116/2012 of 13 July, recommending that it take family support measures to reconcile personal 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.

Managing and Supervisory Board Diversity Policy

We 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 and the youth and energy needed for 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.

Diagnostics

To properly gauge the present needs in relation to gender equality, various internal and external information sources were considered, namely:

- Diagnostic index, available at the Portal, for equality at work and companies.
- Guide for preparing equality plans, published by the Commission for Equality in Labour and Employment (CITE).
- Analytics of Human Resources who monitor the how strategies and action plans are laid out each year.
- Recommendations from the CITE's technical analysis of plans published by Novabase in 2020/2021 and in 2021/2022.

Strategy, Mission and Values

Diversity and inclusion are inherent underlying values in Novabase's organizational culture. They allow us to attract, develop, motivate and retain the best talent. They help us to be more innovative when developing products and solutions for our customers. They help us expand the business into new regions, embracing and incorporating new cultures and customs. They nurture the growth and ongoing success of our business.

At Novabase, we promote a culture where everyone has a proactive "voice" within the organization. We focus on transparent communication in our processes and procedures, promoting equal opportunities in an organization which is increasingly more multi-generational and multi-cultural.

The values of diversity and inclusion are a prerequisite for the sustainability of Novabase's long-term business strategy. As such, Novabase is committed to constantly encouraging and promoting equality between our people, and accepting each person's individuality as a competitive advantage.

Results and Indicators

Since no matters involving human rights, corruption or attempted bribery were reported in 2021 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, we remain committed at the Novabase Group to act according to the principles of equal treatment and equal opportunities between men and women.

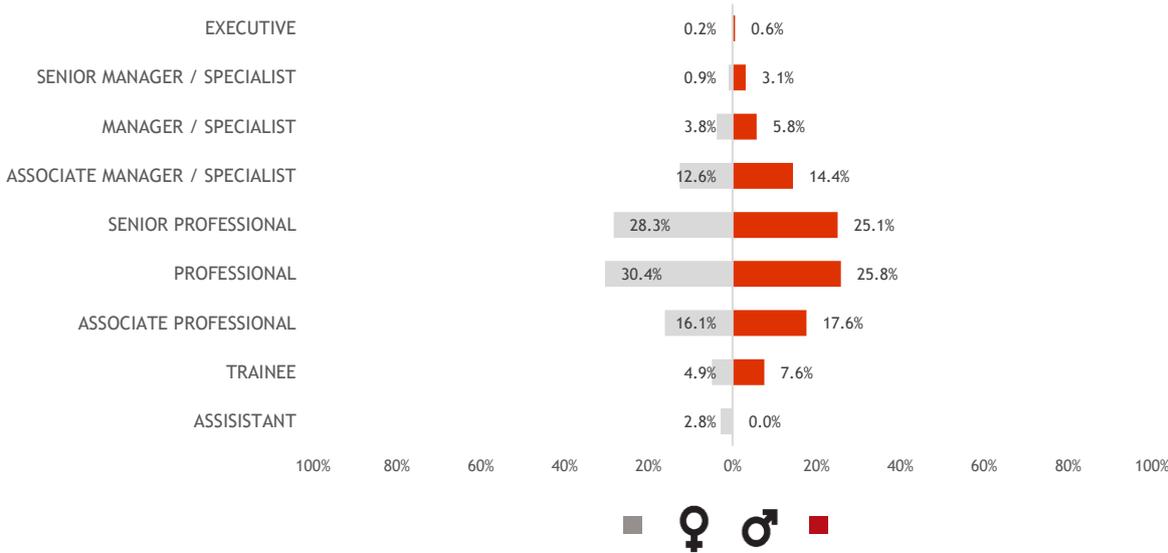
We pay attention to indicators to monitor trends at our organization involving the proportion of men and women vis-à-vis all employees, career advancement and respective compensation.

Organizational profile

The IT sector continues to be predominantly male. At the Novabase Group, this indicator has remained stable in recent years. In 2022, the distribution of men and women has been 69% and 31%, respectively.

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 683 1,489
 (31%) (69%)
 TOTAL - 2,172

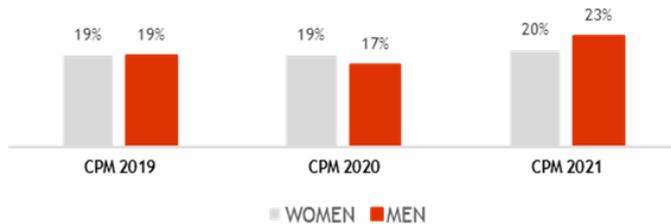
With regard to the percent distribution of women/men by career level proportionally to the total number of women/men at the company, we can see a relatively lower distribution of women at the higher organizational levels, although this difference is not significant.



Graph 1: % women/men by career level in relation to the total number at the company (including all individuals with an employment relationship)

In terms of compensation practices, the Novabase Group actively promotes a culture of equality, both at the time of hiring (with comparative market studies) and internally (using tools for performance evaluation and recognition, where individual and collective contributions are differentiating factors). In the diagnostics done in 2022, a comparative analysis of compensation levels between men and women revealed different trends. The average compensation of women at the start of their initial career was 16% higher than that of men. One factor contributing towards this was the trend, among women, of having higher academic qualifications than men at the time of hiring. However, this difference has a downward trend over the course of the career, ranging from -1% to -4%, meaning that men begin to earn more than women in subsequent career levels.

With regard to analysing promotions, no consistent trend could be seen. While during the last cycle of promotions, in 2021, there was some difference in the number of individuals promoted (23% of men were promoted compared to 20% of women), this difference was the opposite in the previous cycle.



Graph 2: % promotions proportional to the total number of women versus men

Also with regard to career advancement, an analysis of the average time in each career level does not suggest a clear pattern of differences.



Graph 3: average time in each career level for women/men

The Novabase Group has processes and internal tools to proactively promote equality at the time of promotion. Valuing people’s professional experience, technical and soft skills, performance and potential are factors which apply to the entire organization and are known by our people. We strive for a culture of transparency in relation to opportunities for internal mobility and career advancement.

Measures and practices to be implemented, and their monitoring

At Novabase, creating an increasingly more inclusive culture is one of our main goals, and the path we have been building. Achieving this Quality Plan is a reflection of our journey to

make the organization ever more inclusive, with greater diversity and equal access to opportunities and the fulfilment of obligations, adding value to our people, partners and customers.

As such, we have various agents at the organization mobilized towards achieving our strategy of diversity and inclusion (Table 1).

In this topic, we also present developments in the proposed goals of the 2022/2023 Equality Plan, where we summarize the measures already implemented in 2020/2021 and the proposed actions for 2022/2023 in the various aspects of the plan (Table 2).

Building a 2022/2023 Equality Plan is based on a diagnostic performed in 2020/2021, with the help of a support matrix provided by the CITE - Self-Assessment Guide on Gender Equality in Companies, and the CITE's recommendations for Novabase's Equality Plan. Novabase has analysed the document in depth, exploring its various aspects, for the purpose of surveying existing organizational practices related to each of these topics and finding strong points and areas for improvement in this regard. With this analysis, we aim to respond to the needs identified, designing new action proposals to address the main issues arising from the previous analysis. This diagnostic was carried out by a diverse multidisciplinary team with members from the Human Resources, Legal and Business Departments, and has been an ongoing undertaking.

Measures aimed at legal compliance, such as establishing a mandatory system of quotas, for people with a degree of disability of 60% or more, among the total number of people, are considered priority measures by the organization.

Compliance with these initiatives will be monitored and assessed based on a monthly follow-up meeting with those in charge of implementing each measure (Table 1). In addition, the Gender Equality and Diversity Committee will meet quarterly with the same goal, and to make decisions on the proposed plan whenever deemed necessary.

The findings presented and gaps encountered are analysed and discussed by the Committee and the equality and diversity team in order to determine measures to be implemented in the next cycle to gradually eliminate gaps and promote gender equality from all standpoints.

Main drivers	Team	Responsibilities	Monitoring	Status
Gender Equality, Diversity and Inclusion Committee	Managing Director Human Resources Department (DRH) Legal Department Investor Relations Coordinator of team for gender equality and diversity (member appointed by DRH)	<ul style="list-style-type: none"> › Design, ensure and monitor implementation of gender equality, diversity and inclusion measures Promote discussion on gender equality, diversity and inclusion trends and practices › Lay groundwork for implementing the plan › Ensure coordination of plan with the Executive Committee › Establish operating team for gender equality and diversity 	Quarterly monitoring meetings and respective meeting minutes.	According to plan
Gender equality, diversity and inclusion team	Representatives from different areas of DRH (recruitment and selection; training and development; remuneration and career management; mediation; parental	<ul style="list-style-type: none"> Define an action plan by analysing different aspects of gender equality and diversity, including: <ul style="list-style-type: none"> › Organizational mission and values › Recruitment and selection of new talent › Vocational training 	Quarterly monitoring meetings and respective meeting minutes	According to plan

	<p>protection; culture and values)</p> <p>Representative from labour area of Legal Department</p> <p>Representative from area of Communication</p> <p>Representative from area of Organizational Development</p>	<ul style="list-style-type: none"> > Career management and remuneration > Reconciliation of professional, personal and family life > Parental protection and family assistance > Obligation to respect dignity in the workplace 		
Gender Equality, Diversity and Inclusion Plan	<p>Gender equality, diversity and inclusion team</p> <p>Managers of approved initiatives and respective working teams</p>	See description of initiatives in Table 2.	In accordance with action plan	See Table 2.

Table 1. Governance model of 2022/2023 Equality Plan.

Aspect: Strategy, mission and values						
Goals	Measures	Departments/Units in charge	Departments/Units involved	Budget	Indicators	Implementation status
Updating of Integrated Management System Policy	Updating of Integrated Management System Policy by including topics on equality	Corporate Development		No specific costs allocated	-	Implemented
Gradual implementation of inclusive language in public documents	Dissemination of Inclusive Language QuickGuides (in Portuguese, English and Spanish)	Corporate Development	People	No specific costs allocated	-	Implemented
	Revision of documents to ensure the use of inclusive language. Examples: Annual Report and Accounts, Code of Conduct, Onboarding Session (NBoarding)	Corporate Development		No specific costs allocated	-	Implemented
Give support and visibility to corporate movements for inclusion (gender equality, diversity, non-discrimination and others)	Participation in working teams of “iGen Forum: Organizations for Equality Forum”: Task Force, Working Group #2: “Gender Equality Measures” and Working Group #5: “iGen Training Academy”	People	Corporate Development	No specific costs allocated	-	In progress

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	Participation in programs and initiatives with outside entities, such as PWIT - Portuguese Women in Tech (Mentoring Programs and Awards), PWN Lisbon - Professional Women's Network (networking, development activities)	People	Corporate Development	No specific costs allocated	-	In progress
Communication and awareness activities	Internal communication with three webinars/"roundtables" on Equality, Diversity and Inclusion: "IT jobs have no gender"; "IT jobs welcome disability"; and "Accidental Excluder or Deliberate Includer?"	People		€1,200	-	Implemented
	<i>Creation of an Internet community where all documents can be found (e.g. Gender Equality and Diversity Plan) for internal dissemination of communication and awareness for these topics;</i>	<i>People</i>		<i>No specific costs allocated</i>	-	<i>Implemented</i>
	<i>Give-away of book "O Longo Caminho para a Igualdade. Mulheres e Homens no Século XXI" (The Long Way to Equality - Women and Men in the 21st century) to all of our people. This was the first book published by iGen in a partnership with the publisher Imprensa Nacional, authored by the duo Ana Maria Magalhães and Isabel Alçada (text) and Susana Carvalinhos (illustrations);</i>	<i>People</i>		€10,000	-	<i>Implemented</i>
Aspect: Equal access to employment						
Goals	Measures	Departments/Units in charge	Departments/Units involved	Budget	Indicators	Implementation status

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Job announcements reaching the highest possible number of applicants with the desired profile (respecting equal opportunities and without stereotypes)	Use of inclusive language, without gender or any other type of discrimination, in writing job opportunities.	People	Talent Acquisition	No specific costs allocated	Number of job opportunities published without issues reported	Implemented
Training of interviewers from business areas in interview techniques on skills, rules and guidelines on questions to be asked during an interview to ensure objectivity, impartiality and equal opportunities for all people during the selection process	Provision of e-learning Implementation of training initiatives in synchronized format	Talent Acquisition Training	Talent Acquisition Training	Costs involved in developing and implementing the training initiative (€30,000)	Number of people who have completed e-learning Number of participants in synchronized training initiatives	In development
Inclusion of people with a degree of disability of 60% or more in the workforce	Establishment of partnership with Valor T, an agency for the employability of disabled persons, followed by a presentation and dissemination webinar to the entire Novabase community	People Communication	People Communication Business Units	No specific costs allocated	Five interviews conducted; No new hires to date	Implemented

Aspect: Initial and ongoing training

Goals	Measures	Departments/Units in charge	Departments/Units involved	Budget	Indicators	Implementation status
Development of women with high potential at the organization	Access to the program of PWN Lisbon - Professional Women's Network, namely "breakfasts" with role models, and training/workshops in the area of individual development for women with high potential, at starting and intermediate career levels	People	Business Units People	€1,500	Participation of 13 women in the 2022/2023 Mentoring program	Implemented
Raise awareness on our current female executive leaders as an inspiration for future leaders	Interview with our female executive leaders in our internal magazine "Call"	Communication	Communication People	No specific costs allocated	Three interviews published in our internal magazine "Call"	Planned last quarter of 2022/2023

Aspect: Equal working conditions

Goals	Measures	Departments/Units in charge	Departments/Units involved	Budget	Indicators	Implementation status
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Uphold a working environment in which everyone feels they are treated with respect, courtesy, consideration and professionalism.	Increased dissemination of the Code of Conduct and specific procedure for how to deal with workplace harassment in different internal communication channels Provision of Anti-Harassment Policy and Code of Conduct at the time of hiring	Corporate Development People Legal	Corporate Development People Legal	Costs related to communication plan	Communication in Teams Channel Delivery of information among all new hires	Underway
Collect feedback from our people on a series of key issues to enhance their experience at the organization (remote work, opportunities for development, compensation and benefits, career, etc.)	Launch of biannual Pulse Survey	People Communication	People Communication Business Units	Costs involving the development and implementation of the communication process and information collection system	Launch of the first Pulse Survey with 646 participants; next one in September 2022	Implemented

Aspect: Protection of parenthood

Goals	Measures	Departments/Units in charge	Departments/Units involved	Budget	Indicators	Implementation status
Understand the main day-to-day challenges experienced, identify opportunities for improvement and how the organization can become more "parent-friendly".	Sessions for brainstorming and sharing experiences as "mothers/fathers" in reconciling personal life with job challenges.	People	People Business Units	No specific costs allocated	Two work groups with diverse profiles	Complete
Assist fathers and mothers during parental leave for better integration when returning to work	Creation of monitoring and integration program during and when returning to work: Mini-onboarding, return in phases; adaptation week; keep-in-touch days	People	People Business Units	No specific costs allocated	-	In progress
Facilitate and increase the amount of information in the e-Care platform on family support issues	Develop and enhance the information system with family support topics, making it easier to find answers and support	People	People Contract Management Team	No specific costs allocated	-	In progress

Train our leader(s) to better manage people's absences and return after parental leave	Sharing on the company culture of parental support: flexible scheduling, management of unforeseen issues, constant dialogue	People	People	No specific costs allocated	Internal webcast	In development
Aspect: Reconciliation of professional life with family and personal life						
Goals	Measures	Departments/Units in charge	Departments/Units involved	Budget	Indicators	Implementation status
Implementation of a flexible/hybrid work policy, offering the highest possible flexibility to support individual work styles and personal and family needs, while simultaneously addressing business needs and promoting a corporate culture	Description and communication of remote work policy to all people	People Department Executive management Managing directors	People and Communication Departments	No specific costs allocated	Policy published and available for consultation at the company's Intranet	Implemented
Parental leave does not affect payment of the annual, holiday or Christmas bonuses	Payment in full in the event of parenting-related absences	People Department	People Department	No specific costs allocated	Number of people on parental leave without reduced compensation	Implemented
Special health insurance conditions for direct household	Negotiation with our health insurer of competitive market rates for the direct family members of our people	People Department	People Department	No specific costs allocated	Number of people with family members on company health insurance	Implemented
Special health insurance conditions for predecessors	Negotiation with our health insurer of competitive market rates for the direct family members (predecessors) of our people	People Department	People Department	No specific costs allocated	Number of people on health insurance for predecessors	Implemented

Table 2. Measures implemented in 2021/2022 and proposed actions for 2022/2023