



Business Principles and Social Responsibility

We act in accordance with the highest ethical standards on an international level everywhere we operate. OMV is a signatory to the United Nations (UN) Global Compact and is fully committed to the UN Guiding Principles on Business and Human Rights. With our global activities, we aim to contribute to the UN's 2030 Agenda for Sustainable Development.

Key Figures

11,144

employees

participated in online business ethics trainings

9,194

employees

received human rights training

1.3 mn

beneficiaries

from community development initiatives



Business principles and anti-corruption

OMV is a signatory to the UN Global Compact. Although we are headquartered in Austria – a country with high business ethics standards – we operate in several countries in the Middle East, North Africa, Asia-Pacific and Central and Eastern Europe that are defined as high risk by the Transparency International Corruption Perception Index. We strive to avoid the risks of bribery and corruption that are specific to our sector. We also highly value our reputation. Therefore, our highest priority is ensuring uniform compliance with our business ethics standards wherever we operate. Compliance with ethical standards is a non-negotiable value that supersedes any business interest. Absolute commitment to this objective is embedded at all levels at OMV from top management to every employee. Our business partners are also expected to share the same understanding of and commitment to ethical standards. Every company activity, from planning business strategy to daily operations, is assessed for compliance with ethical standards, such as the Code of Conduct and Code of Business Ethics.

Business principles and anti-corruption management

Business ethics regulatory framework

The OMV Group follows a zero-tolerance policy with regard to bribery, fraud, theft, and other forms of corruption. Based on this policy, the OMV Group is committed to detecting any potential policy violations at the earliest stage, thoroughly investigating any such incidents of non-compliance and determining appropriate organizational measures or sanctions for the individuals involved. The integrity of our employees is the foundation for the trust placed in our Company by our customers, suppliers, and other stakeholders.

The regulatory instruments at OMV that establish ethics principles and standards and guide our approach to ethical conduct are our Code of Business Ethics, an internal policy applicable to OMV employees, and our Code of Conduct³⁷, an external policy governing the work with our business partners and stakeholders. The procedures established by these documents are implemented at every fully consolidated subsidiary of OMV and apply to everyone who works for OMV or in the name of OMV. We require compliance with international business principles from all parties with whom we enter into partnership agreements, such as joint ventures. Companies performing services for OMV (i.e., suppliers) must follow anti-bribery procedures that are consistent with the principles of OMV's Code of Business Ethics and with OMV's business ethics standards, as defined in the Code of Conduct. (For more details, see [Supply Chain: Supplier sustainability compliance](#).)

OMV strives to earn stakeholders' confidence by implementing a high standard of corporate governance, transparency, and predictability. OMV has therefore committed itself to compliance with the Austrian Code of Corporate Governance, and, in this context, through its Code of Business Ethics forbids any support of political parties, including donations. We follow political and regulatory initiatives (both at EU and national levels) in our areas of interest, including energy, environment, climate change, trade, and others. OMV has a dedicated department for Public Affairs activities. We are fully in line with all reporting obligations at the national and EU levels, and we are fully compliant with all transparency requirements.

OMV supports the Paris Agreement. This position is embraced by OMV at all organizational levels, including our activities in various interest groups. In addition, OMV has started to regularly verify whether the main interest groups of which the company is a member support the Paris Agreement.

OMV Compliance Management System

OMV has set up a comprehensive Compliance Management System including policies, audits, and trainings. The system aims to anchor OMV's business ethics policies throughout the organization and to ensure their correct implementation. OMV introduced a Group-wide online training program for business ethics. 11,144 employees completed the online training. In addition, face-to-face business ethics trainings were conducted with 514 employees. We also monitor the compliance of all of our operations with laws and regulations concerning capital markets law and competition law as well as international trade sanctions and embargoes that are applicable to OMV. Face-to-face trainings in these other compliance areas were conducted with 482 employees in 2019.

OMV employees are encouraged to regularly participate in compliance training covering topics that are relevant to various types of jobs. The Compliance Management System is implemented Group-wide through collaboration between centrally based management units and local compliance officers in all countries in which OMV operates. This international compliance organization, which is dedicated to ensuring Group-wide implementation of OMV's ethical standards, comprises 37 compliance experts.

In 2013, OMV became the first organization in Austria to comply with the comprehensive IDW Assurance Standard 980. The IDW Assurance Standard 980 is the benchmark certification standard for DAX and ATX companies.

The OMV Compliance Management System is regularly reevaluated and was recertified under IDW PS 980³⁸ in 2017. Both external and internal risk factors, in particular

³⁷ Our Code of Conduct and a brochure with the key elements of our Code of Business Ethics are available at: www.omv.com/en/business-ethics-and-anti-corruption

³⁸ IDW PS 980 regulates the Principles for the Proper Performance of Reasonable Assurance Engagements Relating to Compliance Management Systems. The corresponding English version is IDW AsS 980.



changes in the regulatory framework, as well as recent developments or incidents are monitored on an ongoing basis to evaluate their possible impact on OMV's current risk exposure. This ongoing risk analysis also includes an institutionalized semiannual risk analysis, which is part of OMV's Enterprise-Wide Risk Management (EWRM).

Preventing corruption risk in operations

Before we launch activities in a new country, we perform a thorough analysis of business ethics and sanction law issues in that country. The Business Ethics Entry Assessment includes an analysis of the Corruption Perception Index assigned by Transparency International to a given country. Based on the outcome of the assessment, corporate governance in local operations is adapted to assure compliance with OMV's ethical standards.

In 2019, our Internal Audit department carried out 18 internal compliance audits across the full range of business ethics issues (thereof 10 at OMV and 8 at OMV Petrom). Risk-related audits covering fraud and corruption issues form an integral part of the Corporate Internal Audit. Additional preventive measures were set up for OMV Petrom, such as third-party background checks of OMV Petrom's business partners.



Zero incidents of corruption; zero incidents when contracts with business partners or employees were terminated or not renewed due to violations related to corruption; and zero public legal cases regarding corruption brought against the organization or its employees during the reporting period

Company management is committed to establishing and maintaining an ethical standard of trust and integrity in our day-to-day business. Our senior management signs a Compliance Declaration to confirm that their conduct is in line with the Code of Business Ethics. New senior management also receives onboarding to introduce OMV integrity standards. It is of strategic importance for us to make sure that every single employee is fully aware of our ethical values and principles. This mission is one of the targets of our Sustainability Strategy 2025.



Zero legal actions pending or completed during the reporting period regarding anti-corruption behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant



Sustainability Strategy 2025 target

Promote awareness of ethical values and principles: conduct in-person or online business ethics trainings for all employees

Status 2019

- ▶ In 2019, OMV introduced a Group-wide online training program for business ethics. 11,144 employees completed the online training.
- ▶ In addition, face-to-face business ethics trainings were conducted with 514 employees.

Action plan to achieve the target

- ▶ By 2020: implementation of the business ethics e-learning program in the continuous education and development program for all employees



Communication with stakeholders

Besides raising employee awareness through training, we have established channels to help identify ethical misconduct at an early stage. Timely notification is crucial for taking precautionary measures directed at avoiding or mitigating major financial loss or reputational harm. If an employee observes or becomes aware of potential or actual misconduct or violation of internal rules or statutory regulations, whether committed by other employees or by a business partner, that employee is encouraged to speak up and report the incident.



Besides employees, other stakeholders also represent a valuable source of information which can help identify breaches of ethical standards. To this end, the OMV Group has introduced a whistleblower mechanism – the Integrity Platform. Anyone can access it online (omv-group.integrityplatform.org) and report an issue relating to corruption, bribes, conflicts of interest, anti-trust law, or capital markets law. The report can be filed anonymously, if desired. It will be analyzed and the answer provided within ten days through the same platform. Identified violations of ethical standards will be handled further by the Whistleblowing Committee, which includes members of senior management.

Tax transparency

Our business activities generate a substantial amount and variety of taxes. We pay corporate income taxes, royalties, production taxes, stamp duties, employment and other taxes. In addition, we collect and remit payroll taxes as well as indirect taxes, such as excise duties and VAT. The taxes we collect and pay represent a significant part of our economic contribution to the countries in which we operate. At OMV, we are committed to complying with tax laws in a responsible manner and to having open and constructive relationships with tax authorities, which is also reflected in OMV's Tax Strategy.

Our tax planning supports OMV's business and reflects our commercial and economic activity. OMV does not engage in aggressive tax planning which consists of artificial structures put in place merely to save taxes or of transactions lacking economic substance aimed at obtaining undue tax advantages.

OMV Group companies are established in suitable jurisdictions, giving consideration to our business activities and the prevailing regulatory environment available. OMV does not establish its subsidiaries in countries that do not follow international standards of transparency and exchange of information on tax matters, unless justified by operational requirements in line with OMV's business ethics principles and our Code of Conduct.



Since 2016, OMV has been providing mandatory disclosures under the Payment to Government Directive (according to Section 267c of the Austrian Commercial Code) and publishes its payments made to governments in connection with exploration and extraction activities, such as production entitlements, taxes, or royalties, in the consolidated financial statements. (For more details, see the Consolidated Report on the Payments Made to Governments in the [Annual Report 2019](#).)

In addition, OMV reports payments made to public authorities, such as taxes or royalties in connection with exploration and extraction activities in countries that are members of the Extractive Industries Transparency Initiative (EITI).

Human rights

Human rights are universal values that guide our conduct in every aspect of our activities. We have been a signatory to the UN Global Compact since 2003 and are fully committed to the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the Universal Declaration of Human Rights. We continuously work on improving our human rights management systems, due diligence processes, and performance by learning from international experience and good practice. We are part of the UN Global Compact Network Austria and a member of IPIECA and benefit from professional support of internationally recognized third-party experts.

We are active in countries where human rights are not always respected and protected in accordance with internationally accepted human rights standards. The primary responsibility for the protection of human rights lies with governments. However, OMV recognizes its responsibility to respect, fulfill, and support human rights in all business activities and to ensure that OMV does not become complicit in any human rights abuses as defined under current international law. In 2019, we were active in 12 countries with elevated human rights risks. As a company, we must therefore be aware of any human rights impact we may have. We must ensure that we do not violate human rights while conducting our business activities. In meeting our human rights responsibilities, OMV acts in strict compliance with applicable national law. In order to ensure that the national legal framework is in line with OMV's human rights standards, we conduct a Human Rights Country Entry Check before launching operations in a country. Where national law falls short of OMV standards, which are based on international human rights law, OMV is guided by its higher standards unless this is in contradiction with applicable law.

Our employees, contractors, public authorities, legislators, investors, shareholders, communities, customers, and NGOs all expect us to respect and uphold human rights. The demand by our stakeholders that we respect human rights defines the drivers of our related policies listed in the diagram.

Drivers of OMV's human rights policy





Human rights management

The OMV Human Rights Policy Statement sets out our understanding of and responsibility for respecting and upholding human rights in our business environment. It has been approved by the Executive Board and serves as our guiding principle for dealing with human rights issues in all aspects of our daily business.

The overall accountability for our compliance with human rights lies with the respective business heads. Locally based human rights officers conduct due diligence at the operating facilities with the support of two human rights managers at Group level (at OMV and OMV Petrom). Action plans and mitigation measures are implemented and reported by the respective functions, depending on which aspect of human rights is in question. Thus, the Human Resources department would deal with human rights issues related to labor rights, the Procurement department is responsible for managing human rights issues in the supply chain, the HSSE department is responsible for security-related human rights issues, and the Community Relations and Development function implements OMV policy related to human rights impact on communities and indigenous peoples. Internationally recognized third-party experts support OMV in conducting the due diligence on the Company's exposure to human rights risks.

Since 2008, we have mapped our human rights responsibilities in a comprehensive Human Rights Matrix designed to serve as the foundation for our activities in this area. We use this tool to assess our human rights challenges and activities and prioritize our actions as essential, expected, or desirable in defense of human rights. We regularly review the priorities in our Matrix and redefine them in accordance with international best practice and the latest developments in the human rights field.

The OMV Human Rights Matrix covers responsibilities in the following areas:

- ▶ Human rights risk management in general, including compliance with national and international standards, human rights training, the grievance mechanism, and organizational structures
- ▶ Equality and non-discrimination, including the implementation of appropriate guidelines and awareness training measures
- ▶ Security, including preventive, defensive, and community-oriented approaches to security; clear guidelines; supervision and trainings
- ▶ Health and safety, including OMV health and safety management as well as community arrangements

- ▶ Labor rights, including decent wages, working hours, employee representation, and provisions against forced labor, child labor, and human trafficking
- ▶ The right to education, including training for employees as well as support for basic education in surrounding communities
- ▶ Property and standard of living, including land rights and poverty reduction
- ▶ Local communities and indigenous peoples, including consultation based on free, prior, and informed consent, IFC Performance Standard 7³⁹ and ILO Convention 169⁴⁰
- ▶ Privacy and family life, including personal data protection and appropriate living and working conditions

OMV holds itself responsible for protecting the human rights of our employees (issues such as non-discrimination, decent wages, working hours, employee representation) as well as of the outside world, for example our suppliers, communities, indigenous people, and society as a whole. Our external responsibilities in the area of human rights include, but are not limited to, equality and non-discrimination, security, primary health care, labor rights in the supply chain (such as fair wages and working hours), education, poverty reduction, land rights, and free, prior, and informed consultation. We specifically concentrate on the impact of our activities on the human rights of vulnerable groups, such as indigenous peoples, women, and children.

According to the UN Guiding Principles, an effective grievance mechanism is a crucial instrument for ensuring compliance with our human rights commitment and a source of continuous learning for improving company human rights performance. At OMV, human rights grievances from community members and suppliers are submitted through the Community Grievance Mechanism, and then analyzed locally and at Group level. No incidents related to child labor, forced labor, violation of indigenous peoples' rights, or other human rights violations were reported in 2019 (2018: no incidents). OMV has assessed its Community Grievance Mechanisms against the UN Effectiveness Criteria at OMV Petrom, in Austrian Upstream operations, and at the Austrian refinery in Schwechat and has started an assessment at the Burghausen refinery in Germany. This involves consulting our external stakeholders about the effectiveness of the available grievance channels. (For more information about the Community Grievance Mechanism and the assessments, see [Community Relations and Development](#).)

OMV employees also have various channels for bringing forward issues and grievances related to human rights. For instance, the Integrity Platform is available to anyone in the Group (for more details, see [Communication with stakeholders](#)). PetrOmbudsman at OMV Petrom is where

³⁹ The IFC (International Finance Corporation) Performance Standard on Indigenous Peoples recognizes that indigenous peoples, as social groups with identities that are distinct from mainstream groups in national societies, are often among the most marginalized and vulnerable segments of the population.

⁴⁰ The Indigenous and Tribal Peoples Convention, ILO (International Labour Organization) Convention 169, is the major binding international convention recognizing the specific rights of indigenous peoples.



employees and management can have confidential, off-the-record, informal discussions and address issues related to the workplace. Moreover, employees can bring forward their concerns related to discrimination, employee representation in challenging environments, and maternal protection in direct dialogue with human rights managers, human resources business partners, and Works Council members.

Human rights due diligence

OMV has developed due diligence tools and techniques to assess the risk of human rights violations related to our business, even before we launch or acquire business in a new country. Human rights are one of the decision-making components determining OMV's engagement in a given country and are presented to the respective Executive Board member before taking a decision to engage in a country. We use these assessments to derive concrete measures to reduce the risk of direct and indirect involvement in potential human rights violations. At all stages of the human rights due diligence process, we use the OMV Human Rights Matrix as a common standard, mapping reality on the ground against the concrete responsibilities as defined in the Matrix and identifying any gaps we need to focus on. This approach ensures that any potential human rights impact of our business activities is identified – whether this relates to non-discrimination and diversity, labor-related issues (e.g., minimum wage, adequate rest times), indigenous peoples' rights, or human rights in the supply chain.

In 2019, we commissioned a Human Rights Country Entry Check for Indonesia by an external human rights expert. This check provided an analysis of ongoing human rights issues and the resulting potential legal, reputational, and operational risks associated with our planned engagement in the country. We identified general country concerns related to labor rights (such as union rights, migrant workers' rights, health and safety at work), human rights in the supply chain (such as the risk of child and forced labor), land issues, and indigenous peoples' rights. Depending on the level and type of future engagement in the country, these could potentially become concrete human rights risks. We elaborated and integrated potential risk mitigation measures into the further business development process in Indonesia.

In Malaysia, SapuraOMV developed a SapuraOMV Human Rights Policy Statement, which is planned to be signed by the SapuraOMV Executive Board and published on the subsidiary's website. Human rights aspects will be integrated into a planned environmental and social impact assessment in 2020.

Our current operations are also subjected to regular assessments of their exposure to the risk of human rights viola-

tions. Due diligence starts with an Initial Risk Ranking at country level: Every country we operate in (or plan to operate in) is assessed based on comprehensive human-rights-related data and on consultation with internal and external experts. The countries are ranked by low, medium, and high risk, countries with highest manageable risk, and "no-go" countries with unmanageable risk. Based on this ranking, we develop our yearly work plan, defining further due diligence actions and human rights training. In 2019, country operations were informed about the outcome of the annual Country Risk Ranking, including information about the main human rights challenges as well as recommended mitigation measures and training options.



The Human Rights Self-Assessment is one of the tools we use to assess the effectiveness of our human rights due diligence approach. Such assessments create internal awareness, capture our self-perception of our human rights performance, and facilitate the definition of gaps and further actions. In 2019, a Human Rights Self-Assessment was conducted in Yemen, where managers of departments dealing with human-rights-related topics – Human Resources, HSSE, Procurement, Community Relations, and others – were asked to fill out a questionnaire. It captured the self-perception of OMV Yemen with regard to compliance with the OMV Human Rights Policy Statement and Matrix in the country. An independent external expert assessed the plausibility of responses in light of available human rights country data. Based on the expert's recommendations, OMV Yemen developed an action plan covering the areas of security, supply chain management, community development, and labor rights (maternity leave) in order to mitigate the risk of any negative impact on human rights and increase positive impact of our engagement in the challenging environment of Yemen. As one of the follow-up measures, OMV Yemen has revised their maternity leave regulation and expanded the duration of maternity leave to ILO (International Labour Organization) standards. This way OMV closed the gap between compliance with the applicable national law standards and international standards, which are more demanding in terms of labor rights protection. We are aware about a general rise in child labor and



forced labor as well as the challenging security situation in Yemen and therefore pay particular attention to using all our professional contractor relations tools to identify any related problems. (For more information about contractor management, see [Supply Chain](#).)

As a follow-up to the recommendations of the Human Rights Self-Assessment at OMV Petrom in Romania in 2018, the following key measures have been implemented:

- ▶ OMV Petrom's practice of wage deductions was analyzed in detail and full compliance with international standards was determined.
- ▶ An internal awareness campaign against discrimination, sexual harassment, and violence was launched.
- ▶ The Community Grievance Mechanism has been subjected to an external assessment. (For more information, see [Community Relations and Development](#).)
- ▶ Our human rights expert cooperates closely with Procurement in order to ensure the full inclusion of human rights in the supplier auditing program.

OMV strongly opposes forced labor, slavery, child labor, and human trafficking. We therefore fully support the aims of the UK Modern Slavery Act 2015 and are committed to operating our business and supply chain free from forced labor, slavery, and human trafficking. The OMV Statement against Modern Slavery and Human Trafficking explains in detail the measures taken against modern slavery and human trafficking in all parts of the business and supply chain. The statement is updated annually and signed by the Executive Board in accordance with the requirements of the UK Modern Slavery Act 2015 and is available on our website: www.omv.com/en/human-rights

OMV participated in a consultation round of the IPIECA Human Rights Working Group in 2019 and contributed to the consolidated IPIECA response to the UK Government, who was gathering views on several proposed amendments to the UK Modern Slavery Act. In addition, OMV has engaged in dialogue with Corporate Human Rights Benchmark and was included in their assessment for the first time in 2019.

Human rights training



We conduct classroom trainings on human rights, which equip our employees with an understanding of our Human Rights Management System and give them a space to work on concrete operational issues and local challenges. Additionally, all employees are strongly encouraged to complete an interactive e-learning training, which guides them through norms and situations with regard to human rights. Across OMV, 47% of all employees received training on human rights in 2019.

In the framework of the Sustainability Strategy 2025, we have committed ourselves to train all employees exposed to human rights risks by 2025. This target group consists of employees responsible or accountable for the implementation of our human rights responsibilities (Human Resources, Security, Site Management, HSSE Auditing, Community Relations/Community Development, Procurement) working in countries with elevated human rights risks or in corporate functions. By the end of 2019, 533 employees from the target group were trained, which constitutes 82% of the entire target group.⁴¹

In 2019, 183 individuals (63 of the target group) participated in human rights classroom trainings in Austria, Libya, Tunisia, UAE, and Yemen. Specific training was conducted for security managers. The participants were introduced to the basic concepts of human rights and their relevance to OMV. They also learned about the tools and processes for implementing OMV's Human Rights Risk Management, got to know the human rights responsibilities of their own roles, and discussed concrete operational challenges and opportunities with regard to human rights.

⁴¹ Compared to the previous year, the target group has decreased from 1,136 to 654 persons (3.3% of the total workforce). This is the result of a more precise selection of the target group based on standardized personnel data from the various companies.



With the launch of the new OMV learning platform, human rights e-learning was added to all employees' training curriculum globally. This module is an interactive 30-minute training session that teaches a basic understanding of human rights in general and their relevance to our business specifically. It provides an opportunity for employees to test their knowledge using concrete real-life examples. 9,194 employees (494 of the target group) completed the human rights e-learning course in 2019.

We also implement internal awareness-raising campaigns throughout the Group. We informed all our operational countries' business heads about their country's human rights risk level. We provided information about the main challenges and recommended due diligence steps and trainings where applicable. We also conducted a human rights awareness campaign on the occasion of the International Human Rights Day on December 10. All employees Group-wide were informed about our commitment and invited to complete the human rights e-learning program.



Sustainability Strategy 2025 target

Conduct human rights trainings for all employees exposed to human rights risks⁴² by 2025

Status 2019

▶ 82% of target group trained

Action plan to achieve the target



- ▶ Annual internal awareness campaign on Human Rights Day
- ▶ Human rights classroom training session for corporate functions in Vienna and Bucharest
- ▶ Human rights classroom training sessions for potential new countries with elevated risk
- ▶ Human rights training for employees in Malaysia
- ▶ Further promotion of human rights e-learning across the Group

42 654 employees in corporate functions managing human rights risks and in the corresponding functions in countries with elevated human rights risks

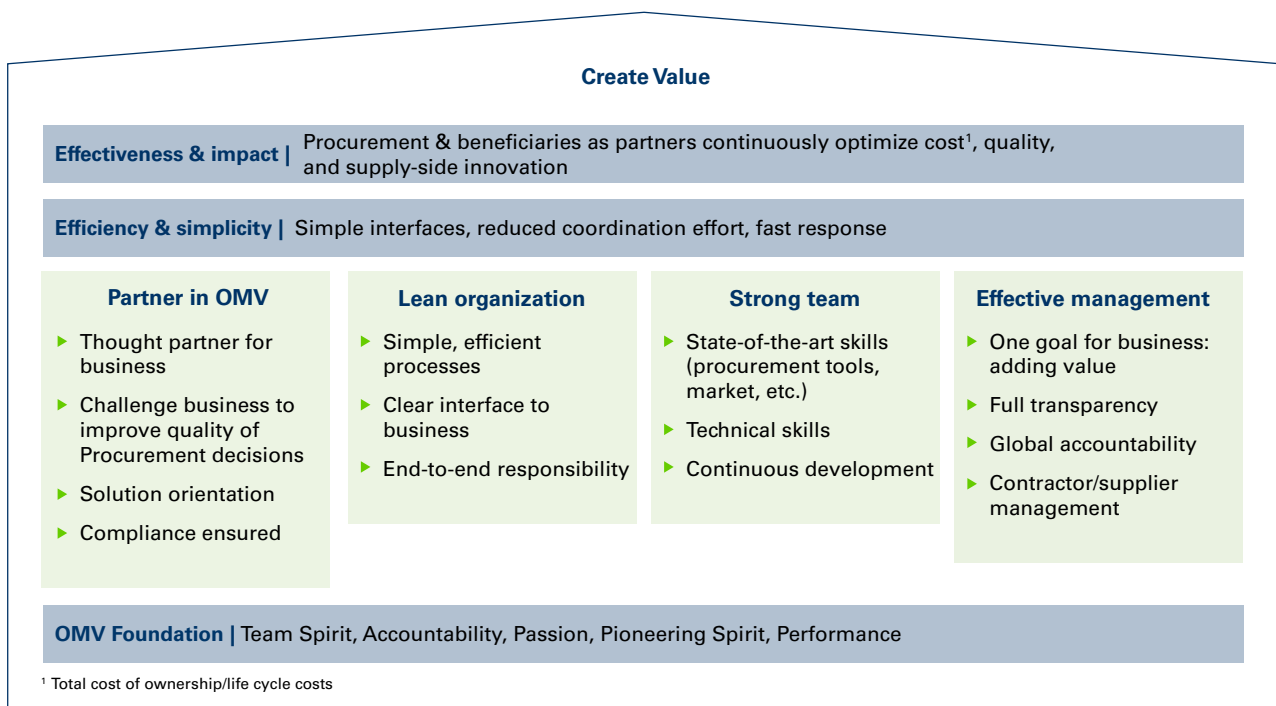


Supply chain

OMV applies its sourcing and logistics expertise to ensure that the highest-quality materials and services are provided through our supply chain. We aim to foster innovation, to maximize value contribution, and to enable growth of the supply chain in line with both our Corporate and Sustainability Strategies. It is of ultimate importance for us to stay fully compliant with applicable legal require-

ments as well as with our internal standards in areas of safety, environmental protection, and human rights when managing our supply chain.

In this context, our “Create Value” vision of supply chain management focuses on establishing effective and impactful procurement operations while improving efficiency and simplifying processes.



Supplier sustainability compliance

Our suppliers must follow the legal requirements and the internal rules and standards applicable to OMV. Our Code of Conduct stipulates that suppliers must support OMV’s Principles. This mitigates supply chain risks, such as forced labor, slavery, human trafficking, and corruption. Suppliers are obliged to comply fully with the content of the Code of Conduct, and all supply chain partners are required to sign the Code of Conduct.

Tools such as evaluations and audits assess and monitor supplier compliance with the principles outlined in OMV’s Code of Conduct.

Since 2017, OMV has conducted assessments at selected strategic suppliers in the areas of Environmental, Social, and Governance (ESG) performance. During the ESG assessment of suppliers, OMV also inquires about carbon targets and environmental programs (potentially including

GHG reduction). For 2019, we performed 6 ESG assessments. Most of the suppliers assessed met our requirements. Further areas for optimization and improvement were identified and agreed upon.

OMV also conducts supplier audits that include sustainability elements. For instance, one of the elements covered in the audits relates to environmental management and certification, including energy management and therefore the impact of a supplier activity on GHG emissions. Other HSSE topics and business ethics, social responsibility, and human rights are also covered.

OMV has established a strategic target for conducting supplier audits with sustainability elements. In 2019, we performed 11 audits with sustainability topics covered.

Furthermore, we perform yearly subject-specific audits on topics such as process safety, quality, and efficiency. In 2019, we completed 85% of the targeted audit plan, with



66% of the audits resulting in follow-up measures. By the end of 2019, 63% of the suppliers that were identified as needing to implement follow-up measures had completed

more than 75% of the respective measures. The others will be completed according to an agreed plan in 2020.



Sustainability Strategy 2025 target

Increase the number of supplier audits covering sustainability elements to >20 per year by 2025⁴³

Status 2019

▶ 11 audits in 2019

Action plan to achieve the target



- ▶ Perform more than 10 audits in 2020 also covering sustainability topics
- ▶ Yearly increase until 2025

Corporate and legal HSSE requirements are communicated to potential suppliers at the tender stage. OMV assesses the HSSE risks of potential suppliers and ranks them in the OMV Risk Matrix. For suppliers who present a potential risk to OMV, we conduct a more in-depth analysis of compliance in line with OMV's Contractor HSSE Management Standard. Crude transportation partners are subjected to an additional assessment against the TMSA (Tanker Management and Self-Assessment) Standard, as OMV is a member of the OCIMF (Oil Companies International Marine Forum).

Supplier risk assessments are conducted on an annual basis and verifications are done on suppliers' HSSE performance based on inspections and audits of monitored KPIs. Final evaluations, including HSSE and social responsibility performance, are communicated to the Procurement department by the parties conducting the evaluations for further contractual management actions. OMV reserves the right to terminate relationships with suppliers if non-compliance with applicable policies is discovered or non-compliance is not addressed in a timely manner. OMV has a process in place aimed at ensuring that parties sanctioned by the EU or international organizations, such as the United Nations, are not accepted as procurement partners.

We also provide a reverse engagement channel to our suppliers, whereby suppliers can use our Community Grievance Mechanism to communicate any concerns related to OMV activities in their local area. (For more information on

the Community Grievance Mechanism, see [Community Relations and Development](#).)

Local procurement and suppliers' engagement

Local procurement creates added-value in our local communities. Spending with local suppliers accounted for 81% of total expenditures in 2019, with local expenditures in Austria amounting to 75% and in Romania to 91%.

In line with our aim to always consider the impact of our actions on the local environment, our intention is to continuously improve our local content approach. We support local suppliers to improve their capabilities, which will help them meet higher technical, HSSE, and business standards. Our ESG assessments and various audits help suppliers understand critical issues in sustainability management and performance and foster their further development in this area based on the gaps resulting from the assessment.

We also promote direct communication with suppliers to explain the sustainability performance OMV expects from suppliers. As an example, the Procurement department collaborates with the Community Relations and Development team in Yemen to conduct an initial procurement workshop for the local companies. Twenty-seven companies were invited to a two-session workshop in Aden City. The objective of the workshops was to increase the capacity of the local suppliers to participate and win tenders. We have observed in the past years that many

⁴³ Suppliers in scope for this target are active suppliers (at least one purchase order in past year) who meet certain criteria such as procurement spend and strategic fit.



local suppliers encounter difficulties in fulfilling OMV's tender requirements. Therefore, the purpose of this initiative was to give the local suppliers insights about our requirements and to explain how to fulfill them. In addition, CSR requirements were included in the tender requirements for the first time. Among the topics discussed with the suppliers were tender procedures; HSSE and CSR requirements; OMV's approach toward local suppliers; current performance; and opportunities for improvement.



OMV has also established a program of scientific and technical cooperation and partnership with Gazprom – OMV's partner in the supply of natural gas. The companies jointly work on various research initiatives, including energy-saving technologies, and activities related to the transportation and storage of hydrogen-enriched gas.

Role of digitalization in supply chain management

OMV continues its journey toward procurement digitalization. OMV further developed the SAP Ariba modules already in place since 2018 by adding Supplier Risk.

Understanding a supplier's risk is an important factor in deciding whether and how we do business with the supplier.

Through SAP Ariba, we can now receive daily alerts about our registered suppliers. The alerts are assigned a low, medium, or high risk level. The risk is calculated automatically based on around 150 incidents collected from publicly available information, such as newspapers, press releases, company homepages, etc. The incidents are split into four risk categories: Environmental and Social, Finance, Regulatory and Legal, and Operations. In 2019, we defined a supplier risk monitoring process in full alignment with OMV's risk management approach. Based on this process, we perform several analyses to check whether the alerts received would prevent us from continuing to work with the respective supplier. The outcome

of such analyses is also shared with the supplier as a next step to introduce further mitigation measures, such as verification, follow-up actions, etc. The process ends with an internal analysis concluding whether continuing our partnership with the respective supplier is recommended or not.

The digital integration of all these risk elements into one system, SAP Ariba, will simplify the information evaluation process, improve the mitigation management plan and, last but not least, support our supply chain in improving its preventive risk management process.

Community relations and development

For OMV, transparency, trust, and partnership-based relations with local communities are key to ensuring we are a responsible and welcomed neighbor wherever we operate. Adding value to the communities in which we operate is key to securing our operations for the future.

We acknowledge that the presence of OMV's business has direct and indirect impacts on local communities. We aim to steer the impacts of our business activities in a positive direction by building and maintaining mutual trust and pursuing respect-based community relations, investing in local development, safeguarding human rights, and ensuring that local suppliers who work with OMV follow sustainable practices. (For more information on OMV's involvement in these areas, see [Human Rights](#) and [Supply Chain](#).) Community development investments are always aligned with identified local needs and made in consultation with local stakeholders, as well as in consideration of country priorities with regard to Sustainable Development Goals (SDGs).

Our community relations and development management process is based on centralized policies and targets and implemented by locally responsible persons with local resources. We start by conducting a Social Impact Assessment (SIA), which includes free and prior informed consultation with and consent of local stakeholders. Sometimes, an SIA is integrated into an Environmental Impact Assessment (ESIA) to foster synergies and efficiencies. The purpose of an SIA is to ensure that the views of the local communities, especially of indigenous peoples, are incorporated and addressed throughout all phases of the project life cycle: commencement, operational phase, and decommissioning or abandonment. We also pay particular attention to any possible impact on human rights. Based on the internal regulation for conducting SIAs, we include a baseline study, community needs assessments, stakeholder analyses, and a study of social risks associated with the project. Where possible, SIAs are conducted in a participatory manner by directly consulting with potentially



affected communities. Based on the SIA's outcome, site-specific strategies for community relations and development, stakeholder engagement plans as well as Community Grievance Mechanisms are developed and implemented. We contribute to community development through community or social investments.⁴⁴ These are prioritized based on the local needs identified as part of the SIA and their potential for an impactful contribution to the SDGs most relevant for targeted areas. Our community and social investments are focused on preventing or mitigating social risks and positioning OMV as a socially responsible company vis-à-vis our stakeholders.

The Group level function governs and steers community relations and development implementation across operational countries, receives regular reporting and feedback from local social responsibility managers, and monitors and ensures that the Group guidelines on community relations and development are adhered to. We hold structured regular alignment meetings with our local social responsibility managers to monitor and steer local implementation of our site-specific global community relations and development commitments. We also organize regular exchanges among all countries in order to share challenges and best-practice experiences as a supplement to the guidance provided. In 2019, we reviewed our internal social responsibility standard and management processes. The review resulted in even deeper integration of human rights aspects into the community relations and development management process and introduction of a guideline for public communication of SIA outcomes to affected stakeholders.

Community relations and development management activities are reviewed in each country in which we operate in accordance with business developments. In 2019, we began conducting an ESIA in Libya in consultation with stakeholders in the Sirte region. Also in 2019, we reviewed our site-specific strategy for community relations and development in Yemen and updated this in response to changing stakeholder needs and OMV's business position in this country. Following our entry into Malaysia in early 2019, we began the integration of Malaysian assets into our OMV community relations and development management activities.

In adherence to the internal community relations and development procedure, all OMV projects require community consultation in the development phase. In 2019, two out of five projects were in the process of community consultation.

Community grievance management

Our approach to managing community grievances follows the precautionary principle of ensuring local approval for OMV operations by identifying and resolving the issues of concern to the local community early on. We strive to conduct our operations in a way that limits any disruption to our neighboring communities to a minimum; however, grievances may still arise. We manage these grievances through localized Community Grievance Mechanisms (CGMs). At OMV, a CGM is a key tool for preventing and managing our potential impacts on local communities and related social risks. The CGM stipulates a stringent approach to systematically receiving, documenting, addressing, and resolving grievances in all of the countries where we operate, therefore laying the foundation for our social license to operate. We define a grievance as an expression of dissatisfaction stemming from a real or perceived impact of the Company's business activities. The CGM remained fully operational in all operated Upstream assets, in the three OMV refineries (Schwechat in Austria, Burghausen in Germany, and Petrobrazi in Romania), and at one power plant (Brazi in Romania).

During 2019, we received 1,196 grievances (640 grievances relating to our impact on society⁴⁵ received/531 resolved; 556 grievances concerning an impact on the environment⁴⁶ received/392 resolved; zero human rights grievances received⁴⁷). The open cases will be handled during 2020.

In the interest of full alignment with IPIECA's best practice for grievance management, OMV has set a target to assess the CGMs at all of its sites against the UN Effectiveness Criteria for Non-Judicial Grievance Mechanisms by 2025. The UN Effectiveness Criteria require the grievance mechanism to be legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning, and based on engagement and dialogue.

In 2019, the assessments in Romania and Austria were finalized and the assessment at the Burghausen refinery in Germany conducted. The assessments were performed by a third-party independent consulting firm. The alignment of CGMs to UN Effectiveness Criteria is assessed by conducting a management processes review and consulting with internal and external stakeholders. The assessments result in recommendations and tailored action plans to improve grievance management at site level. The action plans are implemented by local management and monitored by the Corporate function. The sites already assessed represent 96% of all registered grievances at OMV in 2019. We will conduct assessments of the CGMs according to the UN Effectiveness Criteria at additional OMV sites in 2020.

⁴⁴ Community investments respond to identified community needs and are designed to mitigate social risks resulting from OMV operations. Social investments address the needs of people and society more broadly.

⁴⁵ The Social Progress Index, developed by the Social Progress Imperative, is a comprehensive measure of real quality of life, independent of economic indicators across countries. More details can be found at: www.socialprogress.org.

⁴⁶ Environment category grievances include land degradation, water pollution, air pollution, etc.

⁴⁷ Human Rights category grievances are related to the "Essential" rights category in the OMV Human Rights Matrix: e.g., disproportionate use of force by security, incidents related to indigenous peoples rights, cases of forced or child labor.



Our operational Community Grievance Mechanism in Romania was the first one to be assessed against the UN Effectiveness Criteria. Romanian grievances account for a vast majority of all community grievances in the OMV Group. This pilot assessment took place in 2018. During 2019 a cross-departmental working group was formed to implement the resulting action plan. Subsequently the way community grievances were managed at OMV Petrom was redesigned as follows:

- ▶ Expanded access points to enhance accessibility and equitability: Grievances can now be expressed through e-mail, phone, or through representative organizations.
- ▶ Increased transparency and predictability of the CGM process for our stakeholders via standardized replies to grievances submitted
- ▶ Greater legitimacy and equitability of decisions by providing an option for appeal
- ▶ KPI monitoring established to allow for continuous learning



Sustainability Strategy 2025 target

Assess Community Grievance Mechanisms of all sites against UN Effectiveness Criteria⁴⁸ by 2025

Status 2019

- ▶ On track: 5 out of 10 sites in scope⁴⁹ assessed (Romania Upstream, Petrobrazi refinery in Romania, Austria Upstream, Schwechat refinery in Austria, Burghausen refinery in Germany)

Action plan to achieve the target

- ▶ Assess at least 2 sites per year



⁴⁸ UN Effectiveness Criteria for Non-Judicial Grievance Mechanisms as set out in the United Nations Guiding Principles on Business and Human Rights. The UN Effectiveness Criteria require the grievance mechanism to be legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning, and based on engagement and dialogue.

⁴⁹ The target scope includes production sites where OMV is an operator. In 2019, a Community Grievance Mechanism was operational at ten sites: seven in Upstream (Austria, Romania, Tunisia, New Zealand, Norway, Yemen, Kazakhstan) and three in Downstream (Austria, Romania, Germany).



Community and social investments

We implement our community development projects as investments, therefore expecting each project to generate a return for our communities or society more broadly. We prioritize projects with a potential to generate long-term societal value and make a lasting change to beneficiaries' lives. Community and social investments are aligned with SDGs and community needs identified during SIAs or with larger societal priorities (e.g., by consulting the Social Progress Index⁵⁰). We aim to implement our projects in partnership with locally active stakeholders or non-governmental organizations to ensure a maximum social return on our investment. Key OMV focus areas for our community and social investments are:⁵¹

▶ Access to basic services



▶ Education, entrepreneurship, and employment



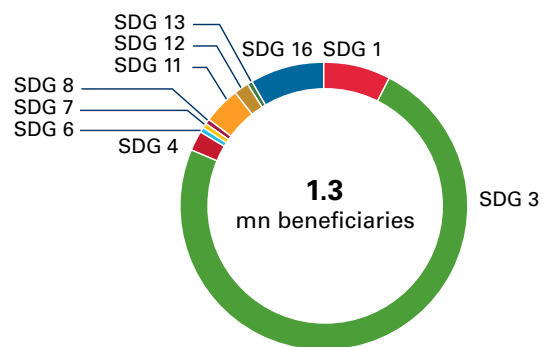
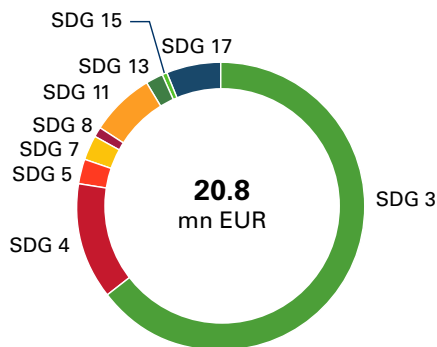
▶ Climate action



In 2019, we strengthened our management approach to community and social investments and enhanced the steering and monitoring of our contributions in cash and in kind and our management costs as well as the expected social and environmental impacts. In line with the growing importance of climate topics, we also introduced a new climate-related KPI, CO₂ equivalent saved/offset, to our community and social investment portfolio. OMV community and social investments funding is prioritized in countries with the highest socio-economic development needs and/or where we have the biggest business footprint.

- ▶ EUR 20.8 mn in community and social investments⁵²
- ▶ 258 community and social investments in 18 countries
- ▶ 1.3 mn beneficiaries reached
- ▶ 7,900 employee volunteers

2019 Investments by main SDGs and by beneficiaries



- SDG 1: No Poverty
- SDG 3: Good Health & Wellbeing
- SDG 4: Quality Education
- SDG 5: Gender Equality
- SDG 6: Clean Water and Sanitation
- SDG 7: Affordable and Clean Energy
- SDG 8: Decent Work and Economic Growth
- SDG 11: Sustainable Cities & Communities

- SDG 12: Responsible Consumption & Production
- SDG 13: Climate Action
- SDG 15: Life on Land
- SDG 17: Partnerships for the Goals

Other SDGs supported to a smaller degree



50 The Social Progress Index, developed by the Social Progress Imperative, is a comprehensive measure of real quality of life, independent of economic indicators across countries. More details can be found at: www.socialprogress.org.

51 Other SDGs, such as SDG 9, 11, 15, 16 are supported to a lesser extent.

52 Includes contributions in-cash, contributions in-kind, and donations; excludes related management overheads



Culture and sports sponsoring

In addition to community and social investments, we also sponsor sports (e.g., soccer, ski jumping) and cultural activities. Culture, entertainment, and sports are key elements for people's well-being. We therefore aim to make sports and cultural events accessible to young people from disadvantaged backgrounds. In 2019, we invited more than 800

schoolchildren and children in need from our surrounding communities in Austria to a Christmas concert at the Vienna State Opera. Also in 2019, 80 kids from our Max & Lara social investment partnership attended five events, such as matches played by Rapid, an Austrian football club that we sponsor.

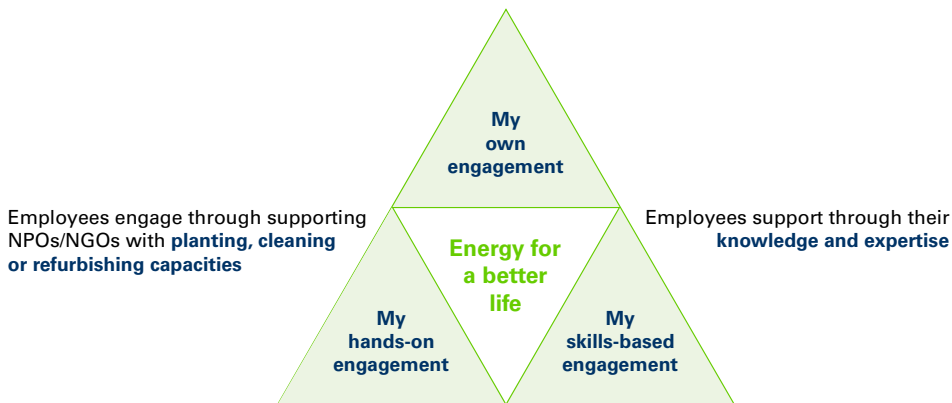


Corporate volunteering

The OMV Group's employees are also encouraged to personally play an active part in sustainability initiatives, including by volunteering. We offer OMV employees oppor-

tunities to actively engage in encouraging responsible and sustainable behavior and facilitate employee engagement and involvement with charitable partners.

Employees can be **individual supporters** (e.g. through donations or fund raising campaigns)



We have an internal mechanism to manage, report, and communicate Group-wide volunteering activities in line with specific targets according to the key focus areas for our community and social investments. In 2019, we began

developing a volunteering standard, which will enhance our volunteering reporting with hours volunteered across the Group.



Community and social investment highlights 2019

Impact snapshot: access to basic services for health, water, and food

- ▶ 1 mn people gain access to health services in Libya, Yemen, and Romania.
- ▶ 8,500 people gain access to water in Yemen.
- ▶ 100,000 people experiencing poverty receive hot meals in Austria.



In 2019, we invested in infrastructure to improve access to basic services, such as health care and water. Our investments focused especially on underprivileged groups or

areas with limited access to basic services in our operating countries. Our investments in basic human needs are also in line with our commitment to respecting human rights.

In **Romania**, OMV Petrom contributed EUR 10 mn to support the construction of the first Children’s Oncological Hospital in Bucharest, the largest single corporate donation in Romanian history. It is estimated that more than 500 children are diagnosed with cancer in Romania every year – over half of them are treated in the two existing centers in Bucharest, which cannot adequately meet their needs. The new hospital will have the capacity to serve 300 little patients a year and significantly increase the country’s capacity to treat pediatric cancer.



In November 2019, also in Romania, 50 colleagues from PetroMed – doctors and nurses – voluntarily joined the Medical Doctors’ Caravan association. This pilot project provides community-based health care in Valea Mare, Dâmbovița county. As a result, 145 retired and low-income people received free medical examinations and consultations.



In **Austria**, OMV is a major financial contributor to the “Cape 10: House of the Future and Social Innovation” project – an innovative social and health services center for people in need in Vienna. Our funds will help establish low-cost health services for women and children in need. In 2019, ten OMV volunteers participated in a Street Festival fundraising event, which raised additional funds for the project.

In **Libya**, our investments contributed to providing essential medical supplies to Benghazi Children's Hospital, helping around 1 mn people get necessary medical assistance. We also finalized our sustainable development program in the Sirte region with the delivery of a fire truck to improve the emergency response capability of the town of Gialo. In 2019, OMV committed an additional EUR 4.6 mn in social investments in Libya to address the social challenges in neighboring communities by signing a memorandum of understanding (MoU) with its partners in Libya and the National Oil Corporation (NOC). Funds will be directed to projects that improve access to medical services and water and create opportunities for youth, reaching over 500,000 beneficiaries in the coming years.



In **Yemen**, our health clinic remained open to local communities, providing essential medical support in the very remote areas where we operate. Our Health team provides medical support, treatments and checkups for conditions including hypertension, diabetes, and cardiovascular issues as well as psychiatric support and pediatric services to people from nearby settlements. Local communities can also use our 24/7 emergency medical services in case of emergency situations, for example, heart attacks, animal or insect bites, traffic accidents, and similar. In 2019, we also ran a vaccination campaign for local communities to fill in the gaps in national health services. In 2019, on average more than 100 local people received medical assistance in the OMV health clinic each month.

OMV operates in countries experiencing high water stress. We therefore continued to invest in water access infrastructure for neighboring populations in **Tunisia** and **Yemen** in 2019. In **Tunisia**, we committed to rebuilding a water reservoir for the Kembout community, located at the entrance of the desert oil fields, as part of a joint OMV CSR initiative with the National Oil Company ETAP and Eni and Medco in southern Tunisia. The project is being implemented in partnership with the national water company, SONEDE, and replaces an existing water reservoir. It will ensure the supply of freshwater for 1,000 community members. In **Yemen**, we started two water access projects in 2019, one in the AIMahood area and another in Bakaila village. The AIMahood project will provide two water tanks, one ground reservoir, and a second hill-elevated water storage reservoir to the water authority. This project will benefit more than 8,500 people from 27 neighboring villages (estimated completion in 2020). The second project involves building a water storage facility in Bakaila village, which will facilitate easy access to clean drinking water from an existing water source for around 2,000 people.



Access to food and nutrition is another area of our focus. In **Austria**, we collaborate with Wiener Tafel – a charity organization helping people affected by poverty in Vienna and reducing food waste. Through this collaboration, 24 employee volunteers had a chance to personally engage in Wiener Tafel’s work. In 2019, we handed over the donation raised in the winter employee engagement campaign, which, when doubled by OMV, amounted to EUR 9,772. This donation helps provide 100,000 meals to people experiencing poverty in Vienna. Our employees donated part of their meal value at several of OMV’s cafeterias to support Wiener Tafel. Furthermore, 3 employees volunteered to participate in the food delivery rides, and 21 employees volunteered to prepare meals for underprivileged children in the cooking sessions. Lastly, we reduced CO₂e emissions by 1 t in 2019 by supporting two CNG-fueled vehicles for food deliveries.



More details on these and other projects supporting SDGs     and  can be found at: www.omv.com/en/projects-initiatives



Impact snapshot: education, entrepreneurship, inclusion, and employment

- ▶ **1,404 people received education or support for improving their local employment opportunities in Austria, Romania, Tunisia, Yemen, Libya, Kazakhstan, and Serbia.**
- ▶ **11 innovation initiatives for sustainable development were funded in Romania.**
- ▶ **27 local suppliers received capacity building assistance in Yemen.**



Education, entrepreneurship, and employment are key factors in socio-economic development and positively contribute to numerous other SDGs. OMV has been involved in community and social investments focused on educa-

tion, entrepreneurship, and employment for many years now. We invest in vocational training, micro-credits, scholarships, and supplier capacity building.

For the fifth year in a row, we continued the Vocational Romania project in **Romania**. The project is one of the most comprehensive projects promoting the development of vocational school students in the country. In August 2019, during one of the Vocational Summer Camps, 240 youth studying to be mechanics and electricians from 26 professional schools in the Argeş and Dâmboviţa counties received professional training to be better prepared for joining the labor market. The best of the participating future craftsmen also received scholarships for the upcoming school year. Furthermore, the most innovative projects for vocational education development, submitted by the teachers taking part in the camp, were awarded grants so that the projects can be implemented in their schools. As part of our commitment to promoting vocational education in Romania, we also support the Oilmen’s School. In 2019, the second generation of well and park operators successfully graduated from the vocational school and 25 of them joined the OMV Petrom team. They joined 27 well operators who were employed from the first generation in 2018. OMV Petrom will continue to support the improvement of professional qualifications for two more generations of well operators. Lastly, the Vocational Students’ League continued to support young people in improving national policy on vocational education.



As part of the “RO SMART in Andrei’s Country” national competition in **Romania**, we funded eleven innovative initiatives furthering sustainable development in education, health, environment, and infrastructure in Romanian communities with a total grant budget of almost EUR 0.5 mn. One of the winning projects, “Education at Height,” provides students in the remote Hunedoara Mountains live lessons by qualified teachers from the exact locations featured in the lessons. Another winning project helps 10,000 pupils from 100 disadvantaged rural and urban areas to access digitized Junior Achievement Modules for Life Skills Development focused on cross-curricular entrepreneurial, financial, and vocational guidance.

In **Tunisia**, we continued investing in community and social projects focusing on entrepreneurship. In 2019, we launched a “TAHADDI” (Arabic for “challenge”) initiative offering dismissed workers a path to alternative employment or self-employment. TAHADDI has received 400 applications. A steering committee selected 80 beneficiaries to benefit from self-employment support, including entrepreneurship training, seed money, and post-business-creation coaching. 40 beneficiaries will also be selected for two pilot vocational training programs in scaffolding and domestic gas and appliances installation. In the Gabès area, OMV supported the creation of an innovative entrepreneurship lab at the Gabès Chemical Engineering School, the first and only engineering school offering higher education degrees up to doctorate level in chemical and process engineering in Tunisia. The lab will support environmental research and innovation, while also helping graduating chemical engineering students to mature their business ideas into executable business plans.

In **Yemen**, OMV aims to contribute to the long-term development of local communities by supporting education. 15 local students were able to attend universities due to OMV paying their tuition for the 2018/19 academic year. OMV scholarships allow students to study in various medical and engineering programs in accredited universities across Yemen. Partners in this program include the local authorities in the Shabwah Governorate and various universities.

In **Romania**, OMV Petrom continued to support entrepreneurship training for local communities. In 2019, we supported courses in sewing, weaving, and other Romanian traditional handicrafts for unemployed women. Other training topics included recycling and the production of handmade paper, hand weaving, reed processing, and woodworking. In addition, a hairdresser training program for socially disadvantaged people included entrepreneurship training and financial support for purchasing professional equipment and starting their own businesses. We also focused on developing young students’ skills in building successful business plans and provided early career advice for jobs in the field of traditional Romanian and other crafts. Lastly, our “Craftsmen 21” project aimed to identify local craftsmen and help them create goods with modern designs by using traditional techniques and materials. The project also provided assistance with promoting and selling their products. In total, 180 people in Romanian communities have benefited from the above trainings and programs for enhancing their entrepreneurial and career potential in 2019.







In **Serbia**, we continue to run a partnership with Caritas that provides work experience and mentoring to young adults from SOS Children’s Villages on their path to independence and employment. In 2019, two young persons conducted their ten-month work placements at our filling stations. We also collaborate with Malteser International in **Hungary**, SOS Children’s Villages in **Bulgaria** and **Serbia**, and other organizations in **Slovenia** and **Germany** supporting the education and personal growth of children and young adults, particularly those from underprivileged communities.



In **Austria**, we continued encouraging young women to pursue technical career fields. Sixty girls learned more about different career paths in technical professions while visiting OMV's operations (Upstream, Head Office, and the Schwechat refinery) during the Girls' Day initiative. Moreover, to advance social inclusion in Austria, we supported the fuelService application, which allows drivers with disabilities to find an appropriate filling station and helps them with refueling their vehicles.



More details on these and other projects supporting SDGs    and  can be found at: www.omv.com/en/projects-initiatives

Climate action

Impact snapshot: access to energy and energy efficiency

- ▶ **63 low-income households in New Zealand and 4 municipalities in Romania improved their energy efficiency, saving 69 t of CO₂ equivalent.**⁵³



As the largest player on the **Romanian** energy market, OMV Petrom endorsed the “România Eficientă” program aiming to promote energy efficiency at the national level through public information campaigns, education programs, and financing of projects for improving the energy efficiency of public buildings. The program is run by the Energy Policy Group (EPG). OMV Petrom will contribute EUR 4 mn to this program in the period from 2019 to 2022.



In **Romania**, we also funded a public lighting efficiency initiative in four communities in Gorj county. The initiative replaced existing bulbs with 1,667 efficient and economical LED lamps, which increased the energy efficiency of public street lighting, improved the quality of public lighting, reduced electricity costs, and contributed to protecting the environment.

In terms of access to energy in **New Zealand**, we continued our collaboration with the WISE Better Homes initiative, funding insulation for 63 low-income family homes to improve their energy efficiency and reduce respiratory health issues. In **Austria**, **Bulgaria**, and **Serbia**, we provided donated fuel and heating vouchers to non-governmental organizations working with underprivileged people.

⁵³ Estimated in 2019 only. 2019 activities will generate CO₂e mitigation during an impact lifespan of the next 13 years (public lighting energy efficiency in Romania) and 30 years (WISE Better Homes).

Impact snapshot: Circular waste management

- ▶ **25,000 people increased their awareness of circular waste management in Romania, and 2,060 kg of waste was collected in Norway.**



In **Romania**, we ran two projects in Constanța county, which borders the Black Sea. These aimed to address the issue of mismanaged waste. The “Recycling Laboratory” project developed informational materials and guidelines on the types of recyclable wastes generated by Romanian households, their recycling methods, and recycling locations in Constanța city. The project was implemented in partnership with the Oceanic-Club NGO, the Grigore Antipa National Museum of Natural History, the Constanța County School Inspectorate, and the Constanța Ovidius University. We reached 25,000 people to raise public awareness of recycling of domestic waste. The project also recognized ten business plans focusing on waste utilization developed by students in Constanța county. The #noplasticwaste project in Romania focused on raising public awareness among residents and tourists for more sustainable behavior, especially decreasing quantities of non-recycled plastic. The project developed an educational platform for sustainable development in educational institutions in Constanța county and ran a public waste collection and awareness-raising campaign. Project partners included the Mare Nostrum NGO, the Constanța County School Inspectorate, the Constanța Ovidius University, and the Dobrogea-Litoral Water Administration.



In **New Zealand**, Taranaki schools were rewarded for their recycling efforts with tree donations through our support of Paper4Trees. In 2019, we donated 1,308 trees to 119 schools to plant on their school grounds and in their local community. By avoiding the landfilling of paper waste, the project contributed to a reduction of 16 t CO₂e⁵⁴ in 2019.



In **Norway**, we started a partnership with the Clean Shores NGO. As part of this cooperation, we organized OMV volunteers to take part in beach clean-ups in Norway. The collected waste was then recycled in local recycling facilities. In 2019, 50 volunteers, including top management, took part.

Impact snapshot: Natural climate solutions

- ▶ **77,450 trees were planted by 885 OMV volunteers sequestering 213 t of CO₂⁵⁵ in Austria, Romania, Serbia, and New Zealand.**



Natural climate solutions, i.e., conservation, restoration, and land management actions that increase carbon storage or avoid greenhouse gas emissions in landscapes and wetlands across the globe, are a key ingredient in

addressing the challenges of climate change. In 2019, natural climate solutions also became a part of our social investment portfolio.

In 2019, we partnered with the Austrian Research Center for Forests (BFW) to support a research project, Climate-Research Forest, studying the role and adaptation of forests to climate change in **Austria**. Forest protection and restoration are key climate change mitigation measures due to the particular effectiveness of forests in absorbing CO₂ from the atmosphere. However, with growing pressures on ecosystems, forests also need to adjust to changing conditions. BFW provided verification of the Climate-Research Forest on three plots of land in eastern Lower Austria near OMV operations. In the next stages of the project, BFW will cultivate, manage, and study the growing trees.



Research will be conducted on different types of forests consisting of native and non-native trees to examine their synergies and properties in the face of changing climate conditions. The project will also yield insights into the impact of reforestation on areas that most recently lacked tree stocks and encourage biodiversity. From 2021 onward, the Climate-Research Forest will be opened to the public for recreational purposes and will be supplemented with a nature trail inviting visitors to discover more about nature and the importance of woodlands.

In October 2019, 40 volunteers from OMV, including the OMV Group's top management, planted the first trees for the Climate-Research Forest under the expert supervision of BFW. A total of around 750 trees were planted for the project on an area measuring 0.4 ha.



Our employee volunteers have also been actively engaged in forestation efforts in Romania, Serbia, and New Zealand. In **New Zealand**, our local OMV team won a World Environment Day challenge, planting 380 trees in just two hours.

In **Romania**, we held two tree plantings involving 800 OMV Petrom and 2,100 public volunteers. As a result, 13.9 ha were reforested with trees. In **Serbia**, two forestation campaigns were organized in partnership with Serbia Forests (Srbijašume) and a total of 5,000 trees planted.



More details on these and other projects supporting SDGs     and  can be found at: www.omv.com/en/projects-initiatives