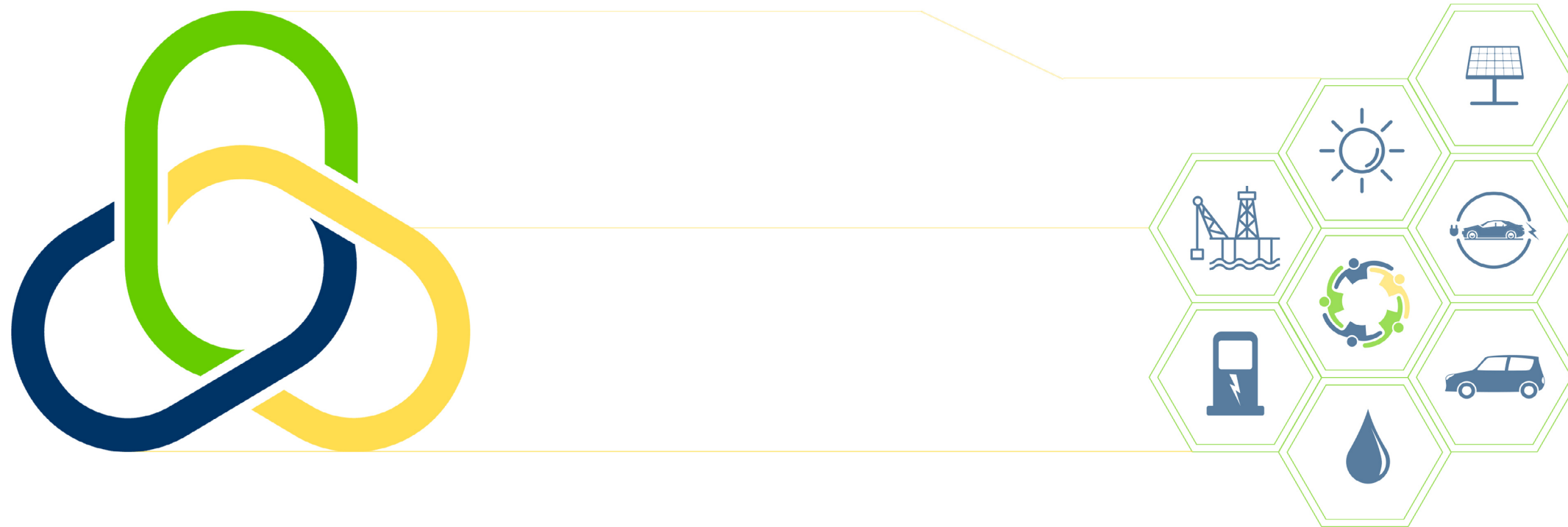


# Transforming for a lower carbon future

OMV Petrom Sustainability Report 2023



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# About this Report

The 2023 OMV Petrom S.A. Sustainability Report offers an overview of our organization's economic, environmental, and social impacts while also showcasing our commitments and strides towards sustainable development. This Sustainability Report adds to the 2023 OMV Petrom Annual Report by including legally required non-financial reporting information, in line with the Ministry of Finance Orders No. 1938/2016 and No. 2844/2016.

OMV Petrom has been preparing and publishing an annual sustainability report since 2011. Our 2023 report is prepared in accordance with the 2021 Global Reporting Initiative (GRI) Standards, including GRI 11 Oil and Gas sector 2021 and covers the 2023 financial year (January 1<sup>st</sup> to December 31<sup>st</sup>, 2023). The publication date of the report is 29<sup>th</sup> of April 2024. Our sustainability reporting period is the same with our annual financial reporting period.

In line with the updated requirements for materiality assessment, OMV Petrom updated its [materiality analysis in 2022](#), and in 2023 no significant changes in business models occurred therefore, the same material

topics as in 2022 are addressed in this report. The report's data is consolidated at the OMV Petrom Group level, headquartered in Coralilor Street, no. 22, sector 1, postal code 013329, Bucharest, Romania, unless otherwise specified. Each material topic in this report considers relevant oil & gas sector data boundaries. This report also includes disclosures required by the EU Taxonomy Regulation (Regulation EU 2020/852), the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. By using the IPIECA - GRI correspondence, in this report we cover a number of IPIECA core disclosures as well; the SASB Sustainability Accounting Standards for the oil & gas sector are also covered, and the report aligns with the [non-binding EU Guidelines](#) on non-financial reporting. In relation to the preparation of this sustainability report in accordance with GRI Standards, KPMG Audit SRL has issued a limited assurance report in accordance with ISAE 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information. For more information about OMV Petrom, including contact details, please refer to the OMV Petrom Annual Report 2023 or visit the website: <http://www.omvpetrom.com>.

## 2023 KEY FIGURES

**6,700**  
employees in health screening campaigns

**33**  
average training hours per employee

**82%**  
waste recycling rate

**30%**  
share of women at management level

EUR  
**41mn**  
investment in community development, for 850,000 beneficiaries

**90%**  
spend with local suppliers

**-11%**  
Group Carbon Intensity Reduction vs. 2019

**Top ESG ratings:**  
FTSE4Good Index Series Sustainalytics' 2023 Top-Rated ESG Companies List  
Silver supplier status from EcoVadis  
**A - CDP** Climate Change<sup>1</sup>

NOTE: In this report, the terms “the Company”, “OMV Petrom”, “OMV Petrom Group” and “the Group” are used for convenience where references are made to OMV Petrom S.A. and its subsidiaries in general (see OMV Petrom Annual Report 2023).

<sup>1</sup> Based on OMV Group's response

# CEO Statement

2023 was a year of continued volatility and geopolitical risks, with the global economy still feeling the effects of the unprecedented energy crisis in 2022. It was also a year of global increase in renewable energy capacity, as reported by the [International Energy Agency](#). This signals the important transformation that the industry is undergoing and that we, as the largest integrated energy producer in South-East Europe, want to be at the forefront of.

As a result of our efforts towards sustainable transformation, OMV Petrom's management of sustainability continued to be rated as strong last year. OMV Petrom was included in the FTSE4Good Index Series based on proved strong environmental, societal and governance practices. We were once again featured on Sustainalytics' 2024 Top-Rated ESG Companies List, and we were awarded with Silver Supplier status by EcoVadis. We are proud of these achievements, and we persist in holding ourselves accountable to keep working on the areas where we need to improve.

For us, at OMV Petrom, 2023 was a very strong year for the implementation of our Strategy 2030. Our offshore gas project Neptun Deep entered the development phase. Neptun Deep is a strategic project for Romania, in terms of its contribution to the country's energy security, economic growth and energy transition, with an estimated carbon intensity significantly below the industry average. Last year, we also expanded our portfolio of low carbon projects. These important steps will further support Romania's security of supply and energy transition. Our Strategy 2030 is built on a strong sustainability framework, with a clear commitment to running responsible operations, fostering people and communities, and leveraging innovation and digitalization.

## Transition to low carbon business

We remain committed to achieving a 30% reduction of the carbon intensity of our operations by 2030 vs. the 2019 level. In 2023, the carbon intensity of our operations decreased by 11%, compared to the 2019 level. Moreover, we achieved a reduction of our methane emissions intensity by 72% versus 2019 level.

We continued to expand our low carbon portfolio. In 2023, we signed the financing contracts to build 4 photovoltaic parks of 450 megawatts with CE Oltenia and we also purchased 710 megawatts of installed capacity of photovoltaic power projects in Teleorman county. More recently, we signed the largest acquisition of green projects in Romania: this refers to 1 GW capacity of renewables mostly wind, as well as acquiring Romania's leading EV charging network, adding to our existing alternative mobility portfolio. I am confident that OMV Petrom will continue on this trend through 2024 and that we will build significant momentum in achieving our strategic targets to transition to low and zero carbon.

## Running responsible operations

At the core of this pillar sits our ambition to responsibly manage our business, prevent any incidents, and optimize efficiency. People safety is of paramount importance to us and we have a strong safety record. Sadly, however, we did experience a fatality in 2023 having lost a contractor's employee in a fatal accident during the refinery turnaround. Every loss is a tragedy, and we express our sincere condolences to our colleague's family. Our express focus is to return to a zero fatality rate in 2024, in-line with our "Zero harm - NO losses" vision.

## Foster People & Communities

During 2023, we advanced our efforts to positively impact both our employees and the communities in which we operate.

Our guiding principles include diversity and inclusion and respect for human rights. I would like to underline the particular value that OMV Petrom places on the role that women play in driving this transformation process. The female representation in our managerial positions remained stable at 30.1%, clearly well on track for our target of 32% by 2025.

Last year OMV Petrom continued to significantly contribute to the economic and social wellbeing of society. We invested more than 40 million euros in social projects for the long-term development of the communities in which we operate, for 850,000 beneficiaries. The OMV Petrom Foundation implemented projects such as Start in education, Together from Day One and Green for the future, focusing on healthcare for newborns, early education and the environment, respectively. Moreover, we contributed with an additional 2 million euro to the modernization of the Ploiești County Emergency Hospital and we prolonged "Sănătate în Vecinătate" programme, bringing quality healthcare to isolated communities. We reaffirmed our support for România Eficientă programme and funded our flagship tree-planting multi-year project "Romania Plants for Tomorrow".

# CEO Statement

## Leverage Innovation & Digitalization

In 2023, we continued to leverage digitalization to implement programs that increase overall efficiency within the company, reduce carbon footprint and enhance HSSE capabilities. We also focused on upskilling our employees, ensuring they are equipped to work alongside AI technologies and can harness their full potential. To give you an example: Data Science is an important strategic direction for us and in 2022 we started a dedicated training program – "Data Citizen Program" – which showed us the impact we can have through advanced use of data. In addition, I believe that GenerativeAI is here to stay and by the end of 2023 we already had in place an AI-enabled chat. Further opportunities are already in different maturation stages throughout the company.

I am confident that this and others will help our ambition to become a leader in innovation and digitalization in the energy sector.

## Our 2023 Sustainability Report

I am pleased to present to you our 2023 Sustainability Report, in which we detail the latest developments in terms of sustainability within our company. We continue on our journey to transform OMV Petrom for a lower carbon future.

Sincerely,  
**Christina Verchere**  
**CEO, OMV Petrom**



# OMV Petrom Group

As the largest integrated energy producer in South-Eastern Europe, OMV Petrom continues to operate across the complete energy value chain. This includes everything from oil and gas exploration and production to crude refining and distributing fuel, generating power, and marketing gas and electricity.

The company supplies energy to meet the everyday needs of modern life. As one of the largest taxpayers and private investors in the country, we understand and embrace our role within the communities where we operate.

In 2023, the OMV Petrom Group recorded sales revenues of RON 38,808 mn and capital expenditure amounted to RON 4,704 mn. The Group's integrated business model across its various segments not only bolsters financial resilience in a fluctuating market but also ensures a constant energy supply to society.

## Exploration & Production

- ▶ OMV Petrom is present in Romania, Bulgaria and Georgia. In Romania, our Exploration & Production (E&P) activities are centered around six local assets, operating 152 commercial oil and gas fields. These include both onshore and shallow offshore exploration & production, as well as in-depth offshore exploration. There are no material activities in Bulgaria to be reported, and seismic acquisition remains on hold in Georgia. By the end of 2023, our portfolio included 424 million boe in confirmed oil and gas reserves. Hydrocarbon production reached 41.37 million boe, which included 2.8 million tons of crude oil and natural gas liquids and 3.27 billion cubic meters of natural gas.



Onshore Oil Exploration and Production



Onshore Gas Exploration and Production



Offshore Oil and Gas Exploration and Production



Offshore Oil and Gas Exploration

## Refining & Marketing

- ▶ The Petrobrazi Refinery, part of our downstream operations, is located in Prahova County, Romania. It has a capacity of 4.50 million tons per year and can process all of OMV Petrom's Romanian crude oil production.
- ▶ As part of our retail business, we operate 780 filling stations across Romania, Moldova, Bulgaria, and Serbia under two brand names: Petrom and OMV.
- ▶ In 2023, the sales of refined products (including purchases from third parties) in the Refining and Marketing (R&M) segment reached 5.45 million tons, of which 3.07 million tons were retail sales.



Refining



Storage Logistics



Transportation



Marketing of Refined and Non-fuel Products

## Gas & Power

- ▶ Our Brazi Combined Cycle Power Plant (CCPP), located near the Petrobrazi Refinery, is a gas-powered facility with a capacity of 860 MW.
- ▶ In 2023, our Gas and Power (G&P) segment sold 46.80 TWh of gas, including 37.90 TWh to third parties. The CCPP generated a net electric output of 4.20 TWh, covering around 7% of the national generation mix.



Power Marketing



Power Production



Gas Marketing

## Usage



Aviation



Agriculture



Cars



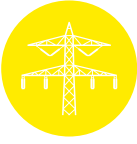
Constructions



Plastics



Chemicals



Electricity



Heating



Hospitality



Steel



# OMV Petrom Group



# Corporate Sustainability Governance

Our Sustainability framework is fully embedded in the 2030 Business Strategy, with a focus on transition to low carbon business, running responsible operations, fostering people & communities and innovation & digitalization.

## Shareholder structure

At the end of 2023, OMV Petrom's shareholding structure was as follows: OMV Aktiengesellschaft, the parent company of the OMV Group and one of Austria's largest publicly traded industrial companies, owned 51.20%. The Romanian State through the Ministry of Energy owned 20.7% and 28.1% of shares were freely traded under the Premium category on the Bucharest Stock Exchange. You can find more details about the [Company's shareholding](#) at our website and in the 2023 OMV Petrom Annual Report.

OMV Petrom is managed through a two-tier system, with the **Executive Board** being overseen by the **Supervisory Board**. This arrangement allows us to thoroughly assess all material economic, social, and environmental aspects that influence our success and relationships with stakeholders. OMV Petrom observes the provisions laid out in the 2016 Bucharest Stock Exchange Corporate Governance Code. More information about our status of compliance with the principles and recommendations of the Bucharest Stock Exchange Corporate Governance Code can be found in the 2023 OMV Petrom Annual Report.

## Supervisory Board

[The Supervisory Board](#) comprises nine non-executive members appointed by the General Meeting of Shareholders, with the exception of interim members who are appointed by the Supervisory Board itself. One of the Supervisory Board members serves as President after being appointed by the Supervisory Board. The Supervisory Board has formed two committees from its members: [the Audit Committee and the Presidential and Nomination Committee](#). The Audit Committee aids the Supervisory Board with matters such as financial reporting, external auditing, internal auditing, internal controls, risk management, as well as compliance, conduct, and conflicts of interest. The Presidential and Nomination Committee mainly concentrates on planning for succession in the Executive Board and deciding on its remuneration.

The Supervisory Board oversees and monitors the activities of the Executive Board. The Supervisory Board, through the Presidential and Nomination Committee, also evaluates the Executive Board's performance, including based on sustainability criteria. The Supervisory Board carries out a self-evaluation annually using the criteria provided by the Bucharest Stock Exchange Corporate Governance Code, led by the President of the Presidential and Nomination Committee. The results of the Supervisory Board's self-evaluation are shared in the Annual Report. Information regarding [the independence of the Supervisory Board members](#) is available on the Company's corporate [website](#).

## Executive Board

The Supervisory Board appoints the [Executive Board](#) for a four-year term. Currently, the Executive Board is comprised of five members whose tenure will continue until April 2027. In overseeing the day-to-day activities and operations of the Company, the Executive Board determines the development strategy and policies, ensures adherence to corporate governance principles within the Group, and provides regular updates to the Supervisory Board on all important business matters, including strategy implementation, Company risk profile, and risk management. The Executive Board also manages the organization's impact on the economy, environment, and society. This responsibility includes supervision over all material topics outlined in this report, such as climate change mitigation and adaptation, human rights, and safety, among others. Matters related to sustainability, including key material aspects like Health, Safety, Security, and Environment (HSSE), climate change, and business ethics, are discussed in Executive Board meetings and integrated into the Company's daily operations and management processes. **The Executive Board approves both the Group's Sustainability Strategic Framework and the annual Sustainability Report**, ensuring they're kept informed on the progress of the Sustainability Strategy's implementation.

Further information about our corporate governance system can be found in the OMV Petrom Annual Report 2023.



# Corporate Sustainability Governance

## Remuneration

OMV Petrom has a Remuneration Policy in place for the Executive Board and Supervisory Board since 2021. Following the launch of the 2030 Strategy, an updated Remuneration Policy was prepared by the Presidential and Nomination Committee and ultimately approved by the Ordinary General Meeting of Shareholders in April 2022, with a majority of 92% of votes cast. The Remuneration Policy is aligned with OMV Petrom's long-term strategy, current market practice, as well as OMV Petrom's shareholders' views and interests. It follows our core principle of pay for performance. The Executive Board remuneration consists of fixed and variable compensation elements, as well as benefits. The variable remuneration, which includes a Long-Term Incentive Plan and annual bonus, is aligned with the 2030 Strategy and places a strong emphasis on sustainability performance, including additional ESG related key performance indicators, such as carbon reduction. This reflects our commitment to focus on environmental and social priorities that are relevant for our industry, our company, and our shareholders. In line with good governance practice, no Executive Board member is involved in establishing his or her own remuneration. The Presidential and Nomination Committee evaluates and decides on all matters concerning the sustainability performance achieved and remuneration of the Executive Board members, after reviewing a large set of information, including relevant market data and trends, input from shareholders and internal data.

OMV Petrom publishes a Remuneration Report annually indicating how the [Remuneration Policy](#) was applied during the financial year for the Supervisory Board and Executive Board members and how the actual remuneration of the Executive Board members is linked to both the financial and ESG performance of the Company.

For more information on the Remuneration Policy and Remuneration Report, please see our website and the OMV Petrom Annual Report 2023.

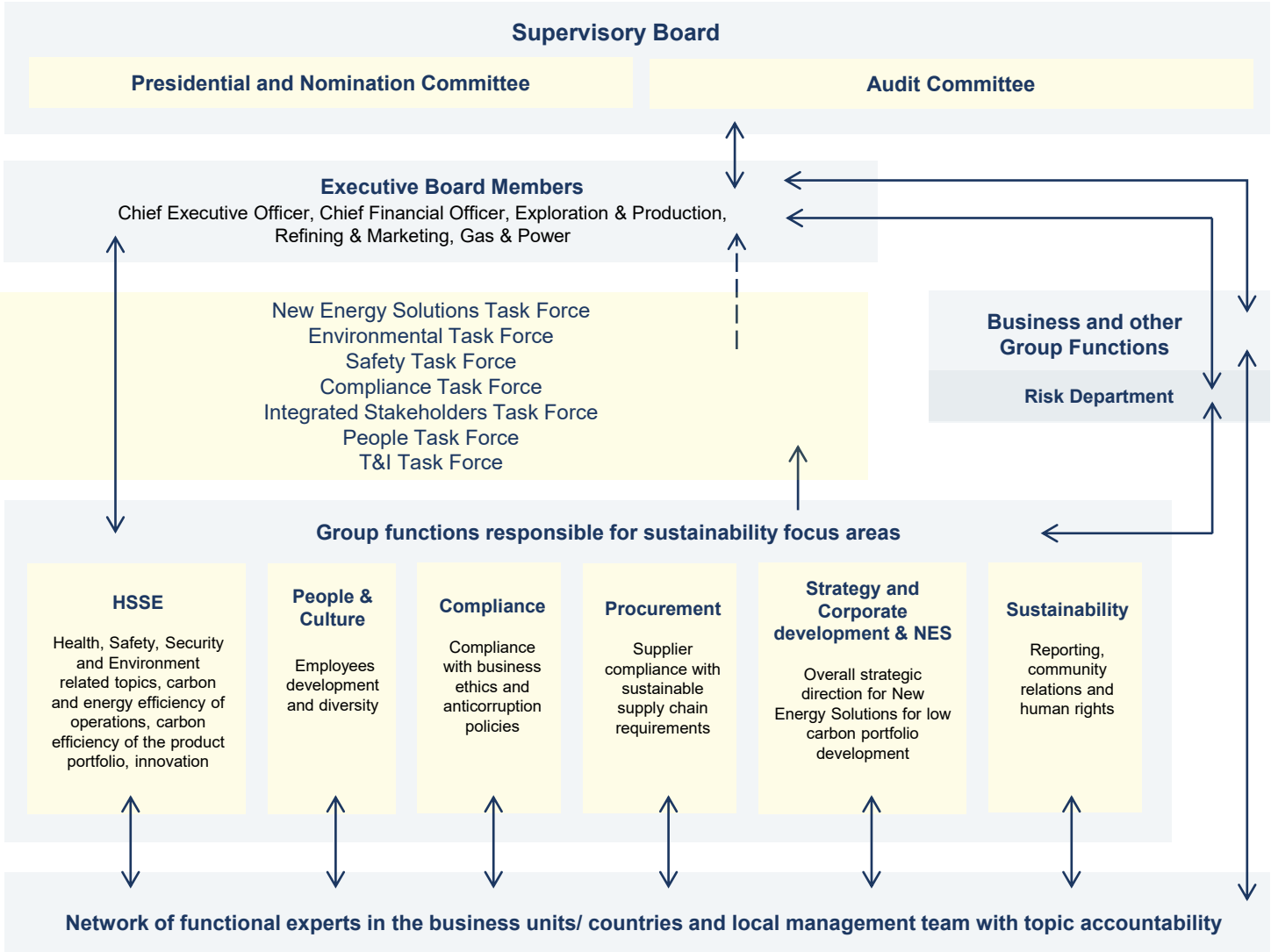


# Corporate Sustainability Governance

At OMV Petrom, our functional experts and key corporate function leaders, acting as topic owners for strategic sustainability matters, play a crucial role in developing and implementing the sustainability framework incorporated into our 2030 Strategy.

Accountability for the OMV Petrom Sustainability Framework and its targets resides with the Executive Board. In addition, we've nominated individuals responsible for implementing OMV Petrom's short- and medium-term sustainability targets within various **task forces**. Our **network of sustainability experts** monitors the advancement of planned actions' execution. These experts report to their line managers who, in turn, report to the respective Executive Board members. Their duties include progress updates on strategic target achievement, significant events related to material topics, and other sustainability activities.

ESG topics are on the agenda of OMV Petrom's dedicated task forces, which include all Executive Board members, Directors, and relevant Senior Vice Presidents. On a corporate level, the **Sustainability Department** within our **Group functions** acts as the coordinator for corporate sustainability projects and is responsible for contributing to, and reporting on, ESG-related topics to both internal and external stakeholders. This department is also in charge of all corporate social awareness campaigns and stakeholder engagement.





# Corporate Sustainability Governance

## Sustainability Criteria in Investment Decisions

Significant effort and capital allocation are required to achieve our sustainability targets.

Starting 2022, OMV Petrom implemented a Capital Allocation Framework that incorporates a strategic scoring methodology for investment projects. This scoring method is based on four pillars: **business strategic targets, financial metrics, risk profile, and climate targets impact**. The scoring assists in objectively identifying and reviewing OMV Petrom's strategic projects, enabling a comprehensive portfolio optimization across the Group in support of our strategic goals, including our greenhouse gas reduction pathway.

In our updated Capital Allocation Framework, we introduced a definition for "sustainability CapEx", which covers investments that meet either of two criteria: alignment with the EU Taxonomy Regulation criteria or investments that assist in implementing OMV Petrom's 2030 Sustainability Framework. The latter includes investments related to energy efficiency programs, sustainable fuels, photovoltaics, carbon capture storage and utilization, and strategic social community investments, among other things.

The aim of our new Capital Allocation Framework is to promote investments in projects aligned with our climate targets, including our long-term net zero goal, rather than solely concentrating on traditional fossil fuel-related investments.

## EU Taxonomy

As a component of the European Commission's Action Plan on Financing Sustainable Growth, Regulation (EU) 2020/852 was established to create an EU classification system (EU Taxonomy) for economically sustainable environmental activities. The EU Taxonomy serves as a crucial tool for the European Union in redirecting capital flows towards sustainable investments and promoting market transparency. It facilitates companies, investors, and policymakers to channel investments towards areas that are most crucial for sustainable development. As such, the EU Taxonomy Regulation will be a vital instrument for enhancing sustainable investments and advancing the European Green Deal. The EU Taxonomy serves as a tool for the OMV Petrom Group to evaluate which of our present and future economic activities can be classified as environmentally sustainable. Under the Taxonomy Regulation, an activity categorized as such must significantly contribute to at least one of the EU's environmental objectives, while ensuring it does not substantially harm any of the objectives, adheres to certain minimum social safeguards and complies with technical screening criteria that have been established. The Taxonomy Regulation identifies six pertinent environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

In June 2021, the Commission officially adopted the Climate Delegated Act, setting out the criteria that determine which activities substantially contribute to the first two of the six environmental objectives (climate change mitigation and adaptation). The disclosure requirements became applicable from January 1, 2022, in relation to these climate change objectives. Meanwhile, in 2022, the Complementary Delegated Act was issued, expanding the EU Taxonomy framework to allow certain economic activities involving gas and nuclear energy to be designated as "environmentally sustainable". This rule came into effect from January 1, 2023. The EU Taxonomy for the remaining four environmental objectives was also published in 2023, with the reporting requirements coming into force for the reporting period ending 31 December 2023.

## OMV Petrom's process for identifying and assessing EU Taxonomy activities

### EU Taxonomy eligibility assessment

An economic activity is eligible for the EU Taxonomy if it matches with the specified activity description provided in the EU Taxonomy Delegated Acts. In order to identify eligible activities/products/projects at OMV Petrom, we undertook a comprehensive screening of OMV Petrom's portfolio of activities for comparison against the descriptions of the economic activities/products outlined in Annex I or II of the EU Taxonomy Climate Delegated Act and Annex I-IV of the EU Taxonomy Environmental Delegated Act. An interdisciplinary project team conducted the assessment of eligible activities and products at OMV Petrom using both micro (bottom-up) and macro (top-down) perspectives. We convened a series of internal meetings involving management and experts to acquaint OMV Petrom businesses with the new EU Taxonomy and disclosure requirements. Subsequently, additional workshops were held involving all business segments and corporate entities for effective bottom-up identification of eligible activities, assets, procedures, projects, and their corresponding eligible capital and operational expenditure and turnover (CapEx/OpEx/turnover). All OMV Petrom's identified EU Taxonomy-eligible economic activities directly relate to the environmental objective of climate change mitigation.

Analysis of all our economic activities is done on an annual basis and includes an update of the previous year assessment.

### EU Taxonomy alignment assessment

In 2022 and 2023, OMV Petrom conducted an alignment evaluation based on the EU Taxonomy criteria, assessing whether the identified eligible activities met the requirements for substantial contribution to climate change mitigation, the do-no-significant-harm (DNSH) criteria of the other environmental objectives, and the criteria for minimum social safeguards. The process of alignment checks,

# Corporate Sustainability Governance

and evidence collection was clearly demarcated in the Group EU Taxonomy Guidance. The managers of the respective eligible projects/activities were tasked with evaluating compliance with the criteria for significant contribution to climate change mitigation, DNSH to water and marine resources, the circular economy, pollution prevention and control, and biodiversity and ecosystems. Sustainability experts from OMV Petrom and the OMV Group provided support. Assessments of necessary physical and climate risk and vulnerability to comply with the DNSH climate change adaptation criteria were conducted centrally by sustainability and risk management experts, with outside support following the Group's Enterprise-Wide Risk Management approach.

Sustainability experts undertook evaluations of compliance with the minimum social safeguards and governance criteria. They did this by checking if the clauses in key Group policies - such as Human Rights Policy, Code of Conduct, Code of Business Ethics, and Tax Strategy - aligned with the international benchmarks referenced in the EU Taxonomy. They also verified whether OMV Petrom's human rights management system and associated processes, such as grievance mechanisms and community consultation, conformed to these global standards. A thorough appraisal found no discrepancies between the Group's policies on human rights, addressing impacts, due diligence and risk assessments, communication, grievance mechanisms, consumer interests, anti-corruption, competition, taxation, and the social safeguard rules laid out in the EU Taxonomy.

No relevant financial penalties regarding breaches of the minimum safeguards have been identified at OMV Petrom in recent years, including breach of labor law or human rights, breach of corruption or competition laws, or breach of tax laws. The economic activities that OMV Petrom identified as aligning with the EU Taxonomy are all associated with the environmental objective of climate change mitigation.

## Definition of financial KPIs

Values<sup>2</sup> for OMV Petrom's Key Performance Indicators (KPIs) are obtained from the numbers reported in the OMV Petrom Group's consolidated IFRS financial statements. KPIs are computed based on the consolidated sales revenues, CapEx, and OpEx<sup>3</sup> of OMV Petrom SA and its fully consolidated subsidiaries.

Subsidiaries that are not fully consolidated, associated companies and joint ventures were excluded from the assessment as per the reporting requirements of the EU Taxonomy Regulation.

The proportion of taxonomy-aligned economic activities in the sales revenues, CapEx, and OpEx (the "alignment ratio") has been calculated as the part of sales revenues, CapEx, and OpEx derived from products, services and projects associated with taxonomy-aligned economic activities (numerator) divided by the total sales revenues, CapEx, and OpEx (denominator). The same logic applies to the calculation of the "eligibility ratio."

The denominators for the financial KPIs were defined as follows:

- ▶ The denominator of the turnover KPI is based on OMV Petrom's consolidated sales revenues (OMV Petrom Consolidated Financial Statements 2023, Note 20). For further details on our accounting policies regarding consolidated sales revenues, see OMV Petrom Consolidated Financial Statements 2023, Note 5.3.q).
- ▶ The denominator for the CapEx KPI consists of additions to intangible assets (including oil and gas properties with unproved reserves), tangible assets (excluding capitalized decommissioning costs), and right-of-use assets (OMV Petrom Consolidated Financial Statements 2023, Note 7 and 8). For further details on our accounting policies regarding the relevant assets, see OMV Petrom Consolidated Financial Statements 2023, Note 5.3.d), e), f), g).

<sup>2</sup>All Taxonomy KPIs values are presented in millions RON, rounded to the nearest two decimals. Accordingly, there may be rounding differences.

<sup>3</sup>As defined by EU Regulation 2020/852 on the establishment of a framework to facilitate sustainable investment.

- ▶ Total OpEx consists of research and development (R&D) expenses, maintenance and repair costs, other direct expenditure related to day-to-day servicing of assets and short-term leases.

**R&D expenses** include the research and development expenses recognized in line "Other operating expenses" in the income statement (see OMV Petrom Consolidated Financial Statements—note 23 and note 5.3.h).

**Maintenance and repair** costs and other direct expenditure related to day-to-day servicing of assets mainly include costs for external services, personnel expenses, and material costs related to regular and unplanned maintenance, repairs, and servicing measures. The related cost items can be found in the line items "Production and operating expenses" and "Selling, distribution, and administrative expenses" in the income statements.

**Expenses for short-term leases** have been determined and included in line with IFRS 16 "Leases".

Direct costs for training and other human resources improvement needs are immaterial and therefore excluded from the denominator and the numerator.

For most of the activities, sales revenues, CapEx, and OpEx for aligned and eligible activities could be allocated directly to individual activities listed in the taxonomy based on data available in the Group entities' ERP systems. This ensured that there was no double counting of aligned or eligible sales revenues, CapEx, and OpEx.

In the refineries, CapEx related to assets used in the joint production of fuels and organic basic chemicals, as well as maintenance and repair costs allocated to cost centers involved in the joint production of fuels and organic basic chemicals, have been allocated to the production of organic basic chemicals (activity 3.14) using an allocation key reflecting the yield, size, and complexity of the different refinery plants used for this purpose.

# Corporate Sustainability Governance

## Overview of EU Taxonomy KPIs for 2023 and 2022

in RON mn	2023					
	Turnover		CapEx		OpEx	
Environmentally sustainable (taxonomy-aligned) activities	-	-	74.81	1.57%	-	-
Taxonomy-eligible, but not taxonomy-aligned activities	2,914.07	7.51%	946.75	19.92%	173.25	16.21%
Taxonomy-non-eligible activities	35,893.84	92.49%	3,732.12	78.51%	895.39	83.79%
Total	38,807.91	100%	4,753.69	100%	1,068.64	100%

in RON mn	2022					
	Turnover		CapEx		OpEx	
Environmentally sustainable (taxonomy-aligned) activities	-	-	14.69	0.41%	-	-
Taxonomy-eligible, but not taxonomy-aligned activities	10,991.48	17.92%	433.42	12.07%	139.51	16.52%
Taxonomy-non-eligible activities	50,352.97	82.08%	3,143.65	87.52%	705.05	83.48%
Total	61,344.44	100%	3,591.76	100%	844.56	100%



# Corporate Sustainability Governance

## Taxonomy-eligible and aligned turnover

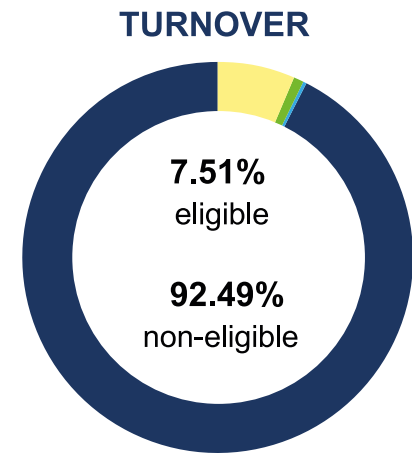
In 2023, 7.51% of OMV Petrom’s turnover could be classified as taxonomy eligible (2022: 17.92%). There was no taxonomy-aligned turnover in 2023 and 2022.

The eligible turnover relates mainly to activities 4.29 Electricity generation from fossil gaseous fuels and 3.14 Manufacture of organic basic chemicals (e.g. sales of toluene, benzene, and propylene). The electricity was mainly generated at the Brazi CCPP gas-fired power plant. Turnover associated with other gas-related activities, such as natural gas production and gas supply, marketing, trading, and logistics, is reported as non-eligible turnover.

The decrease in the share of taxonomy-eligible turnover compared to the previous year is mainly due to lower sales in terms of prices and volumes.

The distribution of eligible turnover between revenue from contracts with customers and revenue in scope of IFRS 9 “Financial instruments” is shown in the following table. Eligible revenue from transactions within the scope of IFRS 9 includes power sales from the Brazi CCPP gas-fired power plant.

Activities	RON mn
	Eligible turnover
Revenue from contracts with customers (IFRS 15)	2,564
Revenue from transactions within the scope of IFRS 9	350
Total	2,914



Share of taxonomy-eligible and non-eligible  
OMV Petrom Group activities in 2023

	RON mn
Electricity generation from fossil gaseous fuels	2,535.49
Manufacture of organic basic chemicals	370.73
Others	7.85
Non-eligible	35,893.84

# Corporate Sustainability Governance

## Taxonomy-eligible and aligned CapEx

In 2023, 21.49% of OMV Petrom's CapEx qualified as taxonomy-eligible (2022: 12.48%), from which 1.57% was deemed taxonomy-aligned (2022: 0.41%).

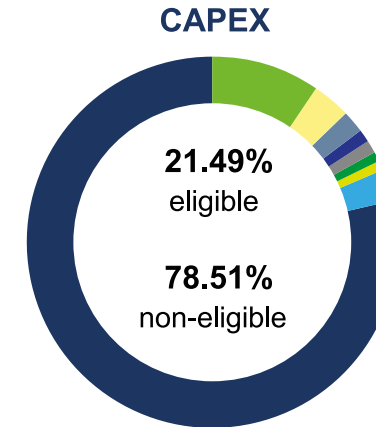
The activities contributing most to eligible CapEx were the activities 3.14 Manufacture of organic basic chemicals and 4.29 Electricity generation from fossil gaseous fuels in relation to gas-fired power plants and gas-powered generators.

The increase in eligible CapEx as compared to prior period is mainly due to the planned turnaround of the Petrobrazi Refinery and new aromatic complex project currently being executed.

The activities contributing most to aligned CapEx were activities 6.15 Infrastructure enabling low-carbon road transport (e.g. electric charging points) and 7.6 Installation, maintenance, and repair of renewable energy technologies (e.g. installation of PV panels).

Aligned and eligible CapEx can be broken down into additions to different asset classes, which can be found in the table below. Increases to right-of-use assets are included in additions to property, plant, and equipment.

Activities	RON mn	
	Aligned CapEx	Eligible not aligned CapEx
Additions to property, plant, and equipment	74.81	946.56
Additions to capitalized development costs	-	-
Additions to other intangible assets	-	0.19
<b>Total</b>	<b>74.81</b>	<b>946.75</b>



Share of taxonomy-eligible and non-eligible  
OMV Petrom Group activities in 2023

	RON mn
Manufacture of organic basic chemicals	453.04
Electricity generation from fossil gaseous fuels	164.73
Transmission and distribution of electricity	84.23
Freight rail transport	59.60
Manufacture biogas and biofuels for transport	47.40
Transport by motorbikes, passenger cars, light commercial vehicles	40.81
Infrastructure enabling low-carbon road transport and public transport	38.97
Others	132.79
Non-eligible	3,732.12



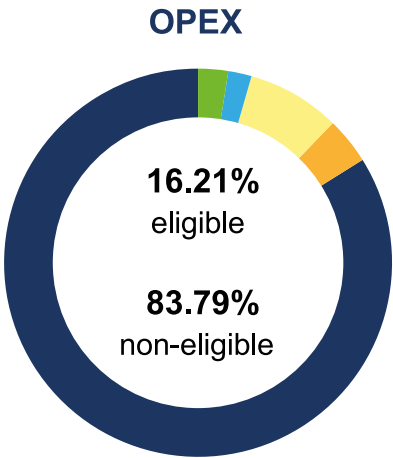
# Corporate Sustainability Governance

## Taxonomy-eligible and aligned OpEx

In 2023, 16.21% of OMV Petrom’s operating expenses (OpEx) qualified as taxonomy eligible (2022: 16.52%). There was no OpEx aligned with taxonomy in 2023 and 2022.

The activities mainly contributing to eligible OpEx in 2023 were 4.29 (Electricity generation from fossil gaseous fuels), 9.1 (Close to market research, development, and innovation) and 3.14 (Manufacture of organic basic chemicals).

Activities	RON mn
	Eligible OpEx
Research and development expenses	40.20
Expenses for maintenance and repairs	133.05
Short-term lease expenses	-
Total	173.25



Share of taxonomy-eligible and non-eligible  
OMV Petrom Group activities in 2023

	RON mn
Electricity generation from fossil gaseous fuels	83.44
Close to market research, development and innovation	40.20
Manufacture of organic basic chemicals	26.98
Others	22.63
Non-eligible	895.39

# Corporate Sustainability Governance

## Our public commitments

OMV Petrom is a signatory to the United Nations (UN) Global Compact since 2013, fully endorsing the UN Guiding Principles on Business and Human Rights and actively contributing to the UN Sustainable Development Goals (SDGs). This report highlights our contributions with information correlated to the relevant SDGs. Furthermore, our commitment to ESG principles extends to our business relationships, including our commitment to uphold human rights, with a goal to educate our entire workforce on human rights by 2030.



OMV Petrom acknowledges the objectives of the Paris Climate Change Agreement and the EU's climate goals for 2030, recognizing that curbing global warming is a key global mission. Along a similar vein, we also endorse the World Bank's "Zero Routine Flaring by 2030" initiative and endeavor to terminate routine flaring and venting in our operations by 2030 at the latest.

OMV Petrom also has the distinction of being the first Romanian company to back the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Our voluntary participation illustrates our ongoing commitment to increase the transparency of our climate-related initiatives, including assessing, disclosing, and addressing climate-related risks and opportunities. Consistent with these recommendations, since 2021, we have enhanced our way of working and the disclosures related to governance, strategy, risk management, and metrics and targets. The TCFD Index is provided in an appendix to this report.



## ESG ratings

Engaging with ESG rating agencies is pivotal to OMV Petrom, allowing an external evaluation of our ESG performance and comparison against industry-leading practices.

Agencies	Ranking
	FTSE Russell included OMV Petrom in the FTSE4Good Index Series in June 2023.
	OMV Petrom features on Sustainalytics' 2023 Top-Rated ESG Companies List, ranking in the top 4% of the Oil & Gas Producers Industry in Sustainalytics' ESG Risk Ratings as of August 2023, with a medium risk score of 24.30. Our management of sustainability issues is labelled as strong and outperforms all other Bucharest Stock Exchange listed companies.
	EcoVadis has awarded OMV Petrom with Silver Supplier tatus, granting a score of 68 out of 100 in October 2023.
	In the S&P Global Corporate Sustainability Assessment, our company received a score of 59 out of 100 in October 2023.
	Our 2023 CDP <sup>4</sup> score is an A- score.
	OMV Petrom' ISS score stayed at C+.

<sup>4</sup> Score received by parent company of OMV Petrom

Our company supports the Paris Climate Change Agreement and contributes to UN's 2030 Agenda for Sustainable Development.

# Sustainability at OMV Petrom

## Sustainability Framework in our Business Strategy

### How we manage sustainability

Sustainability is fully integrated into our 2030 Strategy, with a focus on managing responsible operations, fostering people and communities, and leveraging on innovation and digitalization. Our strategic ambition and the heart of our sustainability endeavors lie in driving the energy transition in SE Europe.

The objectives of the UN 2030 Sustainable Development Agenda form an intrinsic component of our sustainability mission, with the Sustainability Framework addressing all relevant material topics. The significance of these objectives for OMV Petrom was affirmatively reinforced by a materiality analysis adjustment carried out in 2022, viewed from a business impact perspective.

## Mapping of ESG, Sustainability Framework pillars, material topics and SDGs supported

Sustainability Framework	Material topics categories	SDGs	ESG Topic
Transition to low carbon business	Climate change and Energy transition	    	Environment
Run Responsible operations	Health, Safety and Security Environment Business Principles & Economic Impacts Supply chain	       	Social Environment Governance
Foster People & Communities	Employees Community Relations Human Rights	       	Social
Leverage Innovation & Digitalization	Circular economy and Innovation	  	Environment Social

\*Note: The topic "Customer and Product Responsibility" is currently addressed within HSS and Circular Economy & Innovation in the Sustainability Framework.



# Sustainability at OMV Petrom

## Strategic sustainability commitments extended to 2030

OMV Petrom has announced its objective to reduce emissions by 2030, setting a goal to achieve net-zero operations (Scope 1 & 2) by 2050 and expanding to 2030 commitments and targets for all other focal areas of the sustainability framework. Progress continues to be monitored for strategy implementation, towards the 2025 milestones, and for the 2030 targets.

Transforming for a lower carbon future is our 2030 ambition. Our strategy involves steering our performance towards a greener and more diversified portfolio. These steps include investments in alternative mobility, renewable power generation, biofuels, and innovative technologies. Beyond 2030, we investigate potential pathways that support profitable and sustainable growth towards our net-zero operations ambition.

## Transition to low carbon business

Action area	KPI	Target 2030
Carbon Intensity of Operations	E&P Carbon Intensity Reduction vs. 2019	– 70%
	Refining Carbon Intensity Reduction vs. 2019	– 15%
	Power Business Carbon Intensity Reduction vs. 2019	– 20%
	Group Carbon Intensity Reduction vs. 2019	– 30%
	E&P Methane Intensity	< 0.20%
Absolute GHG Emissions	Scope 1: Zero Routine Flaring and Venting	0
	Scope 1-2 GHG Reduction vs. 2019	– 30%
	Scope 1-3 GHG Reduction vs. 2019	– 20%
Carbon Intensity of our Portfolio	Share of Low and Zero Carbon Products in Total Product Portfolio	~ 60%
	Net Carbon Intensity of Energy Supply Reduction vs. 2019	– 20%

## Run Responsible Operations

Through 2030, we will continue to have as priority the health and safety of our employees, customers and partners. We focus on resource efficiency and environmental protection, while acting with integrity and transparency. Proactive risk management remains essential in order for us to achieve OMV Petrom's HSSE Vision of "Committed to Zero Harm – Protect People, Environment and Assets".

Action area	Target 2030
HSSE	Stabilize Total Recordable Injury Rate (TRIR) at below 1.0 (per 1 mn hours worked)
	Achieve Zero Work – Related Fatalities
	Maintain leading position in Process Safety Event Rate
Supply chain	All new suppliers screened against mandatory ESG criteria during supplier pre-qualification prior to sourcing projects
	Yearly spend with local suppliers <sup>5</sup> to be at least 85% out of total Procurement spend

<sup>5</sup> Local spend is considered when the country of the supplier and the country of the ordering company are the same.

# Sustainability at OMV Petrom



## Foster people and communities

As part of our 2030 commitments, we plan to assemble and maintain a skilled, diverse and committed team, while persistently creating a positive influence in our communities. OMV Petrom stands by the basic principles of a just transition, concentrating on social dialogue, protection, and retention, along with re-skilling or up-skilling of employees. The firm is devoted to fostering a diverse workforce and an inclusive work culture, which is considered critical to its success.

Action area	Target 2030
Employees	Increase share of women at management level to 35%
	Increase average number of annual learning hours to a minimum 30 hours per employee
	Measure and maintain the level of engagement of our employees
Community Relations & Human Rights	Maintain >80% local communities <sup>6</sup> covered by social investments every year
	Train all OMV Petrom Group employees in human rights

<sup>6</sup> Our goal is to maintain over 80% coverage of local communities with our social investments annually, which means impacting at least 33 out of 41 Romanian counties each year.

## Leverage Innovation & Digitalization

We pledge to endorse the development of technology, research, and innovative practices to facilitate broader incorporation of technologies that will help us realize our business and climate objectives.

Action area	Target 2030
Innovation & Circular Economy	EUR 3.70 <sup>7</sup> bn by 2030 to be invested in low and zero carbon business (such as: biofuels, CC(U)S, electro-mobility, low carbon hydrogen, photovoltaic assets)
	▶ 150 kt/year 2 <sup>nd</sup> gen ethanol produced from locally sourced agricultural residues
	▶ 450 kt/year renewable diesel and sustainable aviation fuel from sustainable feedstock
Digitalization (ambition)	▶ We plan to invest ~ EUR 2 bn in innovation and new technologies, mainly in hydrogen and CC(U)S
	Operate more than 1 GW of renewable power capacity, including through partnerships
	500 charging points for alternative fueled vehicles
Digitalization (ambition)	Run programs to reduce carbon footprint, enhance HSSE capabilities and resource efficiency and upskill employees

<sup>7</sup> The amount is for 2022- 2030.

# Materiality

## Engaging with our stakeholders

We upheld the commitment of respect to our entire range of stakeholders, and to engage with them through transparent communication and open dialogue for win-win relationships. We perform social assessments for our projects, while engaging in dialogue and support to local communities where we operate. We also continued to offer professional support jointly with industry associations in the energy and oil field to state institutions. Investors' concerns on ESG issues are addressed via one-to-one conversations or group meetings, participations at external events as well as active participation in events with key stakeholders, working groups and joint discussions in case of partnerships. Constant engagement with our employees is also prioritized. In 2023, 47 meetings between Executive Board members and various groups of employees were organized.

The OMV Petrom management team acknowledges its fundamental responsibility to represent and promote shareholder interests, and

it understands its accountability for the company's performance and actions. This is done through **dialogue with shareholders and potential investors**, which in 2023 included activities such as:

- ▶ Attendance of company's top management and the Investor Relations (IR) team at conferences and analyst and investor calls to sustain an active presence on both local and international capital markets.
- ▶ Participation of top management in conferences and meetings with investment fund representatives to update investors and analysts about quarterly operational and financial performance, strategy execution, and plans on a regular basis.

Maintaining a dialogue with Trade Unions is vital to our company's social harmony. Therefore, we continued our efforts to work constructively with employee representatives. Our dialogue with Trade Unions for developing shared approaches continued to be a key element in the decision-making process.



Stakeholder group	Examples of engagement
<b>Suppliers &amp; Contractors</b>	Negotiations and contracts
	Supplier audits and assessments
	Supplier meetings
	Reporting related to common projects
<b>Joint Venture &amp; other Business Partners</b>	Industry meetings
	Contracts
	Participation in working groups
<b>Competitors &amp; Peers</b>	Industry meetings
	Contracts
	Participation in working groups
<b>NGOs/ NPOs</b>	Social projects for communities, vulnerable people
	Sponsorships and donations
	Stakeholder dialogue and grievance mechanisms
	Advertising/ communication campaigns
<b>Customers</b>	Events
	Engagement activities within the filling stations
	Newsletters
	Joint projects with industry partners, scientific organizations, schools, and Universities
<b>Education, science, and research organizations</b>	Conferences and lectures
	Sustainability projects
	Employer branding activities
	Regular reports and presentations
<b>Capital market participants</b>	Roadshows
	General Meetings of Shareholders
	Investor conferences

# Materiality

Stakeholder group	Examples of engagement
<b>Associations/ Networks</b>	Regular reports and presentations
	Roadshows
	General Meetings of Shareholders
	Conferences
	Meetings/ Debates
<b>Media</b>	Workshops/ Conferences
	Press releases
	Conferences/ Events
	Interviews
	Workshops
<b>Government/ Central Authorities</b>	Participation to meetings
	Relationship management
	Regular reporting (as required by legislation)
<b>Local community</b>	Sustainability projects
	Sponsorships and donations
	Grievance mechanisms
	Meetings for business projects
	Public debates
<b>Employees</b>	Participation in Town Hall events
	Update events with Executive Board members
	Internal online company platform
	Internal newsletter
	Internal blog
	Survey
	Constant dialogue through Trade Unions

## Reporting on Materiality

At OMV Petrom, we conduct a comprehensive consultation process with both our external and internal stakeholders every three years. This process is designed to update the material topics for the Sustainability Report and to establish new sustainability priorities. Ever since our most recent comprehensive process [in 2020](#), we have diligently monitored and revised our priorities.

The materiality analysis at OMV Petrom consists of a comprehensive analysis and consultation process to determine the Group's sustainability priorities. The process involves analyzing industry trends, the Group's annual sustainability and financial reports, specific sustainability standards and frameworks, peer reports, and other relevant sources (e.g., investors requirements, rating agencies questionnaires) to identify potential topics. For each topic, we identify the potential impacts the Company can have on society and the environment and the impacts the sustainability topics could have on the Company's activities. From this analysis, a list of potentially relevant categories is compiled and narrowed

down to the most relevant sustainability categories and their specific topics. We conduct consultation with internal and external stakeholders to confirm the materiality of all identified categories. These sustainability topics are further grouped into categories and topics to facilitate reporting and alignment with OMV Group's material topics, forming the basis of our Materiality List approved by the Executive Board.

OMV Petrom updated its materiality analysis in 2022, based on a simplified internal consultation which included a series of interviews with top management representatives in our effort to monitor internal and external factors that can influence our sustainability priorities. The 2022 update was on the business impact – more specifically, to include the financial risk and opportunity perspective into the materiality analysis. In 2023 no significant changes in business models occurred. The sustainability topics include various sub-topics to streamline the reporting process and align with the 2030 Strategy's Sustainability Framework. The material topic categories, deemed critical for stakeholders and OMV Petrom, are outlined in the updated table below. Performance on each topic and sub-topic is disclosed in this report.



# Reporting on Materiality

## Materiality list

<b>E</b>	1. Climate Change and Energy Transition
<b>S</b>	2. Health, Safety and Security
<b>S</b>	3. Employees
<b>G</b>	4. Business Principles and Economic Impacts
<b>E</b>	5. Environment
<b>S</b>	6. Customer and Product Responsibility
<b>S</b>	7. Community Relations and Human Rights
<b>G</b>	8. Supply Chain
<b>E</b>	9. Circular economy and Innovation

### Legend

<b>E</b>	<b>Environmental</b>
<b>S</b>	<b>Social</b>
<b>G</b>	<b>Governance</b>

Sustainability Framework	Material topic categories	Sub- topics
Transition to <b>Low and zero carbon</b>	Climate Change and Energy Transition	<ul style="list-style-type: none"> <li>▶ Reduction of flaring, venting</li> <li>▶ Scope 1,2,3 emissions</li> <li>▶ Energy efficiency</li> </ul>
Run <b>Responsible operations</b>	Health, Safety and Security	<ul style="list-style-type: none"> <li>▶ Health</li> <li>▶ Occupational Safety</li> <li>▶ Process Safety</li> <li>▶ Product Safety</li> <li>▶ Security</li> </ul>
	Environment	<ul style="list-style-type: none"> <li>▶ Spills management</li> <li>▶ Waste management</li> <li>▶ Water management</li> <li>▶ Environment compliance</li> </ul>
	Business Principles and Economic Impacts	<ul style="list-style-type: none"> <li>▶ Business ethics, anti-corruption and anti-competitive behavior</li> <li>▶ Indirect economic impact through local economic development</li> </ul>
	Supply Chain	<ul style="list-style-type: none"> <li>▶ Business ethics for suppliers</li> </ul>
	Employees	<ul style="list-style-type: none"> <li>▶ Skills development and training</li> <li>▶ Talent attraction and retention</li> <li>▶ Diversity, inclusion, and non-discrimination</li> </ul>
Foster <b>People &amp; Communities</b>	Community Relations	<ul style="list-style-type: none"> <li>▶ Community development investments</li> <li>▶ Environmental, health and well-being impact</li> </ul>
	Human Rights	<ul style="list-style-type: none"> <li>▶ Human Rights</li> </ul>
	Circular economy and Innovation	<ul style="list-style-type: none"> <li>▶ Circular economy and Innovation</li> <li>▶ Digitalization</li> </ul>
Leverage <b>Innovation &amp; Digitalization</b>		

# Mapping our specific Sustainability Risks

## Risks and Opportunities

Just like the whole Oil and Gas industry, OMV Petrom is exposed to a wide range of risks, including market and financial risks, as well as operational and strategic ones. The primary focus of the Group's risk management processes is to identify, analyze, and evaluate these risks and their implications on the Group's financial resilience, profitability, and sustainability matters. For OMV Petrom, a risk embodies the uncertainty of objectives calculated by combining the likelihood or frequency of an event and its effects, which could potentially lead to opportunities (advantages) or threats (disadvantages). The aim of these activities is to proactively manage risks within the Group's risk appetite to attain long-term strategic goals.

Throughout 2023, OMV Petrom has vigilantly monitored the continuing conflicts between Russia and Ukraine, as well as the Middle East's conflicts, assessing their potential implications on the company's operational activities. Further geopolitical instability could result in global supply chain disruptions and shortages such as energy products, raw materials, agricultural products, and metals, potentially triggering further operational cost increases. In response, OMV Petrom has implemented targeted measures to ensure the economic stability of the Company and the energy supply security.

Furthermore, OMV Petrom acknowledges the potential disruptions in supply chains, surging price inflation, and rising interest rates that could cause a considerable decline in economic growth.

OMV Petrom keeps a close eye on worldwide developments and consistently gauges their impact on its cash flows and liquidity position.

## Enterprise-Wide Risk Management

Both financial and non-financial risks are regularly identified, assessed, and reported through the Group Enterprise-Wide Risk Management (EWRM) process. The primary aim of OMV Petrom's EWRM process is to generate value through risk-informed management and decision-making. This is ensured through the implementation of a "three lines of

defense" model 1. business management, 2. risk management and oversight functions, 3. internal audit. The company persistently works on enhancing the EWRM process based on internal and external requirements. The process is aided by a Group-wide IT system that supports individual process steps in accordance with the ISO 31000 risk management framework.

## Risk Management Governance

The Executive Board shoulders the responsibility for risk oversight, ensuring the existence of a robust process for the identification, prioritization, management, and monitoring of critical risks affecting the Company.

Risk prevention is comprehensively integrated into our daily business decision-making processes at every organizational level. The Executive Board is responsible for setting, communicating, and implementing our risk management culture across the Group.

Members of the OMV Petrom Executive Board regularly engage (please see details in the TCFD Annex) in discussions regarding current and forthcoming environmental, climate, and energy-related policies and regulations, developments related to the fuels and gas market, the financial impacts of carbon emissions trading obligations, and progress towards achieving sustainability-related targets.

To ensure that management takes risk-informed decisions, with adequate consideration of actual and prospective views, the Executive Board has empowered a dedicated Risk Management function with the objective to lead and coordinate the Company's risk management-related process. OMV Petrom's consolidated risk profile is regularly reported for the Executive Board's endorsement and for the information of the Supervisory Board's Audit Committee. In 2023, the OMV Petrom Group initiated a robust physical climate risk and vulnerability assessment in accordance with EU Taxonomy. Acute and chronic risks related to temperature, wind, water and solid mass were

first screened based on business specificity and potential impact on OMV Petrom. A two-fold approach was used that is in line with the Enterprise-Wide Risk Management Approach.

Based on the preselected acute and chronic risks, all OMV Petrom Group's sites, where EU taxonomy eligible activities occur (60 sites in 2023), were prioritized based on geographical proximity. This exercise was performed with the support of a risk intelligence external consultant using a set of indices specifically aimed at providing a robust understanding of the changes in future environmental conditions for the respective locations and businesses.

All assets with a medium, high or extreme exposure to one or more acute or chronic physical climate risks, were further analyzed. Physical hazard modeling was applied, consisting of processes and analyses of atmospheric data related to temperature, precipitation, drought, wildfire, as well as other data related to coastal flooding, tropical cyclones, water stress, and fluvial-basin flooding in order to provide a rigorous estimate of risk. The analysis incorporates scenarios based on the Representative Concentration Pathways (RCPs) from the International Panel on Climate Change (IPCC). The four RCPs (RCP 2.6, 4.5, 6.0 and 8.5), included in the IPCC AR5 were used in this exercise and applied to various time horizons in accordance with the Group Strategy.

Once the financial impact of the respective risks is estimated, the potential mitigation strategies are discussed with the management, in order to ensure that appropriate adaptation measures are considered.

# Mapping our specific Sustainability Risks

## Risk Management Process

The risk management process at OMV Petrom is anchored in a precautionary and systematic approach, aimed at promptly identifying and managing risks to prevent potential negative impacts on our business or reputation. We believe that fostering a risk-aware culture across the organization, whereby everybody is cognizant of the risks associated with their roles and integrates risk management practices into their daily routines, is the most effective strategy for avoiding negative impacts. To this end, our comprehensive EWRM program is steered by senior management and permeates through to every employee of the Company. This approach ensures heightened awareness and concentrated attention on risks that could potentially affect the Company's objectives.

OMV Petrom continually refines the EWRM process based on internal and external requirements, with a dedicated risk organization operating under an internal regulatory framework and the assistance of suitable information technology infrastructure. In addition, the EWRM system actively pursues to identify, analyze, evaluate, and mitigate primary risks to bring their impacts on the Company's cash flow to an acceptable agreed level.

OMV Petrom adheres to the leading international risk management practices in terms of tools and techniques and employs stochastic quantitative models to measure the potential loss linked to the Company's risk portfolio under a 95% confidence level over a three-year time horizon. The risks identified are analyzed considering the causes, effects, historical patterns, volatilities, and potential cash flow impact.

Our approach to risk management **combines bottom-up and top-down processes**, with each employee assuming responsibility for managing risks within their sphere of responsibility as part of a comprehensive process. To facilitate effective risk communication and management, we use a common risk terminology and language across OMV Petrom.

Risks identified in the **bottom-up process** by operational staff in the course of daily business management are assessed over a mid-term three-year time horizon. Department heads are responsible for the initiation of risk analysis, which includes the selection of appropriate risk identification techniques. These tasks include interviews, workshops, surveys, analyses of historical losses, and the collection of information on risks documented in risk registers. Heat maps or risk matrices are used to support the prioritization process and serve to identify probability ranges and the related consequences if risks materialize.

Senior management also assesses **top-down risks** over a long-term horizon to provide a strategic risk perspective. Through constant vigilance in identifying emerging risks and regular risk meetings, senior management retains a comprehensive understanding of the strategic risk landscape. This process allows them to capture new trends and developments in our operational environment and industry best practices, thereby supporting the Group to meet its long-term goals.

OMV Petrom employs a **four-tier risk management structure, arranged in a pyramid-type organization**. The base layer consists of risk owners, represented by managers from various areas. The second layer is composed of risk coordinators who facilitate and coordinate the risk management process within their division. The third layer is the risk management function, which oversees the entire process with support from specialized corporate functions, such as HSSE, Compliance, Legal, Finance, and Controlling. The top layer is represented by the OMV Petrom Executive Board, which steers and approves OMV Petrom's consolidated risk profile in alignment with the Company's objectives and risk appetite. The risk management system and its effectiveness are monitored by the Audit Committee of the Supervisory Board through regular reports.

## Risk Taxonomy

At OMV Petrom, risk management is a holistic process with effective risk communication ensured by deploying common risk terminology and language throughout the company. The full spectrum of risks, encompassing economic, environmental, and social issues, is examined via a semi-qualitative or quantitative approach, and compiled in a centralized risk database. The resulting corporate risk profile provides a comprehensive perspective on issues that could potentially impact the Company's medium- and long-term performance. Consequently, this profile is incorporated into OMV Petrom's decision-making process.

The risks held within OMV Petrom's EWRM system are further grouped into the following categories: market and financial, operational, and strategic. These categories include, among others, risks relating to the market, finance, projects, processes, health, safety and security, tax, compliance, personnel, legal, regulatory, and reputation.

## Market and Financial Risks

Key financial and non-financial exposures at OMV Petrom include commodity market price risk, foreign exchange risk, counterparty credit risk, liquidity risk, interest rate risk, among others. In terms of **mid-term liquidity**, the Group aims to secure our capacity to deliver positive economic value while managing the Company's risks and their potential cash flow impact within the limits of the risk appetite. High-potential single event risks and long-term strategic risks are consistently identified, evaluated, analyzed, and managed, particularly in relation to low-probability, high-impact hazards. To assess **short-term liquidity risk**, the budgeted operating and financial cash inflows and outflows are monitored and analyzed monthly to establish the expected net change in liquidity, and the basis for financing decisions and capital commitments.

For mid-term risks, OMV Petrom ensures solvency and the necessary financial flexibility by maintaining liquidity reserves in the form of committed credit lines.

# Mapping our specific Sustainability Risks

In terms of **market price risk**, OMV Petrom is naturally exposed to the price-driven volatility of cash flows generated by production, refining, and marketing activities associated with crude oil, oil products, gas, and electricity. Market risk has core strategic importance within OMV Petrom's risk profile and liquidity. The market price risks of OMV Petrom commodities are closely analyzed, quantified, and evaluated. In terms of **foreign exchange risk management**, OMV Petrom is essentially exposed to the volatility of RON against USD and EUR. The effect of foreign exchange risk on cash flows is regularly monitored.

Derivative financial instruments may be used to manage exposure to commodity prices and foreign exchange currencies subject to approval from OMV Petrom's Executive Board in line with the Company's risk appetite and/or risk assessments.

**Counterparty credit risk management** refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to OMV Petrom. Counterparty credit risks are assessed, monitored and managed at Company level using predetermined limits for specific countries, banks, clients, and suppliers. Based on their creditworthiness and available rating information, all counterparties are assigned maximum permitted exposures in terms of credit limits (amounts and maturities). These creditworthiness assessments and granted limits are reviewed on a regular basis.

OMV Petrom is also inherently exposed to **interest rate volatility** in its financing activities, however, the risk level is low.

## Operational Risks

From an operational risk perspective, OMV Petrom is an integrated company with a wide asset base mainly consisting of hydrocarbon production and processing plants. A special focus is given to process safety risks.

The low-probability high-impact risks associated with the operational activity (e.g., blowouts, explosions, earthquakes, etc.) are identified and the incident scenarios are developed and assessed for each of them. Where required, mitigation plans are developed for each specific location. Besides emergency, crisis, and disaster recovery plans, OMV Petrom's policy regarding insurable risks is to transfer its risks via insurance instruments. These risks are however closely analyzed, quantified, and monitored by the risk organization and are managed via detailed internal procedures. Our risk management system is part of the corporate decision-making process. Risks associated with new major investment projects or important business initiatives are assessed and communicated to management prior to the approval decision, as part of the project evaluation process.

As OMV Petrom's activities rely on information technology systems, the company may experience disruption due to major cyber events. Security controls are therefore implemented across the Group to protect information and IT assets that store and process information. IT- and OT<sup>8</sup>-related risks are assessed, monitored regularly, and managed actively with dedicated information and security programs across the organization. OMV Petrom recognizes the emergence of AI-related risks and is actively integrating measures within existing security controls to address potential disruptions and vulnerabilities associated with artificial intelligence.

ESG risks are identified using a double materiality approach and using a selection of the appropriate risk identification techniques such

<sup>8</sup> Operational Technology (OT) security refers to the hardware and software designed to detect or create changes through the direct monitoring and/or control of physical devices, processes, and events in the enterprise. OT is common in Industrial Control Systems (ICS), such as a SCADA system.

as interviews, workshops, surveys, and analyses of historical losses, as well as information on risks documented in risk registers or loss databases. Environmental risks and opportunities include regulatory, operational, reputational, and financial drivers and specifically relate to issues such as climate change and availability and quality of water used for operations. Such risks are then analyzed against three-year time horizons as a deviation of cash flow from the plan and the likelihood of such an impact. Digital technologies are used in monitoring and managing environmental risks through a special risk management IT tool integrating environmental risk scenarios with operational and business risks.

In terms of regulatory compliance risks, the company is in dialogue with the Romanian authorities on topics of relevance for the industry. In the last few years, we have seen a number of fiscal and regulatory initiatives put in discussion and/or implemented. This increases legislative volatility with influence on the overall business environment.

## Strategic risks

From a long-term sustainability perspective, a strategic risk assessment process is in place, on the one hand, to capture the executive management's perspective of the risk environment across a long-time horizon and, on the other hand, to develop risk mitigation plans and monitor implementation of defined actions. The strategic risks refer to both externally and internally driven risks (e.g., climate change, regional gas growth, traditional business, political & regulatory, and human capital & communities). An annual strategic risk assessment ensures a robust revalidation of identified risks. It captures new developments or provides updated information on the operating environment and industry trends, and thereby has a positive impact on the Company's ability to achieve its strategic objective.

The strategic risks are monitored within the respective task forces: part of the climate change risks in the New Energy Solutions task force, while political and regulatory and human capital and local communities' risks are managed in the Stakeholders Management task force.



# Mapping our specific Sustainability Risks

## The universe of our strategic risks

Climate Change	Climate change risk refers to the risk of not meeting 2030 target ambitions for GHG emissions reduction, further underpinned by the risks regarding the implementation of the strategic low and zero-carbon business projects portfolio, the reduction of emissions of existing operations & assets, in the context of a potentially accelerated transition.
Traditional Business	In E&P Division, the sustainability focus, climate change targets and the cost management policy put pressure on traditional oil projects. E&P focuses on high grading of portfolio, Neptun Deep project and building new Low Carbon Business areas (e.g., CCS). In R&M, the sustainability focus and climate change targets put pressure on traditional fuels demand driving R&M focus towards transition to a low carbon business through developing a sustainable product portfolio and accelerating e-mobility plans.
Regional Gas Growth	The regional gas growth strategic risk in the Black Sea includes the Neptun Deep project and possible future projects in the Black Sea area. Geopolitical and regulatory risks, as well as operational and delivery risks might occur. These risks can trigger a delay or cancellation of exploration and potential development in Black Sea and risk of not delivering in time the first gas from Neptun Deep project in 2027. For more information regarding the Neptun Deep project, please refer to the “Transition to low carbon business - Climate Change and Energy Transition” section of this report.
Human Capital & Communities	Human capital risks might arise from a variety of causes and can emerge under the following areas: loss of human capital, low employee engagement, lack of knowledge transfer, industry reputation or unbalancing the relation with social partners. Attracting, retaining, and growing talents under the new market conditions while implementing People & Culture strategy ensures the needed employee experience. OMV Petrom acknowledges the significance of local communities where it operates and strives to build collaborative partnerships with them. The company endeavors to align its long-term sustainability/ESG agenda with the immediate needs identified in the communities where it operates.
Political & Regulatory	Potential change in policy following super-electoral year may generate regulatory changes and taxes, but mostly dictated by state budget needs. Separately, the company promotes the need for new legislation relating to low-carbon emissions technologies by engaging with private and public sector stakeholders - in order to generate public acceptance and support for such projects. This also materialized in attracting EU funding and committing resources to new business lines (EVs, hydrogen, photovoltaic, biofuels and others to follow).



# Mapping our specific Sustainability Risks

## Mapping our sustainability risks and opportunities

A summary of our potential risks and opportunities (identified risk and opportunity topics), their potential impact and our mitigation or other actions in management approach, structured by our sustainability material topics is presented, annexed to this report.

Relevant risks and opportunities were included and selected based on their magnitude using impact and probability, and at least one relevant example for each material topic was selected for our internal analysis. The summary includes risks and opportunities for each material topic, their effects and our mitigation measures or approach.

## Climate Change Risks Management

Climate-change-related risks and opportunities are integrated into OMV Petrom's EWRM process which aims at identifying, assessing, and managing business-related risks.

The risks related to climate change might reflect a potential impact of acute or chronic events like more frequent extreme weather events or systemic changes to our business due to changing legal framework and changing of customer behaviors. The acute risks are analyzed for their impact on the Group's three-year financial plan. The effects of chronic risks are evaluated based on a qualitative analysis, considering a wider range of uncertainty.

The most substantive climate-related changes in the energy industry are expected to arise on a longer time scale – with regards to revenues. Therefore, management pays close attention to climate change related long-term risks and opportunities and takes these into account in their strategic decision-making process.

As a member of the Task Force on Climate-related Financial Disclosures, OMV Petrom acknowledges and responds to climate change-related risks in accordance with TCFD recommendations.

Risks are identified in a bottom-up approach by the employees responsible for our day-to-day business, and in a top-down approach by the corporate units responsible for monitoring regulatory, market, and reputational risks in line with the latest national and international developments. These risks are assessed in terms of their potential impact on the medium-term financial performance plan. In the bottom-up approach, climate-change related risks are identified using the standardized methodology of the EWRM process.

This process is based on the EWRM Standard supplemented with a set of principles defining the ESG/sustainability risk and opportunity requirements as part of the OMV Petrom risk management framework, supported by the rights, responsibilities, and expectations of specific stakeholder groups.

## Physical risks

Potentially severe weather events like flooding, periods of low or no precipitation and storms could bring physical risks that impact our asset portfolio such as: floods, landslides, railway infrastructure damages, inability to access water for the regular operations (internal consumption). Climate change risks impacting physical assets are evaluated on a mid-term period (three-year time horizon) using our EWRM framework and process. These risks are identified and assessed in each business division, considering the impact generated by the business interruption and the asset damage. In financial terms the impact represents the cumulative financial value of loss of revenues (due to business interruption) and repair or replacement cost (due to asset damage). For reporting purposes, these risks are aggregated using the Monte Carlo simulation, in line with our EWRM methodology and framework.

Based on the methodology described above, in 2023 we ran an exercise through which the potential financial impact of the physical vulnerability climate change risks was estimated to approximately EUR 43 mn, for the period 2024-2026.

There are several initiatives to manage or adapt to physical climate change risks. In this respect, we have implemented mitigation measures such as: develop Geographic Information System high risk landslide maps for Petrom locations and facilities, re-routing of product transportation on alternative routes, water management plans in operations, water risk assessment in relevant areas, water targets in relevant operations, emergency response plans and drills on a continuous basis and also, insurance policies concluded. Water management is in focus in OMV Petrom and detailed information is presented in the Water section of this report.

## Transition risks

The Executive Board establishes the Company's strategy and monitors actions to ensure the strategy's implementation. This approach facilitates the handling of climate-related transition risks and opportunities as the company navigates the energy transition.

Potential future restrictions on the carbon intensity of feedstocks, political and security risks in the feedstock's countries of origin, and any other supply limitations pose a threat to sufficient refinery feedstock supply. There is a risk of imbalance between certificates allocated and Company-required emissions volumes, resulting in higher costs, generated by the uncertainties about the allowance demand and abatement costs.

# Mapping our specific Sustainability Risks

Our attention is focused on current and emerging regulations in line with international public-sector initiatives, such as the Paris Agreement and Fit for 55 legislative packages proposal (e.g. ReFuel EU Aviation, RED III), as through their subsequent transposition into national Romanian legislation (e.g. GEO 80/2018 – GEO 33/2023 / GEO 163/2022 / Romania's long-term strategy / NECP).

This process of decarbonization will change the energy mix and will lead to a reduced demand for fossil fuels with a high carbon content. There is a risk that demand for refined fuels may decrease due to less carbon-intense substitute products coming to the market. Regulations related to emissions, energy efficiency, and the increasing share of renewables in the energy mix are expected to result in a decrease of fuels demand. This is already evident in the automotive industry's transition towards electric and hybrid cars.

Reputational risks arise from the increasing number of investors who place a significant emphasis on a company's environmental and social responsibilities during their investment decision-making process. This could be due to an internal policy or as a result of regulatory pressure for transparency in public investment concerning sustainability topics.

## Transition opportunities

Transitioning to a low carbon business, by innovating, developing, and introducing new low-emissions products and services will ensure long-term value generation for OMV Petrom's business and will contribute to a sustainable energy system in Romania and SE Europe. OMV Petrom has already initiated and further plans to execute various sustainable energy projects, including renewable power, biofuels, electro-mobility, and hydrogen, which will ensure a leading position for our Group in the energy transition across the region where we operate.

## Scenario Analysis

The Group faces exposure to physical climate risks and risks associated with the energy transition, encompassing stranded assets, decreased demand for fossil products, and regulatory risks, amidst significant uncertainty regarding the future energy mix and its alignment with the Paris Agreement's ambitions over the next 30 years. Therefore, assumptions that represent the management's current best estimate of the range of expected future economic conditions, which may differ from the company's set targets, were used, including expectations about future worldwide decarbonization efforts and the transition of economies to net zero emissions.

OMV Petrom Group uses two different scenarios: the base case and the 'net zero emissions by 2050' case. The scenarios differ in the underlying expectations of the pace of the future worldwide decarbonization and lead to different assumptions for demand, prices, and margins of fossil commodities.

The base case is built on a scenario which assumes that all decarbonization pledges announced by governments around the world will be implemented in full and on time. In this scenario, the temperature rises by 2100 will be limited to 1.7°C with a probability of 50%. The underlying demand and price developments of fossil commodities are in line with the Announced Pledges Scenario (APS) which was modeled by the International Energy Agency (IEA). The base case is used for mid-term planning as well as for estimates relating to the measurement of various items in the Group financial statements, including impairment testing of non-financial assets and the measurement of provisions.

The 'net zero emissions by 2050' case which is based on a faster decarbonization path than the base case is used for calculating sensitivities in order to recognize the uncertainty of the pace of the energy transition and to better understand the financial risk of the energy transition on the existing assets of the OMV Petrom Group. The assumptions used in this case are in line with the Net Zero Emissions

by 2050 (NZE) scenario modeled by the IEA. It shows a pathway for the global energy sector to achieve net zero GHG emissions by 2050 and is compatible with limiting the temperature increase to 1.5°C.

Sensitivities, calculated based on the 'net zero emissions by 2050' climate scenario using a simplified method consistent with a DCF model for impairment testing, indicate a risk of impairments of oil and gas assets, assessing resilience against energy transition risks.

The carrying amounts of the oil and gas assets with proved reserves would have to be decreased by RON 12 billion. In addition, all oil and gas assets with unproved reserves would be abandoned with a pre-tax P&L impact of RON 0.50 billion. Total post-tax impact on P&L would be RON 10 billion.

OMV Petrom plans to transform its refinery so that it will stay competitive as the decarbonization of the fuels and chemical sector progresses. A production portfolio will be developed to adapt the refinery to renewable fuels and sustainable chemical feedstocks production. Taking into account these transformation plans, management does not foresee a significant risk that the existing refinery would not be recoverable in the 'net zero emissions by 2050' scenario.

For retail, cash flows of less than 10 years are necessary to demonstrate the recoverability of the carrying amounts of the currently existing assets. Consequently, there was no need to perform a calculation under the 'net zero emissions by 2050' scenario.

The carrying amounts of assets in the G&P segment are not expected to be at risk in 'net zero emissions by 2050' scenario.

For further information on base case and "net zero emission by 2050" assumptions, please refer to Note 2 to the consolidated financial statements for the year-end December 31, 2023, in the Annual Report.





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# Transition to Low Carbon Business

The 2030 Business Strategy focuses on the transition to low and zero carbon business by identifying sustainable ways to satisfy client's needs to offer more energy with less emissions. We will continue to invest to meet the decarbonization targets.

## Climate Change and Energy Transition

We recognize climate change as one of the most important global challenges and we support the goals set forth by the **Paris Climate Change Agreement**. OMV Petrom's 2030 strategic ambition is to **lead the energy transition in SE Europe**, capitalizing on emerging markets opportunities. The company's ambition is to achieve **Net Zero operations (Scope 1&2) by 2050** and three key directions contribute to this objective: decarbonize current operations, expand lower carbon gas business, and pursue low and zero carbon business opportunities. OMV Petrom builds on its unique expertise and capabilities as the largest integrated energy producer player in SE Europe.

By 2030, the company's portfolio will be expanded to include five new zero and low carbon business activities, which together will account for around 35% of cumulated CapEx by 2030, and will contribute approximately 15% to the total 2030 Clean Current Cost of Supply Earnings Before Interest and Taxes (CCS EBIT).

To provide customers with a range of lower carbon energy options, OMV Petrom has already made significant steps towards achieving its objective to develop its portfolio of low and zero carbon products.

In terms of **renewable power** generation, we are progressing to achieve our goal to install more than 1 GW of renewable power capacity by 2030, including through partnerships. Together with Complexul Energetic Oltenia, OMV Petrom will invest in electricity production from photovoltaic solar energy (PVs), building four PV parks with a total capacity of ~450 MW. In July 2023, the financing contracts were signed with the Ministry of Energy, a major milestone for the projects. The total investment required for the development of the four PV parks amounts to over EUR 400 mn, 70% financed through the Modernization Fund - a European Mechanism implemented through the beneficiary Member States. Following the signing of the financing contracts, the public tendering for the EPCC (Engineering Procurement Construction & Commissioning) contract was launched at the end of September 2023.

Also, in June 2023 OMV Petrom signed an agreement for the purchase of several photovoltaic parks in Romania. The total installed power of the photovoltaic parks will be around 710 MW. The projects are being developed until "ready-to-build" phase by the Danish developer Jantzen Renewables ApS in Teleorman county. The completion of the transaction is estimated for 2024 and the planned operational date is 2026. They

have already been granted access to the national electricity transmission network. The locations chosen for the PV parks have the potential for strong yields in terms of solar energy.

In December, OMV Petrom signed the agreement to purchase from RNV Infrastructure a 50% stake in Electrocentrale Borzesti, which holds approximately 1 GW capacity of renewable projects, out of which 950 MW wind and 50 MW photovoltaic. This builds significant momentum in achieving strategic targets to transition to low and zero carbon.

In the area of **alternative mobility**, 270 EV charging points were installed by the end of 2023 (partially in partnerships), to contribute to road transport decarbonization. The policy makers are supporting the development of electro-mobility, and we see customers being more receptive towards alternative mobility. In July 2023 we signed a financing agreement within the Connecting European Facilities (CEF) for installing more than 300 ultra-fast charging points on TEN-T corridor in Romania by the end of 2025.

Another low carbon activity in our 2030 strategic portfolio is **biofuels**, seen as the opportunity to reduce emissions in road transportation and aviation. In 2023 we signed an agreement to purchase 50% of the shares of the Romanian company "Respiră Verde SRL", specialized in the collection of used cooking oil, one of the main renewable feedstocks to produce sustainable aviation fuel (SAF) and biodiesel (hydrotreated vegetable oil).

In addition, our **green hydrogen** projects were granted financing through the National Recovery and Resilience Plan, for the construction of two production facilities with a total capacity of 55 MW at the Petrobrazi refinery. Our ambition for the second half of the decade is to intensify investments in hydrogen and pursue opportunities on carbon capture, utilization, and storage. For **carbon capture, utilization, and storage**, OMV Petrom aims to leverage its in-depth knowledge of geological structures, evaluating onshore and offshore CO<sub>2</sub> storage potential. We have identified a first onshore opportunity that we might develop by building on the existing assets and subsurface capabilities. In addition, OMV Petrom will test an innovative technology for carbon capture and utilization at the Petrobrazi Refinery. OMV Petrom is a partner in an ambitious European project to address the problem of CO<sub>2</sub> emissions through carbon capture and conversion technologies. Over a five-month period in 2024, we will capture the CO<sub>2</sub> from flue gasses released by the cogeneration unit, further converting it electrochemically into a marketable product.



# Climate Change and Energy Transition

As European energy security focus brings strong alignment from all stakeholders to move forward at pace, the Neptun Deep natural gas project took the final investment decision in June 2023, with OMV Petrom as Operator and Romgaz Black Sea as partner. We plan to invest up to EUR 2 bn in the project and the estimated recoverable resources of around 50 bcm would ensure around 70 kboe/d plateau production, all net to OMV Petrom with first production of gas expected in 2027. The increase in gas production will also support the country's efforts to reduce GHG emissions, as gas can replace coal in power generation and enable integration of renewable capacities. The target is to reach 70% share of gas in 2030 in the Company's total hydrocarbon production, reflecting the pivotal role of natural gas as a transition fuel in the energy mix in Romania.

Overall, the implementation of the 2030 Strategy, with a strong commitment to energy transition, will lead to the reduction of carbon intensity throughout all business segments. Carbon intensity of our operations is expected to decline by around 30%, while the intensity for Scope 1-3 emissions is forecasted to drop by around 20% until 2030, compared with 2019.

We are targeting a reduction in our methane intensity to less than 0.20% by 2025, in line with international targets. At the end of 2023 the intensity of our operations was 11% lower than end of 2019, while the reduction of the Scope 1-3 emissions is ~ 9%. An impressive result is recorded for methane intensity, with 0.44% for 2023 (down from 1.61% in 2019).

The methane intensity refers to the volume of methane emissions from OMV Petrom E&P assets as a percentage of the volume of the total gas that goes to market from those operations, expressed in Scm.

The approach is aligned with the Oil and Gas Climate Initiative's (OGCI) methane intensity.

## The progress on our promise

Ambition 2050 Net Zero in operations				
2025 targets		Target 2030		Status 2023
<div> <div></div> <div>Reduce carbon intensity of operations by 13% until 2025 vs. 2019</div> </div>	Carbon Intensity of Operations Reduction	E&P Carbon Intensity Reduction vs. 2019	-70%	-38%
		Refining Carbon Intensity Reduction vs. 2019	-15%	3%
		Power Business Carbon Intensity Reduction vs. 2019	-20%	-3%
		Group Carbon Intensity Reduction vs. 2019	-30%	-11%
		E&P Methane Intensity	<0.20%	-72%
<div> <div></div> <div>Phase out existing routine flaring and venting as soon as possible, but no later than 2030*</div> </div>	Absolute GHG Emissions Reduction	Scope 1: Zero Routine Flaring and Venting	0	-61%
		Scope 1-2 GHG Reduction vs 2019	-30%	-22%
		Scope 1-3 GHG Reduction vs 2019	-20%	-9%
<div> <div></div> <div>Achieve E&amp;P methane intensity of 0.2% or lower</div> </div>	Carbon Intensity of Portfolio Reduction	Share of Low and Zero Carbon Products in Total Product Portfolio	60%	46%
		Net Carbon Intensity of Energy Supply Reduction (gCO2e/MJ)	-20%	0%

\*No new projects with routine flaring and venting practice;  
 The lower and zero carbon products include gas, biofuels, power and non energy products (oil based).  
 For our GHG targets for 2030 the following Scope 3 category is included: Category 11: Use of Sold Products for energy supply.

# Climate Change and Energy Transition



Our **Climate change and energy transition approach and actions** contribute to the following **UN Sustainable Development Goals**.

SDGs	Our approach and actions
 <p><b>3</b> GOOD HEALTH AND WELL-BEING</p>	<p><b>SDG 3</b> ► target 3.9, by employing cleaner energy sources to ensure healthier lives</p>
 <p><b>7</b> AFFORDABLE AND CLEAN ENERGY</p>	<p><b>SDG 7</b> ► target 7.2 and target 7.3 by increasing our share of renewables and increasing efficiency</p>
 <p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p>	<p><b>SDG 8</b> ► target 8.4 through resource efficiency improvement in our operations</p>
 <p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p><b>SDG 12</b> ► target 12.4 by employing a more sustainable management and efficient use of natural resources</p>
 <p><b>13</b> CLIMATE ACTION</p>	<p><b>SDG 13</b> ► target 13.1 by increasing our resilience to climate change impacts, including scenario analysis</p>



# Scope 1, Scope 2, Scope 3

## Why is this important?

We are aware that greenhouse gas emissions from our operations are contributing to climate change. Reducing these emissions is an important strategic target for OMV Petrom and we see it as an opportunity to reduce the impact on the environment and to secure our company's stability for the future.

Our Scope 1 GHG emissions come from all business divisions (R&M, G&P and E&P), primarily from fuel combustion, process emissions flaring, venting and fugitive emissions. Four of our operating installations were under the EU Emissions Trading Scheme (EU-ETS) at the end of 2023 and around 74% of our direct GHG emissions come from these installations.

OMV Petrom's indirect GHG emissions (Scope 2) are those related to the production of the energy we purchased (electricity and heat) for our operations. The Scope 2 emissions are primarily generated by R&M and E&P businesses.

In addition, we recognize that our Scope 3 GHG emissions result from energy consumption by our customers and stakeholders, including the supply chain and product use. The accounting and reporting of Scope 3 categories are evaluated based on data availability, maturity of accounting methods and reporting needs every 3 years. Any Scope 3 category which amounts to a maximum of 0.50% of total Scope 3 emissions can be excluded from the GHG inventory according to our internal regulations. Currently, based on current analysis, the most relevant Scope 3 categories in OMV Petrom inventory are category 10 (Processing of sold products) and category 11 (Use of sold products). Scope 3 emissions related to the total product sales volumes of OMV Petrom as a stand-alone company account for approx. 87% of our impact in terms of GHG emissions.

## Our commitment

In the 2030 Business Strategy, we have set specific interim targets for a short- (2025) and medium- (2030) term period to ensure we meet our 2050 ambition for Net Zero operations.

By 2025, we plan to reduce the carbon intensity from our operations, Scope 1 and 2, by 13% (compared to 2019). The 2030 commitment is to reduce our Scope 1 and 2 carbon emissions of our operations by ~30% and by 20% for our total footprint including Scope 1, 2 and relevant Scope 3 emissions, compared to 2019.

## Our approach

To mitigate our impact on the environment, we are implementing measures to reduce our GHG emissions and transition to low- and zero-carbon energy sources. This transition requires collaboration and innovation across the sector. We are investing in research and development to explore low-carbon technologies and contribute to a more sustainable future.

We calculate on a yearly basis our GHG emissions Scope 1, Scope 2 in E&P and R&M and G&P operations and relevant Scope 3 emissions.

We are following OMV Group GHG Management Framework standard (in line with GHG Protocol Corporate Standard) and actively working to mitigate the GHG emissions along the value chain, and we set targets for decreasing our GHG intensity levels.

- ▶ The calculations for the EU-ETS installations are verified by a third-party accredited company, according to legal requirements
- ▶ We perform regular data quality checks to ensure that the approach for GHG accounting and reporting is properly implemented

- ▶ The Environmental Management System EMS - ISO 14001 is regularly audited for recertification

Our environmental training and workshops include key information on GHG emissions topics like inventory management, calculation methodology and auditing processes.

## Our key activities

We continued the implementation of projects aiming to reduce flaring, venting and fugitive methane emissions by upgrading, replacing and/or optimizing gas processing and transport infrastructure. Among the projects implemented in 2023, we can mention:

- ▶ Installation of G2P/CHP power plants to make use of the energy of the associated gases available on sites. Thus, electricity and thermal energy for oil heating and separation processes are obtained and used in E&P. In 2023, were commissioned: G2P Cosmești, in Asset Valahia, with a capacity of 3 MW and CHP Brădești, in Asset Oltenia, with a capacity of 1.50 MW. Other 3 G2P/CHPs were installed in 2023: CHP Boldești, in Asset Muntenia, with a capacity of 7.50 MW, G2P Moreni, in Asset Muntenia, with a capacity of 9 MW and CHP Padina 571 with a capacity of 0.5 MW. For instance, by the CHP Padina investment we estimate the avoidance of 17.80 th tCO<sub>2</sub> eq emissions.
- ▶ We continued other operational measures for optimizing flows and processes in E&P operations such as gas flows rerouting and turnaround optimizations which led to a decrease of venting and flaring volumes.

In addition, in 2023, the Methane Emissions Program (Operations CH4llenge) with focus on helping the E&P organization to be compliant with the legal requirements for methane reporting and reduction, continued the Leak Detection and Repair (LDAR) program that is defined and implementing across the entire E&P. We started the



# Scope 1, Scope 2, Scope 3

methane emissions sources inventory as baseline for the Measuring, Reporting and Verification (MRV) program but also assuring an integrated portfolio of projects for methane emissions reduction which supports the E&P division to meet the strategic goals and the legal requirements.

Other relevant low carbon projects continued or implemented in 2023 were related to Electro-mobility - currently there are 270 charging points in Romania installed by OMV Petrom, with 120 installed in the last year.

OMV Petrom finalized in 2023 several small hybrid power plants designed to obtain electricity and heat from renewable and fossil energy, as follows:

- ▶ CHP (Combined Heat & Power) Brădești (1,5 MW) & S2P (Solar to Power) Brădești (1 MW) in Asset Oltenia
- ▶ G2P (Gas to Power) Cosmești (3 MW) & S2P (Solar to Power) Cosmești (2 MW) in Asset Valahia

In 2023, around 77% of electricity consumption in E&P operations was covered from internal production of G2P (Gas to Power), CHP (Combined Heat & Power) and S2P (Solar to Power) power plants.

## Direct GHG Emissions (Scope 1)

In 2023, OMV Petrom's carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), and nitrous oxide (N<sub>2</sub>O) emissions levels directly related to our operations (Scope 1) totaled 3.41 mn t CO<sub>2</sub>eq, ~23% lower than 2019 baseline year (2022: 3.93 mn t CO<sub>2</sub>eq). Other GHGs are not relevant for our business and are not included.

## Indirect GHG Emissions (Scope 2)

In 2023, the indirect GHG emissions totaled 0.05710 mn t CO<sub>2</sub>eq, ~27% higher than 2019 baseline year (2022: 0.08803 mn t CO<sub>2</sub>eq) due to the increased electricity volume purchased from market while the electricity volume produced internally and used in OMV Petrom decreased significantly. We are continuously working to identify ways

to reduce the electricity and steam purchased and to make use of own produced electricity and steam. At the same time, we are also looking at feasible options to purchase and use electricity from renewable sources.

## Other indirect GHG Emissions (Scope 3)

In 2023, Scope 3 emissions were 23.88 mn t CO<sub>2</sub>eq, ~8% lower than 2019 baseline year (2022: 23.03 mn t CO<sub>2</sub>eq) and are related to the total product sales volumes of OMV Petrom as a stand-alone company. Scope 3 emissions from the use and processing of our products account for 87% of our impact in terms of GHG emissions. Therefore, the development of low-carbon products and new energy solutions to reduce this major impact is in our focus to address Climate Change and Energy Transition. To address this, we are working with suppliers and customers to reduce these emissions. We understand that the transition of the industry towards low- and zero-carbon generation requires a joint effort and long-term cooperation.

Overall, the oil and gas industry has a high potential for environmental impact, and OMV Petrom is taking steps to mitigate these impacts by reducing its GHG emissions footprint, investing in low-carbon technologies, and collaborating with stakeholders to achieve its carbon targets.

## Results (KPI, other indicators) & progress

- ▶ Scope 1 emissions totaled 3.41 mn t CO<sub>2</sub>eq
- ▶ Scope 2 emissions totaled 0.05710 mn t CO<sub>2</sub>eq
- ▶ Scope 3 emissions were 23.88 mn t CO<sub>2</sub>eq

For more details, see [Performance in detail – Environmental Performance](#)

GHG Emission reductions Scope 1 have impact on emissions intensity and can be viewed in the tables summarizing emission intensity. Annual CO<sub>2</sub> eq emissions Scope 1 are grouped per certain business output using the following measurement units: E&P: t CO<sub>2</sub> eq/toe,

Petrobrazî Refinery: t CO<sub>2</sub> eq/t throughput, CCPP (Combined Cycle Power Plant) Brazi: t CO<sub>2</sub> eq/MWh, consolidated into a Carbon Intensity Index of OMV Petrom operations, based on weighted average of the business segments' carbon intensity.

## Outlook

Our agenda for the future includes, but is not limited to:

- ▶ Phasing out routine flaring and venting in E&P by 2030
- ▶ Energy efficiency improvements
- ▶ Fugitive methane emissions reduction through process optimization, field modernization and integrity improvement measures in E&P.

Our energy efficiency projects play a crucial role in reducing our carbon footprint. Some major projects that are included in E&P's Energy Efficiency Program and will be implemented in 2024-2025, with a total capacity of of approximative 6.50 MW are:

- ▶ G2P Albota, in Asset Valahia, with a capacity of 1.50 MW
- ▶ CHP Lucacesti in Asset Moldova, with a capacity of 1.50 MW
- ▶ G2P Berca, in Asset Moldova, with a capacity of 1.50 MW
- ▶ G2P Plopeasa, Asset Moldova, with a capacity of 0.50 MW
- ▶ G2P Oarja Phase 2, Asset Valahia, with a capacity of 1.50 MW

In R&M we will continue to implement energy efficiency projects contributing to reducing the CO<sub>2</sub> emissions. At Petrobrazî Refinery we plan to implement Advanced Process Control System (APC) in Catalytic Reforming unit. Furthermore, in retail, our target is to reach more than 500 charging points for alternative fueled vehicles in our network by 2030.

# Flaring and venting

## Why is this important?

OMV Petrom recognizes the significant impact of flaring and venting on the environment and for our GHG emissions footprint. Flaring and venting are controlled processes by which GHGs (mainly from flaring), including methane (mainly from venting) are released into the atmosphere.

## Our commitment

These impacts reflect OMV Petrom's commitment to reducing its GHG emissions footprint, prioritizing low- and zero-carbon technologies, and ensuring the sustainability of resources with minimized environmental impact. OMV Petrom recognizes that the industry's transition towards low- and zero-carbon generation requires collaboration and long-term cooperation to achieve a sustainable future.

According to the World Bank's global initiative "Zero Routine Flaring by 2030," we are committed to eliminate routine flaring, no later than 2030, and we have committed to achieve less than 0.20% methane intensity<sup>9</sup> in E&P, detect and reduce fugitive emissions and to not implement any new projects with routine flaring and venting.

In addition, OMV Petrom has set a sustainability agenda with a commitment to reducing carbon emissions across sectors to achieve zero net emissions from operations by 2050 (Scope1&2).

## Our approach

To address these issues, we are actively working to reduce flaring and venting, which is an important source of GHG emissions. The company has explored ways to capture flared gas from oil fields and utilize it for electricity production, thus minimizing the amount of CO<sub>2</sub> released into the atmosphere.

<sup>9</sup> Methane intensity refers to the volume of methane emissions from E&P operated oil and gas assets as a percentage of the volume of the total gas that goes to market from those operations; methane intensity [%] = methane emission [Sm<sup>3</sup>] / marketed gas (sales) [Sm<sup>3</sup>].

As required by the **OMV Group Environmental Management Standard**, all oil and gas fields are to be developed in a sustainable manner so that the field's associated gas is managed without routine flaring and venting. Routine flaring and venting of associated/ free gas as a means of gas disposal to facilitate liquid (oil and condensate) production, (this includes Early Production Facilities) is prohibited.

We are using the Leak Detection and Repair (LDAR) program as the basis for developing reduction projects in accordance with best practices in the industry and the best available technologies, and we also continue implementing projects to phase out routine flaring and venting.

We measure, calculate and monitor the following indicators, as disclosed in the [Performance in detail](#):

- ▶ Volume of gas flared
- ▶ Volume of gas vented
- ▶ Hydrocarbon vented
- ▶ Hydrocarbon flared
- ▶ Routine flaring and venting
- ▶ Methane emissions

Carbon Management training (e.g., classroom training, workshops) which include aspects on flaring and venting are delivered to the relevant functions within the company (HSSE, production, maintenance, operators), through various means including classroom training, workshops or on the job training. During 2023, 1,443 employees attended "Carbon Management" learning sessions.

## Our key actions

We continued our pipeline integrity program and compressor station modernization (modernization of facilities) and LDAR Program which consists of identification of the leaking components and the implied repairs to minimize losses.

## Leak Detection and Repair (LDAR)

In 2023, we continued to implement Leak Detection and Repair (LDAR) programs to reduce our fugitive emissions.

Important steps have been taken to prevent and mitigate fugitive emissions, such as the pipeline integrity program in E&P and the LDAR program in both E&P and R&M. This program serves as the basis for developing reduction projects in accordance with best practices in the industry and using the best available technologies.

- ▶ In late 2021, the non-profit Clean Air Task Force (CATF) measured methane leaks at OMV Petrom sites using a specialized optical gas imaging infrared camera (e.g., FLIR GF320). Following the report, OMV Petrom launched an investigation and immediate action was taken in 2022 to stop the leaks.
- ▶ Over the past ten years, OMV Petrom has invested more than EUR 1 bn in modernizing the upstream production infrastructure, including measures to reduce methane emissions. In addition, LDAR programs are routinely run both upstream and downstream to detect, prevent, and eliminate fugitive emissions. LDAR programs address over 400 facilities and OGI (optical gas imaging) screening is performed in those facilities, meant to detect all methane leaks, followed by leaks repairs with the support of a specialized maintenance contractor.
- ▶ We will continue to allocate funds with a focus to upgrade our facilities to closed production systems. This includes optimization and modernization of production infrastructure, which is upgrading / modernizing the equipment used in production flow and it aims to reduce potential emitting sources. As a prerequisite for our methane reduction measures, we prioritize monitoring and measuring emissions activities.



# Flaring and venting

- ▶ In 2023, the Methane Emissions Program (Operations CH4llenge) established at OMV Petrom E&P focused on LDAR programs improvements, inventorying the fugitive emissions sources and, creating a data base. We continued the relevant actions within the Measuring, Reporting and Verification (MRV) program, where the inventory of methane sources following OGMP 2.0 methodology was performed. All these data are used now for prioritizing the relevant actions performed by OMV Petrom in this continuous process of emissions minimizing and reduction. Overall, methane emissions at OMV Petrom were reduced by 79% in 2023 vs. 2019. As a prerequisite for our methane reduction measures, we prioritize monitoring and measuring emissions actions.

Details on the flaring and venting related projects implemented in 2023 can be found in the [Scope 1](#), [Scope 2](#), [Scope 3](#) section of this report.

## Results (KPI, other indicators) & progress

In 2023, the E&P methane intensity was 0.44% (2022: 0.48%).

The full information about flaring and venting for 2023 is presented in the [Performance in detail – Environmental Performance](#) section in this report.

## Outlook

We will focus on the continuation of our programs:

- ▶ Fugitive methane emissions reduction through process optimization, field modernization and integrity improvement measures in E&P
- ▶ Phasing out routine flaring and venting in E&P
- ▶ LDAR program
- ▶ Continue the relevant actions for Measuring, Reporting and Verification (MRV) program.



# Energy Efficiency

## Why is this important?

OMV Petrom acknowledges that its operations have a significant climate impact as a major energy consumer. Thus, the efficient use of energy is essential in reducing GHG emissions associated with energy consumption. We use both purchased and self-generated non-renewable energy for our operations. This is particularly evident in our energy-intensive operations, resulting in high quantities of fossil fuel consumption from crude oil, petroleum products, and natural gas.

## Our commitment

Our efforts are part of the Group's sustainability agenda, reflecting the company's commitment to reducing carbon emissions to achieve zero net emissions in operations (Scope 1&2) by 2050 and ensuring the sustainability of resources with minimized environmental impact. We recognize that the industry's transition towards low- and zero-carbon generation requires resilience and the pursuit of low and zero-carbon technologies to ensure the sustainability of resources while reducing their environmental impact.

The **Energy Policy Statement**, applicable to all business divisions, reflects our commitment to continuously improve the energy performance across all business segments in which we operate. Internal governance on energy efficiency is exercised by two bodies: Energy Efficiency Council and Energy Efficiency Committee.

According to the 2030 Business Strategy, new energy solutions are envisaged to consolidate OMV Petrom's portfolio to prepare and monitor the low carbon business roadmap for execution.

We set targets, monitor and measure the processes and their key characteristics with the aim of improving our environmental performance, including energy consumption. We have set targets for the Refinery to reach energy index ratings and we assess areas for improvement in energy efficiency.

## Our approach

To address the impacts, we are implementing measures to reduce our GHG emissions footprint by transitioning from non-renewable energy sources to renewable energy sources and high energy-efficient installations. The company is planning to produce and consume renewable energy to reduce its dependence on non-renewable sources. We are also focusing on the development of high energy-efficient installations to reduce energy consumption and GHG emissions.

We monitor the energy performance indicators and estimate the consumption through our ongoing management programs. Then, we analyze this data and identify potential new programs for the upcoming period. Each division within OMV Petrom has its own energy performance indicators that are monitored and analyzed. Selected individuals, in line with our energy management system, undergo specific training, such as the Energy Efficiency Auditor course, and periodic refresher sessions. We have certified Energy Efficiency Managers for all divisions, as per the legal requirement for companies with an energy consumption higher than 1,000 tep/year.

We are continuously monitoring the legal requirements in the energy field and conduct internal audits as part of the Energy Management System according to ISO 50001. Auditing for certification is performed to maintain our certification under ISO 50001.

## Our key activities

### E&P Division

All the relevant businesses within OMV Petrom must adhere to the **Group's Environmental Management Standard**, which requires responsible energy use, the conservation of primary energy resources, and the implementation of energy management plans in accordance with ISO 50001.

Our efforts to improve energy efficiency are strongly related to technology advancements and process optimization and aim to reduce energy consumption while maintaining operational output and bringing a contribution to the GHG emission reductions.

In E&P, modernization works continued in 2023 with smaller projects. Two compressors' stations were replaced with more efficient new one, in Asset Crișana.

OMV Petrom completed the installation of other two PV big parks, after Icoana pilot project was finalized in 2022 in Ilt county.

Cosmești solar park, put into operation in 2023, includes 6,500 photovoltaic panels installed over an area of approx. 30,000 m<sup>2</sup>. The green energy produced (approx. 2,500 MWh/year) is used to supply electricity for ongoing operations in the E&P segment.

Brădești solar park, put into operation in 2023, include 3,350 photovoltaic panels installed over an area of approx. 18,500 m<sup>2</sup>. The green energy produced (approx. 1,200 MWh/year) will be used to supply electricity for ongoing operations in E&P.

### G&P Division

With the aim of reducing electricity consumption the air conditioning systems were replaced with new generation equipment in T2 gas metering stations. In 2023, the Turnaround performed at Brazi Power Plant, to keep the installations operating according to original technical specifications, is prolonging its operating lifetime with additional 48,000 hours, thus meaning to keep energy consumption as low as when the plant was put in function.



# Energy Efficiency

An 89 kW photovoltaic panels system was installed on the administrative building of the Brazi Power Plant. Since November 2023, the green energy production from the photovoltaic panels system has reduced the energy consumption of the administrative building.

## R&M Division

At Petrobrazi refinery we are continuously implementing operational measures to improve its overall efficiency. In 2023 during TAR (turnaround), several projects operational measures were implemented such as:

- ▶ Replacing Steam Traps in different Refinery Units
- ▶ Coke drums replacement in Delayed Coking Unit
- ▶ Implementing “Air preheat in CDU”

Renewable energy is considered also for R&M locations. In 2023, more than one thousand photovoltaic panels were installed on 5,100 sqm within the premises of the fuel Depot Bacău and on the rooftops of the office buildings. The green energy produced is also distributed, at certain intervals, to the nearby OMV refueling station.

## Results (KPI, other indicators) & progress

- ▶ In 2023, **our total energy consumption** was 38.75 PJ out of which 0.44 PJ from renewable sources
- ▶ **78% OMV Petrom sites are covered by our ISO 50001** certified Energy Management System

## Outlook

For 2024, we plan to conduct an energy audit in HQ, to assess the performance of the energy equipment, whether energy management procedures are being followed and are effective and to identify any energy efficiency opportunities.

We will also continue implementing energy efficiency initiatives, at division level, to optimize overall energy consumption.







Run  
**RESPONSIBLE  
OPERATIONS**

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# Run Responsible operations

At OMV Petrom, we will achieve business and climate ambitions by prioritizing the health and safety of our employees, customers, and partners, focusing on resource efficiency and environmental protection, and acting with integrity and transparency towards all our stakeholders.

The transparent integration and achievement of responsible operation goals are strategic for the long-term performance of the company and its supply chains. We constantly take measures to prevent or mitigate adverse impacts from operations. We have production management practices involving protection of health, safety, security, and environment, as well as business principles and supply chain management.

## The progress on our promises

	2025 targets	2030 targets	Status 2023
Health, Safety, Security, Environment	Achieve Zero Work-Related Fatalities	Achieve Zero Work – Related Fatalities	1
	Keep leading position for Process Safety Event Rate (2017: 0.18)	Maintain leading position in the industry in Process Safety Event Rate	0,15
	Achieve Total Recordable Injury Rate (TRIR) of 1.0 per 1 mn hours worked	Stabilize Total Recordable Injury Rate (TRIR) at below 1.0 (per 1 mn hours worked)	0,5
Business Principles & Economic Impacts	Raise Business Ethics awareness for all OMV Petrom employees through trainings and compliance communication programs	NA	5,229 employees trained
Supply chain	> 20 supplier audits, covering sustainability topics by 2025	All new suppliers screened against mandatory ESG criteria during supplier pre-qualification prior to sourcing projects (baseline 2022)	16
	All new suppliers screened against mandatory ESG criteria during supplier pre-qualification prior sourcing projects (baseline 2022)		100%
	Yearly spend with local suppliers to be at least 85% out of total Procurement spend	Yearly spend with local suppliers to be at least 85% out of total Procurement spend	90%

# Health, Safety, Security

Our commitment to safeguard our people, assets, reputation, and environment is emphasized by our core values - Health, Safety, and Security. Guided by our vision of “Committed to Zero Harm – Protect People, Environment and Assets”, our aim is to responsibly manage our business, prevent any incidents, and optimize efficiency.

## Our Core Management and Due Diligence Processes

**Our General HSSE framework** outlines targets, action plans, periodical monitoring, reporting and accommodates top-level managerial input. These elements, combined with selected focus areas and initiatives, form an annual HSSE plan which follows local guidelines, legislative requirements and global best practices. Quarterly monitoring reviews are conducted to assess the plan's implementation and the results are analyzed by the designated management representatives for continuous improvement and effective decision-making.

The Group HSSE strategy sets out the mid-term strategic goals and targets to support a sustainable business within the Group's business strategy. As substantial changes are ongoing in the regulatory environment and business is going through a transformational stage, a major review of the HSSE Strategy was conducted during 2023 which triggered specific goals for 2030. While proven concepts of HSSE management will be continued and further developed, it was identified that HSSE culture, contractor management and parts of safety and environmental management need a stronger and updated strategic focus over the coming years. Roll-out and implementation of the updated HSSE Strategy began in Q4/2023.

In the Group, managing our operations, projects, and activities safely is a way to operational excellence. Our **Life-Saving Rules and their fundamental requirements, newly developed and with the implementation started in 2023**, are essential, as they help to prevent fatal and severe accidents. They are binding for every employee and contractor, always and everywhere.

The new harmonized set of Life-Saving Rules at the Group level gives clear guidance how we can perform our work intrinsically safe.

In order to make this set of few and simple rules work, we fundamentally require creating and living a mature HSSE culture, everywhere, anytime. That includes that we care for each other, that we ask when we have doubts, that we intervene and stop unsafe work, and that we visibly demonstrate our safety attitude with such a simple sign as using the handrail when walking stairs.

As a prerequisite for safe working, we also must comply with basic principles, such as doing a pre-job assessment or last-minute risk assessment for every job, sometimes in writing, sometimes in a toolbox talk or pre-job meeting. We must use the appropriate protective equipment, and we shall know and understand emergency response plans. We also must ensure that we manage all changes without introducing new hazards or increasing risk.

Compliance to our Life-Saving Rules and these fundamental principles shall be part of everyone's individual behavior and thus a strong pillar for our company culture. Deviations from these rules will not be tolerated. If we can't do it safely, we will not do it at all.

After the Life Saving Rules were released, we started transferring the learnings within the organization, through cascaded workshops. The first one was organized by the Group top leaders with the next line level of management at the beginning of the year. Further, each manager organized a similar workshop with their team.

In this way, each employee received more details on the Life Saving Rules and the applicability of each rule on the daily activity.

**Employees and contractors are strongly urged to report any safety concern or hazardous action they witness, either directly to their supervising managers or via our Synergi tool.**

## HSSE management system within OMV Petrom

At OMV Petrom, our aim is to reach exceptional performance without incidents by utilizing a strong and reliable **HSSE management system**.

The primary guidance at our company is determined by our Vision, Mission, Policies and Strategy. Specific regulations and process descriptions outline the functionality and scope of our management system. The OMV Petrom HSSE regulations include:

- ▶ The all-encompassing OMV Group-wide HSSE regulations (including HSSE Policy, HSSE Directive, Group Standards and Group Procedures);
- ▶ The specific OMV Petrom Corporate HSSE standards and procedures;
- ▶ OMV Petrom Business Divisional HSSE Standards and Procedures;
- ▶ Business Unit/Site-specific HSSE Work Instructions.

The internal HSSE Directive provides a framework for how HSSE aspects are managed within the OMV Petrom Group in order to protect people, environment, assets and reputation in line with our HSSE Policy, the Major Accident Prevention Policy and in view of our HSSE Vision “ZERO Harm – NO Losses”. The Directive sets out a set of standardized HSSE terms and definitions used within the company that are also aligned with definitions internationally used across the industry.

We are committed to complying with the national legal requirements related to occupational health and safety. As such, we have incorporated a range of requirements and regulations into our HSSE Management System, including but not limited to: Law no. 319/2006 - Safety and Health at Work, Government Decision no. 300/2006 - Exploration and Exploitation of Hydrocarbons and Government Decision no. 852/2013 - Minimum Safety and Health Requirements



# Health, Safety, Security

Associated with the Use of Work Equipment. It requires that bilateral conventions and contracts concluded within the company with partners, in order to carry out works with personnel on the company's territory, to include clauses on safety and health at work. Knowing and demonstrating the degree of compliance with the applicable legislation in force, as well as with the company's requirements, regarding aspects related to safety and security at work (OSH) associated with the company's work points is a complex and permanent subject. The compliance process includes, but is not limited to, keeping records of checks, establishing policies and procedures around legislation, and keeping evidence that people are taking responsibility for compliance. In this sense, the aim was to establish an annual reference level (status-quo), as well as the development of the action plan leading to the achievement of an acceptable level of general risk. The action implementation plan includes both documentation and specific activities.

Moreover, auditing is our pro-active way and one of the main tools for checking compliance with legal and internal requirements and for identifying opportunities for improvement. We ensure compliance by incorporating relevant requirements into our HSSE Management System, consistently updating our management system to reflect evolving legal requirements and ensuring that employees are well equipped to work safely and meet all legal requirements related to HSSE.

The HSSE Management System has been designed to be consistent with existing international models (e.g., ISO 9001, ISO 14001, and ISO 45001). The management process therefore reflects the cyclical ISO system of continuous improvement following the “plan, do, check, act” (PDCA) process.

**The strategy for HSSE audits is outlined in the “HSSE Audits” Group Standard and aligns with ISO 19011:2018** Guidelines for Auditing Management Systems. Entities engaged in high HSSE risk activities receive priority and undergo audits more frequently compared

to those with low HSSE risks. The risk factors considered involve occupational and procedural safety performance, environmental conservation, carbon management, potential security threats, advantages, as well as the significance of operations for the business.

In order to maintain a safe working environment, it is highly recommended that all employees and contracted personnel report any unsafe conditions or behaviors to their respective line management. This allows potential issues to be identified and resolved preemptively, preventing possible incidents or accidents. This is supported also by the application of our internal regulation of Motivational Management, through the rewarding of the best reports or initiatives of stop work, when hazardous acts are observed. Motivational management is applied also for good safety initiatives, best safety practices applied in operations, for leadership and commitment to safety. This is done in an annual celebration event called “Safety Awards”, which became already a tradition and where all the Executive Board Members of OMV Petrom congratulate the winners and offer them the well-deserved recognition. The Synergi HSSE reporting tool is utilized for planning and monitoring purposes, allowing us to collect data on potential hazards, near misses, incidents, and observations from HSSE walks or audits. Additionally, Synergi assists in defining necessary actions and follow-ups, ensuring a thorough and efficient analysis of the accumulated HSSE data.

A database comprised of investigations and lessons learned is operational within the Synergi tool, which is used group wide for HSSE reporting. Once a root cause analysis is conducted, any identified corrective actions are entered into the system and tracked to ensure proper implementation. Formal audits (please see section Occupational safety and Process safety of this report for more information) of actions effectiveness were carried out in 2023 in operational sites (e.g., Petrobrazil Refinery). A Community of Practice for investigations was set-up, with regular communication on the topic. A Group Senior Management Investigation Panel is held each quarter to analyze major

events, investigation outcomes and mitigation plans.

**HSSE competencies management within OMV Petrom:** The HSSE learning catalogue is accessible through the My Success Factors platform under the Learning module. Additional training sessions are performed according to local legal requirements.

Our **Health, Safety, Security approach and actions** contribute to the following **UN Sustainable Development Goals**.

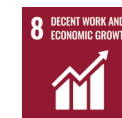
## SDGs

## Our approach and actions



**SDG 3** ► target 3.3 and target 3.9 by taking action to ensure minimization of contagious disease spread (COVID-19), deaths or illnesses from hazardous chemicals and air, water and soil pollution and contamination

► target 3.8 by implementing our Group-wide healthcare standard and by offering medical services to our employees



**SDG 8** ► target 8.8 by having systems in place for labor rights and promotion of safe and secure working environments for all workers



**SDG 12** ► target 12.4 by employing a more sustainable management and efficient use of natural resources

# Health

## Why is this important?

The well-being of our employees is a crucial element for OMV Petrom, protected by individual responsibility and reinforced by our role as a responsible employer. Therefore, the health programs and services are structured to enhance and preserve the physical and mental health of our employees, as we recognize that our staff is the company's most valuable asset.

## Our commitment

Given the health profiles of our employees, we've designed and implemented health services, programs, and campaigns that target and address major health impact issues while raising awareness, promoting health, and preventing health complications. This aligns with our HSSE vision of "Committed to Zero Harm – Protect People, Environment and Assets", which is firmly centered on improving working conditions and offering medical services and programs for our employees. The protection of people, the environment, assets, and reputation remain a fundamental commitment of the HSSE Policy and serves as a driving force for continuous improvement in our operations.

## Our approach

The **Health Management Department** holds the responsibility for developing the Health Strategy and integrating health services and programs. With a network of 21 workplace clinics, PetroMed, our in-house health service provider delivers occupational health services. As part of HSSE Risk Management Standard implementation, occupational health hazards are promptly identified, assessed, and control measures are implemented as per the standard guidelines. These guidelines, derived from international standards set by IOGP/IPIECA, aim to assess various risks including chemical exposures, psychological strain, and physical injuries. The medical team collaboratively works with the local HSSE team to develop and maintain comprehensive and up-to-date occupational risks records at each site. PetroMed medical staff complies with the Romanian legislation that imposes the confidentiality of the medical act. Occupational health services follow the Romanian legislation in force which forbids for Occupational doctors to specify any personal health related information on the annual Fitness certificates. The Group owned company PetroMed Solutions SRL (PetroMed), conducts health monitoring for our employees, offering services such as legally required occupational health examinations, general medical consultations, medical emergency support, and preventive medicine consultations.

All OMV Petrom employees are beneficiaries of health services, through labor contracts (private health insurance) and/or the general benefit package. We ensure the quality and accessibility of the services provided through on-going communication (health programs and campaigns), which do not cover our contractors.

## Group Health Standard

To maintain a high level of healthcare for our employees, we continue to implement our **Group-wide healthcare** standard. Alongside specific health promotion campaigns, the standard also encompasses systematic assessments of health risk mitigation and curative care. Additionally, it outlines key principles, the roles and responsibilities and communication lines.

## Health: ON! Platform

Since 2014, our Health: ON! Platform has been serving as a hub for all company-provided health programs and initiatives. The platform's engaging and interactive communication style empowers employees to take an active role in their health and encourages voluntary participation in health programs that cater to their specific needs. It includes services and benefits related to occupational health, preventive measures including health promotion and awareness campaigns, discount medical subscriptions with leading private medical networks, curative health through PetroMed clinics and OMV Petrom Private Health Insurance, as well as First Aid for emergencies.

Since 2014, OMV Petrom has provided all employees with a **Private Health Insurance** program which has provided significant financial support to many colleagues in difficult medical situations. The program continues to offer a complex medical coverage at the most competitive cost in Romania, based on the market assessment performed by a third-party consultant.

To ensure the common corporate healthcare standard is implemented and followed throughout the Group, a health audit program is used as an assessment tool. It requires that clinics and medical partners are audited every three years and that clinics complete a self-conducted audit every year as part of the program. The health management approach is evaluated based on audit results to identify areas for improvement.

The Health Management Department coordinates and delivers First Aid training through the Training Product Management Department. In this process, the Health Management Department's role is to organize and deliver the training to employees on each location as legally required. According to the Health Standard, the provision and training of First Aiders must comply with local legal requirements of minimum 10% of blue-collar workers or 5% of white-collar workers trained.



# Health

## Our key activities

The focus of 2023 was cardiovascular prevention and mental well-being.

### Get active for your heart! An oilman's heart.

The Health: ON! Platform brought a new challenge for all of us: a dedicated-cardiovascular prevention campaign focused on the measures we can take in order to prevent cardiovascular diseases.

Throughout the duration of the campaign, employees were offered the opportunity to undertake cardiovascular screening at PetroMed clinics. Moreover, each employee had the chance to win prizes by drawing lots and get a personalized set of investigations aiming at identifying the main risk factors for cardiovascular diseases.

Also, participating employees were able to determine their SCORE risk which is the likelihood of having a cardiovascular event in the next 10 years, and learn what they need to do concretely (tailored practical advice) to reduce this risk and live healthily.

Online, our PetroMed doctors shared comprehensive information weekly via published blogposts on the following topics: *How to manage weight; How to eat better; How to be more active; How to control cholesterol; How to get healthy sleep; How to manage blood pressure; How to manage blood sugar; How to quit tobacco*. Additionally, we conducted a Health Webinar that brought together experts from the fields of medicine, nutrition, and sports to discuss the latest research, practical tips for maintaining a healthy heart, and strategies for reducing your risk of heart disease.

## HUMAN for HUMAN

The HUMAN for HUMAN campaign, focusing on mental well-being, returned with 3 major topics: stress, anxiety, and depression. All employees were given the opportunity to learn how to maintain work-life balance and manage these three mental states, which are often associated with different situations that can erode our sense of well-being. Specific infographics shared online and offline (through our local PetroMed clinics) provided guidance. Also, we delivered the webinar “HUMAN for HUMAN”, on the occasion of World Mental Health Day. During this event, specialists (psychologists and psychotherapists), addressed the topic of prevention and intervention in relation to stress, anxiety and depression.

**The psychological support through OMV Petrom** – Our partnership with **Oana Nicolau Clinic** continues to be our leading resource, developed to support colleagues who experience any form of anxiety by offering free psychological counseling sessions. These sessions which can be conducted over phone or online, are available in both Romanian and English and are held in full confidentiality.

Moreover, we provided the Health: ON! Stress: OFF! video series, developed in collaboration with a psychotherapist. These were made available online and offered useful tips for Stress Management, more specifically on: *Causes of stress; Underlying beliefs influencing stress perception; The consequences of stress; About anxiety, depression, and burnout; Adopted behaviors when facing stress; Addressing stress by increasing resilience; Coping mechanisms; Relaxation techniques; About therapy*.

## Results (KPI, other indicators) & progress

Over the past years, we have increased the number of preventive medical consultations according to morbidity indicators, providing our employees with specific screenings and vaccination campaigns.

- ▶ We've provided access to vaccination against COVID-19 and influenza through the PetroMed clinics and this benefit also proved to be successful and well-received among our colleagues over 1,500 persons were vaccinated full year 2023;
- ▶ In 2023 we continued cardio-vascular, hepatic and diabetes screenings, registering more than 6,700 participants from our colleagues (persons were registered to each one of these established programs);
- ▶ We added 4 new preventive programs: prostate cancer screening, breast cancer screening, colorectal cancer screening and chronic hepatitis screening. In total we registered a number of approx. 2,900 participants to the prostatic cancer screening, over 800 to the breast cancer prevention program (only in Romania), and over 700 registered to the colorectal cancer program;

## Outlook

- ▶ The Annual HSSE Plan includes health targeted actions and programs related to health promotion and awareness.
- ▶ Two health promotion campaigns will be developed: Mental wellbeing for increased awareness among OMV Petrom employees and managers regarding work-life balance and cardiovascular health to promote prevention as a proactive approach in our community;

# Occupational Safety

## Why is this important?

Safety carries paramount importance and is a fundamental component of OMV Petrom's processes, encompassing recruitment, promotion, and individual performance management. We are concerned about incidents and injuries that occur in our value chain, and we are committed to reducing them through various prevention measures.

## Our commitment

Our strategic commitments are to achieve zero work-related fatalities and to maintain the total recordable injury rate below 1.0 per one million hours worked.

OMV Petrom strives to safeguard a secure working environment for employees and contractors by conforming to the highest safety standards. This is facilitated through the Group's HSSE Policy, HSSE Directive, and corporate regulations which collectively form the framework for our safety management. This includes standards for "HSSE Risk Management", "Occupational Safety Management", "Contractor HSSE Management", "Hazardous Substance Management", "Personnel Transportation", "Reporting, Investigation and Classification of Incidents", and "HSSE Audits". Further support is provided by divisional procedures, standards, and local work instructions where necessary.

## Our approach

Health, Safety, Security, and Environment are essential components of OMV Petrom's operations, and the brand's long-term success is closely tied to persistent enhancements in activity quality while also safeguarding people, the environment, assets, and institutional reputation.

Integral to the occupational safety system is effective **risk management**. In this process, potential hazards are pinpointed, risks are evaluated, and measures for risk mitigation and control are determined and set into motion.

Risk assessments are performed or included in different processes as:

- ▶ **Workplace risk assessment** – an evaluation, that is required by both legislation and the internal Risk Management Standard, updated especially when work conditions change or accidents occur;
- ▶ **The Permit to Work System** – a formally documented process used to authorize and manage works identified as significantly hazardous by making sure all the safety measures are in place before work starts. The main part of the Safe Systems of Work is Job Safety Analysis or task risk assessment;
- ▶ **Management of Change (MoC)** – a process applied whenever a change is introduced that could have negative or positive consequences for: human (health & safety), environment, quality and customers, financial and asset loss, reputation and media attention, and compliance (external and internal);
- ▶ **Journey Management** – an assessment before a trip, following a template and the requirements that are mentioned in the Group Standard "Personnel Transportation";
- ▶ **HSSE risk of contracts** – a risk assessment conducted in the pre-awarding phase of the contracting process; the assessment is determining the level of HSSE risks associated with the contracted activities.

In 2023, we continued to monitor our employees' driving performance and Road Safety awareness via IVMS (In Vehicle Monitoring System), which was enhanced in 2022, when new hardware and software capabilities (e.g., the non-use of a seatbelt was factored into drivers' monthly scores, and two smartphone Apps were introduced to assist drivers and coordinators during driving). The results of the periodical

data analysis give us the opportunity to identify improvements and to reward the good behaviors of the drivers.

Contractors' HSSE management is regulated internally by our Group Standard **Contractor HSSE Management**. The Standard describes the HSSE management process throughout a contract's lifecycle and it is developed according to the best practice in Oil and Gas industry, specifically the [IOGP Report 423](#) - "HSE management guidelines for working together in a contract environment". Also, they are requested to enforce similar HSSE selection and management protocols to their subcontractors and to support in this way the creation of a common HSSE culture among short- and long-term partners.

**The ISO 45001: 2018 Certification covers 13.81% of our employees and 34.78% sites in all OMV Petrom Business Divisions.**

In line with the EWRM process, risks are evaluated, and mitigation measures are monitored. This information is kept in a group-wide database (Active Risk Management System) and relayed to top-tier management either twice per year or as required. Senior management plays a crucial role in the scrutiny of risks that are earmarked as high priority.

Our Group HSSE audit program dictates that audits be systematically performed at various sites including contractor sites. Regular inspections and site visits are part of the functions of the operational HSSE organization. Positive findings from these activities are communicated within the organization for adoption in alike activities, whereas improvement opportunities and nonconformities are collectively examined with owners to pinpoint enhancement measures. Subsequently, improvement action plans are formulated, and their progress is tracked.

We prioritize enhancements to our HSSE walks and safety walks by promoting open discussions during these sessions. This approach facilitates an improved comprehension of the challenges on the ground and strengthens trust between the workforce and management.

# Occupational Safety

The Central Safety Steering Committee carries out a quarterly review of our established KPIs to monitor our safety performance. Insights from these reviews help shape and implement appropriate improvement measures, which are then monitored at divisional, business unit, and operational site levels.

Education serves as a crucial instrument for ensuring workers and managers are aware of workplace risks and control measures, enabling them to operate more safely. This educational aspect is detailed in the Group Standard "HSSE Awareness and Competencies", which specifies the HSSE prerequisites for different classifications of employees. Hence, a better management control is achieved once the training qualifications as stated by the standard and covering all minimum necessary trainings are step by step delivered to all employees by the profiles of a job rank (e.g.: management, technicians, administrative staff, etc.) and or a job specific role/responsibility (e.g.: safety transportation advisor, rigger, emergency response team member, etc.).

Heading towards digitalization in having training file for each job type, the efforts were started on this path during 2021 and Safety relevant trainings are offered within the Learning system.

Traditional trainings that focus on the specificity of Safety and relevance of OHS risks are available in a virtual delivery mode. These trainings are accessible either through direct superior approval (when required individually) or assigned for specific groups when required by law (e.g.: health and safety, emergency situations recurrent trainings).

All staff are required to comply with the company's HSSE Policy, internal HSSE regulations and relevant legislation. To ensure this, all OMV Petrom employees receive regular HSSE training pertinent to their roles and responsibilities.

From a systematic viewpoint on training development and administration, HSSE subjects are coordinated either at the global (OMV Group level) or local (Company level). They are organized under a specific catalogue reviewed and adapted yearly for an easy digital

access through My Success Factors platform under the Learning module.

In addition, within each business unit, local internal deliveries are carried out, depending on the law requirements in terms of job exposure and frequencies implied within the specific activities.

For instance, Petrobrazil Refinery defines an annual training schedule encompassing all HSSE topics and includes safety relevant subjects with a monthly recurrence. The occupational safety officer coordinates the local training separately for office staff and operational technicians. Participants are invited to attend either physical or virtual sessions and specific training material is discussed. Every training ends with an examination.

Information on safety alerts and lessons learned from incidents is specifically shared with the entire organization as well as with contractors through various communication channels. The safety alerts and lessons learned are the subject of analyses and debates in workshops, training, and periodical meetings with contractors.

## Focus on Contractors Safety

At OMV Petrom, we hold the safety of our contractors in the same high regard as that of our employees' safety. As such, we expect contractors to adhere to our standards and we monitor compliance throughout the entire duration of their contracts. The Contractor HSSE Management Process commences with the scope of work's HSSE requirements and the outline of HSSE Key Performance Indicators (KPIs), carrying on into the tendering phase with the HSSE evaluation and capability audit, when necessary. Prior to the commencement of contracted work, we reaffirm our expectations and stipulations during kick-off meetings, HSSE induction, site-specific trainings, and additional joint meetings.

We sustained the delivery of specific training on the incorporation of HSSE requirements and tools in the source-to-contract process. The learning process continued in 2023 with the utilization of the e-learning tool.

We also carried forward with the range of events introduced in 2021, hosting two HSSE forums in 2023 which brought together participants from OMV Petrom. The primary aim of these gatherings was to create a community of experts who could share HSSE experiences and collaboratively identify solutions for improvement. Furthermore, we initiated meetings with the Bacău HSSE managers of key contractors in 2023. This latest endeavor seeks to enhance partnerships, establish a HSSE community, and work collectively towards enhancing HSSE performance within contracted activities. In terms of road safety, the focus in 2023 was on freight transportation. The main activities performed involving contractors included:

- ▶ The development of new specific leading indicators for contractors' monitoring for high-risk contracts, indicators supported by a specific financial penalty system correlated with the risk and exposure of the contract and included in the HSSE management Standard for consistent group wide use, further.
- ▶ We held the 2<sup>nd</sup> Road Safety Forum for main high risk Logistic Contractors, with cross divisional internal and external participation. This edition put together 82 participants (GM, Managers and HSSE experts) from 24 big contractors and OMV Petrom representatives, aiming at further improvement of partnership for Transportation Safety improvement journey.
- ▶ We conducted Transportation Safety follow up audits on key contractual requirements for the 3 E&P Sunlight contractors, as well as 1 audit for a key logistic hauler for R&M which operate in both countries, Serbia, and Bulgaria.
- ▶ We continued to strengthen internal IVMS solution use and strive for driver performance improvement, risk-based assessment. The system was enhanced with new speed geofences uploaded in the system based on risk assessment.
- ▶ We refreshed content and successfully re-tendered Defensive Driving training for next 3 years certification interval, new content

# Occupational Safety

updated with learning from incidents and other industry best practice for driver assessments.

- ▶ OMV Petrom is also committed to National Driving environment improvement as well, via active commitment as member and partner of CSR (Coalition for Road Safety) along other major private partners, UNSAR, UNTR, local authorities and NGOs, to promote legislative improvements, debates, dedicated campaigns in term of Road Safety. In 2023, with the objective of offering HSSE guidance and concurrently assessing the HSSE performance of contractor activities, we conducted 37 HSSE Management System audits, and regular inspections, joint HSSE or safety walks, service quality meetings, HSSE forums, and workshops. The outcomes of all these activities were used to share information and encourage improvement of HSSE performance within OMV Petrom and contractors' organization.

## Our key activities

In 2023, we continued the journey for safety culture development through a series of activities, including:

- ▶ We continued with our Safety Culture program, following up on the action plans developed as a result of DuPont safety culture assessments. These included audits in all business units where concrete improvement actions were set in the previous year. As part of the program's continuation, activity plans were refreshed with additional improvement actions.
- ▶ A Safety Perception Survey was conducted, which aimed at obtaining feedback from all employees regarding their views on the management of safety aspects within our organization and suggestions for improvements.
- ▶ We improved on the open reporting culture, encouraging the reporting of any hazards or incidents, by promoting it during various meetings, events or internal forums. The best hazard

report and shared lesson learned is a category awarded in a special event with the participation of the Executive Board.

- ▶ We maintained a high commitment to the good practice of safety committees' meetings.
- ▶ The application of HSSE Motivational Management remained transparent, through celebrating success and recognizing and rewarding safe behavior by line management. This was reflected in the Annual Safety Awards Event, a celebration of those nominated for their safety performance.

Throughout this reporting period, we continued to implement the "Digital individual training booklet" for OMV Petrom employees based in the headquarters. This legally required training documentation was streamlined for around 2,500 people. It is now an easier process that links the training database to an electronic signature flow.

In the area of contractor management, we worked on:

- ▶ The development of a tool for managing HSSE contractual documents
- ▶ The improvement of subcontractor management with the implementation of a new online subcontractors' approval process (SAP BTP and a consistent HSSE pre-qualification process and data base Road Safety management and monitoring).

## Results (KPI, other indicators) & progress

- ▶ Combined OMV Petrom Group LTIR value for YTD 2023 (0.36) is above [IOGP](#) LTIR benchmarking for 2022 (0.28)
- ▶ TRIR 2023 = 0.50; IOGP TRIR benchmarking for 2022 (0.90) and OMV Petrom target (1.00)
- ▶ 34.78% of our sites are certified on ISO 45001: 2018
- ▶ 32 formal joint health and safety committees with management and employee representatives were organized on quarterly basis

- ▶ Approx. 7,800 employees were trained in health and safety by accessing our electronic system, totaling 86,700 hours of training

- ▶ 1 fatality at contractor

Our safety culture improved in 2023 as a result of the open reporting improvement program, new set of Life Saving Rules implementation, and development of a new Motivational Management procedure. Moreover, we improved the tendering process in Contractors HSSE Management and the monitoring of HSSE performance in contracted activities, as well as process safety management and transportation safety.

## Outlook

As part of the HSSE Plan 2023, we defined safety focus areas as well as the main activities and goals. These were cascaded to operational sites and, together, we established the steps for achieving our targets. In 2024, we will continue to focus on the following areas:

- ▶ Safety Culture
- ▶ Contractors (HSSE) Management
- ▶ Process Safety

We plan to continue our work on the improvement of:

- ▶ HSSE in contracting, like for example the adding in all the evaluations of HSSE qualification and selection process specific evaluation criteria related to human rights;
- ▶ Road safety performance, through actions established by our dedicated task force.



# Process Safety

## Why is this important?

Process Safety Management (PSM) remains a crucial focus for the company, given it is both a moral and business imperative. We understand that a process safety incident might lead not just to the loss of life but could also substantially impact the business's value. PSM is characterized by the active detection, analysis, evaluation, and mitigation of hazardous substance releases and process incidents that could possibly ensue from failures in procedures, equipment, or process technology.

The process safety roadmaps at the facility (e.g., park, compressor station, tank farm) level can really identify and mitigate potential risks to our employees, stakeholders, and the environment. These roadmaps help to ensure that our operations are conducted in a safe and secure manner, thereby enhancing our sustainable development goals.

In summary, PSM is fundamental to our moral and business obligations, of the company. We recognize the negative impact of a major accident, and we are committed to mitigating the risks through effective prevention measures. Additionally, the development of process safety roadmaps at the facility level is important to our commitment to enhancing the safety of our operations and our sustainable development goals.

## Our commitment

We aim to maintain our top position within the Process Safety Event Rate, approximately at 0.18. Our commitment to constantly improve our safety performance is evident in our non-stop accumulation of knowledge and sharing of experience in the field of process safety. We continue to collaborate externally with notable organizations like the European Process Safety Center (EPSC), an industry-funded network established as an independent forum for leadership and supporting process safety

across Europe. OMV Petrom is a member of the Technical Steering Committee and an array of working groups that include PS Fundamentals, Digitalization, Semi-quantitative Risk Evaluation Methods, and Energy Transition.

In addition, OMV Petrom participates in the Center of Chemical Process Safety Beacon (CCPS) initiative. A monthly newsletter detailing process safety topic, which serves as a source of lessons learned from the process safety experiences of other companies and industries, is distributed to our employees through our HSSE network.

## Our approach

At OMV Petrom, process safety holds the highest importance, and we are dedicated to allocating all necessary human and financial resources to mitigate the likelihood of significant accidents.

We have dedicated process safety teams tasked with the implementation of projects and activities as per the requirements of the Process Safety Management system, in alignment with the Group HSSE Directive and the Group Management System. **Our Major Accident Prevention Policy** sets the strategy for the prevention of process safety incidents.

Our **PSM system** encompasses all activities recommended by pertinent regulations and best available practices. In Exploration and Production (E&P), we give priority to dedicated resources and focus on risk reduction at facilities and pipeline networks by analyzing risks in the Integrated Risk Register (IGRR). This utilization of the IGRR enables senior management to discern high-risk areas and prioritize resource allocation accordingly.

Process safety is one of OMV Petrom's highest priorities, and we allocate all the resources needed, both human and financial, to minimize the risk of major accidents occurring. The performance of process safety is reviewed on a quarterly basis during Safety

Task Force meetings at various organizational levels. During these meetings, projects, initiatives, objectives, and KPIs are discussed, and pivotal decisions are made.

The organization has dedicated process safety teams that are implementing the projects and activities, in line with the Process Safety Management system requirements, which are aligned with the Group HSSE Directive and the Group Management System.

**Our Major Accident Prevention Policy** defines the way in which process safety incidents could be prevented.

The **PSM system** covers all activities which are recommended by relevant legislations and best available practices.

In E&P, the dedicated resources and focus on reducing risk at facilities and pipeline networks are prioritized by analyzing risks in the Integrated Risk Register (IGRR). The IGRR inclusion has enabled Senior Management to have visibility of where the highest Risks are, and where to prioritize the allocation of resources.

Gaps in process safety management at facility level are identified, mitigated, and resolved by developing and implementing actions from process safety road maps for all of our facilities. Process safety performance is periodically reviewed during the Safety Task Force meetings at different levels in the organization where projects, initiatives, objectives and KPIs are discussed, and decisions are made.

Process safety performance is presented and reviewed by the top management and the senior management of the company during the quarterly Safety Steering Committee.

Every Process Safety Event (PSE) is recorded and monitored in the Synergi reporting system. Ensuring the accuracy of this data is a critical process which takes place monthly. The ultimate goal of this accurate reporting is to make the analysis process more streamlined, thereby enabling insightful deductions on performance to be made. This subsequently paves the way for the discovery of improvement actions that could prevent such incidents from occurring again in the future.

# Process Safety

Examinations are launched into all Tier 1 and 2 Process Safety Events (PSEs). These tier levels represent different severity and impact categories, with the findings and lessons learned being communicated across the organization. Immediate identification and reporting is mandatory for all incidents. In addition to this, we keep an eye on Process Safety Tier 3 incidents. This allows us to evaluate how effectively the barriers to process safety events are working and helps us recognize any challenges these safety systems might be encountering. The ultimate aim is to identify and rectify any weak links within the barriers at each facility.

Turnarounds (TAR) also known as shutdowns, are the processes where the plants suspend activity for a predetermined time to conduct necessary maintenance on the facility. Inspection and testing, revamps, cleaning, maintenance, repairs, preventive care of equipment and regeneration projects are some services completed during turnarounds.

Many maintenance concerns are fixed during this process, including potential problems that can't be fixed while the plant is running.

During 2023, we had several important turnarounds in OMV Petrom, in Petrobrazi Refinery and in E&P facilities: Abrămuț, Brădești, Mădulari, HUB Hurezani, Icoana, Merișani, Boldești, Burcioaia, Gârbovi, Munteni, Midia Terminal and Offshore Platforms.

After 5 years of successful continuous operations, Petrobrazi refinery passed a very important milestone: TAR 2023. It is the first time in Petrobrazi history when a TAR is performed after 5 years: usually, this happened every two years. Petrobrazi TAR 2023 took place between April and June. The startup was delayed with two weeks due to additional discovery maintenance works needed to be performed. The works were performed on 1,400 static and 5,000 instrumental equipment, over 6,000 pipes and 4,400 valves. During TAR, a number of 7,300 contractors were trained and an average of 4,000 people participated in daily planned activities, summing up to 2,000,000 working hours at the end of the TAR. Sadly, we experienced a fatality in 2023 after losing a contractor's employee in a fatal accident during the

refinery turnaround.

The turnarounds in E&P division involved 70,000 hours worked in 60 facilities from 6 Assets and their main objectives were: working safely, no incident, no injury; optimizing the downtime of the facilities; cleaning, inspection and repair of static and dynamic equipment; carrying out activities in accordance with the National Legislation; integration of projects and technical changes in facilities to operate safely and improve equipment reliability.

Multidisciplinary teams, with a wide-ranging organizational and technical experience, contributed to the efficient and timely management of all challenges, through identification and assessment of HSSE and technical risks; contracts for services and materials allocation; identification and effective communication with all interested parties, including authorities; optimization of TAR specific processes and activities; effective management of contractors and subcontractors.

In Asset Oltenia, the annual revision in HUB Hurezani is the most complex revision in the E&P Division and took place in the last quarter of 2023. It consisted of a shutdown for a significant number of facilities and wells and was done in the planned time, under safe conditions, with zero incidents. The activities performed during the shutdown aimed to increase process safety, maintain the integrity of the equipment and ensure the operational parameters of the facilities where 80% of Asset's production is produced and processed. The most important activities carried out were related to annual revision works, inspections and rehabilitation work programs within the surface facilities, major projects integrated in the annual revision works in Bustuchin, and integrity inspection program for Totea Deep wells: 4539 and 4545 Totea.

TAR Oltenia was developed with simultaneous activities in 21 locations, performed by 36 contracted companies working with 242 employees' personnel from contractors. The planned shutdown in Asset Oltenia involved complex challenges and significant efforts to achieve all objectives.

In Asset Petromar, the annual revision took place in May 2023, for 12 days, with maintenance activities, executed both onshore and offshore. All major and critical activities were completed from the initial program. The installations were started one day earlier than originally planned. To do this, there was a good management and supervision of over 30 contractors in different specializations, with around 300 workorders. Among the challenges faced, it should be mentioned the operations for lifting and handling voluminous and heavy objects in tight spaces with many restrictions and obstacles, complex logistics operations, especially offshore, for materials transportation, personnel accommodation, numerous works performed simultaneously in restricted spaces.

**Audits** are performed for Major Accident Events (MAE) and legal compliance verification.

## Spill Prevention

We make use of both internal and industry standards, such as the OMV Petrom Well Engineering Technical Standard, including the OMV Petrom Technical Requirement (e.g., Casing Design and Operational Well Barrier Integrity), the OMV Petrom Well Management Systems for well lifecycle internal guidelines, all in line with international standards such as API, ISO 16530, and NORSOK. An integral safety feature in offshore drilling is the Blowout Preventer (BOP), which we fit and test for every drilling and workover program. After drilling new wells, we execute cement bond logs to evaluate cement quality. Regular visual inspections are conducted for active wells, and the periodic functional testing of valves aligns with offshore operations schedules.

Wells are structured in compliance with industry standards, and we implement a Well Integrity Management System to ensure the technical integrity of wells is maintained across their lifespan, avoiding oil leaks.

The Company operates in compliance with Directive 2013/30/EU for safety in offshore oil and gas operations. The Directive's main

# Process Safety

aim is to minimize the likelihood of significant accidents as much as possible and to curtail their environmental impact if they do occur. An independent verification entity issues annual well integrity reports throughout our drilling and workover operations.

### Digital Tool for Well Integrity

**Enhanced monitoring for spill prevention** has been implemented in OMV Petrom through an industry-recognized digital tool for well Integrity set up to assess each well integrity risks, to prioritize the inspections and implement the appropriate risk reduction measures. By the end of 2023, the number of wells digitally monitored from an integrity point of view were 4,400 units, representing 58.60% from the total of 7,500 active wells in operation.

### Pipeline integrity

Our focus remained on the Pipeline Integrity Management Program in Exploration and Production (E&P), while also integrating the Integrated Risk Register into our ongoing operations. This approach assists in prioritizing interventions on high-risk pipelines. The Pipeline Inspection program continues to be operational and is being broadened to encompass all pipeline categories. The findings collected from these inspections inform our future inspection priorities.

By implementing our Corrosion Management Plans, developed in 2020/2021, which involve pipeline cleaning, inspecting, the addition of inhibitor chemicals, and the use of advanced corrosion monitoring techniques, we aim to enhance the integrity and longevity of our pipelines. An established Pipeline Inspection program, governed and planned through the SAP Computerized Maintenance Management System (CMMS), is also active. Furthermore, OMV Petrom is continuing its efforts to decrease pipeline lengths through various field optimization projects, thereby reducing exposure risks by eliminating numerous aging pipelines while still maintaining optimal production.

Persistently tracking leading and lagging indicators assists us in minimizing major hazard risks to the greatest extent possible.

Process Safety Events (PSEs) of Tier 1 and Tier 2 hold the utmost significance and are reported externally for industry benchmarking purposes.

These events undergo annual assessment to maintain consistent insight into the company's process safety performance. As part of the Group, we have embraced the four-tier framework of process safety KPIs in accordance with the standards recommended by the American Petroleum Institute (API) (as per Practice 754) and detailed in the [IOGP Report 456](#).

To guarantee our staff's job proficiency, we conduct a range of process safety training sessions, workshops, and knowledge-sharing events. We also leverage the Process Safety Network, an online platform that facilitates improved communication and knowledge exchange with our colleagues throughout the OMV Group. Among the safety relevant qualifications for proper risk awareness and appreciation, an example required or recommended, depending on job exposure is Process Safety awareness, a complete package treating safety of processes but also including aspects of occupational safety. The product of Process Safety Computer Based Training contains 23 e-learning courses, each of them treating important aspects of hazards, risks and precautions to prevent incidents. Also, each e-learning has an examination chapter, and a virtual certificate is issued only after the employee passes the testing questions.

To enhance competencies for own employees, following the standard mentioned above, a schedule has been set to ensure completion of all the modules on a period of 4 years. This first started in 2022 with assigning 8 modules to employees in divisions E&P, R&M, G&P, considering their job location and specific activity. The plan continued with next 5 modules in 2023 and the rest of modules will follow as split for the next 2 years.

Process Safety Module 1 - Management of Change - Part 1

Process Safety Module 1 - Management of Change - Part 2

Process Safety Module 2 - Process Safety Information

Process Safety Module 3 - Fire and Explosion Awareness

Process Safety Module 4 - Shift Handover

Process Safety Module 5 - Water Hammer and Cavitation

Process Safety Module 6 - Hazardous Areas Classification

Process Safety Module 7 - Corrosion Awareness

Process Safety Module 8 - Introduction to Risk Assessment

Process Safety Module 9 - Introduction to Pigs and Pigging

Process Safety Module 10 - Toolbox Talk

Process Safety Module 11 - Bolted Joint Awareness

Process Safety Module 12 - Dropped Object Awareness

Process Safety Module 13 - Introduction to Hydrogen Sulphide Awareness

Process Safety Module 14 - Introduction to Pressure Safety

Process Safety Module 15 - LOLER

Process Safety Module 16 - Introduction to Pressure Testing

Process Safety Module 17 - NORM

Process Safety Module 18 - Hand Awareness

Process Safety Module 19 - Introduction to Mechanical Isolation - Part 1

Process Safety Module 19 - Introduction to Mechanical Isolation - Part 2

Process Safety Module 20 - Crane Safety Awareness

Process Safety Module 21 - Compressed Gas Cylinder Awareness

Process Safety Module 22 - Confined Space Entry Awareness

Process Safety Module 23 - Lock-Out Tag-Out Awareness

# Process Safety

## Our key actions

Starting from 2022, as a part of continuous enhancement of process safety measures, a Process Safety roadmap was developed, integrating a risk reduction plan for 2022 - 2025 into all existing and new PS roadmaps. This consideration includes MTP approval to conclude IGRR Actions, which aim to curtail PS risk exposure by 80% by the end of 2025 (based on the IGRR status as of the end of 2021).

Included in the roadmap is the improvement of process safety skills and competencies for both employees and relevant contractors, utilizing Process Safety CBT (computer-based training) modules within a training program.

The roadmap's progress, along with the process safety objectives and initiatives, is monitored on a quarterly basis. The feedback obtained from this regular monitoring is subsequently relayed to the business divisions of OMV Petrom.

Tying this all together, the initiatives fall within the HSSE Strategy and the annual plans, which involve the Safety Leadership Program, Safety Culture Program, ongoing development of process safety management, and the incorporation of learnings from past incidents.

In 2023, we worked specifically on:

- ▶ Developing Process 58 safety roadmaps and SMART actions;
- ▶ Improving quality of Process Safety reporting in Synergi, by quality checks and providing feedback to the reporters and through the application of lessons learned from various situations;
- ▶ Improving quality of data in IGRR (Integrated Risk Register) by quarterly review;

- ▶ Knowledge sharing in Process Safety by quarterly Group Process safety network workshops/meetings;
- ▶ Increasing awareness and competency of our own people and contractors using Process Safety Computer based training Program (PS CBT);
- ▶ Integrating risk reduction actions/plans in new and existing Process Safety Roadmaps;
- ▶ Legal compliance audits as per approved audit plan (including occupational and process safety topics) - 2 audits conducted.

The following key Process Safety indicators (KPI's) were established, with actions developed for E&P:

- ▶ 58 Process Safety Road Maps for onshore facilities (for offshore it was completed in 2023);
- ▶ Quarterly IGRR updates, including High and Medium Risk for all actions resulting from safety studies and safety audits;
- ▶ 68 high risk pipelines replaced in 2023; a number of 251 of high-risk pipelines still to be replaced, is indicated at the end of Q4 2023 by the dedicated risk registers;
- ▶ Development of 52 Corrosion Management Plans for pipelines, facilities and projects, developed following the proposals from operations, in a dynamic continuous change, dependent on priorities;
- ▶ Process Safety Computer based training and Management of Change quality checks.

## Audits in 2023

From a legal compliance perspective, 2 audits were conducted in Asset Crișana and Petrobrazi Refinery.

In R&M, the effective integrity management of Petrobrazi Refinery is supported by a program of inspections, established to ensure maximizing the operational life of the equipment, as well as safe and legal provisions for reducing all the identified risks. This practice continued in 2023 during Turnaround, with key inspections programed for piping, vessels, boilers, atmospheric and pressurized tankage, and pipelines. The Asset Integrity Data Assistant (AIDA) is the SAP system module in place that supports relevant data management from the recording and tracking of inspection results to relevant open cases for proper maintenance and remediation.

## Results (KPI, other indicators) & progress

See details in our section [Performance in detail](#).

	2023	2022	2021	2020	2019
<b>Process Safety Events</b>					
Tier 1	6	2	1	3	3
Tier 2	3	1	7	4	4
<b>Total</b>	<b>9</b>	<b>3</b>	<b>8</b>	<b>7</b>	<b>7</b>



# Process Safety

## Progress

In 2023 the number of Process safety events (Tier 1 and Tier 2) increased from 3 in 2022 (2 Tier 1 and 1 Tier 2) to 9 in 2023 (6 Tier 1 and 3 Tier 2). PSE rate in 2023 was 0.15.

## Outlook

The Annual HSSE plans include prioritized and adequately budgeted process safety initiatives.

In 2024, we plan to continue with our process safety improvement efforts, projects, and initiatives as outlined in the HSSE Plan and strategy. These efforts encompass the development of Process Safety Roadmaps, along with the extension of the following:

- ▶ Completion of actions outlined in existing Process Safety Roadmaps;
- ▶ Quarterly updates of the IGRR;
- ▶ Enforcement of PHA (Process Hazard Analysis) Compliance monitoring in Synergi which involves collecting data (type and date of study) on PHA studies and developing a PHA program for facilities without PHA study;
- ▶ Improvement of Process Safety skills and competences of both employees and relevant contractors by a Process Safety training program for period 2022 – 2025 using existing Process Safety CBT (computer-based training) modules;
- ▶ Advancement of the quality of process safety reporting in Synergi through training, quality check of process safety entries in Synergi and providing feedback to the reporters.





# Product Safety

## We are committed to the safety of our products

Safety data sheets, offering thorough information on potential health, safety, and environmental implications, are readily accessible to customers and stakeholders via our website. These sheets guide both customers and employees on the safe usage and handling of our products. Moreover, our internal standard for Management of Hazardous Substances mandates measures to comply with regulations, ensuring risk assessments are conducted for all products or hazardous substances featured in products. This encompasses:

- ▶ Compliance with REACH - we have established processes and workflows to confirm compliance with the EU Registration, Evaluation, and Authorization of Chemicals (REACH) Regulation and the EU Regulation on Classification, Labeling, and Packaging (CLP) of substances and mixtures;
- ▶ Adherence to advice published by the European Chemicals Agency;
- ▶ Engagement in REACH consortiums and participation in working groups through oil and chemical industry trade associations.

With their primary composition being fuels, OMV Petrom products adhere to all EU regulatory assessments for health and safety, including REACH and CLP Regulations. This information is shared in the safety data sheets. We guarantee product safety through technologically advanced solutions used for delivering top-quality, safe products, while emphasizing the responsible use of our products. As a result, 100% of our significant products have been assessed for their environmental, health and safety impacts.

Looking ahead, our aim is to persistently minimize potential chemical hazards and risks associated with the products in our portfolio, with a special focus on low-carbon products and e-mobility, in line with our commitment to support the transition to a low-carbon environment.



# Corporate Security

## Why is this important?

Security & Resilience function's behavior, actions, and decisions are aligned with OMV Petrom's updated HSSE Strategy 2030, which is guided by the Vision "**Committed to Zero Harm – Protect People, Assets, and the Environment**".

The Security & Resilience framework and deliverables aim to support our company's transition and goal towards becoming an industry leader in HSSE by 2030. We aim to achieve this by providing best practice, as well as proportional, innovative, agile, and ethical security & resilience solutions.

## Our commitment

We are fully committed to protecting our employees, assets, information, and the company's reputation against crime, malicious acts connected to geopolitical threats and business crime. We are also committed to continuously enhancing our organizational preparedness to adequately respond to, and to swiftly recover from adverse events while ensuring business continuity. These commitments are laid out in the HSSE Policy.

OMV Petrom is placing particular emphasis on the adoption of Voluntary Principles on Security and Human Rights in delivering security services. This involves assessing and monitoring associated risks, identifying customized strategies and solutions in an ongoing effort to ensure that our security operations do not violate human rights. Following the human rights risk assessment of our security services, we continued to train our security personnel on human rights, and we revised the existing contractual provisions. In 2023, we conducted training on Human Rights policies and principles for all security personnel (100%) present on OMV Petrom sites.

## Our approach

The strategic goal of our security and resilience efforts is increasing the effectiveness and efficiency of our security operations, enhancing the detection and prevention of complex malicious threats and improving organizational preparedness to ensure readiness of the crisis response capability and maintain business continuity.

We design and implement physical security frameworks to integrate all components seamlessly and proportionally through risk-based resources allocation such as guarding, technical security systems, procedural and organizational measures. These are all designed to deter, detect, prevent, and respond to deliberate criminal threats against people, assets, information, and reputation.

All security incidents occurring on OMV Petrom locations (2,224 in 2023) are reported and analyzed through the Geographical Information System Mapping software.

We assess security risk levels on a permanent basis to guarantee efficient threat detection and ultimately categorize risks for all our operational sites, triggering necessary improvements for the protection measures.

Particular attention is placed on the Human Rights policies and principles during the induction of the security personnel. This is alongside familiarizing them with the OMV Petrom specific procedures, HSSE provisions, and improving the overall quality and efficiency of the security services offered.

We plan and organize regular exercises (at least one exercise per entity at Group level, divisional level, and production areas) to ensure our crisis and emergency management framework is updated to handle the continuously changing business environment. Lessons learned are analyzed and adopted as basis for improving our Crisis Management Plans.

Training drills are conducted periodically to prepare personnel to respond in line with our Incident Response plans focusing on saving lives, property protection, and minimization of environmental damage.

## Our key activities

- ▶ We continued the transition from traditional to digital security. This involved the deployment of modern security technologies such as video surveillance solutions for gas wells and specialized drones with high-performance equipment for aerial surveillance of our operational areas in E&P. We also upgraded our perimeter security systems and vulnerable points with CCTV surveillance for increased detection levels at the Petrobrazil Refinery. Additionally, we developed new functionalities for our centralized software platform for a fast and efficient response to any security incidents via our Security Operations Centre.
- ▶ We redesigned the physical security concept for E&P onshore operations, to ensure a higher frequency of security patrols in the field. This enabled an increased presence at our operational facilities and swift alarm responses for monitored locations. Modern technologies were deployed to improve communications, track the patrolling routes, and monitor the activity of the security guards, including mobile devices with panic buttons and man-down functionalities.
- ▶ The Crisis Management framework was redesigned to be more practical and applicable for OMV Petrom, by adopting best practice crisis response tools, guiding principles, roles and responsibilities. Training sessions were organized for all crisis response team members to familiarize them with the



# Corporate Security

new elements and subsequently improve our preparedness. This was accomplished through conducting various types of exercises aiming at strengthening the crisis management capability of the organization, testing the Crisis Management Plan, and developing response team members' skills and confidence in handling emergencies and crises.

- ▶ In line with our continuous focus to tackle concealed theft of petroleum product, we performed loss prevention field assessments on process vulnerabilities and detection of malicious threats, in cooperation with law enforcement authorities. We also expanded loss management framework capabilities to benefit from the cross divisional synergies and associated resources.
- ▶ We maintained a constant communication with local and central law enforcement authorities on all aspects related to the security of operations and assets, regularly exchanging information related to incidents, trends, and the evolution of threats.
- ▶ A significant challenge was to gain foresight through strategic threats assessments in Black Sea area. As a result, we have focused on increasing our ability to generate high-level overview of security risk by capturing key developments with relevant analysis regarding any potential impact on our operations in this complex regional geopolitical landscape.

## Results (KPI, other indicators) & progress

We constantly monitor our process performance and collect business feedback to ensure that our Security & Resilience products and services align with our business needs. Feedback concerning the value added, innovation, responsiveness, understanding of business needs and expectations, and overall cooperations provide a basis for continuous improvement of the Security & Resilience Quality Management System. The very good results earned over

the past 3 years (increasing from 84.70% in 2020 to 92.50% in 2022 regarding the clients' satisfaction survey), as well as the successful re-certification received from the Lloyds Register and Quality Assurance in February 2023, affirm overall activity performance and continuous progress of our Security & Resilience function.

## Outlook

In 2024, our focus will remain on the implementation of the security and resilience strategy. We aim to integrate innovative digital technologies into the physical security systems to efficiently cope with the complexity of the fast-evolving threat environment, to optimize our security services by defining clear requirements, selecting reliable providers and to further improve our organizational preparedness to adequately respond to crisis and business disruptions.

Furthermore, we will initiate the process of joining the Voluntary Principles on Security and Human Rights (VPSHR). The overall aim is to improve the alignment of OMV Petrom's operations with security and human rights standards and best practices, thereby honoring our commitment to be a responsible market player and to build a sustainable world worth living in for everyone.

Human Rights topics will continue to be included in security services providers' annual training programs, as well as verified during Security & Resilience's annual second-party audits.





# IT Security

## Why is this important?

In an increasingly interconnected global environment, information is subject to a rapidly growing variety of risks, threats, and vulnerabilities. Therefore, OMV Petrom invests in IT security to protect assets, technology, and critical information, to maintain its reputation, avoid damages or monetary loss due to unauthorized access to its systems and data, and ensure the protection of its services and clients.

## Our commitment

Our internal IT/OT Security Directive lays out the details of the IT/OT Security Framework, which continually aligns and manages topic- or security domain-related security standards and policies. The Security Framework consists of approximately 50 regulatory documents in total and is derived from industry recognized bodies of knowledge with focus on information security, ISO 27000 series (e.g., ISO 27001:2013, ISO 27005:2018), NIST, IEC/ISA 62443 for IT controls and domains. It also covers OMV Petrom's commitment to secure the operation of its services in dedicated areas, such as within the filling stations retail business, and to adhere to the related PCI DSS (Payment Card Industry Data Security Standard) requirements.

## Our approach

The Information Security Management System (ISMS) that we operate is based on ISO 27000 standards and certified accordingly, with external monitoring and recertification processes carried out annually. A full recertification assessment was successfully completed

in July 2022 and the OMV Petrom certification period was extended until 2025. A key principle of an ISMS is incorporating a continuous improvement cycle in order to identify, prevent, mitigate, and remediate potential information security leaks or weaknesses.

We conduct regular training sessions to maintain our employees' information security awareness at an adequate level. The awareness efforts are either based on general topics of information security interest, ad hoc demands as timely countermeasures on specific use cases, or even target-group-focused topics. These are based on different formats, such as:

- ▶ Mandatory e-learning sessions including knowledge check;
- ▶ Topic-based videos;
- ▶ Classroom training sessions;
- ▶ Anti-phishing email campaigns;
- ▶ "My News" platform to share news via the intranet and internal blog posts.

### Preventive, Technical, Detective, and Reactive Measures

We lower the risk of security breaches by leveraging new tools, individual detection strategies, and response plans to maintain a strong perimeter for our physical and our cloud environment.

Through technical housekeeping measures, we ensure a solid foundation with up-to-date hardware and software, as well as adequate information security processes. We implement security patches and offer guidelines to provide consistent hardware and software lifecycles.

Detective and reactive measures are continuously designed and executed, so as to create transparency around existing risks, security gaps, and vulnerabilities. To protect our assets and keep intruders out, we integrate detective and reactive measures to mitigate possible damage and take remediation measures for a fast and total recovery.

Examples of such measures include:

- ▶ Permanent vulnerability management program on cyber assets;
- ▶ Breach and attack simulations to evaluate potential attack surfaces;
- ▶ Running continuous internal and external penetration tests on critical applications/systems;
- ▶ External audits as quality assurance (ISO 27001:2013, PCI-DSS, NIS, etc.).

## Our key activities

Our key activities in 2023 included performing IT security penetration tests, implementing a tool to classify information in terms of confidentiality, and enhancing cyber-defense capabilities. OMV Petrom has an extensive IT security program, ensuring a high level of resilience and preparedness against cybersecurity threats.

### Incident Reporting and Escalation Processes

OMV Petrom operates continuous 24/7 security monitoring. Any potential findings are processed via Security Information and Event Management ([SIEM](#)) intelligence and supplemented by Level 1, 2, and 3 analysts according to the Incident Response process. Escalation procedures exist to ensure timely remediation of security incidents on a 24/7 basis. OMV Petrom's Cyber Defence team classifies incidents and triggers the incident response process, then activates all required functions via automatic and manual alerts sent by voice message and SMS. All remediation actions adhere to predefined "runbooks" to ensure efficient and timely processing. A clear communication plan ensures the proper information is disseminated to all relevant stakeholders.

# IT Security

## Business Continuity/Contingency Plans and Incident Response Procedures

OMV Petrom annually tests its business continuity plans and incident response procedures via cyber emergency exercises. The cyber emergency exercises, which are run with external experts, focus on specific, realistic threat scenarios to assess related mitigation procedures and processes. The tabletop exercise consists of a series of “injects.” Each inject represents an event or a piece of information that is discovered as the scenario unfolds and is related to the security incident at hand. Typically, the audience of this scenario consists of up to 30 participants, including representatives from the IT Security, superior IT Management, and OT Security teams, among others. After each inject, a corresponding review and evaluation of the process is conducted, including an appraisal determining lessons learned.

## Results (KPI, other indicators) & progress

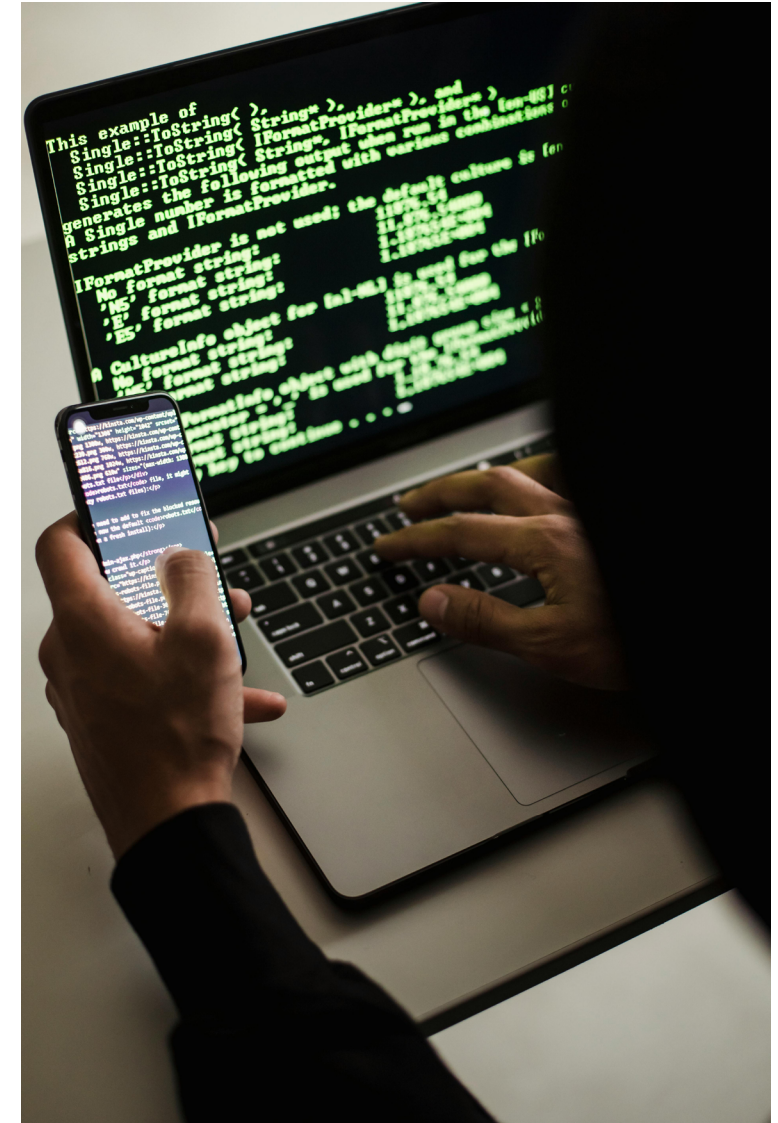
The following key results were achieved through activities carried out across the Group in 2023:

- ▶ No significant cyber security incidents involving critical business data and/or PII (Personal Identifiable Information);
- ▶ A holistic cyber security crisis exercise was conducted covering authentic threat scenarios alongside IT and OT areas;
- ▶ Approx. 65 different types of awareness measures were conducted (e.g., classroom exercises, online training sessions and email phishing campaigns);
- ▶ Approx. 400 IT projects were guided by IT security governance function to ensure coverage of defined security requirements protecting OMV assets according to their protection demands.

## Outlook

In the future, we will continue to improve our IT maturity level, enhance cyber-defense capabilities, and secure critical infrastructure assets and facilities from all functional perspectives. We will also ensure that our comprehensive information security governance structures are certified according to multiple frameworks.

The OMV Petrom Group is committed to continuous improvement processes and the implementation of related measures. The strategic aim is to further increase the IT security maturity level and extend cyber defence capabilities and threat resilience beyond the already established high level. We also aim at renewing or confirming existing certifications to ensure external quality checks and assurance. Additional focus remains in the context of the emerging IT and OT areas, especially in light of cyberattacks.



# Environment

The **OMV Petrom Group's HSSE Directive** establishes principles and rules for environmental management and serves as the framework for managing HSSE topics. This aligns with our [HSSE Policy](#) and vision of "Committed to Zero Harm – Protect People, Environment and Assets". Additionally, the Environmental Management Standard is in place to further support the OMV Petrom Group's commitment to minimizing the impact along the value chain, by establishing key responsibilities. An Environmental Management System (EMS) consistent with ISO 14001 and minimum requirements listed including energy use, air emissions, greenhouse gas emissions and climate change, water, waste, and biodiversity management are included in the standard. Our Environmental Management System, certified according to ISO 14001, covers around 42.31% of OMV Petrom Group's sites. Certified operations in accordance with ISO 14001 in 2023 included:

- ▶ OMV Petrom S.A., E&P Business Division, Gas Pipeline Management System, Workover and Drilling Management System
- ▶ OMV Petrom S.A., R&M Business Unit: Petrobrazi Refinery, fuel Storages and Petrom City
- ▶ OMV Petrom Marketing S.R.L. (OMV branded filling stations), OMV Bulgaria OOD and OMV Serbia DOO
- ▶ OMV Petrom S.A., G&P Business Unit: Combined Cycle Power Plant (CCPP) Brazi, gas and power supply activities

The EMS 14001 is regularly audited for surveillance/ recertification, according to Standard requirements for recertification.

The OMV Petrom Group Environmental Management Standard, as approved by the Executive Board, stipulates the assessment of environmental impacts and risks and adherence to environmental performance requirements in terms of energy use, emissions into the atmosphere, water use and discharge, the use of raw materials, waste management, hazardous substance handling, and biodiversity and ecosystem protection. Prior to new operational activities or new country

entries, environmental risk assessments are performed. This includes evaluations of local legislation and the potential impact of our activities on sensitive and protected areas, as well as the effects on endangered species. Additionally, environmental and Social Impact Assessments (ESIAs) for new developments are submitted to the local regulator or lender (whichever is applicable) for review, public disclosure, and approval. An Environmental and Social Management Plan is prepared to include preventive and mitigation measures as well as the monitoring program.

Strategic risks and opportunities are assessed in a top-down process, while a bottom-up process is also in place with a standardized methodology to assess both physical and legal compliance risks in our operations. The resulting environmental risk database includes information on existing controls for environmental risks and future actions required, which include environmental communication through events, awareness campaigns and round tables. Environmental risks and opportunities include regulatory, operational, reputational, and financial drivers, managed as part of OMV Petrom's EWRM processes, described in the Risk Management section. The Active Risk Management System (ARMS) is an IT tool used to monitor and manage environmental risks and is also used to integrate environmental risk scenarios with other HSSE and business risks. Clearly defined risk policies and responsibilities are in place for mitigation for each phase of project implementation.

Total environmental costs (accounting for environmental protection expenditure, including depreciation and environmental investments for assets put into operation) amounted to approx. EUR 420 mn (2022: EUR 388.34 mn) in 2023, while environmental investments for assets put into operation in 2023 totaled approx. EUR 76 mn (2022 EUR 30 mn). In 2023, we paid EUR 0.1 mn (2022: EUR 0.07 mn) in environment-related fines and penalties (majority related to environmental incidents).

**OMV Petrom's environmental costs and investments according to EMA (Environmental Management Accounting) methodology developed by IFAC (International Federation of Accountants) are reported within set boundaries that include OMV Petrom S.A., OMV Petrom Aviation SRL and OMV Petrom Marketing SRL.**

Our approach to **Environmental protection actions** contributes to the following **UN Sustainable Development Goals**.

SDGs	Our approach and actions
 <b>3</b> GOOD HEALTH AND WELL-BEING	<b>SDG 3</b> ▶ target 3.9, by our protection measures related to hazardous chemicals and air, water, and soil pollution and contamination
 <b>6</b> CLEAN WATER AND SANITATION	<b>SDG 6</b> ▶ target 6.4, by implementing measures to encourage the efficient use of water
 <b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION	<b>SDG 12</b> ▶ target 12.4, by employing an environmentally sound management of chemicals and all wastes
 <b>15</b> LIFE ON LAND	<b>SDG 15</b> ▶ target 15.5, by mitigation of our impact on biodiversity through studies and measures to protect biodiversity



# Water

## Why is this important?

Water is an integral part of our operations, being used in the entire flow, from drilling to the result and distribution of final products and energy production.

The impact of OMV Petrom's operations, including E&P, R&M, and G&P, extends from the use of freshwater to discharged water, with the potential to impact both communities and other local businesses in terms of water resources.

OMV Petrom implemented measures to encourage the efficient use of water across all sectors and ensure sustainable withdrawals/supply of freshwater, e.g. desalinated sea water used in offshore operations, use recycled water as well as using new systems for heating and cooling without water, where appropriate, across all business processes.

## Our commitment

OMV Petrom's approach to water management is in line with the Group's HSSE Strategy 2030, launched in the last quarter of the reporting year. The strategy sets a goal to protect people and nature and respect the planetary boundaries. In this direction, the specific water related objective is to efficiently reduce freshwater withdrawals and improve (waste) water quality. One of the key actions established through the HSSE Strategy 2030 regarding water, and that will start to be implemented in the next two years, is to assess data, and set and disclose quantitative targets for 2030.

## Our approach

The water management activities' key goals are to utilize water resources efficiently, to identify consumption reduction opportunities and to treat wastewater appropriately. Group HSSE Directive and Group Environmental Management Standard are internal regulations that govern our water management activities and reflect our commitment to minimize the environmental impact of our operations, including impact on water resources. To reach strategic goals and comply with local environmental regulations, OMV Petrom works with local regulatory and river basin authorities. We follow the regulatory EIA process (Environmental Impact Assessment) for new construction sites, which involves public consultation with stakeholders on environmental topics, including water management permits. Claims related to water quality may also be handled within our Community Grievance Mechanisms.

**Water Management Plans** are implemented in compliance with the OMV Group Environmental Management Standard, to secure sustainable long-term production with minimal environmental impact including quantitative impact related to water withdrawal.

The impact of our activities on both groundwater and surface water is systematically monitored, according to the requirements specified in the environmental permits and in the water management permits. The main indicator tested for water quality is Total Petroleum Hydrocarbons (TPH) - please see Performance in detail for more information. The presence of pollutants, such as oil (petroleum) in effluents discharged into water bodies is measured and monitored in accordance with the environmental permit and the water management permit. OMV Petrom's water management activities pursue socially equitable water use. An adequate standard of living is a commitment of OMV Petrom's water management activities and this is reflected in the Human Rights Matrix. This commitment also extends to our suppliers who sign and commit to our Code of Conduct.

We are addressing water topics in specific training, such as the implementation of the Response Plan in case of accidental water pollution.

## Our key activities

Our reporting sites undergo high-level water risk assessments. To identify operations with nature sensitivities, such as activities in areas at risk of water scarcity or water stress, we considered international tools and indexes, including Verisk Maplecroft's **"Water Stress Index"** by World Wildlife Fund as well as other assessments, which aimed to evaluate the state of nature.

In 2023, E&P operations generated approx. 35,500 ML of produced water (2022: approx. 37,000 ML) – a by-product of oil and gas production. Following treatment, 94% of it, representing a volume of approx. 33,500 ML, was injected in the underground. The rest of the produced water was treated and discharged into surface water bodies, in accordance with the provisions of our environmental permits. The rest of the produced water was treated and discharged into surface water bodies, in accordance with the provisions of our environmental permits.

Effluent discharge quality must comply with local regulations. As part of the OMV Group's Environmental Management Standard, all activities are required to minimize effluents' impact on the environment and local communities, and specific requirements are outlined for offshore and onshore wastewater discharge. The direct discharge of wastewater on land, in wetlands, or in other bodies of water without prior treatment is not permitted. Furthermore, the standard stipulates that no

# Water

discharge may alter or diminish the value of the receiving environment. Systematic monitoring of all discharges and a management strategy for environmental impacts are required. To mitigate the impact related to water discharges, we apply best practice in terms of wastewater treatment technologies, and water saving options such as reuse - recirculation or reduction through upgrades.

Aiming at sustainable use and protection of fresh water, a good example of project comes from E&P operations in Asset Oltenia, where the old water-cooling system associated to Compressors Station Brădești, was completely shut down after replacing the compressors, and now a cooling chemical agent in a closed system is used. As a result, there is an 80% reduction in energy consumption and no water is used for cooling. In G&P, at CCPP Brazi, we continue to responsibly manage our water usage by monitoring water consumption and the relevant equipment parameters as well as assessing the water treatment technology to mitigate wastewater-related impacts to the environment.

In R&M, at Petrobrazî Refinery, measures to encourage the efficient use of water are approached for better designing a water supply framework, in the context of mid-term (3 to 5 years) projects and considering natural resources availability.

## Results (KPI, other indicators) & progress

Full water-related data can be found in Performance in detail - Environmental Performance section of this report.

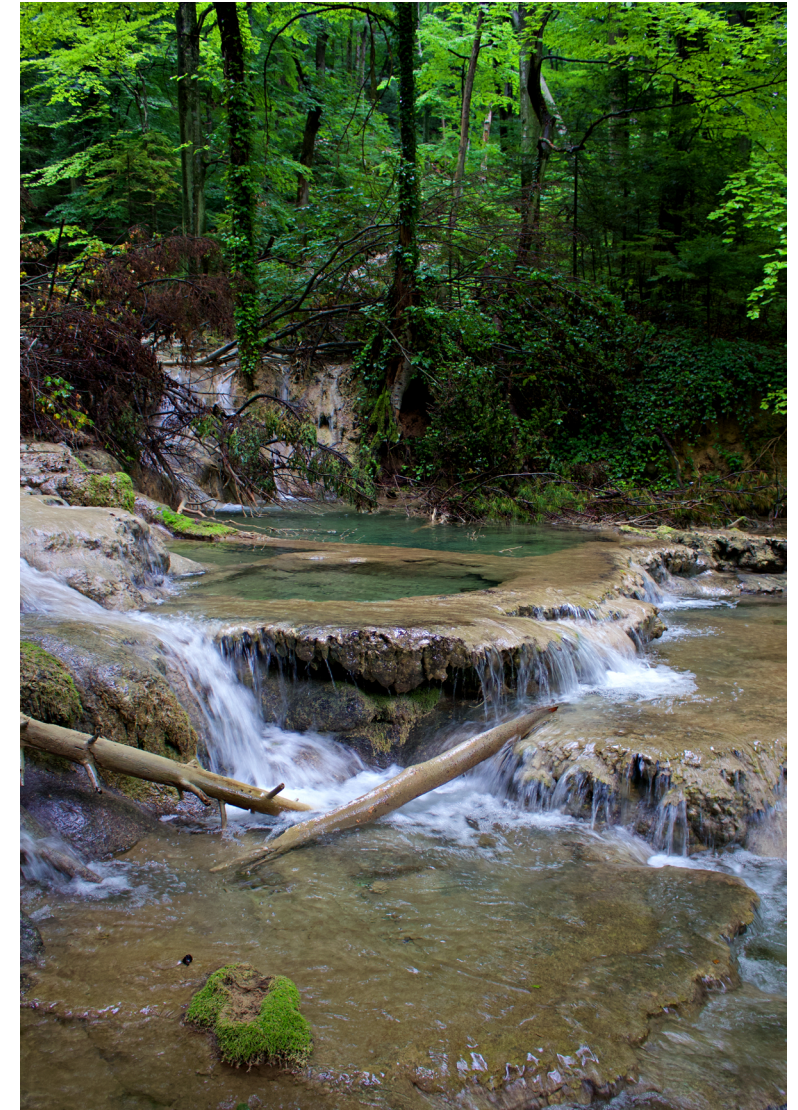
In 2023, in total we used approx. 50,000 ML of water, consisting of groundwater, surface water, water from public supply, sea water and produced water (2022: approx. 53,000 ML). Out of the total water withdrawn in 2023, approx. 3,300 ML was groundwater.

The Freshwater Withdrawal Intensity Index of OMV Petrom's operations increased to 3.57% in 2023 based on a 1% decrease in R&M, a 5% increased intensity at Power Plants (CCPP Brazi, Petrom City Power Plant) and a 10% increase in E&P. The scope of Freshwater Withdrawal Intensity Index of OMV Petrom's operations covers all operated assets and those with more than 50% stake, excluding OMV Petrom Marketing and OMV Petrom Aviation.

## Outlook

In line with the Group's HSSE Strategy 2030, we aim to improve Water Management at operational level, increase water use efficiency by sustainable withdrawals/supply of freshwater, conduct thorough monitoring (waste) water quality and develop of specific quantitative targets.

We will continue the revision of our operation's Water Management Plans. We will continue to optimize our water infrastructure and facilities, with a focus on minimizing environmental impact. To this end, key projects such as the rehabilitation of outdated production parks, replacement of cooling towers in older compressor stations, and the upgrading of old produced water pipelines will be given priority in the upcoming years. These initiatives are based on a thorough risk assessment, and they are designed to ensure optimal water management for the Company's operations.





# Waste

## Why is this important?

Waste management is an essential component of our operations, and we recognize that oil and gas activities typically generate high volumes of waste. The extraction and processing of oil and gas generates drilling muds and cuttings, scale, and sludges that can contain chemical additives, hydrocarbons, naturally occurring radioactive material (NORM), metals, and salts that may contaminate surface water, groundwater, and seawater. Waste streams include hazardous waste (e.g., contaminated drilling muds and cuttings, oil sludge, scales, waste chemicals, catalysts, contaminated soil, contaminated construction debris, etc.) and non-hazardous waste (e.g., municipal waste, paper, construction debris and metal). The inefficient management of these waste streams can lead to negative impacts on human health, plant and animal species, and environmental resources.

We understand that environmental contamination of soil and underground water, due to improper waste management can lead to adverse environmental impacts.

## Our commitment

We are committed to reducing emissions and discharges of pollutant substances and waste, and to reduce contamination in soil, groundwater, and air through the effective reuse of waste.

## Our approach

Alongside the impacts of waste management practices mentioned above, we acknowledge that waste reduction and effective management help protect the ecosystem and human health while ensuring the efficient use of resources. The Group's waste management programs include the effective sorting, separation, and on-site processing of waste streams, including non-renewable

resources such as cooking oil, waste oil, among others to reduce the volume of waste sent to landfills.

OMV Petrom continues to monitor changes in waste-related regulations and waste management technologies to ensure compliance and continuous improvement in its waste management practices. We engage our contractors to promote responsible waste management practices and reduce waste generation. OMV Petrom maintains a record-keeping system and an internal waste-related monitoring process to track and analyze waste volumes, disposal methods, and associated data to achieve our sustainable waste management targets. Measured waste streams include solid and liquid hazardous waste such as oily sludge, waste chemicals, catalysts, contaminated soil and construction debris. Demolition waste such as concrete not containing dangerous substances, welding waste, water-based drilling wastes, as well as municipal waste, paper and metal, are the main non-hazardous waste streams.

Waste management registers, in accordance with applicable legal requirements, are kept at each site. The Synergi tool also collects waste data. Clear responsibilities are set regarding the review and final approval of waste data including shipment documents to be archived.

As part of the **OMV Petrom Group Environmental Management Standard**, all businesses and activities are required to identify and use the lowest hazardous material option, as well as to reduce both raw materials use and waste generation in compliance with all applicable environmental laws and regulations. To manage waste responsibly, we use authorized partners while following a hierarchy of priorities, starting with prevention of waste where possible, followed by reuse, recovery, and recycling, and finally, as a last resort, safe disposal according to internationally accepted best practices. Waste management, along with other environmental topics, is integrated into awareness campaigns and internal workshops. In case of site closures activities or in case of spills, we rely on third-party support for containment intervention, surface clean-up, and emergency management as well as management of certain waste streams from clean-up or closures.

## Our key activities

According to OUG 92/2021, programs to prevent and reduce waste generation were implemented at the operational level and submitted to the Environmental Agencies.

### Surface abandonment works in E&P – site closure waste management

OMV Petrom waste management infrastructure consists of 11 bioremediation plants, 4 landfills and 8 temporary storage platforms under contracted management of E&P Division. Bioremediation reduces the hydrocarbon content of the waste soil, and based on the results of the sample analysis, the bioremediated soil is further used as backfill soil or sent to OMV Petrom landfills or third parties' landfills.

In 2023, we executed works for surface abandonment of 656 wells, 46 facilities demolition projects and 16 remediation projects in E&P. Contaminated soil, construction waste and scrapped metallic ferrous and non-ferrous materials were the main waste streams generated. We treated approx. 170,000 t of contaminated soil in our bioremediation plants with a recovery rate of around 97%. The clean concrete represented around 98% of the construction waste, which amounted to approx. 350,000 t, and we delivered it for further use in OMV Petrom and outside. We recycled approx. 19,000 t of scrap metallic ferrous and non-ferrous materials through authorized companies. We directed the other waste to specialized waste facilities for either recovery or disposal.

In the same context of recycling with economical value, the first pilot project for the removal and reuse of underground inactive former gas pipelines started by Asset Oltenia in previous years, continued in 2023. The activity was carried out over a wide area of 4 counties (Olt, Gorj, Dolj, Vâlcea - more than 30 localities). Since the beginning of the project 293 km of non-operational/inactive gas pipelines were cleaned up, removed, and sold, in environmentally safe and secure conditions. The environmental obligations and the negotiations with landowners were regulated and transferred within the contract for the services.



# Waste

## Site restoration for non-operational assets in R&M – responsible management to the end-life of operations

In R&M, we maintained a high performance on waste recovery rate of our demolition projects. In Petrobrazi Refinery, we achieved a 99,60% waste recovery rate for demolition projects finalized in 2023.

In 2023, OMV Petrom continued the cleaning, remediation, and ecological reconstruction works for 5 former fuel terminals. OMV Petrom continued to work on site restoration at the five depots in Constanța, Zalău AN.r.S, Iași, Oradea and Găești. We treated over 53,000 cubic meters of contaminated soil from the 5 abandoned sites, and we achieved 100% recovery rate for the contaminated soil treated, which we further used for on-site backfills. We performed periodic monitoring during and after site rehabilitation, as requested for each site by the environmental authorities. The site status (e.g., land covering by grass, soil compaction) is quarterly monitored for one year after our works are finalized.

## Waste reduction and recovery

The initiatives started in previous years within Refinery Petrobrazi confirmed in 2023 a decreasing trend in case of certain categories of hazardous waste.

One such example, is the metal recovery from waste catalyst project initiated in 2022 and that continued to bring additional financial benefits in 2023, as payment for the contained metal quantities.

Related to the waste soda quantity reduction, the efforts continued in 2023 and is still ongoing (approximately 75% decrease of waste soda quantity is recorded comparing to year 2020). The treatment of waste sodium hydroxide is realized with gasoline.

The liquid oil sludge is continuously treated in the wastewater treatment plant aiming to increase the petroleum product’s recovery.

## Results (KPI, other indicators) & progress

See waste related indicators in the [Performance in detail – Environmental Performance](#).

The recovery rate of total waste increased to 82% in 2023 (77% in 2022) on the account of 10% increase in the amount of waste diverted from disposal to landfill.

## Outlook

We plan to continue our decommissioning and demolition projects for E&P and R&M divisions as scheduled, cleanup the land and properly manage all resulting waste. We will also continue the revision and update of the Waste Management Plans at operational level.

We will continue the recovery of metal from waste catalyst.





# Spills

## Why is this important?

Oil and gas spills remain a significant environmental concern, with potential breaches of environmental regulations, health and safety issues, and environmental damage, as well as reputational risk for companies and direct financial losses for shareholders due to the remediation costs. For OMV Petrom, spill prevention and control measures' improvement is a mandatory approach to ensure impacts are minimized.

The soils contaminated by hydrocarbon products, a common impact in the Oil&Gas industry, are primarily from accidental spills of hydrocarbon products, leaks from pipelines, contaminated effluent discharge, or improper disposal of hydrocarbon-contaminated waste. Soil contamination can render land unsuitable for agricultural use for a medium-long term period and affect flora-fauna, including micro-fauna. We acknowledge the potential release of harmful substances, vibration, or other contaminants into sand, silts, shells, gravel, and groundwater resources resulting from oil and gas activities. Pollutants can include cuttings, muds, hydrocarbon liquids, or fluids from drilling, as well as non-hydrocarbon substances.

We understand that oil spills can result from operational incidents, poor maintenance, or equipment corrosion and can have severe and multiple environmental, social, health, and economic consequences. The company recognizes that oil and gas facilities can continue to generate environmental impacts after closure, including soil and water contamination. Failure to effectively close facilities and rehabilitate sites can render land unusable for other productive purposes and result in health and safety hazards due to contamination or the presence of hazardous materials.

The improper collection, sorting, and disposal of dangerous and non-dangerous waste are also potential sources of environmental pollution if not managed correctly.

## Our commitment

HSSE – Health, Safety, Security, and protection of the Environment have the highest priority in all activities. We aim at preventing spills and appropriately managing the response in case of occurrence. We are also committed to implementing appropriate waste management practices and technologies to minimize the disposal of waste, undesirable spills or contamination, and associated environmental or health impacts.

## Our approach

The company's integrated management system is designed to understand, prevent, and mitigate the risks of oil spills, and its impact on human health and the environment. OMV Petrom carries out regular spill prevention exercises on site and has emergency response plans at various levels.

Major spills, minor releases, and quantities spilled are all monitored. To prevent and reduce oil spills and leakages in our operations at sea as well as on land, spill prevention and control plans have been implemented.

To protect human health and property, we immediately intervene in case of severe generating spills. The **OMV Petrom's Environmental Management Standard** requires that spills of substances harmful to the environment must be both prevented and appropriately managed if they occur, by being assessed and cleaned up immediately after their occurrence. Actions are taken to remediate all spills and to prevent re-occurrences. We repair leaks in a timely manner, while clean-up and remedial measures are employed to ensure that the impacted land is once again suitable for its initial intended use. Any grievances including those related to spills are handled according to our grievance mechanism. See our Grievance Mechanism section under Business Principles and Economic Impacts.

Following containment, surface clean-up and emergency management, remediation measures are carried out in accordance with applicable legal requirements including further clean-up, restoration, rehabilitation, management of environmental receptors by case, while natural attenuation remains an alternative, if it is agreed upon with environmental authorities. Potential liabilities related to spills including cleaning and remediation costs are covered by provisions made in our accounts.

To ensure a successful oil spill response, we are backed up by international specialized service providers in case large oil spills occur offshore, events that require considerable equipment and expertise.

Spill prevention verification activities are presented in our [Process Safety](#) chapter in this report.

As part of our efforts to respond to oil spills and minimize their environmental impact, we continued to conduct emergency drills, including pollution scenarios, and assigned employees receive training on our Pollution Prevention Plan.

## Our key activities

In 2023, we recorded another major hydrocarbon spill (2022: one major hydrocarbon spills). A total of 2,159 minor releases occurred in 2023 (2,196 minor releases occurred in 2022). Total hydrocarbon spillage was 160,602 l (2022: 224,211 l).

The major spill occurred in E&P due to pipeline integrity failure and intervention actions are provided below.

Between June 4<sup>th</sup> and 5<sup>th</sup> 2023, an oil-water spill occurred in an agricultural area of 500 m<sup>2</sup> downhill from buried pumping pipeline connecting Park 11 to Tank Farm (TF) Independența, Asset Moldova E&P. The Loss of Primary Containment (LOPC) event lasted for around 20 hours, until Monday, June 05<sup>th</sup> (22:00 Hr) when the pumping was stopped. Production measurement at the Tank Farm and calculations



# Spills

indicated an estimate of 200 m<sup>3</sup> gross oil-water volume that were lost (85 tons oil and 100 m<sup>3</sup> produced water).

The incident was thoroughly investigated in accordance with internal regulations. The root causes were identified and all recommendations raised addressed the technical adaptation of old designed pipelines as well as the instructions updates to prevent major consequences. All measures are in implementation phase and lessons learned are shared and discussed within the organization.

To assist personnel at our sites, appropriate spill prevention and control plans for specific business conditions are in place. These plans clearly define responsibilities and actions required to stop and contain the spill and to mitigate its effects. Techniques for preventing the spill from further spreading, as well as collecting the spilled substance and contaminated material, are also included in the spill prevention and control plans. Protocols for clear communication and coordination are outlined in the local plans, particularly where national or international response resources may be required.

As a result of an offshore oil spill prevention and contingency plan, the response strategy aims to reduce the probability of oil spill risks and maximize readiness to provide timely remediation measures in the unlikely event of an oil spill.

## Results (KPI, other indicators) & progress

The 2023 results are presented in the [Performance in detail – Environmental Performance](#) section in this report.

## Outlook

Our actions will continue to focus on the improvement of pipeline integrity to prevent loss of containment as summarized in the [Process safety](#) section of the report.





# Non-GHG Air Emissions

## Why is this important?

Air pollutants other than GHG emissions generated from our operations may negatively impact air quality and have adverse effects on human health, biodiversity, and the ecosystems. These pollutants include sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO), particulate matter/dust, and non-methane volatile organic compounds (NM-VOC).

The production and processing of oil and gas has the potential to release air pollutants such as SOx, NOx, PM, VOC, CO, and heavy metals. These pollutants are attributed to various activities such as flaring, venting, fuel combustion for powering machinery, and transportation. In addition to these activities, air emissions can result from evaporation losses, fugitive emissions from tanks, equipment leakages and failures, and process safety incidents.

OMV Petrom recognizes that air emissions can lead to diverse and widespread impacts on ecosystems, such as land and aquatic life damage, acid rain, and ocean/soil acidification. Ecosystem damage caused, for example, by NOx emissions that enter oceans, lakes, or water bodies, can negatively impact biodiversity and other economic activities dependent on these ecosystems. We acknowledge that air pollution may cause acute health problems, including heart and lung diseases, strokes, respiratory infections, and neurological damage, with children, the elderly and vulnerable communities being the most affected.

## Our commitment

Strategic commitment - HSSE - Health, Safety, Security, and protection of the Environment have the highest priority in all activities.

We are committed to upholding the highest levels of environmental standards and minimizing our non-GHG air emissions, which is vital for maintaining ecological diversity and the wellbeing of our employees and surrounding communities.

## Our approach

Monitoring of air emissions is conducted for pollutants according to environmental permits. At Petrobrazil Refinery, we monitor emissions of pollutants such as SOx, NOx, CO, particulate matter/dust, and non-methane volatile organic compounds (NM) VOC in accordance with European and national legislation. Additional monitoring stations have been installed in 2023 to support our aim to find measures to improve air quality.

To mitigate adverse effects, every operational environmental permit includes emission limits based on local or EU legislation and a monitoring and reporting system. OMV Petrom has implemented measures to reduce air emissions and has set targets for continuous improvement. We discourage flaring in our operations and strive towards zero venting (see our Flaring and venting figures). Control measures include the use of low-emission technologies for vehicles and equipment, and regular monitoring of activities associated with greenhouse gas emissions and non-GHG air emissions.

In accordance with the OMV Petrom Group Environmental Management Standard, all OMV Petrom Group businesses and activities are required to understand the impacts of their air emissions on local and regional ambient air quality. To minimize, monitor and control air emissions systematically, we apply technologies which are compliant with Best Available Techniques (BAT). To minimize emissions, Petrobrazil Refinery follows BAT Reference Document for the Refining of Mineral Oil and Gas - Industrial Emissions Directive 2010/75/EU, and the Brazil Power Plant follows BAT Reference Document for Large Combustion Plants - Industrial Emissions Directive 2010/75/EU.

To reduce emissions of volatile organic compounds Petrobrazil Refinery uses combustion technology for low NOx emissions, flue gas cleaning systems, coker closed blowdown system and internal floating membrane at benzene tank.

We recognize the right to clean air as a human right for the employees and neighbors, therefore we comply with all legal requirements for air quality protection around our facilities. In case occurrence of any

deviation from normal operating conditions, the event is thoroughly analyzed for proper remediation, and repairs are planned to prevent reoccurrences, as required by our internal rules for incident investigation.

Air protection is included in the Environmental training offered to employees with environmental tasks assigned.

## Our key activities

### Dust and odor control during cleaning and remediation works

In 2023 OMV Petrom continued to close and restore sites that were formerly fuel terminals or abandoned facilities.

Best practices employed for these projects, include air quality measures such as water spray curtains, dust protection nets, forced ventilation, off-site bioremediation of the worst contaminated soil. Dust-producing activities are minimized in periods of strong wind, simultaneously with a more intense wetting of the surfaces as well as covering the soil piles. Control during soil excavation and transport involves optimized transportation routes to minimize nuisance to the community and always secure the loads, clean the wheels at the site exit to avoid contamination of public roads and sprinkle the access roads on-site.

In R&M, at Petrobrazil Refinery the LDAR (Leak Detection and Repair) Program according to BAT- Reference Documents (BREF) is ongoing. This program's objective is to reduce fugitive emissions from the plant's technological equipment (e.g., vents, flanges). We are continuing the program started in 2022, targeting accessible fugitive emissions sources from Diesel and Petroleum Hydrofining, Atmospheric and Vacuum distillation, Coking, GASCON, Catalytic reforming units and including the screening of inaccessible sources and covering the screening of inaccessible sources. The program will run periodically, according to a defined schedule, in all Petrobrazil Refinery installations.

# Non-GHG Air Emissions

## Results (KPI, other indicators) & progress

The 2023 results are presented in the [Performance in detail – Environmental Data](#) section in this report.

The tanks modernization program at Petrobrazi Refinery continued in 2023 and included modernization of one sour water tank IR2, according to BAT. The new tank, the obsolete one, has installed an innovative internal system for enhanced water/hydrocarbon separation, blanketed and connected to the flare system. The new tank contributes to the reduction of the environmental impact due to no VOC emissions and avoidance of sending sour water to the wastewater treatment plant.

The LDAR program was extended in 2023 in E&P to more than 300 facilities and corrective actions were implemented and completed in 2022-2023.

## Outlook

Best practice in controlling and managing odors are to be established according to new-emerging methodologies. In 2021, we initiated a pilot project to develop the Odor Management Plan for one representative facility within one of the E&P assets. The pilot project was planned to be finalized in 2022 but the validation of this approach was not completed since, the Romanian national legislation is not yet complete, and a methodology for the implementation of the Odor Law is not yet available. Therefore, completion of our Odor Management Plan is pending.





# Biodiversity

## Why is this important?

We are aware that 10 of our major operations are located within one kilometer buffer to Natural Protected Areas (NPAs) and can have significant impacts on biodiversity. The impacts include habitat loss and alteration through land use for exploration, production, disposal of drilling wastes and associated by-products, and decommissioning of onshore and offshore oil wells. These activities may also result in indirect and cumulative impacts on biodiversity in the short and long term.

The impacts on biodiversity can result in limitations in the availability, accessibility, or quality of natural resources, and this, in turn, may adversely impact the well-being and livelihoods of local communities. The degradation of biodiversity and ecosystems due to climate change, pollution of air, soil, and water, land usage, and relation to vulnerable or threatened species as well as potential for invasive alien species, must be given attention. As part of our Energy Transition Strategy, we acknowledge the potential for wind farm projects developed near environmentally sensitive areas to have an impact on biodiversity conservation.

## Our commitment

We acknowledge that biodiversity conservation is critical for ecological balance and ensuring the sustainability of natural resources as well as the livelihood of communities. Therefore, OMV Petrom is committed to minimizing its impact on biodiversity.

All our efforts prioritize health, safety, security, and protection of the environment. At OMV Petrom, protection of the environment includes protection of biodiversity.

Starting from 2023, OMV Petrom's approach to biodiversity management is in line with the Group's HSSE Strategy 2030,

launched in the last quarter of the year. The strategy sets a goal to protect people and nature and respect the planetary boundaries. In this direction, the specific biodiversity aim is for no net loss of biodiversity by 2030 and for net positive impact in new operated projects in sensitive areas.

## Our approach

To achieve our commitments, the company has established biodiversity and ecosystem conservation measures to safeguard and mitigate the impact of its operations. Furthermore, we aim to ensure all projects are designed and operated in a way that respects biodiversity, considers the long-term ecosystem implications, and adheres to all applicable laws and regulations.

Environmental Management Standard of the Group includes requirements on biodiversity, meaning that all OMV Petrom activities shall minimize disturbance to protected areas and local flora and fauna. The HSSE Policy is part of our EMS, communicated and verified during the certification process. Impacts and mitigation measures are outlined in accordance with the permits obtained for each of our sites. Additional measures implemented are included in EMS 14001. Mitigation and remedial measures are implemented for significant impacts identified in agreement with the environmental authorities during the regulatory assessment procedure. Permitting and assessment procedures are applicable in all operation countries, at the OMV Petrom Group level.

When significant impacts have been observed or predicted, the mitigation hierarchy is followed, and action planning prioritizes the avoidance and minimization of impacts rather than restoration and offsetting.

As part of the EMS 14001, training on biodiversity is provided in the larger context of environmental training. The biodiversity topic is included on the Agenda of the Environmental Workshops in the Group held on a regular basis.

## Our key activities

During 2023, OMV Petrom joined a project coordinated at OMV Group Level to start alignment on biodiversity management once the upcoming EU regulations come into force.

By the end of 2023, 3 pilot locations were chosen from OMV Petrom to be part of a wider action within the LEAP (Locate, Evaluate, Assess, Prepare) framework guided by TNFD (Taskforce for Nature Financial Disclosure). The pilot locations will follow, further in 2024, the evaluation and assessment, as well as preparation for biodiversity management plans. All actions are governed through an OMV Group project which completed the Locate phase in 2023.

According to previous years assessments the total surface area inside the NPAs accounts for approximately 2% of the total operational surface in Romania. We operate inside various types of NPAs such as IUCN Category II-V, RAMSAR, Natura 2000, Biosphere Reserve and World Heritage Sites. Most of these NPAs are Natura 2000 sites.



# Biodiversity



## Results (KPI, other indicators) & progress

### NPA Inventory results

Type of protected area	Inside an OMV Petrom operational area boundaries	Adjacent (within 1 km) to an OMV Petrom operational area
IUCN Category II - V	5	10
RAMSAR	3	4
Natura 2000	10	10
Biosphere Reserve (UNESCO)	1	2
World Heritage Site (UNESCO)	1	1

### Outlook

In accordance with the operation permits, we ensure that we conduct our activities to the highest standard for protection of biodiversity resources, also applying recommendations from the recent studies, which focus on vigilance for prevention.

Based on the stages of LEAP and learnings coming out from first phase of the project started in 2023, actions will be planned to approach locations (sites) for evaluation, assessments, and preparedness of biodiversity management, case by case.

# Business Principles & Economic Impacts

Our business principles are grounded in integrity and trust. As a signatory of the UN Global Compact, we are committed to respect and promote the 10<sup>th</sup> Principle which aims to combat corruption. In line with this, we actively work towards preventing and mitigating all forms of bribery and corruption.

Maintaining ethical standards is a non-negotiable value in our organization that takes precedence over all other aspects. This commitment is shared unanimously throughout OMV Petrom, from top management down to each employee. Additionally, we also require our business partners to share our commitment to and understanding of our ethical norms.

The primary objective of the OMV Petrom Compliance Department is the management of risks associated with corporate ethics across the Group, including companies that operate beyond Romanian borders. The company's exposure to business ethical concerns is examined and evaluated by the Compliance department, which also develops procedures to protect the organization from those risks and offers guidance on how to prevent and manage them. To effectively manage OMV Petrom's risk exposure, controls must be continuously monitored and evaluated for effectiveness. Members of the Executive Board are kept updated and trained on business ethics aspects by the Compliance Officer during the quarterly EB Committee meetings. Business ethics topics are also included on the agenda of the Audit Committee meetings.

**OMV Petrom has a strict zero-tolerance policy for bribery, fraud, theft, and any other forms of corruption. We have implemented community grievance mechanisms for our activities, along with data protection management, public advocacy, and tax transparency.**

The Executive and Supervisory Boards have the ultimate responsibility for ensuring OMV Petrom's ethical conduct while it creates economic benefit. Responsibility for economic effects and business principles is shared across several departments, rather than being centralized in

one department. Our Compliance Management System is implemented Group-wide.

The tax function, which is a part of Group Finance and is supervised by the CFO and the Supervisory Board, monitors the Group's tax policy and related risks. Finance managers typically handle tax compliance, and local tax managers, shared service centers, or outside tax consultants handle it at the level of the legal entity. The Compliance division reports to the CEO of OMV Petrom, while the Tax division reports to the CFO of OMV Petrom.

The Public Affair Department directly reports to OMV Petrom's CEO and maintains relations with national, regional, and European decision makers on political and public administration topics.

Our **Business Principles**, as implemented, contribute to the following **UN Sustainable Development Goals**.

SDGs	Our approach and actions
	<b>SDG 1</b> ► target 1.4 - through our grievance mechanism in place to ensure that we address issues raised related to equal rights in our community and related to ownership and control over land and other forms of property
	<b>SDG 16</b> ► targets 16.3, 16.5 and 16.6 - through our strict zero tolerance policy for bribery, fraud, theft, and other types of corruption and implementation of our Code of Business Ethics
	<b>SDG 17</b> ► target 17.16 - by engagement in multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology, and financial resources, to support the achievement of the Sustainable Development Goals





# Business Ethics

## Why is this important?

Maintaining ethical behavior is crucial for building a positive reputation and securing and preserving the trust of our business partners, clients, and stakeholders.

## Our commitment

OMV Petrom [Code of Conduct](#), [Code of Business Ethics](#), and Whistleblowing Platform Directive are part of our core policies and commitments and have been approved by our Executive Board. Our internal Whistleblowing Platform Directive has been updated in 2021 to address all areas relevant for OMV Petrom activity, in accordance with the provisions of EU Directive 1937/2019 on the protection of persons who report breaches of European Union law (the Whistleblowing Directive), and further on, in 2023 to fully address the requirements of the Romanian transposition law no. 361/2022. In 2023, the Executive Board also approved the Ethics and Integrity Policy which defines a clear set of ethical and moral values to be considered in daily decision making, i.e., what is considered desirable and acceptable ethical behavior above and beyond compliance with rules and regulations.

OMV Petrom Compliance Management System is fully operational and has been re-certified by international auditors in 2023. Through training and compliance programs for targeted OMV Petrom employees, we aim to raise awareness of business ethics.

We report on “Transparency about ownership structures” in the [Corporate Governance](#) sub-chapter of this report.

## Our approach

We closely monitor any potential conflicts of interest, gifts & invitations, sponsorships, and donations. To ensure that our workforce has the right skills to detect possible issue, topics related to business conduct like the Code of Conduct, are part of our mandatory training programs and awareness campaigns and we monitor the level of completion of the training sessions.

OMV Petrom has a fully operational compliance management system that consists of internal rules, processes, and controls. This system is intended to help us avoid, monitor, and detect potential lapses in business ethics and to foster a business ethics culture inside the firm. The compliance management system gravitates around the [Code of Conduct](#) and the [Code of Business Ethics](#).

The Executive Board of OMV Petrom has signed both the Code of Conduct and the Code of Business Ethics, ensuring their applicability across all countries in which the business operates. The Integrity Policy is also binding in all operational countries.

The Ethics and Integrity Policy introduces the Ethics and Integrity Committee that provides a forum for exchange in ethical matters, represents the focal point on integrity matters and propagates ethical standards from the top down. The Committee operates independently and meets ordinarily at least once a year and whenever needed to discuss specific integrity matters.

**The Zero tolerance policy towards bribery, fraud, theft and other forms of corruption** is clearly stipulated in the Code of Business Ethics that is endorsed by the Executive Board and communicated to all OMV Petrom employees via all the communication channels available in the organization. Additionally, it is mandatory for all OMV Petrom’s employees, including the ones working in OMV Petrom’s subsidiaries in Romania, Bulgaria, Moldova and Serbia and all external staff who work under secondment agreements to comply with the Code of Business Ethics.

In accordance with the EU Whistleblowing Directive and its relevant topics including, but not only corruption and bribes, conflicts of interest, competition law, and capital markets law, OMV Petrom developed an internal Whistleblowing Directive. This stipulates the “no retaliation” policy aiming at protecting individuals who report misconducts in good faith and outlines methods for employees and external workers to make confidential and anonymous whistleblower complaints. The Whistleblowing Directive also ensures reports or incidents are investigated by personnel who are separated from the chain of management involved in the matter.

Our Compliance Management System undergoes periodic reevaluations. In 2013, 2017 and 2023, the System was audited based on IDW PS 980 International Standard, covering aspects such as design, implementation, appropriateness and effectiveness and there were no findings in 2023.

As part of the EWRM exercise, business ethics-related risks are reevaluated twice a year.

All operational areas of OMV Petrom underwent risk assessment related to corruption, as part of the Compliance Management System assessment. The main risks identified are facilitation payments, unlawful gifts and hospitality, unlawful donations, undisclosed conflicts of interests. To prevent such risks, we have implemented several measures such as: trainings with a focus on employees who work in the most risk-exposed areas, spot checks on conflict-of-interest, as well as on gifts & invitations given and received, compliance checks on third parties.

In order to maintain the integrity of our strategic approach, it is crucial that all employees align with our ethical beliefs and principles. In this regard, we provide mandatory training on key matters such as on business ethics and antitrust law. The compliance team participates in training sessions and workshops to share country-specific insights from the whistleblower programs.



# Business Ethics

## Our key activities

In 2023, we worked specifically on:

- ▶ Adopting the Integrity Policy, which aims at setting the ethical and cultural tone for the company, meet shareholders and external stakeholders' expectations, facilitate better and more consistent decision making and contribute to OMV Petrom's recognition as a reliable business partner;
- ▶ Reviewing the Code of Business Ethics to streamline the approval process regarding gifts & invitations;
- ▶ Enhancing the awareness campaign on the importance on whistleblowing through the following actions:
  - ▶ A Group-wide "Speak-up" Survey was launched in order to assess the level of speak-up culture within the Group and the results will be ready in 2024
  - ▶ A dedicated topic on whistleblowing was emphasized during the business ethics trainings
  - ▶ Info screen messages were posted to encourage people to report observed misconduct
  - ▶ The available whistleblowing channels were reinforced quarterly through flyers that are attached to pay slips, in order to reach frontline employees
- ▶ A renewal campaign was implemented on conflict of interest, targeting management level 0-4 and employees in the procurement and sales departments;
- ▶ Updating the pocket guides that approach specific business ethics topics;
- ▶ Continuing to deliver compliance refresh sessions through our training program with virtual and face-to-face sessions in OMV Petrom and our subsidiaries in Bulgaria, Serbia and Moldova. In 2023 all white collars in OMV Petrom and its subsidiaries had to complete the business ethics e-learning;

- ▶ Performing quarterly spot checks on the following topics: conflict-of-interest, gifts & invitations, sponsorship & donations in order to prevent and monitor risks;
- ▶ Performing compliance assessments on third parties.

## Results (KPI, other indicators) & progress

- ▶ E-learning trainings on Business ethics: 4,589 participants
- ▶ Virtual face-to-face trainings on Business ethics: 532 participants
- ▶ Virtual face-to-face trainings on Competition law: 108 participants

**Spot checks** ▶ quarterly spot checks on the topics of conflict of interests, gifts & invitations, sponsorships.

**Whistleblowing** ▶ 11 whistleblower reports registered via the Whistleblowing channels.

**Incidents of corruption** ▶ zero incidents resulting in the termination or non-renewal of contracts with business partners or employees on account of corruption.

**Public legal cases** ▶ **zero public cases** involving corruption brought against the organization or its employees during the reporting period. However, there are **2 legal actions pending with regard to competition law matters in subsidiaries in Moldova and Bulgaria**. Our performance is detailed in the Performance in Detail section of this report.

**Incidents of anti-competitive behavior or violations of the anti-trust and monopoly legislation** ▶ zero incidents.

Our efforts to enhance business ethics awareness amongst all OMV Petrom personnel through trainings and a compliance communication program stands as evidence for our progress.

## Outlook

Our planned actions include regular mandatory trainings on business ethics for our employees alongside mandatory Competition Law trainings for all employees in the highest risk-exposed areas - both delivered through dedicated e-learning applications. Other planned actions are direct business ethics trainings for managers (virtual or in-person), and mandatory direct Competition Law trainings for managers and employees in the highest risk-exposed areas (virtual or in-person).

We will continue to provide the following:

- ▶ E-learning on Business ethics, mandatory every 2 years for all white-collar employees;
- ▶ E-learning on Competition law, mandatory every 2 years for all employees in the highest risk-exposed areas;
- ▶ Direct Business ethics trainings (virtual or face-to-face), mandatory every 3 years for managers level 1-4;
- ▶ Direct Competition Law trainings (virtual or face-to-face), mandatory every 3 year for managers and employees in the most risk-exposed areas;
- ▶ Rolling-out the Integrity Policy across OMV Petrom and its subsidiaries.

# Community Grievance Mechanisms

## Why is this important?

The Grievance Management Process at OMV Petrom Group is integrated in the Compliance Management System, which ensures compliance with applicable legal provisions and internal regulations. This aims to reduce non-compliance risks and financial consequences for the company and to increase the efficiency and effectiveness of our dialogue with stakeholders and communities.

We value and take into account stakeholders' input as it plays a crucial role in designing comprehensive social risk management procedures. Fostering relationships with the local community helps increase trust and encourage local support for our programs.

It is essential that the grievance process operates transparently, credibly, and fairly for all parties involved. Effective grievance management builds trust within community relations activities and elevates OMV Petrom Group's social performance. It outlines how the managers of specialized departments within the Organizational Units (OU) handle the grievances, from receiving, registering, and reviewing them, to establishing measures, resolving them, and transmitting the responses in time.

In cases where our business has contributed to or caused detrimental effects, we either finance or facilitate their compensation, through legitimate processes.

## Our commitment

By 2025, we plan to assess the effectiveness of the community grievance mechanisms at all our sites against the standards set by the UN Effectiveness Criteria<sup>10</sup>.

## Our approach

- ▶ We register the number of Grievances, by category
- ▶ We measure the number of received grievances vs. number of resolved grievances
- ▶ We measure the number of grievances resolved through remediation

All concerns are handled effectively, transparently and in a timely manner. In terms of traceability, we register both grievances and their responses in a database (Service Now or SNOW - Grievances section). Both the standard and the work instructions describe the process in a way that guarantees the most efficient resolution of the grievances in the shortest possible time. The personnel who are in charge of handling grievances on the field are obliged to notify the claimant about the time frame in which they will receive a response to their complaint.

Every grievance is investigated and resolved in a non-judicial manner, while providing community members with access to remedies, depending on the case. Our Compliance department audits the contents of the database to ensure data accuracy and, where applicable, makes recommendations for improvement. Grievances are closely monitored to guarantee timely resolution.

The Compliance department delivers training to all staff managing grievances as per requests and provides ongoing support and guidance.

## Our key activities

The assessment of grievances continued in 2023 to identify the root causes, particularly of recurrent grievances from Asset Valahia. The main steps were:

- ▶ The root causes of recurrent grievances based on historical data from the SNOW grievances database and from investigative studies carried out were further investigated in 2023.
- ▶ Further investigative studies of selected historically polluted sites were conducted and expanded during 2023 in order to evaluate the current status of natural attenuation – with the aim of finding a way to reduce the number of grievances by the end of 2023.
- ▶ The information from the grievances database (griever's documents – i.e., property related – vs. our updated drawings and plans based on the most recent field visits) will be followed up and continuously updated.
- ▶ The linked information resulting from the LMS and SNOW grievance databases will be improved for better management of raised claims that relate to land rentals and environmental compensation.
- ▶ We have conducted a several evaluation and analysis focusing on managing historical recurrent grievances in order to resolve issues related to the root causes of recurring grievances. The results of our proactive efforts of solving the grievances conducted top decrease the number of registered complaints with 36% (270 grievances in 2022 compared with 172 grievances in 2023, for Asset Valahia).

<sup>10</sup> legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning, and based on engagement and dialogue

# Community Grievance Mechanisms

## ► Regarding Investigation of Root Causes of Recurrent Grievances:

- We have analyzed historical data from our grievances database and conducted investigative studies in 2022. Based on these findings, we initiated further investigation to identify the root causes. This investigation included the analysis of historical data and an expansion of research in 2023 and we are continuing this process.

## ► Investigation and Evaluation Studies of Historically Polluted Sites:

- Following the conclusions drawn from the investigation mentioned above, several studies have been launched on selected historically polluted sites. The main purpose of these studies was to assess the current status of natural attenuation with the goal of reducing the cash-out and the number of grievances by the end of 2023.

## ► Ongoing Update of Information from the Grievances Database:

- We are ongoing to implement a process of continuous tracking and updating of information from the grievances database. This process is continuously involving comparing grievances documents with our updated drawings and plans based on the most recent field visits.
- We have worked on improving the connectivity and data management for more efficient handling of claims related to land rentals and environmental compensation. This will contribute to faster resolution of these issues and a reduction in the number of grievances.

## Results (KPI, other indicators) & progress

In 2023, we registered a total of 617 grievances related to society, human rights and environmental issues (total grievances), 374 of the grievances were related to social impacts generated by the operations and 243 grievances were related to environmental impacts (out of which 204 related to land contamination). 467 were resolved, together with an additional 46 from the previous year. Out of the 467 resolved grievances (for 2023), 44% of them were resolved through remediation (for 28% of them lease contracts were concluded and for 28% of them other solutions were found).

Out of the total number of 617 grievances received, a total of 75.70% were resolved.

## Outlook

- We will continue to investigate the root causes for each historical and recurrent grievance;
- We will expand on site Investigation and Evaluation Studies for historical recurrent grievances;
- We are ongoing to enhance Data Linkage and Management between LMS and SNOW databases;
- We will design a tool to monitor and report progress and will perform the needed adaptation and adjustment.





# Personal Data Protection

## Why is this important?

The observance of the provisions of Personal Data Protection legal framework, and of internal regulations, is crucial for our company to protect those sensitive data, to maintain stakeholder trust, and to avoid potential substantial financial penalties and reputational damage.

In terms of personal data protection, the following potential negative impacts are considered:

- ▶ Data breaches may disclose personal data of community members or of the company's own employees or other parties to unauthorized third parties, and erode the trust between community and company.
- ▶ International operations may be hindered by non-compliance with relevant laws and regulations if cross-border transfers of personal data are not properly addressed.
- ▶ The company can face substantial fines for non-compliance with GDPR provisions, which can be up to 4% of the global annual turnover or EUR 20 mil, whichever is higher. Moreover, the company can face remediation measures imposed by The National Supervisory Authority For Personal Data Processing.
- ▶ Reputational damage and/or legal actions in case of data breaches or non-compliance, which can have long term consequences, including losing business opportunities and employee trust.
- ▶ Addressing compliance issues and data breaches can lead to operational disruptions, by diverting resources from core business activities.
- ▶ Increased scrutiny from The National Supervisory Authority For Personal Data Processing, through investigations and audits, would further burden the company and its resources.

There are several positive impacts of data protection, including:

- ▶ Improved handling of personal data (general/sensitive/special), promoting respect for human rights and privacy.

- ▶ Increased transparency and accountability in data management, enhancing stakeholders' trust and confidence in the company's ethical practices.
- ▶ Enhanced cybersecurity measures, reducing the risk of data breaches and associated reputational, financial, and legal damages.
- ▶ Improved data quality and accuracy, enabling better decision-making and ESG reporting.
- ▶ Better management of environmental, social, and governance risks, leading to the development of more sustainable and responsible business practices.
- ▶ Increased engagement with stakeholders on data privacy concerns, leading to a more informed and engaged workforce, customer base, and community.
- ▶ Strengthened compliance with data protection regulations, reducing the risk of penalties and lawsuits.
- ▶ Improved reputation as a trustworthy, responsible, and sustainable company, enhancing the ability to attract and retain investors, customers, and employees.

In 2023 we delivered customized training sessions, webinars and workshops on specific topics, such as processing of personal data along to Procurement & Internal/External Corporate Communications and Sustainability, Data Breach, Welcome aboard sessions for new employees (e.g. employees of suppliers). In 2023 we added to our training curricula the General Data Protection e-learning training, which became mandatory for all employees with access to the company's internal platform. Additionally, we published a series of blog articles and news articles.

To consolidate data protection awareness and success, specific Info Bulletins were delivered to top and middle management, in order to keep them informed. The Internal and External Data Protection Audit Plan was also prepared and performed. The areas involved were:

- ▶ Internal: personal data processing through CCTV systems
- ▶ External: personal data processing along with accessing vacation and health therapy

The process of digitalization and simplification of the Data Protection activity continued with:

- ▶ The already started assessment of the IT application in connection to the Record of processing Activities (RoPA)
- ▶ Launching of the New GDPR Platform available for all employees on the company Intranet
- ▶ Moving the data protection Ticketing system from 2Connect to Service Now platform: all required data protection Reports were digitalized and merged with the company Power BI system
- ▶ More than 600 requests for advice received by the Data Protection Department from business representatives were solved. The subjects of interest include assessments of:
  - ▶ internal and external campaigns (including promotional ones) implemented by the OMV Petrom companies;
  - ▶ commercial contracts/agreements from data protection perspective, to determine the relation (Independent/Joint Controllers, Controller - Processor) between parties;
  - ▶ specific situations, which could have led to data breaches (lost/stolen IT devices such as: mobile/smart phones, laptops etc.);
  - ▶ business projects, including launching of specific IT Apps, which involve processing of personal data;
  - ▶ according to internal procedures revision plan, the Management of Data Subjects' Requests internal data protection procedure was revised and updated.

In 2023, only one Personal Data Breach event was registered. No notification of the National Supervisory Authority For Personal Data Processing was required. Also, no fines related to Data protection Processing were recorded.

# Public Policy

## Why is this important?

OMV Petrom aims to gain the trust of stakeholders by ensuring high standards of corporate governance, transparency, and predictability.

We monitor political and regulatory changes (both at EU and national levels) that could affect our interests, such as energy, environment, climate change, fiscality, and trade activities. This is done through a special Regulatory and Corporate Public Affairs department. Since Romania does not have a lobbying law, OMV Petrom expresses its views on business and regulatory issues through public advocacy channels, such as business sector confederations, energy sector federation, and professional associations where we are members. We draft and express our position through these associations and freely disclose via press statements or position papers submitted to the authorities. The list of professional associations we belong to can be found in the annex of this report. OMV Petrom is a member of industry associations to understand issues better, share knowledge, help set standards, and give feedback to regulatory authorities on behalf of the sector. Our association activities contribute to the larger national debate on a sustainable, affordable, and secure energy future. The energy transition will only be successful if all stakeholders – including policymakers, businesses, and society, engage in productive discussions. As a voice of business, associations participate in precisely these important debates and contribute their proven expertise on various aspects of policy.

## Management and Due Diligence Processes

### Direct Political Engagement

OMV Petrom does not support political parties. Our Code of Business prohibits any support for political parties, so no donation or other type of support was provided in 2023. In addition, OMV Petrom Group does not allow political party activities on its property.

### Indirect Political Engagement

A responsible and transparent cooperation between the private sector and public stakeholders is an important pillar for our activity and contributes to economic development. It ensures that we operate in a socially responsible way within the laws of the countries where we operate.

OMV Petrom actively participates in industry associations at the EU and national levels to stay updated about regulatory and public requirements. Representatives from OMV Petrom make clear our stance on issues tackled by the associations in which we are members. We aim to contribute to EU and national policies by engaging with key industry associations such as the Employers Confederation "CONCORDIA", the Oil and Gas Employers' Federation, Foreign Investors Council, and Romanian Association for the Promotion of Energy Efficiency.

## Transparency

We are fully compliant with all national and EU reporting obligations, as well as all transparency requirements. Interaction with governments and regulators takes place at European, national, and local levels.

## Monitoring of Participation in Industry Associations

These associations' positions aim to reflect a consensus among members and therefore might not always represent every member's views. We constantly review our association's positions on issues to decide whether our participation can continue. We regularly report on the alignment between the industry associations in which we are members and OMV Petrom's position on climate change policies.

## Our key activities

Among the governing boards and task forces of these associations, we continued to advocate for stronger commitments aligned with the goals of the Paris Agreement. As a result, FIC and ARPEE have taken a clear stance on this issue. Along with these efforts, we dedicated our expertise and resources to broaden the scope of FPPG's activities to promote green technologies. This includes promoting geothermal energy, carbon capture, transportation and storage, hydrogen, photovoltaics, biofuels, and biomethane in Romania by shaping a consensus on the need and benefits, understanding the economic and environmental reasons and implications, and raising awareness of hurdles among all relevant stakeholders.

At the national level, we engaged mostly in a reactive manner through associations on the new Fiscal Package. We provided our feedback through public consultations on the draft Offshore Wind Law, National Hydrogen Strategy, and Romania's Long-Term Strategy for reducing greenhouse gas emissions. We also participated in initiatives aimed at facilitating the deployment of green technologies by ensuring an enabling legislative framework in order to support the implementation of our 2030 Strategy.



**0** political donations  
in the OMV Petrom Group in 2023



# Public Policy

In 2023 our main focus was on the proposal for a Regulation of the European Parliament and of the Council on reducing methane emissions in the energy sector and modifying Regulation (EU) 2019/942. We also concentrated on the Proposal for a Regulation of the European Parliament and of the Council for establishing a framework for enhancing Europe’s net-zero technology product manufacturing ecosystem (Net Zero Industry Act), and Council Regulation (EU) 2022/2576, which aims to enhance solidarity through coordinated gas purchases, reliable price benchmarks, and cross-border gas exchanges. We aided the Commission in delivering provisions by participating in the EU Energy Platform Industry Advisory Group.

We also took part in public consultations regarding Electricity Market Design and Industrial carbon management strategy (CCS).

In compliance with European legislation, we focused on identifying sustainable projects in the energy sector that could be supported by external funding sources, helping to achieve decarbonization goals. We paid particular attention to security of supply, energy efficiency, and promotion of renewable energy by bringing added value to the economic system.

## Outlook

In 2024 the Fit-for-55 package and RePowerEU will present significant requirements and opportunities for OMV Petrom. We will pay close attention to any planned public consultations. Unforeseen challenges related to the security of energy supply may arise from the conflict between Russia and Ukraine, requiring innovative responses. As a key element for a more sustainable energy landscape, we will regularly evaluate external funding prospects for project development to support our transition towards clean energy.





# Tax Transparency

## Why is this important?

Taxes generated by our business activities are substantial and diverse. We are one of the biggest taxpayers in Romania and we pay corporate income taxes, royalties and other industry specific taxes, production taxes, employment and other taxes. In addition, we collect and remit payroll taxes as well as indirect taxes, such as excise duties and VAT. We contribute in this way to the economies of the countries in which we operate by collecting and paying all relevant taxes.

In terms of tax transparency, the following impacts are considered:

- ▶ Tax contributions help support the provision of essential public services such as education, healthcare, and infrastructure.
- ▶ Tax contributions provide a way for the government to redistribute wealth and promote social welfare by aiding those in need.
- ▶ Tax transparency promotes an ethical and responsible business environment, establishes open communication between businesses and stakeholders, encourages good regulatory practices, and generates a positive impact on society.

## Our commitment

At OMV Petrom, we are committed to complying with tax laws in a responsible manner and to having open and constructive relationships with tax authorities. One of our main priorities is to ensure that our tax compliance supports OMV Petrom Group's business and strategic goals and reflects our commercial and economic activity, carried out in a responsible and sustainable manner, with the aim to add value to the societies in which we operate.

Furthermore, at OMV Petrom we foster an active and open dialogue with all our stakeholders including governments and tax authorities with the purpose to openly address any controversial issues in a responsible manner and find mutual solutions. We collaborate with tax authorities, whenever possible, on principles of trust, good faith, and professionalism to resolve disputes and to achieve early agreement and certainty.

## Our approach

To ensure full compliance with the applicable tax law framework and to efficiently address tax matters, we have in place a comprehensive system of internal regulations and multiple standards and instructions, which detail the roles and responsibilities of the business units, departments and management representatives involved in tax topics. Moreover, in 2020, OMV Group published a [Tax Strategy](#), dully assumed and implemented in OMV Petrom Group. We release annual and quarterly reports on our business which facilitate understanding of our tax contributions and the tax policies applied. More detailed information on tax governance, control, and risk management can be found in the Tax Strategy and in the Annual Report.

As a forward-looking company, OMV Petrom actively participates in initiatives to update or modify the fiscal legislative framework through its representatives, either independently or as a part of a coordinated effort of professional associations (e.g. [Foreign Investors Council](#), [American Chamber of Commerce in Romania](#), [FPPG - The Oil and Gas Employers Federation](#)). Additionally, OMV Petrom actively participates in conversations with tax authorities and in the preparation of letters and position papers, either independently or through the aforementioned associations.

Neither OMV Petrom Group nor its subsidiaries engage in aggressive tax planning that involves artificial structures that are merely designed to save taxes, nor do they engage in transactions without economic substance designed to secure undue tax benefits. We adhere to all applicable tax rules while attempting to reduce the chance of ambiguity or disagreements. We perform transactions between OMV Group companies on an arm's-length basis and in accordance with current applicable OECD principles.

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

Since 2016, OMV Petrom has provided mandatory disclosures under the Payments to Governments Directive (according to Chapter 8 of the Annex 1 of Ministry of Finance Order 2844/2016, transposing Chapter 10 of the Accounting Directive 2013/34/EU of the European Parliament and of the European Council) and has published its payments made to governments in connection with exploration and production activities, such as taxes, royalties or license fees, rental fees, entry fees and other considerations for licenses and/or concessions, in the consolidated financial statements.

For more details, see the Consolidated Report on the [Payments to Governments on our website](#).

OMV Aktiengesellschaft (AG) files a Country-by-Country Report (CbCR) with Austrian tax authorities for OMV Group which is part of the OECD's Base Erosion and Profit Shifting (BEPS) Action Plan 13. In compliance with the fiscal tax legislation in place, members of the OMV Petrom Group, acting as constituent entities of OMV Group, notify national authorities, where required, about the submission of the CbCR in Austria. The CbCR is an annual tax return that breaks down key

# Tax Transparency

elements of the financial statements by tax jurisdiction, such as names of the resident entities, their short activity and risks and functions profiles, key indicators such as number of employees, revenues – with details on split between related and non-related parties, income taxes, etc. At the same time, OMV Petrom SA, in its constituent entity capacity, fully complies with the notification requirements and annually submits the mandatory CbCR Notification to Romanian tax authorities..

In the spirit of disclosure and as required by the legislative framework in place, OMV Petrom's Financial statements reflect the nature and value of transactions carried out with related parties (i.e., Note 30 – OMV Petrom SA Separate Financial Statements). Furthermore, OMV Petrom publicly discloses in its financial statements (Note 33 – “Direct and Indirect Investments of OMV Petrom Group with an interest of at least 20%.” to the OMV Petrom Group Annual Report) the name, the jurisdiction, the main activity profile and its ownership percentage of its consolidated subsidiaries.

## Management and Due Diligence Processes

### Risk assessment

We regularly conduct risk analyses that take into account tax risks in order to evaluate our present and potential financial and non-financial risks, determine how these trends will affect OMV Petrom, and then create the necessary responses. Through a well-defined process, we report significant internal risks to the Supervisory Board at least twice a year. The Executive Board sets the tone and drives the company towards a strong risk management culture. By integrating risk management strategies at the operational level with a strong and intricate set of controls and processes, we are able to identify, evaluate, and manage tax risks. We collaborate with state and tax authorities within the boundaries of OMV Petrom's assumed Business Ethics principles.

## Outlook

Since 2015 OMV Petrom has obtained, from Romanian tax authorities, five unilateral Advance Pricing Agreements ('APA'), in relation to significant transactions carried out with related parties. Some of these APAs have been changed or extended throughout time, while others have not been renewed when they expired. Currently, an APA is still in effect through the end of 2024, and the Company plans to apply for a new APA in the near future.

Currently, among initiatives of the EU, OECD Member States and the Romanian Government, taxation is a vital guiding tool towards an eco-friendly, green economy. Initiatives include:

- ▶ The Fit-for-55 package to reduce EU net greenhouse gas emissions by at least 55% by 2030 will have an impact on the taxation of inefficient and polluting fuels;
- ▶ OECD/G20 inclusive framework on reforming international tax rules by implementing new rules for profit allocation (Pillar One) and establishing a global minimum taxation regime (Pillar Two) - Romania has published, the final law at the end of 2023 which transposes into domestic legislation the provisions of the EU Directive on Pillar Two;
- ▶ Common European Council, European Parliament, and European Commission agreement on the proposed public Country-by-Country Reporting Directive (CbCR). Romania transposed into its domestic legislation the provisions of EU Directive on the public CbCR in September 2022; such provisions will come into force as of 1<sup>st</sup> of January 2023, while the filing deadline for 2023 is set in 2025 (i.e., 12 months after deadline for financial statements submission);
- ▶ A new tax on turnover was introduced as of January 1<sup>st</sup> (0.50% for OMV Petrom S.A. and OMV Petrom Marketing S.R.L.) with an estimated total annual impact of below RON 250 mn in 2024. The new tax is applicable in 2024-2025.



# Supply Chain

To mitigate supply chain risks, including forced labor, slavery, human trafficking, and corruption, OMV Petrom extends the legal requirements, internal rules, and standards applicable to OMV Petrom on its suppliers. Our suppliers are obligated to fully comply with the content of the OMV Petrom Code of Conduct, and our supply chain partners are required to sign the OMV Petrom Code of Conduct. In addition, our suppliers must accept the General Conditions of Purchase, which further detail our business standards (e.g., labor rights), as an integral part of our contractual agreements. OMV Petrom reserves the right to terminate relationships with suppliers if non-compliance with applicable policies is identified or if is not rectified in a timely manner.

OMV Petrom's Corporate Procurement Directive was revised in 2023. Two of the main changes were: the introduction of sustainability criteria as part of the commercial evaluation, and sustainability embedded in the Supplier Relationship Management process. The Corporate Procurement Directive also stipulates the 60-day standard payment terms that we have in place, in order to ensure that we have a standardized approach to payment conditions for our suppliers and contractors.

A new Supplier Relationship Management (SRM) framework was developed in 2022 and subsequently rolled out in 2023, with the focus on managing the strategic relationship with our suppliers and contractors. Thanks to the new SRM framework, sustainability is now part of supplier segmentation, supplier performance, supplier meetings, and supplier innovation.

To support the OMV Group on its transformation journey to become a leader in innovative sustainable fuels, chemicals, materials, and the circular economy, it is crucial to ensure that suppliers are encouraged to innovate. This helps unlock their potential, and the innovative solutions they develop provide an opportunity to enhance and strengthen partnerships between the Company, Procurement, and suppliers.

The materiality of our Supply Chain is centered on our commitment to implementing sustainable procurement practices. This chapter

and other sections of the report offer in-depth information on how each area of the supply chain topic is managed. The [Mapping Our Specific Sustainability Risks](#) section provides details on specific Supply Chain risks and effects.

Our **Supply chain** actions contribute to the following **UN Sustainable Development Goals**.

## SDGs

## Our approach and actions



**SDG 8** ► targets 8.7 and 8.8: by taking action through rules imposed along the supply chain aimed to eradicate forced labor, end modern slavery and human trafficking, and protect labor rights and promote safe and secure working environments



**SDG 16** ► target 16.5: through our supply chain rules towards corruption



**SDG 17** ► target 17.16: by engagement in of our suppliers in partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals

## Why is this important?

Sustainable procurement at OMV Petrom means being mindful of the environmental, social, and economic implications of the goods and services the Company intends to purchase. We aim to foster innovation, maximize value contribution, and enable supply chain growth. We achieve this by applying our sourcing and logistics expertise to ensure that the highest-quality materials and services are provided throughout our supply chain. This involves working closely with our partners, contractors, and suppliers. It is of paramount importance to our organization to comply fully with all applicable legal requirements, as well as with our internal safety, environmental protection, and human rights standards when managing our supply chain.

By integrating sustainability requirements throughout our supply chain (e.g., audits, assessments, sustainability criteria in sourcing) we aim to drive a positive change in the sustainability performance of our suppliers and contractors while mitigating potential negative impacts such as economic disruptions due to delays in payment. Our purchased goods and services are for all our business areas (E&P, R&M) and include, among others, those related to raw materials, wells, IT, consultancy, engineering, logistics, and retail.

## Our commitment

We aim to continuously control and reduce the carbon footprint of the products and services we use. OMV Petrom is fully committed to responsible resource management and reducing global warming. We are aware that we can develop cooperative low-carbon programs to steadily reduce carbon emissions in the supply chain and fulfill our Paris Agreement obligations only if we collaborate with our suppliers. As a result, OMV Petrom joined the CDP Supply Chain in 2021.



# Supply Chain

In 2021, OMV joined Together for Sustainability (TfS) program, which is based on the UN Global Compact and Responsible Care® principles. As a member of the TfS program, OMV Petrom is able to further embed sustainability into its day-to-day business operations and further cascade sustainability requirements within our supply chain. During TfS audits and assessments, suppliers are screened in detail on their approach regarding the Environment, Social Responsibility, Labor & Human Rights (e.g., Employee Health & Safety, Working Conditions, Social Dialogue, Career Management & Training, Child Labor, Forced Labor & Human Trafficking, Diversity, Discrimination & Harassment, External Stakeholder Human Rights), Ethics, and the Supply Chain.

OMV Petrom aims to continuously increase the number of sustainability evaluations (respectively TfS audits and EcoVadis assessments) of its suppliers. In this regard, we defined TfS related targets for 2025 and 2030:

- ▶ By 2025, we aim to run sustainability assessments (respectively TfS Audits and TfS Assessments) for all suppliers covering >80% of the Procurement spend;
- ▶ By 2030, we aim to extend sustainability assessments (respectively TfS Audits and TfS Assessments) to all suppliers covering 90% of the Procurement spend.

Additionally, our short- and medium-term targets are:

- ▶ By 2025, over 20 remote full-scope audits performed by Procurement department with an external auditor at Group level;
- ▶ By 2030, all new suppliers screened against mandatory ESG criteria during supplier pre-qualification prior sourcing projects (baseline 2022);
- ▶ By 2030, yearly spend with local suppliers to be at least 85% out of total Procurement spend.

## Our approach

Through supplier audits and assessments, we measure our suppliers' overall performance and their sustainability performance.

All OMV Petrom's legal obligations and internal rules and standards are imposed on our suppliers, who are required to fully comply with our Code of Conduct.

If non-compliance with the relevant policies is detected and is not promptly remedied, OMV Petrom reserves the right to terminate its partnership with the respective supplier.

## Risk assessment

Understanding a supplier's risk is crucial in deciding whether and how to work with them. Since 2019, we have been receiving daily alerts about our registered suppliers through SAP Ariba tool. These enable us to monitor their risks in the following four categories: operations, regulatory and legal, financial, and environmental and social. These risk alerts assist in proactive risk management. Additionally, we have a screening procedure in place to make sure that entities sanctioned by the EU or other international bodies, such the United Nations, are not accepted as procurement partners.

## Audits/Inspections

OMV Petrom conducts two types of audits of its suppliers and contractors: on-site audits under the "Together for Sustainability" program that focus on the sustainability performance of a company, and remote full-scope audits performed by an external auditor. The audits are carried out as part of the supplier prequalification process and/or during contract execution. The aim of the audits is to measure the performance of our suppliers and define actions that will enable them to optimize their performance and meet OMV Petrom

requirements. During the full-scope audits, we pay special attention to the financial stability of our suppliers, their organizational strategy, supply chain dynamics, and sustainability practices (e.g., social, and environmental issues), and their cybersecurity performance.

Each audit finding classified with a red flag is followed up and analyzed by the Procurement team in collaboration with business representatives and any other relevant function (e.g., HSSE, Legal, Internal auditing, and Compliance). Information on the outcome of the audit is made available to the supplier, and the supplier is requested to submit a proposed corrective plan with concrete measures and an implementation timeline. In 2023, 9 audits (out of the total 16) resulted in follow-up measures.

## Supplier Selection

Supplier prequalification is part of pre-contractual activities during which OMV Petrom gathers information from a potential supplier in order to assess their compliance with our HSSE and other sustainability requirements. The goal of the prequalification process is to screen potential suppliers either before bringing them on board or during the tender stage. This ensures that only suppliers who meet our HSSE and sustainability standards can be considered for future collaboration. The prequalification process is based on a standardized list of elements and objectives that aligns with the OMV Petrom's HSSE Management System (e.g., HSSE Policy, ISO 9001, 14001, 45001) and our Sustainability Framework (e.g., Sustainability Policy, Human Rights Policy, and Grievance Mechanisms).

Following prequalification, the Procurement Department together with business representatives select the best suppliers based on a pre-defined set of commercial, legal, HSSE and technical criteria during a tender process.

# Supply Chain

To support the overall OMV Group Sustainability Targets 2030 and the Sustainable Procurement ambition to give sustainability a “value” in sourcing, the Procurement department recommends two criteria to assess the sustainability performance of the bidders in their commercial evaluation: the EcoVadis score and participation in the CDP Supply Chain.

## Supplier Engagement

OMV Petrom works together with its suppliers to improve overall sustainability performance. To this end, in 2023, individual meetings and webinars were offered to our suppliers to help them better understand the requirements of the CDP climate change questionnaire or the TfS Assessment, and why this information is important to OMV Petrom.

In October 2023, we organized the second Supplier Sustainability and Innovation Day, with the aim of interacting and exchanging experiences with our suppliers and having the opportunity to build a stronger and more sustainable supply chain. More than 350 participants from the suppliers' side and the OMV Group attended the event. Together with our suppliers, we addressed topics such as climate change, the circular economy, and innovation (e.g., Climate Change – How can we build successful alliances on the path to net zero?; Circular Economy – How can we collaborate to effectively implement circular solutions?; Innovation – How can we create sustainable value through innovation?). The key presenters from OMV Group included the OMV Group CFO, the CEO of OMV Petrom, the CEO of Borealis, the OMV Group SVP of Innovation & Technology, and the OMV Group SVP of Procurement.

Sustainable procurement and low-carbon procurement were also topics included in the agenda of our annual strategic supplier meetings.

We actively engaged not only with our suppliers, but also with buyers on sustainable procurement and supplier innovation practices. A significant number of buyers from Procurement organization, respectively 205, participated in several awareness sessions throughout the year. The focus was on engaging buyers on sustainable procurement, supplier relationship management, and supplier innovation.

## Our key activities

### Local Procurement

By promoting economic growth, we hope to assist the local communities in the areas where we are active. Local purchases support the neighborhood economy and meet the local procurement expectations of neighboring communities. Increased local procurement has had the added benefit of reducing business disruption in recent years. In 2023, OMV Petrom's spend with local suppliers across the group was 90,50%, while in Romania, the spend with local suppliers was 100%. Local spend is considered when the country of the supplier and the country of the ordering company are the same.

### Supply Chain Carbon Transparency

Our goal is to continuously monitor and minimize the carbon impact of the products and services we acquire. OMV Petrom is wholly committed to responsible resource management and reducing global warming. Engaging with our suppliers is essential for us to define cooperative low-carbon projects that will steadily reduce carbon emissions in the supply chain and fulfill our obligations under the Paris Agreement.

As part of CDP Supply Chain, we engaged with 166 suppliers of OMV Petrom to answer the Climate Change questionnaire in 2023. Suppliers were selected based on spend, their estimated carbon emissions volume and the carbon intensity of the goods and services

purchased from them. In addition to reporting their emissions, we asked the suppliers whether they have carbon reduction targets in place and invited them to share with us any initiatives or projects to reduce carbon emissions in which they would like us to participate.

## Results (KPI, other indicators) & progress

- ▶ We reached 16 remote full-scope audits performed by OMV Procurement with an external auditor;
- ▶ 205 buyers from Procurement organization attended awareness sessions on sustainable procurement;
- ▶ 166 suppliers of OMV Petrom were invited in 2023 to answer CDP Supply Chain questionnaire on Climate Change;
- ▶ Local spend rate in 2023 for OMV Petrom was 90.5% (spend with local suppliers in Romania was – 100%);
- ▶ 212 new suppliers were screened using environmental and social criteria, during supplier pre-qualification prior to sourcing projects;
- ▶ 53 suppliers of OMV Petrom with TfS (Re)Assessments performed by EcoVadis in 2023;
- ▶ 77 suppliers of OMV Petrom with a valid EcoVadis score (no more than 3 years old);
- ▶ 14 suppliers of OMV Petrom have completed at least one sustainability training on the EcoVadis platform.

# Supply Chain

## Outlook

As procurement processes continue to evolve, sustainable procurement will remain a top concern in the coming years. We will focus on the following three future focus areas:

- ▶ Sustainable suppliers (e.g., only suppliers who meet our sustainability requirements will be eligible to participate in tenders)
- ▶ Sustainable sourcing (e.g., we aim to integrate sustainability criteria into award decisions, such as CO<sub>2</sub> emissions per kg product)
- ▶ Low-carbon procurement (e.g., we aim to continuously manage and decrease the carbon volume of purchased goods and services)

We intend to expand the CDP Supply Chain project launched in 2021 and increase the number of supplier engagements in the upcoming years.

A dedicated Sustainable Procurement & Supplier Innovation department established in April 2022 will continue to work towards meeting the sustainable procurement ambitions and targets for 2025 and 2030.







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# People & Communities

During 2023, we continued our efforts to positively impact the communities in which we operate, by listening to our stakeholders, addressing their concerns and supporting the transition towards sustainable development.

We aim to respect and protect human rights in line with the Universal Declaration of Human Rights (UDHR), UN Global Compact Principles, and International Labor Organization (ILO) guidelines. We operate according to our fundamental responsibilities in upholding human rights, labor rights, and community engagement. We make sure to engage with local communities in an effort to mitigate any risks and direct and indirect impacts that could result from our business activities. OMV Petrom's sustainable business is built on the engagement and commitment of our employees while maintaining our constant position among Romania's top employers. We are glad and honored to have been included in 2023 in the Top of the Most Desired Employers in Romania, according to the [Catalyst Study](#). The ranking placed us on the 1<sup>st</sup> position in the Energy industry section and on the 13<sup>th</sup> position on the Romanian market.



**Our commitment involves setting medium and long-term targets and taking action on the following flagship areas:**

	2025 targets	2030 targets	Status 2023
<b>Employees</b>	Increase the share of women at management level to 32%	Increase share of women at management level at 35%	30%
		Increase average number of annual learning hours to a minimum of 30 hours per employee	33
	Measure and maintain the level of engagement of our employees	Measure and maintain the level of engagement of our employees	79%
<b>Community Relations</b>	Assess Community Grievance Mechanism of all business divisions against UN Effectiveness Criteria		
	Maintain social license to operate through yearly community relations and community development strategies, plans and budgets, based on social impact needs and risks assessment in OMV Petrom operations	Maintain >80% local communities covered by social investments every year	100%
<b>Human Rights</b>	Train all OMV Petrom Group employees in human rights	Train all OMV Petrom Group employees in human rights	3,406

# Employees

## We believe that people make it happen.

In 2023, we continued the implementation of our new **People & Culture Strategy 2030**, supporting the Business Strategy and driving change in our organization. Our strategic objectives have been defined based on our employees' needs in the different phases of their career path. This serves as the foundation for building and sustaining a solid talent pipeline that will enable us to achieve our goals and is built on four strategic pillars:



We commenced a process of redesigning our values through an inclusive and participatory process from the Group level, inspired by the philosophy of “fingerprints of the many”. Our colleagues from OMV Group were involved in the process of shaping the new way of working while delivering on our ambition of ‘Re-inventing essentials for sustainable living’. A Change Agent Network was established, with more than 70 colleagues globally, including colleagues from OMV Petrom and workshops on Values & Behaviors and AI (Artificial Intelligence) were held to help us co-create our new Values that will set our future ways of working. As of May 2023, we launched our new Group Values: **We care** | **We're curious** | **We progress**. These values will guide us along the way and on our path into a sustainable future.

At OMV Petrom, we aim to achieve good employment conditions, fair & equal labor relations favorable to performance and healthy relations among employees and employees and employer, compliance to local legal provisions and aligned with OMV Group best practices.

The Company Vision, Mission, Policies and Strategy are transposed and considered in all processes and specific regulations, with the goal to set clear and transparent rules, as part of our management system. The OMV Petrom People & Culture regulations include:

- ▶ OMV Group-wide People & Culture regulations (Human Resources Directive, Recruitment Standard, International Assignment Standard);
- ▶ OMV Petrom People & Culture standards and procedures referring to various and important labor aspects (Travel Standard, Teleworking, Personnel relocation, Disciplinary Misconduct, Idea Management, The use of electronic means in labor relations and internal processes);
- ▶ Specific Work Instructions designed to ensure operational excellence.

Our internal regulations provide a unified and transparent framework that integrates various business areas and job categories. This not only establishes a reliable and balanced work relations environment but also ensures the business needs are well understood and adhered to. This is meant to sustain legal compliance via standardization, effectiveness of processes and a culture of trust at all levels of the organization.

### Employee engagement

We constantly inform and consult with employee representatives regarding developments in the company's activities that may affect their interests. All details of collective bargaining agreements are communicated through our internal platform. Our People and Culture (P&C) local teams actively keep leaders and employees informed. The P&C operating model and integrated project approach involves concept proposal by relevant function, followed by feedback integration from various stakeholders, ensuring both co-creation of tools and high adaption to organizational needs, thus resulting in more efficient people processes. MySF and EmployeeSelfService are internal applications we use for P&C and personnel administration.





# Employees



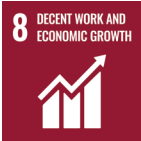

Our personnel policy centers on long-term employment for mutual benefit between staff and the organization. Recognizing the significance of job security for individuals, society, and the region, we diligently fulfill our responsibilities through contingency planning. When workplace adjustments or employment termination is necessary due to business, organizational, or security changes, we evaluate all the options, engage in constructive dialogue, and respond with maximum care and sensitivity.

We involve our employees in P&C initiatives such as the annual Pulse Check and employee events with EB members and other senior management, where information about the progress made on OMV Petrom's Strategy 2030 is shared. Pulse Check is one of our most important tools related to Employee Experience as part of our People&Culture Strategy and it also measures the engagement of our employees. Pulse Check is part of our Speak-up culture, that encourages employees to express their feedback within a safe and anonymous environment, via a dedicated platform.

Pulse Check encompasses several dimensions, including Safety, Innovation, Line Manager, Employee Development, Strategy, Empowerment/Involvement, Wellbeing, Values, Sustainability and Culture. In 2023, for the first time, we incorporated a question related to Sustainability into the Pulse Check. Each Line Manager is tasked to share the results, engage in a dialogue with their team and to collaboratively identify actions aimed at improving the current work environment to foster a stronger, more engaged performance within the team. We achieved a rate of 83% in participation, as 7,067 employees chose to have their say.

The Engagement score reflecting our employee's perception on Engagement ("Say" about company, "Stay" within the company and "Strive"- perform with the company) was of 79%, higher than in 2022, when we had a 73% rate in OMV Petrom.

Our approach regarding **People & Communities** contributes to the following **UN Sustainable Development Goals**.

SDGs	Our approach and actions
	<b>SDG 4</b> ► target 4.3, 4.4, 4.5 by ensuring equal access to men and women, increasing skills and prevention of discrimination
	<b>SDG 5</b> ► target 5.1 by ensuring there are no forms of discrimination against women through our policies
	<b>SDG 8</b> ► target 8.2, 8.5 through diversification, technological upgrading and innovation, decent work and equal treatment of all employees ► target 8.6, by implementing programs that target the reduction of the proportion of youth not in employment, education or training
	<b>SDG 10</b> ► target 10.2, by implementing our DE&I Vision Program through which we aim to promote the social, economic and political inclusion of all ► target 10.3 by ensuring to eliminate all discriminatory policies and practices

# Diversity, equity, inclusion, and non-discrimination

## Why is this important?

We continuously strive to incorporate DEI into our organization's culture by fostering cohesiveness among employees and management and promoting a healthy work environment. We enable our talents and celebrate the diversity of our workforce while seeking the right ways of nurturing an inclusive, more innovative and top performing organization.

We believe that by understanding all specific groups of people in our organization we may effectively address discriminatory practices and overcome any barriers related to gender, ability, generations or else.

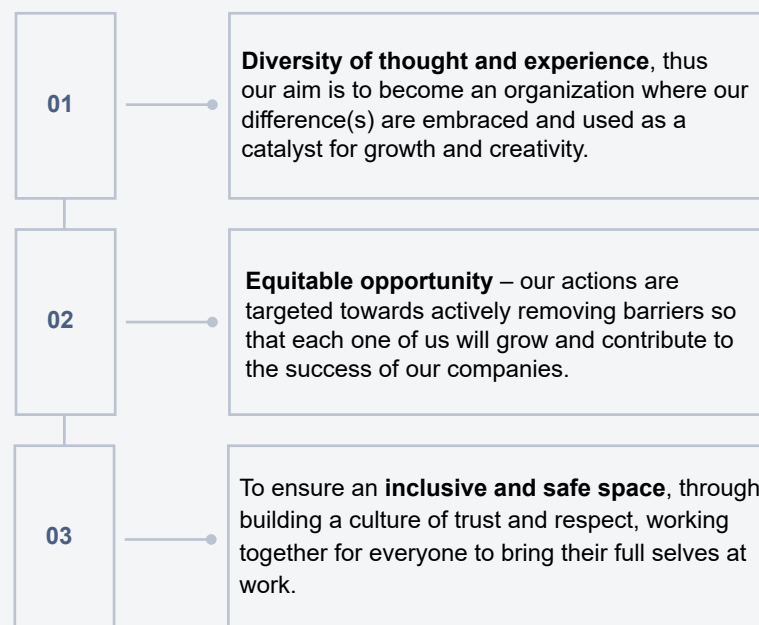
We are committed to equality in all its forms. Thus, we are confident in the positive impacts that we have on the equal treatment and opportunities for our employees, such as:

- ▶ implementing non-discriminatory practices to facilitate access to job and career development to vulnerable people, women, people with disabilities, minorities;
- ▶ enforcing the communication process and collaboration which positively impacts team effectiveness;
- ▶ ensuring trade union pluralism and traditional social dialogue with multiple parties, which contributes to a democratic consultation process, to the benefit of all employees, regardless of their union association;
- ▶ raising awareness on our internal regulations containing our principles against discrimination and harassment and adequate response in case of misconduct, in the form disciplinary sanctions;
- ▶ our grievance mechanisms, which are a key tool for preventing and managing adverse impacts related to discrimination, among others.

## Our commitment

We set a goal to continuously improve employee experience, through increasing the number of women at management levels and develop the next generation of talents.

We are consistent with and permanently support our DE&I Vision Program. This encompasses three pillars:



## Our approach

We track the diversity of our employees by age, nationality, gender and management positions, as well as parental leave for both women and men.

We implemented effective programs that run each year:

- ▶ Mentoring programs for diverse target groups: Advanced & Core Mentoring Program for employees who prepare for accessing management positions, Young Graduates Mentoring;
- ▶ Cross Company Mentoring Program for diverse working experience and networking;
- ▶ HERenergy for young women professionals with technical background;
- ▶ DE&I Events: International Women's Day and other specific DE&I related events along the year.

## Our key activities

The continuous involvement of Executive Board Members in a series of internal and external events and programs emphasizes the focus on DE&I of our Senior Management as well as strong commitment towards an inclusive and equitable organization.

In 2023 we continued our DE&I initiative to foster an inclusive diverse and equitable workplace. We mobilized our internal teams to create and implement impactful and meaningful initiatives, such as:

- ▶ Creating a **DE&I Committee** in OMV Petrom that is cross divisional and acts on a voluntary basis to design, deliver and measure the effectiveness of all implemented activities. This Committee focuses on four priority areas: **Gender, Parents, Disabilities and Generations**.

# Diversity, equity, inclusion, and non-discrimination

- ▶ **Gender:** Through the Group DE&I Program, we dedicated an entire week in March 2023 to celebrating the women of our company with the theme #EmbraceEquity. This involved workshops, blog articles, and events aimed predominantly at our female employees and designed to foster awareness about equity. Among these events, we hosted an external keynote speaker to address the topic of Self-value versus market value as well as Career development for women. We also held a special virtual event inviting our female leaders, guided by our female Executive Board members to discuss diversity topics. Alongside these activities, we run an internal communication campaign dedicated to "Embrace Equity".

## ▶ **Parents:**

- ▶ In June we hosted an event titled "Eco Friendly for Kids and Parents" which gathered around 60 participants. It tackled environmental sustainability and offered useful advice on improving our environmental stewardship, within a lively interactive workshop.
- ▶ In December 2023 we continued our annual tradition, "Bring Your Kids to Work...to Celebrate Christmas," with its second physical event for parents and children. More than 150 children who attended had the opportunity to learn more about the Oil & Gas Industry and got to spend quality time with their parents before Christmas.
- ▶ Additionally, we compiled a comprehensive "New Parents Training" resource guide, designed to assist new parents navigate the administrative elements of childbirth and their subsequent return to work. This will be introduced in 2024.

- ▶ **Our disabilities stream** consisting of a multi-disciplinary team of professionals, acted to create awareness and establish an inclusive space for our colleagues with disabilities. In October 2023, they organized an event aimed at promoting the significance of inclusivity for individuals with disabilities. With the occasion of the event, Disability stream launched their first resource, a Guide for Employees and Managers. This guide comprises general information about disabilities, a related toolkit for assistance as well as recommended behavior when interacting with a disabled person. A dedicated digital space for addressing Disability matters was also created and made available in conjunction with this guide.

- ▶ **Generations:** a communication campaign and contest for all generations working together in OMV Petrom was very well received by our employees. We are continuously working to identify the most relevant way to transfer the knowledge between the generations, which led to the development of a tool that would help us to better understand what the expectations of all generations in our company are., This tool is scheduled to launch next year.

## Results (KPI, other indicators) & progress

- ▶ 30.1% women at management level
- ▶ 46 mentees and 21 mentors participated in our mentoring programs
- ▶ No incidents of discrimination were registered in 2023 based on internal reporting

## Outlook

- ▶ In 2024, we plan to continue measuring Engagement in our organization by conducting the **Pulse Check**.
- ▶ At the same time, key actions will be dedicated to building-up on our DE&I Streams: Parents, Wellbeing, Generations, Disabilities and Gender.
- ▶ We will continue to deliver impactful initiatives in order to increase commitment and interest on DE&I, and to create a strong volunteer network.
- ▶ To deliver the 2030 DE&I roadmap, we will introduce the rollout plan for the DE&I training concept.



# Labor rights, working practices and conditions

## Why is this important?

OMV Petrom is committed to being a fair and responsible employer. Maintaining and promoting labor rights is crucial to ensure compliance with both local and international laws. This commitment ensures that our global workforce can develop professionally and fulfil their personal aspirations in line with the business needs.

As an oil & gas organization, we work with a large number of suppliers, which increases the risk of being involved in instances of exploitation and incidences of forced labor or child labor. The most common negative impacts associated to the topic of labor rights are a low rate of enforcement of labor rights and a lack of capacity to prevent and mitigate negative impacts related to labor rights.

## Our commitment

OMV Petrom fully supports freedom of association, recognizes the right to collective bargaining, and opposes forced or compulsory labor, child labor and any form of employment discrimination.

## Our approach

Employees' rights and obligations are stipulated in their individual employment contracts and in the applicable collective labor agreement.

We respect the rights of our employees, and we fulfill all our obligations in accordance with the relevant legislation, individual labor contracts, and collective labor agreement. To ensure constant communication and the implementation of employee rights, various channels such as the Employees Front Desk, ongoing dialogues with dedicated Business Partner (BP) and employee administrators are available for regular requests or petitions. Parity commissions are

in place for an integrated approach of the employer and employees' representatives, in respect of interpretation and implementation of the applicable collective labor agreement.

We assess all our suppliers to identify any potential risks related to human rights violations, potential cases of forced or compulsory labor or any other incidents that may impact our partnerships and operations.

## Our key activities

A new collective labor agreement applicable for 2024 – 2025 was successfully negotiated at the end of 2023, thus providing a predictable frame of labor relations with mutual benefits for employees and employer. The highlights of this negotiations referred to competitive salary increases and a variety of benefits traditional to our industry, reflecting in the same time market trends. As part of our brand, the collective labor agreement and its implementation on individual level will contribute to our attractiveness as employer and will provide a secure and performance-oriented work environment. Based on a trusting and efficient social dialogue, a series of issues concerning the majority of employees have been addressed successfully.

All our employees receive mandatory notice periods under employment law or collective bargaining agreements in the event of restructuring. In situations where, despite training, transfer, or development programs, layoffs become unavoidable, the economic and social consequences of those affected are given significant consideration.

The company provides a notice period of 30/60 days (depending on the employee's age) in the event of an individual or collective dismissal for reasons not attributable to the employee and compensates the employee according to the employee's seniority as determined by the collective labor agreement. Based on legal requirements a 30 calendar days minimum notification is given in the case of transfers. In 2023, 100% of our employees were covered by mandatory notice period under employment law or collective bargaining agreements in case of restructuring.

Since October 2021, we electronically sign and communicate the individual labor agreements and addendums, as well as any decisions, conventions, notifications, information letters, certificates or other administrative documents issued in relation to the employment contracts or for the implementation of specific procedures (recruitment, relocation, etc.). The electronic signing and communication of all these documents is performed according to the labor legislation and can be used also in the relation with authorities. The enhanced electronic signing flows support a more efficient signing process of electronically signed documents is available to improve the user experience.

Given the effectiveness of these improvements, constant efforts are performed to maintain in the digital environment and increase the number of users across all departments where these signing solutions have been implemented, thus increasing the added value of P&C products and contribution to the new ways of working throughout the entire organization. Over 5,300 colleagues are using qualified electronic signatures for the main categories of labor documents as well as other electronic approvals used for other regular administrative requests. By implementing shared computers, almost 93% of our colleagues have access to electronic signatures and workflows.

100% of our employees have the right to exercise freedom of association and collective bargaining agreement. At the end of 2023, 84% of our employees were members of trade unions.

99.40% of the employees pertaining to the Group companies (100% of employees governed by Romanian legislation), benefit from the protection of the minimum wages or salaries set by law and/or agreed upon by way of collective bargaining.

New support measures for new ways of working and work-life balance preservation have been aligned with the representative trade unions to increase flexibility of working conditions.

# PetrOmbudsman

PetrOmbudsman Department was established to provide OMV Petrom's staff with independent and impartial counselling, in an informal and confidential set-up. Its mission is to help people improve their soft skills, to develop healthy and sustainable working relationships.

To this end, in 2023 PetrOmbudsman has organized a wide range of workshops available for all staff, on topics like assertive communication, conflict management and empathy (with around 500 participants). An additional 150 people in middle management positions were trained on empathy within a joint People & Culture, Communication and PetrOmbudsman project (i.e., the Leadership Communication program). Also, as part of our voluntary initiatives for the local communities that our company operates in, 160 high school pupils in Suplacu de Barcău and Marghita areas were trained on assertive communication.

Other motivational projects aimed at increasing workplace wellbeing which were developed during the year were:

- ▶ The "Disabilities" initiative, an inter-departmental effort that resulted in the creation of an informative brochure, a flyer and a dedicated SharePoint page which endorse an inclusive mindset with regards to disabilities;
- ▶ "Happiness in the box", a concept dedicated to helping people discover what makes them happy and how to overcome difficult moments;
- ▶ "Be more careful with your health", an initiative undertaken to increase awareness and care for personal health;
- ▶ "Fresh Graduates Corner", a project aimed at increasing the networking among young people that are part of the organization's Fresh Graduates program;
- ▶ "Employee Experience Talks", discussions aimed to capture impressions from employees with less than two years of experience in the company;
- ▶ A monthly "Book Club", which grew to around 200 members during the year.

Providing information on the Ombuds profession outside the organization was another objective for 2023, with an event organized in October at the Oil and Gas University for a group of around 50 students.

Additionally, the department's services were extended to include staff in Petrom Moldova and OMV Serbia subsidiaries.



# Skills Development and Training

## Why is this important?

We foster a learning culture where our employees continuously increase their knowledge, skills, and performance to meet our business objectives. Our training team works closely with each department to ensure training is tailored according to their business and people needs. Some activities related to our operations are complex and require highly qualified employees and specific skills for the changing technologies and market demands. Inadequate or insufficient training can lead to unfavorable impacts such as stress, fatigue, errors, and accidents. We strive to ensure that our employees possess the necessary skills and qualifications to overcome these impacts.

We believe that our learning culture has beneficial impacts on our workforce. We provide comprehensive training programs to sustain a highly skilled and knowledgeable workforce, and we have an annual review process in place to support our employees and managers through structured, systematic planning of performance and personal development within the Company.

## Our commitment

Maintaining a skilled, highly qualified, and performant workforce.

## Our approach

We focus on skills development and we monitor the number of training hours per employee, per different categories of employees and by gender as well as the number of employees receiving regular performance and career development reviews.

All trainings are evaluated based on criteria including content quality, instructor performance, ability to adapt to the audience and achieved outcomes. After an internal analysis and feedback, improvements are

considered and implemented to increase the content quality and select the most suitable topics for the next training period. Training curricula is adjusted based on the needs assessment, by combining internal and external training programs. COVID-19 transformed traditional classroom training and we are now increasingly focusing on e-learning and digital content platforms, where we encourage our employees to select the subjects better suited to their needs.

- ▶ **The GROW Leadership Program** instigates new work methods, offering personal development for leaders to better manage their personal lives and their team. Established on micro-learning principles, it seeks to cultivate leaders' growth within the organization, focusing on their teams and three competencies: Save Time, Develop & Empower People, and Collaborate. The 9-month program commenced its third term from May 2023 to February 2024 and extended the target population to the third line of management. In the same period, our front-line management went through a tailored Leadership Communication training, following the same GROW focus areas and principles.
- ▶ Our new **"Transformational Leadership Competencies"** – In October 2023, we launched our new Leadership Competencies: Lead self, Grow people, Drive change and Deliver impact. In line with our Purpose, Strategy and Values, they have been developed to complete our business transformational framework. They define the behaviors expected from our leaders across the Group. Therefore, they will be also integrated in our people processes and tools. Processes such as Recruitment and People Review will adapt their leadership assessment to the new competencies. At the same time, the 360 feedback tool is built around them too. Moreover, all future leadership programs will also be directed towards enhancing these transformational competencies for our leaders.
- ▶ The **Get to Know & Grow** program, led by OMV Petrom Executive Board Members, focuses on the enhancement of Core Top Talents via inter-divisional dialogues between the board members and top talents.

- ▶ **First Time Leaders 3.0** is tailored for employees stepping into leadership for the first time. The program is tailored to the employee's management level and is offering resourceful insights into OMV Petrom's leadership models, the role of a leader, effective team management, virtual leadership, and change management.
- ▶ The **Communication Kit for Managers** is delivering a quarterly overview of key organizational messages, collected from the internal, quarterly webcast with the Executive Board. It includes a guide offering communication strategies for their team meetings and it is available at all management levels.

## Results (KPI, other indicators) & progress

- ▶ **GROW Leadership Program** – The program was extended to the third line of management; approximately 400 leaders benefited from the program;
- ▶ **Get to Know & Grow** – Since its launch, our OMV Petrom EB Members participated to one-on-one meetings with employees from different departments; in 2023, the target was 100% covered;
- ▶ Our employees received 255,386 hours of training.

## Outlook

Our goal is to weave our new company values into our day-to-day work. Simultaneously, we will continue finding ways to practice our new goal of "Reinventing essentials for sustainable living," mainly through our Working Together Week. For the upcoming year, we also plan to form a Sustainability Academy to boost our team's skills and set in motion a leadership program.

Innovative education opportunities that help our team members grow their skills, both technical and interpersonal, will also be executed to ensure they actively participate in our company's advancement and growth.



# Talent attraction and retention

To ensure that we build a team of remarkable professionals eager to contribute to OMV Petrom's growth, we are constantly developing strategies and programs aimed at attracting and retaining talents. Being part of a caring, curious, and progressive community, increases employee morale and improves the work culture, which boosts productivity and helps us promote our company as an employer of choice.

We focus on building multiannual talent attraction programs and attracting Fresh Graduate employees in order to develop the next generation of talents.

## Our approach

A series of projects dedicated to the new generation of professionals were implemented during the reporting year, as follows:

### OMV Petrom Excellence Scholarship 2022-2023 program

OMV Petrom has always been dedicated to supporting the education and growth of the younger generation. Every year, we offer a monthly scholarship to high-achieving technical students in Exploration & Production and Refining & Marketing departments. Through the OMV Petrom Excellence Scholarship program's 4<sup>th</sup> edition in 2022-2023, we provided private scholarships to 77 students interested in the energy sector, which were mentored by 57 professionals while developing projects. We also make it a priority to balance gender in our programs and support women seeking to advance in technical fields, with women making up 48% of our program participants.

We're proud that some graduates from our program have now joined our team. Their addition to our workforce brings fresh ideas and helps maintain a good mix of generations, promoting a constant exchange of knowledge and skills.

### Fresh Graduates Program – Evolvers Program, 13<sup>th</sup> edition

From a Fresh Graduate to an Engineer! Or how small is a big step.

The "Fresh Graduates" program is designed to provide recent graduates



a chance to kickstart their careers in our Exploration & Production Division. This year saw the addition of 17 enthusiastic individuals to our company, eager to make their mark in the Energy sector.

We offer them a comprehensive two-year professional growth plan that includes mentorship, a structured career plan, involvement in pioneering projects, and varied training methods that amalgamate both

technical and soft skills advancement through hands-on professional experience, teamwork, and bespoke training sessions. Additionally, they are incorporated into our Integrated Graduates Development (IGD) Plan, curated to prepare them for their next career stage. Since the program's inception in 2011, we've welcomed as many as 700 graduates to our team.



# Talent attraction and retention

## Open4U – internship program is back, 11<sup>th</sup> edition

Celebrating its 11<sup>th</sup> edition in 2023, the "Open4U" internship program welcomed 100 students from diverse academic backgrounds (technical, IT, economic, socio-humanistic) for a journey of learning across multiple divisions, each mentored individually. Primarily for top undergraduate and MA students, our program connects the younger generation with OMV Petrom, providing them a platform to kickstart their careers with the assistance of our experts during a two-month internship. Interns have the opportunity to delve into the specifics of the energy industry, gain exposure to our business environment, and work alongside outstanding teams. The "Open4U" internship program started in 2012 and, to date, has seen participation from over 900 enthusiastic students, who shared their passion and enthusiasm for learning with us.

## Her Energy Academy – Personal Branding program for female students, 2<sup>nd</sup> edition

In 2023, we held the second edition of the "Her Energy Academy". This Mentoring and Personal Branding program, jointly run by OMV Petrom and a partnering NGO, engages 20 young women with technical training, facilitating their path to a successful career in the energy sector. Over six months, the students took part in workshops, seminars, and field trips to Petrobrazi Refinery and Petrom City, focusing on areas such as self-awareness, employability, personal branding, and critical thinking. They were also mentored by 20 accomplished female leaders from across OMV Petrom, who offered individual advice, encouragement, the chance to cultivate close connections and shared their real-world experiences to help shape their careers.

## Outlook

- ▶ Continue the talent attraction and retention programs e.g., Open4U internship, OMV Petrom Excellence Scholarship, Her Energy Academy;
- ▶ Increase awareness and visibility for programs in Universities;
- ▶ Extend the target group and the candidate pool to include new profiles according to the new business strategy.



# Community Relations

At OMV Petrom, we continually work with local communities to mitigate or prevent risks and other direct or indirect repercussions of our operations. We strive to strike a balance between addressing long-term solutions and the daily realities necessitating immediate decision-making and rapid action. We give priority to local issues, account for regional variances, and take the necessary steps to guarantee long-term, sustainable development.

A range of internal procedures and standards are in place to control our community stakeholder engagement and actions.

- ▶ The OMV Petrom Group Environmental Management Standard outlines the process for conducting Environmental and Social Impact Assessments (ESIAs). For each new development project, preventive measures, mitigation strategies, and an implementation monitoring program are recorded in an Environmental and Social Management Plan. The final ESIA report is submitted to the local regulator or lender (as applicable) for review, public disclosure, and approval.
- ▶ The OMV Petrom Code of Conduct serves as a compulsory conduct guideline applicable to all our representatives. It acknowledges OMV Petrom's social and environmental obligations within our sphere of influence.
- ▶ The Community Relations and Community Development (CRCD) Handbook details the management process to be adhered to, enabling OMV Petrom Group entities to maintain their social license to operate. To foster corporate growth, CRCD emphasizes nurturing and maintaining open, trustworthy relationships with community stakeholders. CRCD aids the community's ability to manage issues, recognize opportunities, discover common ground, and harmonize conflicting interests. Community development is our technique for managing positive change.
- ▶ The Sponsoring Strategy ensures transparency regarding the effective use of financial resources allocated for sponsorship, both monetary and in-kind. It presents the standard for implementing the sponsorship process at OMV Petrom, forming the groundwork

for strategic sponsorship and guidelines for sponsorship activities. Every initiative sponsored by OMV Petrom must support the UN Sustainable Development Goals and comply with our Code of Conduct for business.

- ▶ The Sustainability Directive serves as our internal record of processes and responsibilities, encompassing Social Responsibility, Community Relations, Development & Social Investments, Human Rights, Volunteering, and NGO Relations. We conduct our business ethically, strive to conserve the environment, and enhance the communities where we do business.
- ▶ As part of regular business operations, OMV Petrom signs contracts to stipulate compensation for landowners for the use of their land. This process is governed by an operational directive and the agreed rates in these contracts are market rates, proportionate to location, land attributes, and potential uses, etc. In 2023, there were no physical relocation or involuntary resettlement of local communities occurred due to OMV Petrom business operations.

## Community Consultation and Social Impact Assessments

Our community relations and development management strategy are guided by centralized goals and objectives that will be executed by staff members who hold local accountability using local resources. Prior to initiating a business project in the communities, we conduct a Social Impact Assessment (SIA) that includes pre-emptive, informed consultation with and consent from local stakeholders. For synergy and efficiency, the SIA sometimes gets integrated into the Environmental Impact Assessment (ESIA). During all stages - commissioning, operational, decommissioning, or abandonment - of the project's life cycle, the SIA aims to ensure that the local community's viewpoints are considered and addressed.

Any potential impact on human rights is thoroughly addressed in accordance with our internal regulation for conducting SIAs. For each business project, we conduct baseline studies, community needs assessments, stakeholder analyses, and a study of social risks. When

needed, SIAs are carried out in a participatory manner by directly consulting with the potentially affected communities. Our standards mandate that the findings of the SIA are communicated to affected stakeholders. Site-specific strategies for community relations and development, stakeholder engagement plans, as well as Community Grievance Mechanisms are also implemented.

We adhere to national laws, financial obligations, and international standards to facilitate a transparent community engagement process. A unique set of internal standards, procedures, and manuals for Community Relations and Community Development, Stakeholder Engagement, E&P Process of Community Engagement, Sponsorship Strategy, and Grievance Mechanism have been developed.

We maintain regular dialogues with various stakeholders including individuals from our local communities with whom we interact daily and who we regard as crucial partners in achieving our objectives. The local needs identified through the SIA process and the feedback received during consultation sessions inform our investment priorities.




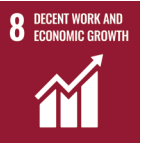

Our community relations team across all Business Divisions develops tailored community involvement plans, social impact assessments, management plans, and exit strategies to address potential social implications in case of decommissioning or departure.

The OMV Petrom Sustainability corporate function oversees and directs the implementation of community relations and development plans within the company, obtains regular stakeholder reports and feedback, and monitors the proper implementation of Group guidelines, policies, and regulations. The management of community interactions is grounded in centrally regulated policies, roles, objectives, and locally sourced resources. To monitor and guide local execution of our site-specific community relations and development strategies and plans, we conduct organized, regular alignment sessions with our community development professionals. Each Business Division formulates community relations and development management initiatives in line with its distinct business strategy.



# Community Relations

In this way, we contribute to the **UN Sustainable Development Goals** associated with the wellbeing of our **communities**.

SDGs	Our approach and actions
	<b>SDG 1</b> ► target 1.4 - through the series of internal procedures and standards for our stakeholder engagement and actions implemented
	<b>SDG 3</b> ► target 3.2 - by implementing health projects that target the reduction of infant mortality rates ► target 3.3 - through our health initiatives within our communities ► target 3.8 - by implementing programs that target the improvement of healthcare services in Romania
	<b>SDG 4</b> ► target 4.7 - through initiatives addressing education, environment and vulnerable people
	<b>SDG 8</b> ► targets 8.5 and 8.6 - through stable workplace initiatives, actions in the community and youth programs
	<b>SDG 13</b> ► target 13.1 - through our private project of national interest dedicated to energy efficiency in buildings



# Community development investments

## Why is this important?

We support the development of local communities through our community and social investments. These efforts are centered on preventing and mitigating social risks, which supports OMV Petrom's standing as a socially responsible company.

## Our commitment

We conduct our operations with local communities, in line with UN Principles on Business and Human Rights, to promote the 2030 Sustainable Development Goals agenda. We aim to continually protect our social permit to operate through annual goals, plans, and budgets for Community Relations and Development, which are designed after assessing the necessary social impact and potential risks.

Our goal for 2030 is to cover at least 80% of local communities through yearly social investments.

## Our approach

Our approach is to gauge the impact of community investments by noting data such as volunteer times, the number of beneficiaries, and how many of our local communities we have helped.

We monitor and assess our projects to decrease the potential risks to local communities and work with them to prevent, minimize, and manage any negative effects.

Our company encourages our personnel's active involvement in promoting responsible and sustainable behavior.

## Needs Assessments and prioritization

In our needs assessments and prioritization process, we favor

initiatives with the potential for long-term positive changes to beneficiaries and the broader society. For our community and social investments, our focus areas include **health, education, and environmental protection**, guided by the Sustainable Development Goals, community needs highlighted through Social Impact Assessments, and ongoing community consultation processes. Every year we prioritize collaborative projects with local stakeholders to maximize our social return on investments. Our annual planning involves choosing suitable projects, allocating budgets, and creating project plans informed by consultations with key stakeholders in our local communities. As part of our Social Impact Assessments (SIA) framework, consultation is conducted at the beginning and during every phase of a project, including through the available community grievance mechanism. Our social projects are prioritized, planned, and managed in partnership with local stakeholders and the budget is allocated yearly.

One best practice example for community consultation is the 'Memorandum of understanding', which we signed with Prahova County Council, County School Inspectorate, County Emergency Situation Department to properly identify relevant CRCD projects in partnership with local stakeholders.

We have established a partnership agreement with the Minister of Forests, Waters and Environment and 6 national environmental NGOs to maintain ecological balance. In their turn, each NGO enlarges the partnership with county authorities for local afforestation and engages people from communities for volunteering.

## Social investments initiatives

OMV Petrom actively engages in both in local and national initiatives across education, health, and environmental sectors. This dual approach reflects a commitment to both immediate local impact and long-term, strategic contributions at a national level, ensuring a response to societal and environmental concerns.

## Education

OMV Petrom has supported the launch of three major projects aimed at early childhood development, through the OMV Petrom Foundation. Together, these initiatives reach more than 180,000 pre-school children and their families, with a focus on rural areas in 41 districts. The Foundation's strategic investments and comprehensive programs are tailored to improve school readiness, empower educators, and provide essential resources for interactive learning and parental involvement in education.

The "Oilmen School" and "Petrochemical School" programs, which are key components of OMV Petrom's commitment to support the dual education system, have contributed to the development of a competent workforce. In 2023, more than 140 students were awarded scholarships, with the fourth group of 71 students ready to graduate. Meanwhile, the Petrochemical School initiated a pilot project, enrolling 24 students. These academic programs are essential in providing a constant flow of trained professionals for the expanding oil and petrochemical industries in Romania. The Prahova Education Fund, coordinated by the Prahova Community Foundation, supported 10 community projects with a total of EUR 200,000, which brought profound changes in the community and cultivated an environment conducive to children's growth.

## Environment

For the "[Romania Plants for Tomorrow](#)" project, which aims to plant a million trees across Romanian cities by 2025, OMV Petrom granted EUR 3 million in 2023. This initiative not only helps restore the environ. The project is carried out in partnership between 6 NGOs: Mai Mult Verde, Act for Tomorrow, Asociația Parcul Natural Văcărești, Pădurea Copiilor, Plantăm Fapte Bune în România and Adoptă un Copac.

# Community development investments

OMV Petrom's dedication to environmental preservation is also demonstrated through its engagement in the [România Eficientă project](https://www.romania-eficienta.ro/), an Energy Policy Group program, which focuses on energy-efficient and sustainable construction methods. For more details about this project, you can visit the website: <https://www.romania-eficienta.ro/>.

The company has supported two major projects, run by the OMV Petrom Foundation, committing over EUR 1 million to efforts that combine biodiversity conservation, climate change education and community development. These projects span several counties, impacting teachers and students while promoting ecotourism and sustainable practices in regions such as Vânători Neamt Nature Park. This approach not only addresses immediate ecological concerns, but also sets the stage for long-term environmental stewardship.

## Health

In the healthcare sector, OMV Petrom supported Hospice Casa Speranței for the year 2023 in order to provide free palliative care services to around 5,000 patients and 10,000 family members, a testament to the company's commitment to supporting the healthcare requirements of at-risk groups. Ongoing backing for the Ploiești Emergency Hospital and the extension of the "Sănătate în vecinătate" project nationwide underscore OMV Petrom's thorough approach to improving healthcare services across Romania.

Access to medical care is an important basic need that OMV Petrom aims to support. In 2023, the "Sănătate în vecinătate" project, run by the Medcorp Association, continued to provide free and complex medical services to over 1700 beneficiaries from rural communities in Romania. The aim was to expand nation-wide and to assess, monitor, improve the health of inhabitants, through mobile medical caravans, follow-up through call-center monitoring and practical information. The medical services covered a wide range of specialties, such as:

screening of endocrinological and metabolic diseases, blood analysis, medical consultations specialized - cardiology, internal medicine, dermatology, ophthalmology, abdominal ultrasound screening; dermatological screenings, etc. The program will continue in 2024, in other communities with limited access to medical services.

The company supports projects that address neonatal and prenatal care to underline its commitment to addressing some of Romania's most pressing health challenges, ensuring better care and a healthier start for the next generation. The "Baby Box" project, run by the OMV Petrom Foundation, spans 28 counties, with a significant investment of over EUR 3.40 million in 2023 and has provided critical support to more than 28,300 mothers and newborns, making a significant contribution to reducing infant mortality rates.

## Results (KPI, other indicators) & progress

OMV Petrom invested EUR **41.25<sup>11</sup> million** in social initiatives, demonstrating a significant dedication to the growth of local communities and the country's welfare, addressing the needs of 100% of local communities.

The participation of more than **2,000 volunteers** from within OMV Petrom highlights the company's significant internal commitment and contributions to community projects.

With over **850,000 beneficiaries**, these initiatives not only meet immediate community needs but also help foster long-term sustainable development in Romanian society.

The company effectively participated in multiple projects, making a positive impact on local communities and adhering to Romanian

<sup>11</sup> EUR 23,5 million was distributed after the end of the 2022 financial year. This distribution was facilitated by the new fiscal facility Form 177, approved by National Agency of Fiscal Administration Order No. 1679/2022, which is used to redirect the corporate tax, as applicable, towards sponsorship, patronage or the granting of private scholarships.

regulations and ESIA protocols to guarantee responsible and sustainable operations.

The effect of our development and operations on local communities is evaluated through our ESIA procedure, which complies with Romanian regulations. This means all projects undergo a thorough review and any potential impacts are addressed and mitigated during the permitting process.

## Outlook

In 2024, OMV Petrom plans to continue its significant initiatives across Romania, with a focus on environmental sustainability, education, and healthcare:

- ▶ **Environment:** OMV Petrom intends to allocate further EUR 3 million to the "Romania Plants for Tomorrow" initiative, with the goal of planting one million trees in Romania's major cities by 2025. This reinforces the company's dedication to environmental recovery and biodiversity. Renovation work under the "România Eficientă" project will continue.
- ▶ **Education:** The "Oilmen School" will continue with its scholarship program, aiding 77 students. Meanwhile, the "Petrochemical School" will maintain its commitment, focusing on training skilled petrochemical operators, thus ensuring industry-relevant vocational education. Furthermore, the Prahova Education Fund will continue to support educational projects in Prahova County, improving learning opportunities for local children.
- ▶ **Healthcare:** The company continues to focus on the "Sănătate în vecinătate" project. With a planned investment of EUR 1.57 million OMV Petrom underscores its commitment to providing crucial healthcare services to rural communities across Romania, particularly in areas with limited access to medical facilities.



# Human Rights

Human rights are crucial to achieving a fair and balanced transition. Our commitment is to incorporate human rights into our work, in the broader community, and within OMV Petrom’s operational chain. Ten years ago, in 2013, we became signatories of the UN Global Compact to emphasize the importance of human rights to our activities. We anticipate responding to the Communication on Progress in 2024.

In 2023, we expanded and solidified our foundation with a new [Human Rights Policy Statement](#) and our Code of Conduct. Approved by the Executive Board, our Policy Statement outlines our commitment to maintaining human rights in our business operations. This commitment is a guiding principle for handling human rights issues in our daily business matters, comprising specific obligations like workers' rights, protective measures, vulnerable groups, environmental and climate change effects, as well as the Due Diligence Process in place, grievance management, awareness, and communication.

OMV Petrom respects the Universal Declaration of Human Rights and international treaties like the International Labor Organization (ILO) core treaties (e.g., Freedom of Association and Protection of the Right to Organise Convention No. 87, Right to Organise and Collective Bargaining Convention No. 98, Forced Labour Convention No. 29, Abolition of Forced Labour Convention No. 105, Minimum Age Convention No. 138, Worst Forms of Child Labour Convention No. 182, Equal Remuneration Convention No. 100, Discrimination (Employment and Occupation) Convention, No. 111). Having signed the UN Global Compact, we are fully committed to the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

This commitment aligns with each one of our business approaches and confirms our support for the UN Sustainable Development Goals (SDGs).

Additionally, we have forged an internal Human Rights Matrix that serves as a foundation for our tactics regarding human rights. The Group has set out its obligations in this respect, which cover sensitive areas of security arrangements and supply chain management, categorized into essential, expected, and desirable. Our responsibilities also cover relations with relevant stakeholders, such as employees, communities, contractors, business partners, and customers. The Matrix serves as a formative guide for upholding human rights in all aspects of our business along the value chain, serving as an umbrella for work already undertaken and allowed for the translation of practices into company directives.

Read more: [Human rights | OMVPetrom.com](#)



The OMV Human Rights Matrix is a tool used to:

- ▶ map human rights responsibilities
- ▶ help managers assess identified gaps

Human rights issues addressed in the matrix:

- ▶ equality,
- ▶ security,
- ▶ forced labor,
- ▶ child labor,
- ▶ health and safety,
- ▶ adequate remuneration,
- ▶ freedom of association and collective bargaining,
- ▶ property,
- ▶ procedural rights and effective remedy,
- ▶ social security,
- ▶ standard of living,
- ▶ education,
- ▶ minorities and indigenous rights and religions, and
- ▶ freedom of expression and assembly.

Our approach regarding the **Human Rights** contribute to the following **UN Sustainable Development Goals**.

SDGs	Our approach and actions
	<b>SDG 4</b> ▶ target 4.7 - through our entire array of human rights issues addressed
	<b>SDG 8</b> ▶ target 8.7 - by ensuring full compliance with UN Goal of eliminating all forms of child labor or forced labor

# Human Rights

## Why is this important?

Human rights are inalienable, and every person is inherently entitled to them. Human rights represent a universal value that guides our conduct in every aspect of our activities. As a major regional energy player, we have a duty to foster an ethical company culture that recognizes moral obligations towards the members of the communities in which we operate. It is part of our deepest commitment to address social concerns and to increase awareness of operative and social risks within our core business.

OMV Petrom understands that responsibility regarding human rights goes beyond the company's borders. When protecting human rights and avoiding becoming complicit in human rights abuses across the entire sphere of influence, we focus also on employees, business partners, suppliers and contractors, the local community, government and state bodies, and the wider society. We are aware that there is a difficulty in addressing potential human rights violations for an integrated energy company due to the diverse business areas and multitude of suppliers with which it interacts.

## Our commitment

OMV Petrom is also committed to equality, regardless of any ground such as race, gender, sexual identity, age, color, ethnic or social origin, genetic features, language, religion or belief, political or any other opinion, membership of a national minority, indigenous origin, property, family status, disability, health status, including mental health, or any other status. The primary duty for the protection of human rights lies with states. OMV Petrom, however, has accepted the responsibility to respect and avoid infringing human rights of others in relation to all our business activities.

In meeting our human rights responsibilities, OMV Petrom acts in strict compliance with applicable national law. Where national law falls short of OMV Petrom standards, based on international human rights law, OMV Petrom is guided by its standards while complying with applicable laws as can be seen above.

OMV Petrom respects human rights as outlined in the Universal Declaration of Human Rights and globally recognized treaties, including the International Labor Organization (ILO) core treaties. As such, we've updated our Human Rights policy following feedback from peer reviews, benchmarking agencies, ESG rating agencies, reporting standards and upcoming legal requirements. Our CEO has personally committed to this updated policy, which includes new content to meet stakeholder expectations, business best practices, and anticipated new laws. Key updates include:

- ▶ Description of specific human rights commitments:
  - ▶ Workers' rights
  - ▶ Security and human rights
  - ▶ Vulnerable groups (children, women, human rights defenders, migrant workers)
- ▶ Commitment to a just environmental transition
- ▶ Commitment to provide remedy to correct negative impact
- ▶ Due diligence updates

In the short and medium term, OMV Petrom's target is to train to all employees on the topic of human rights.

## Our approach

The Sustainability Department at OMV Petrom handles coordinating activities and reporting on human rights performance, including awareness-raising and training at Group level. Assessments, based on significant changes in operations, are done with the help of third-party experts to identify and reduce our exposure to human rights risks in our operations. This also applies to conducting due diligence for new country entry risks.

In 2023, we put more emphasis on human rights within our supply chain, which were considered in the HSSE Management System Audit. The corporate human rights expert paid attention to issues like workers' compensation, working conditions, break times, and available grievance mechanisms. This pilot project allowed us to improve our approach to conducting combined HSSE and human rights audits for three chosen suppliers and doing detailed checks in riskier contexts.

All our social activities consider human rights, and the different departments' managers are responsible for action and risk reduction.

The Sustainability Department manages the implementation of our policy about the impact of human rights on communities at our sites. The Procurement Department takes care of human rights issues in the supply chain and the HSSE Department deals with security-related human rights problems. Labor rights issues are addressed by the People & Culture Department.

We see grievance mechanisms as an essential tool for preventing and managing negative impacts on local communities, employees, and other stakeholders. We aim to address all grievances received, whether they are based on real or perceived issues, and whether the complainant is known or unknown, following the UN Effectiveness Criteria. Following the UN Guiding Principles on Business and Human Rights, our Human Rights Due Diligence Process involves four key steps:

# Human Rights

1. Evaluating both current and potential human rights impacts linked to our present and future business operations
2. Integrating and acting upon the findings in our activities
3. Monitoring the effectiveness of our actions
4. Communicating on how these impacts are being addressed

We are committed to a rightsholders' perspective, ensuring that any genuine or potential impact on our stakeholders' rights is professionally examined and acted upon accordingly. This ongoing due diligence process thus makes use of external resources and expertise, and involves external stakeholders, in particular impacted groups.

In 2023, we made specific progress by:

- ▶ Having the Human Rights Policy Statement approved by the OMV Petrom Executive Board in February 2023.
- ▶ Increasing the number of employees who completed the e-learning.
- ▶ Initiating an internal awareness campaign about the revised policy and human rights topics in general.
- ▶ Increasing awareness of human rights issues along our supply chain and conducting cross-division audits for contractors.

## Results (KPI, other indicators) & progress

In 2023, 3,406 employees from OMV Petrom Group were trained on human rights through our e-learning course; out of the total number 1,063 are women and 2,343 are men. Approximately 1,975.48 training hours were provided.

## Outlook

- ▶ We plan to continually update our human rights e-learning tool to ensure all employees of OMV Petrom Group receive training on human rights. We will improve internal communication considering the updated group policies, which will aim to:
  - ▶ Increase general awareness of human rights topics.
  - ▶ Ensure all mandatory training is completed, including providing dedicated training tools for employees without PC access.
  - ▶ Empower employees to be vigilant and speak out in case of suspected human rights violations.
- ▶ We will intensify our focus on human rights issues within our supply chain by discussing these topics during quarterly meetings with contractors, giving more attention during supplier audits, sending targeted communications to contractors (i.e., letters), and conducting possible spot-checks.
- ▶ We plan to launch an internal communication campaign to increase awareness of human rights topics considering updates to the Group Management System.

In the short term, OMV Petrom's target for 2025 (including) is to provide training to all employees, 100% active employees of OMV Petrom Group, as e-learning for those with computer access and face-to-face for those without computer access.







Leverage

# INNOVATION & DIGITALIZATION

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# Innovation & Digitalization

In line with global trends and through an effective combination of our three key enablers: People, Hardware technology and Digitalization, OMV Petrom's ambition is to become a leader in innovation and digitalization in the energy sector. Our open innovation approach and active collaboration with local and global partners enable us to constantly find and implement unique innovative approaches.

An estimated of EUR 3.70 bn is planned for investments in innovation and new technologies by 2030, including hydrogen, carbon capture and storage, electro-mobility, biofuels and other renewables. We are actively leveraging digitalization to implement programs that not only reduce carbon footprint and enhance HSSE capabilities, but also upskill our employees and increase overall efficiency.

To achieve our strategic targets, we will continue to explore opportunities to enhance our business potential, to invest in change, and to empower people who value sustainable innovation in their work.

The progress on our promises			
	2025 targets	2030 targets	Status 2023
Innovation (&Circular Economy)	▶ 50 kt 2 <sup>nd</sup> generation ethanol capacity	EUR 3.7 bn by 2030 investments for low and zero carbon business (such as: biofuels, CC(U)S, low carbon hydrogen, electro-mobility, renewable power)	Action started and ongoing
	▶ CCU test in Petrobrazi Refinery		Action started and ongoing
		▶ Circular Economy – 150 kt/year 2 <sup>nd</sup> generation ethanol produced from locally sourced agricultural residues	
		▶ Circular Economy – 450 kt/year renewable diesel and sustainable aviation fuel from sustainable feedstock	
	▶ Implement Enhanced Oil Recovery (EOR) pilots in E&P to increase the recovery factor of our oil fields	▶ Innovation – We plan to invest EUR 2 bn in innovation and new technologies mainly in hydrogen and CC(U)S	Action started and ongoing
	▶ Operate more than 1 GW of renewable power capacity, including through partnership	Largest acquisition of green projects in Romania	
	▶ 500 charging points for alternative fueled	270 EV charging points installed	
Digitalization	▶ Continually run programs to reduce our carbon footprint, to enhance HSSE capabilities and resource efficiency, and to upskill employees		Ongoing



# Innovation & Circular Economy

OMV Petrom started to expand its low carbon activities by including new zero and low carbon products and services into the portfolio for which EUR 3.70 bn investments, around 35% of cumulated CapEx by 2030, are committed.

Our decarbonization plans encompass a wide range of ambitious targets including renewable energy, sustainable fuels, and mobility. By 2030, we anticipate investing up to EUR 2 billion in projects (out of the total of EUR 3.70 bn), after the assessment of the technical and commercial viability of new technologies such as Carbon Capture, Utilization or Storage (CCUS) or hydrogen production. Carbon capture and storage is expected to contribute to the decrease of our GHG footprint, while hydrogen production will help decarbonize the industrial sector in Romania beyond 2030.

OMV Petrom is partner in an ambitious European project addressing CO<sub>2</sub> emissions from major industrial sectors. 19 partners (companies, Universities, and NGOs) from seven countries participate in the “ConsenCUS” project, that will test technologies for CCUS in three industries: cement production, magnesia production, and oil refining. At Petrobrazi the technology will be tested in 2024 and will capture the CO<sub>2</sub> from flue gases released by the cogeneration unit, further converting them electrochemically into marketable products. In 2023 we continued with our **circular economy** projects and initiatives. For example, regarding the biofuels production, we focused on developing sustainable products portfolio according to our strategy for 2030, advancing with sustainable aviation fuel (SAF) and renewable diesel project.

Also, at the end of the year we took an important step to ensure access to a reliable source of raw materials to produce biofuels by acquiring 50% stake of the Romanian company "Respiră Verde SRL".

## Advanced Recovery

We continued to focus our efforts on implementing Enhanced Oil Recovery (EOR) projects in E&P to increase the recovery factor of our fields.

Following a successful pilot done in 2020 in the Independența oil field, a similar project in the Vața oil field was initiated and started operation May 2022 where we observed the first increase in production with some wells responded by doubling their rate. Another pilot project in Independența oil field is estimated to start the injection early 2024.

The target for 2025 in E&P Division is to increase the recovery factor of our fields with implementation of Enhanced Oil Recovery (EOR) technologies across a variety of fields, one of them is the injection of viscous saltwater. For this reason, various studies and additional pilots have been launched to fully evaluate the potential and support the future implementation.

## Research and development activities

In 2023, ICPT Câmpina’s research efforts were primarily centered on a portfolio consisting of forty-seven research projects. Among these, twenty-nine projects were spearheaded by its in-house experts, while an additional eighteen projects were executed under the guidance of colleagues from various departments within OMV Petrom. This concerted approach significantly bolstered cross-departmental collaboration.

The research endeavors encompassed critical and strategic domains of interest to OMV Petrom, including:

- ▶ Advancing Enhanced Oil Recovery (EOR) techniques to increase oil field recovery rates.
- ▶ Mitigating risks associated with exploration and production activities.
- ▶ Managing and reducing corrosion-related challenges.
- ▶ Enhancing the performance of water treatment processes in injection procedures.
- ▶ Exploring Carbon Capture and Sequestration (CCS) alongside geothermal domains.

- ▶ Leveraging the potential of Nanotechnology.
- ▶ Improving well engineering practices.

Particularly, the CCS projects played a pivotal role in strengthening the collaboration between ICPT Câmpina and the Technology Center & Laboratory Gaenserndorf, fostering a stronger bond between the two laboratories within the OMV organization.

Through our innovation and **circular economy** activities, we support **UN Sustainable Development Goals** related to innovation and climate change.

SDGs	Our approach and actions
	<b>SDG 9</b> ▶ target 9.5 - by enhancing scientific research and innovation for upgrading the technological capabilities of our industrial sector
	<b>SDG 12</b> ▶ target 12.a - our circular economy initiatives and innovation contribute to strengthening the scientific and technological capacity in the region
	<b>SDG 13</b> ▶ target 13.1 - by focusing our innovation activities on decarbonization aimed at increasing economic resilience to climate change in our communities, minimizing the number of potentially affected members of community



# Digitalization

**We continued our digitalization efforts in 2023 aiming to achieve a low carbon future, enhance resource efficiency, enhance HSSE capabilities and upskill our employees.**

Our **Digital Motion in R&M** included the following digitalization activities:

01

## Low Carbon Future

- ▶ Successfully implemented 160 Outdoor Payment Terminals (OPT) in both OMV and Petrom brands filling stations, enabling the "pay at the pump" feature to better address, amongst others, the expectations of professional drivers and contribute to better end-to-end route planning.
- ▶ Implementation of the (Energy Balance) tool in Petrobrazi Refinery that uses data from the refinery operational database converged with data available in national energy system with the mission to provide improved loss avoidance by identifying consumption anomalies, enabling accelerated reaction time thanks to data validation automation, continuous plant monitoring and asset performance analytics.

02

## Enhance Resource Efficiency

- ▶ **Electronic Labels** - further implemented electronic labels in 13 filling stations, eliminating paper price labels, and reducing employee effort for maintaining prices leading to overall reduction of ~ 0,75 tons equivalent of printing paper.
- ▶ **Self-Service Jet Wash Terminal** piloted self-service terminals for jet wash and vacuum cleaner payments,

reducing the time customers need to spend inside the station for payment.

- ▶ **Self-Service Terminal for Road Taxes** is now implemented in 32 filling stations for road tax payments, reducing customer waiting times and promoting efficiency. Customers can print their invoices in a fiscal slip format for added convenience.
- ▶ **InstantPay** is live since March 2023 dedicated to B2B channels as an online card payment service, offering instant payment confirmation for advance payment orders in partnership with VISA.

03

## Enhance HSSE capabilities

- ▶ **Online Training Platform** represents a pivotal step in our commitment to safety and knowledge dissemination. By providing remote access to essential information, we empower personnel to undergo necessary training without physical presence, ensuring compliance with safety protocols. The centralized library facilitates continuous learning, while performance reports enable the identification of areas that may require reinforcement, contributing to a safer and more informed work environment.

04

## Upskill Employees

- ▶ With **Innovation Days** format we empower workforce to think and act in line with sustainability targets. Our 30 trained volunteers from all business functions in OMV Petrom developed a series of impactful ideas like repurposing coffee waste, addressing plastic waste, and ideating a dynamic Sustainability Marketplace that will be tackled in 2024.

Via our global IT program, namely "DIGITUP" in E&P, we performed a series of digitalization activities:

## Enhance Resource Efficiency

- ▶ With the deployment of **Plant Information (PI)** 180K tags were configured on the server, collecting data from wells: process parameters, pressures, temperatures, flows, artificial lift system information (pumping type, speeds, operating parameters) and from surface facilities: process parameters (levels in separators, product flows, temperatures, pressures, export quality, flows to customers).
- ▶ By implementing **Facility Report Digitalization (FRd)** we enabled a paperless process parameter capturing to PI and subsequent automatic data transfer to group wide systems such as Production Information Management System (IMMS).
- ▶ With **Production Management Framework (PMF) Automation**, current manual workflows were automated and approximately 3,000 wells were included during the roll-out phase.
- ▶ The implementation of **Best Day** global product reduces manual work and downtime via automated algorithms to assist engineers and is a key contributor to overall goal of achieving +0.50% yearly production; 8,524 wells are deployed in the tool.

At OMV Petrom, we also run interdivisional programs out of CIO & Digital Office.

## Upskill Employees

- ▶ **Citizen Development Program** - To further enhance our company's technological agility and foster a culture of continuous learning, we empowered non-technical employees to create their own digital solutions using low-code or no-code platforms. This does not only increase the delivery speed through less dependence on IT teams but also strengthens productivity & sparks innovation across the Group. Through Citizen Development, we educated & supported close to 200 of our employees to become co-creators and owners of their solutions.





PERFORMANCE  
IN DETAIL

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# Economic Performance

	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
Profit/(loss) before tax	mn lei	5,088	12,056	3,398	1,479	4,277	4,914	2,904	1,052	
Sales <sup>10</sup>	mn lei	38,808	61,344	26,011	19,717	25,485	22,523	19,435	12,594	2-6
Total capitalization <sup>11</sup>	mn lei	35,798	26,171	28,265	20,590	25,320	16,937	16,200	14,784	
<b>Quantity of products provided</b>										
Refining & Marketing total refined product sales	kt	5,450	5,522	5,339	4,993	5,462	4,987	5,073	4,932	
thereof: Gasoline	kt	1,253	1,389	1,283	1,291	1,310	1,208	1,249	1,297	
Diesel	kt	2,965	2,907	2,789	2,518	2,702	2,494	2,434	2,409	
Kerosene/Jet fuel	kt	303	259	164	126	289	275	279	251	
Fuel oils & Bitumen	kt	262	203	315	329	342	267	276	282	
thereof: Retail sales volumes <sup>12</sup>	kt	3,072	3,043	2,944	2,619	2,847	2,743	2,703	2,561	
Exploration & Production sales volumes	mn boe	39.6	41.7	45.0	50.3	52.1	54.3	57.8	59.9	201-1
Gas sales volumes	TWh	46.8	46.1	48.9	57.0	54.8	47.3	51.4	43.9	
Net electrical output	TWh	4.2	5.0	4.8	4.2	3.4	3.8	2.7	2.9	
Direct Economic Value Generated <sup>13</sup> (DEVG)	mn lei	40,371	63,369	26,355	20,441	26,040	22,898	19,825	17,224	
Economic Value Distributed <sup>14</sup> (EVD)	mn lei	41,353	58,008	25,215	20,941	23,979	19,813	18,170	16,188	
Economic Value Retained	mn lei	-981	5,361	1,139	-500	2,061	3,085	1,655	1,036	
<b>Financial Assistance Received from Government</b>										
Tax relief (e.g. reinvested profit)	mn lei	13	33	56	35	9	9	14	13	
Tax credits (e.g. increase of shareholder equity, sponsorships)	mn lei	232	244	66	47	81	38	25	24	
Other financial benefits <sup>15</sup>	mn lei	451	1,192	17	13	10	8	8	9	201-4
Investment grants	mn lei	0	0	1	0	0	103	81	203	
Total proved reserves as of December 31	mn boe	424	380	419	473	504	532	566	606	
Total hydrocarbon production	mn boe	41.4	43.5	47.2	53.0	55.4	58.3	61.2	63.7	
of which crude oil and NGL production	mn boe	20.0	20.9	23.1	25.5	26.1	26.8	27.3	29.2	
of which natural gas production	bn cm	3.3	3.5	3.7	4.2	4.5	4.8	5.2	5.3	

Note: Starting January 2017, OMV Petrom's Consolidated Income Statement has been restructured in line with industry best practice in order to better reflect the operations of the Group and enhance transparency for the users of the financial statements. For more information, check OMV Petrom's Investor News published on April 6, 2017, which can be found on the company's website [www.omvpetrom.com](http://www.omvpetrom.com), section Investors › Investor News.

<sup>10</sup> Sales excluding petroleum products excise tax

<sup>11</sup> Calculated based on the closing share price and RON/EUR exchange rate as of the last

trading day of the respective year

<sup>12</sup> Retail sales volumes refer to sales via Group's filling stations in Romania, Bulgaria, Serbia, Moldova

<sup>13</sup> DEVG = net sales, other operating income and financial revenues (interest income and income from at-equity accounted investments)

<sup>14</sup> EVD = value distributed to stakeholders (suppliers, governments, capital providers, employees, shareholders, society)

<sup>15</sup> Year 2022: include an amount of RON 1.166 mn representing compensation for natural gas sales

at cap prices to clients allocated to the Company in its capacity of Supplier of Last Resort, compensation for electricity sales at cap prices and subsidies covering half of the voluntary price reduction (amounting of RON 0.50 / liter) for the sale of diesel and gasoline to final customers

Year 2023: include an amount of RON 437 mn representing compensation for natural gas sales at cap prices to clients allocated to the Company in its capacity of Supplier of Last Resort and compensation for electricity sales at cap prices.



# Economic Performance

## Financial assistance received from government Recognized

	Unit	TOTAL 2021 OMV Petrom Group, thereof:	Romania	Bulgaria	Moldova	Serbia	Kazakhstan
Tax Relief (e.g. reinvested profit)	RON mn	56	56	-		-	
Tax Credits (e.g. sponsorships)	RON mn	66	66	-		-	
Other financial benefits	RON mn	17	16	2	-	0	-
Investment grants	RON mn	1	1	-		-	
<b>TOTAL</b>	RON mn	<b>140</b>	<b>138</b>	<b>2</b>		<b>0</b>	

## Recognized

	Unit	TOTAL 2022 OMV Petrom Group, thereof:	Romania	Bulgaria	Moldova	Serbia	Kazakhstan
Tax Relief (e.g. reinvested profit)	RON mn	33	33	-			
Tax Credits (e.g. sponsorships)	RON mn	244	244	0			
Other financial benefits	RON mn	26	14	12	-	-	-
Investment grants	RON mn	0.3	0	-			
<b>TOTAL</b>	RON mn	<b>303</b>	<b>291</b>	<b>12</b>			

## Recognized

	Unit	TOTAL 2023 OMV Petrom Group, thereof:	Romania	Bulgaria	Moldova	Serbia	Kazakhstan
Tax Relief (e.g. reinvested profit)	RON mn	13	13	-			
Tax Credits (e.g. sponsorships)	RON mn	232	232	-			
Other financial benefits	RON mn	451	450	2	-	-	-
Investment grants	RON mn	-	-	-			
<b>TOTAL</b>	RON mn	<b>697</b>	<b>695</b>	<b>2</b>			

## Cashed In

	Unit	TOTAL 2023 OMV Petrom Group, thereof:	Romania	Bulgaria	Moldova	Serbia	Kazakhstan
Tax Relief (e.g. reinvested profit)	RON mn	-	-				
Tax Credits (e.g. sponsorships)	RON mn	-	-				
Other financial benefits	RON mn	652	652	-	-	-	-
Investment grants	RON mn	30	30				
<b>TOTAL</b>	RON mn	<b>682</b>	<b>682</b>				

\*includes an amount of RON 648 mn representing cash in related to compensation for natural gas sales at cap prices to clients allocated to the Company in its capacity of Supplier of Last Resort and cash-in compensation for electricity sales at cap prices recognised in 2022 and 2023; In addition, during 2023, an amount of RON 196 mn representing subsidies covering half of the 50 bani/liter voluntary price reduction for the sale of diesel and gasoline in 2022, was offset with other taxes due by the Company.

# Social Performance

## Workforce Performance

Total number of employees	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
OMV Petrom Group										
Total number of employees	number	7,714	7,742	7,973	10,761	12,347	13,201	13,790	14,769	2-7
thereof women	number	2,101	2,107	2,159	2,586	2,832	2,997	3,108	2,951	
thereof men	number	5,613	5,635	5,814	8,175	9,515	10,204	13,787	14,766.05	
With ILC, undetermined period, full time	number	7,587	7,663	7,878	10,627	12,125	13,044	13,565	13,689	
thereof women	number	2,071	2,079	2,127	2,543	2,764	2,950	3,034	2,909	
thereof men	number	5,516	5,584	5,751	8,084	9,361	10,094	10,531	10,780	
With ILC, undetermined period, part time	number	16	15	9	6	10	15	7	3	
thereof women	number	8	7	7	4	9	9	4	1	
thereof men	number	8	8	2	2	1	6	3	2	
With ILC, determined period, full time	number	108	63	86	126	210	140	225	161	
thereof women	number	22	21	25	39	58	38	70	41	
thereof men	number	86	42	61	87	152	102	155	120	
With ILC, determined period, part time	number	3	1	0	2	2	2	0	0	
thereof women	number	0	0	0	0	1	0	0	0	
thereof men	number	3	1	0	2	1	2	0	0	
Romania										
Total number of employees	number	7,520	7,592	7,821	10,262					2-7
thereof women	number	2,012	2,024	2,076	2,430					
thereof men	number	5,508	5,568	5,745	7,832					
With ILC, undetermined period, full time	number	7,433	7,522							
thereof women	number	1,988	2,005							
thereof men	number	5,445	5,517							
With ILC, undetermined period, part time	number	16	15							
thereof women	number	8	7							
thereof men	number	8	8	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	
With ILC, determined period, full time	number	68	54							
thereof women	number	16	12							
thereof men	number	52	42							
With ILC, determined period, part time	number	3	1							
thereof women	number	0	0							
thereof men	number	3	1							

The number of employees is calculated for OMV Petrom Group (excl. OPGS) - Romania, Moldova, Bulgaria, Serbia, UK, Italy, Kazakhstan (\*until May 2021 when we completed the sale of our 100% shareholding in Kom-Munai LLP and Tasbulat Oil Corporation in Kazakhstan).

Workforce indicators: Headcount

As per: 31.12.2023

# Social Performance

## Workforce Performance

Total number of employees	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
<b>Bulgaria</b>										
Total number of employees	number	65	59	55	55					
thereof women	number	37	32	30	29					
thereof men	number	28	27	25	26					
With ILC, undetermined period, full time	number	64	58							
thereof women	number	36	31							
thereof men	number	28	27							
With ILC, undetermined period, part time	number	0	0							
thereof women	number	0	0							
thereof men	number	0	0							
With ILC, determined period, full time	number	1	1	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	2-7
thereof women	number	1	1							
thereof men	number	0	0							
With ILC, determined period, part time	number	0	0							
thereof women	number	0	0							
thereof men	number	0	0							
<b>Moldova</b>										
Total number of employees	number	47	47	52	56					
thereof women	number	26	26	28	28					
thereof men	number	21	21	24	28					
With ILC, undetermined period, full time	number	44	43							
thereof women	number	23	22							
thereof men	number	21	21							
With ILC, undetermined period, part time	number	0	0							
thereof women	number	0	0							
thereof men	number	0	0							
With ILC, determined period, full time	number	3	4	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	2-7
thereof women	number	3	4							
thereof men	number	0	0							
With ILC, determined period, part time	number	0	0							
thereof women	number	0	0							
thereof men	number	0	0							

The number of employees is calculated for OMV Petrom Group (excl. OPGS) - Romania, Moldova, Bulgaria, Serbia, UK, Italy, Kazakhstan (\*until May 2021 when we completed the sale of our 100% shareholding in Kom-Munai LLP and Tasbulat Oil Corporation in Kazakhstan).

Workforce indicators: Headcount

As per: 31.12.2023



# Social Performance

## Workforce Performance

Total number of employees	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
<b>Serbia</b>										
Total number of employees	number	46	44	45	44					
thereof women	number	25	25	25	25					
thereof men	number	21	19	20	19					
With ILC, undetermined period, full time	number	45	40							
thereof women	number	24	21							
thereof men	number	21	19							
With ILC, undetermined period, part time	number	0	0							
thereof women	number	0	0							
thereof men	number	0	0	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	2-7
With ILC, determined period, full time	number	1	4							
thereof women	number	1	4							
thereof men	number	0	0							
With ILC, determined period, part time	number	0	0							
thereof women	number	0	0							
thereof men	number	0	0							
<b>UK</b>										
Total number of employees	number	35	0							
thereof women	number	1	0							
thereof men	number	34	0							
With ILC, undetermined period, full time	number	0	0							
thereof women	number	0	0							
thereof men	number	0	0							
With ILC, undetermined period, part time	number	0	0							
thereof women	number	0	0	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	2-7
thereof men	number	0	0							
With ILC, determined period, full time	number	35	4							
thereof women	number	1	4							
thereof men	number	34	0							
With ILC, determined period, part time	number	0	0							
thereof women	number	0	0							
thereof men	number	0	0							

The number of employees is calculated for OMV Petrom Group (excl. OPGS) - Romania, Moldova, Bulgaria, Serbia, UK, Italy, Kazakhstan (\*until May 2021 when we completed the sale of our 100% shareholding in Kom-Munai LLP and Tasbulat Oil Corporation in Kazakhstan).

Workforce indicators: Headcount

As per: 31.12.2023

# Social Performance

## Workforce Performance

Total number of employees	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
<b>Italy</b>										
Total number of employees	number	1	0							
thereof women	number	0	0							
thereof men	number	1	0							
With ILC, undetermined period, full time	number	1	0							
thereof women	number	0	0							
thereof men	number	1	0							
With ILC, undetermined period, part time	number	0	0							
thereof women	number	0	0	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	2-7
thereof men	number	0	0							
With ILC, determined period, full time	number	0	4							
thereof women	number	0	4							
thereof men	number	0	0							
With ILC, determined period, part time	number	0	0							
thereof women	number	0	0							
thereof men	number	0	0							
<b>Kazakhstan*</b>										
Total number of employees	number	0	0	0	344					
thereof women	number	0	0	0	74					
thereof men	number	0	0	0	270					
With ILC, undetermined period, full time	number	0	0							
thereof women	number	0	0							
thereof men	number	0	0							
With ILC, undetermined period, part time	number	0	0							
thereof women	number	0	0							
thereof men	number	0	0	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	2-7
With ILC, determined period, full time	number	0	0							
thereof women	number	0	0							
thereof men	number	0	0							
With ILC, determined period, part time	number	0	0							
thereof women	number	0	0							
thereof men	number	0	0							

The number of employees is calculated for OMV Petrom Group (excl. OPGS) - Romania, Moldova, Bulgaria, Serbia, UK, Italy, Kazakhstan (\*until May 2021 when we completed the sale of our 100% shareholding in Kom-Munai LLP and Tasbulat Oil Corporation in Kazakhstan).

Workforce indicators: Headcount

As per: 31.12.2023

# Social Performance

Parental Leave	Unit	2023		2022		2021		2020		2019		2018		2017		2016		GRI Indicator
		women	men	women	men	women	men	women	men	women	men	women	men	women	men	women	men	
Total number of employees that were entitled to parental leave as per 31.12.2023	number	2,101	5,613	2,107	5,635	2,159	5,814	2,586	8,175	2,832	9,514	2,997	10,204	3,108	10,682	3,328	11,441	401-3
Total number of employees that took parental leave during 2023	number	36	13	30	15	54	13	47	11	24	12	62	10	66	16	77	14	
Number of employees who returned to work after parental leave ended	number	38	9	40	13	53	17	62	14	57	18	69	16	48	13	20	4	
Number of employees who returned to work after parental leave ended, who were still employed twelve months after their return to work	number	35	10	40	12	46	12	51	12	43	10	60	15	42	9	18	4	
return to work rate*	%	40	39	40	57	43	68	43	56	45	72	42	62	32	42	17	21	
retention rate*	%	88	77	75	71	74	86	89	67	62	63	125	115	210	225	47	40	
Total number of employees due to return to work after taking parental leave	number	95	23	101	23	124	25	143	25	126	25	163	26	150	31	121	19	

\*Due to internal revisions of our reporting procedures, new formulas to calculate Return to work rate and Retention rate are used starting with 2021.

The data provided are for OMV Petrom Group (incl. countries).

Return to work rate is calculated as Total number of employees that did return to work after parental leave divided by Total number of employees due to return to work after taking parental leave x 100.

Retention rate is Total number of employees retained 12 months after returning to work following a period of parental leave divided by Total number of employees returning from parental leave in the prior reporting period x 100.



# Social Performance

## Diversity by Age, Gender and Employee category

### The percentage of individuals within the Supervisory Board

	Unit	2023*	2022**	2021**	2020**	2019**	2018**	2017**	2016**	GRI Indicator
<b>Supervisory Board</b>										
men	%	89	100	89	100	89	89	89	100	405-1
women	%	11	0	11.10	0	11.10	11.10	11.10	0	
< 30	%	0	0	0	0	0	0	0	0	
30-50	%	33	33	33	22	22	11	11	33	
> 50	%	67	67	67	78	78	89	89	67	

### The percentage of individuals within the Executive Board

	Unit	2023*	2022**	2021**	2020**	2019**	2018**	2017**	2016**	GRI Indicator
<b>Executive Board</b>										
men	%	60	60	60	60	60	80	60	60	405-1
women	%	40	40	40	40	40	20	40	40	
<30	%	0	0	0	0	0	0	0	0	
30-50	%	40	40	40	60	80	80	40	20	
> 50	%	60	60	60	40	20	20	60	80	

\*Starting 2023 the percentage is calculated by reference to the total number of women and men for each category.

\*\*The percentage is calculated by reference to the total number of women/men.

# Social Performance

## The percentage of women and men employees per employee category

	Unit	2023*	2022**	2021**	2020**	2019**	2018**	2017**	2016**	GRI Indicator
Top Management										
women	%	40	0.5	0.6	0.5	0.4	0.5	0.5	n.r.	405-1
men	%	60	0.4	0.4	0.3	0.3	0.2	0.2		
<30	%	0	0	0	0					
30-50	%	77	74	69	68	n.r.	n.r.	n.r.		
>50	%	23	26	31	32					
Middle Management										
women	%	43	4.5	5.3	5.0	4.7	4.4	4.4	n.r.	405-1
men	%	57	3.0	3.6	2.7	2.5	2.5	2.5		
<30	%	0	0.4	0.3	0.3					
between 30-50	%	74	64	61	56	n.r.	n.r.	n.r.		
>50	%	26	36	39	44					
Lower Management										
women	%	18	1.7	1.6	1.0	0.8	1.4	1.5	n.r.	405-1
men	%	82	2.8	2.9	2.6	2.2	2.5	2.7		
<30	%	0.4	0.0	1.0	1.3					
30-50	%	33	34	33	32	n.r.	n.r.	n.r.		
>50	%	67	66	67	67					
Operative Staff										
women	%	27	93	93	94	94	94	94	n.r.	405-1
men	%	73	94	93	94	95	94	95		
<30	%	4	4	4	3					
30-50	%	38	41	46	42	n.r.	n.r.	n.r.		
>50	%	58	55	50	54					

\*Starting 2023 the percentage is calculated by reference to the total number of women and men for each category.

\*\*The percentage is calculated by reference to the total number of women/men.

# Social Performance

## Average hours of training per year per employee, by gender and employee category

		2023	2022	2021	2020	GRI Indicator
<b>Participants</b>	<b>number</b>	<b>7,908</b>	<b>7,798</b>	<b>7,068</b>	<b>9,247</b>	
Total training hours for all employees	thousand hours	255	213	111	135	404-1
thereof male	thousand hours	196	168	77	0	
thereof female	thousand hours	59	45	34	33	
Average hours of training per employee	hours	33	28	14	13	
thereof male	hours	35	30	13	13	
thereof female	hours	28	21	16	13	
<b>Split by employee Category</b>		<b>Total hours</b>	<b>Total hours</b>	<b>Total hours</b>	<b>Total hours</b>	
Advanced	thousand hours	7.7	6	2	3	404-1
Core	thousand hours	32	22	12	0	
Entry	thousand hours	39	44	33	0	
Executives	thousand hours	0.5	0.5	0.2	0.3	
Other	thousand hours	0.9	0	0	0.3	
Primary	thousand hours	56	44	26	29	
Tehnician	thousand hours	119	98	36	64	
Total hours	thousand hours	<b>255</b>	<b>213</b>	<b>111</b>	<b>135</b>	
<b>Training on Human Rights</b>						
Total training hours for all employees on Human Rights	thousand hours	2	0.9	n.r.	n.r.	404-1
thereof male	thousand hours	1.4	0.6			
thereof female	thousand hours	0.6	0.3			



# Social Performance

## Ratio of remuneration of women to men by employment category at Group level

	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
Employees with ILC, undetermined period, full time	Ratio	1.1	1.1	1.1	1.3	1.3	1.3	1.3	1.3	405-2
Employees with ILC, determined period, full time	Ratio	1.9	0.3	0.4	0.4	0.4	0.4	0.3	0.6	
Employees under 30 years old	Ratio	1	1	1.4	1.3	1.2	1.2	1.2	1.5	
Employees between 30-50 years old	Ratio	1.2	1.2	1.2	1.4	1.4	1.5	1.4	1.1	
Employees over 50 years old	Ratio	1	1	1	1.1	1.3	1.1	0.9	1	

## Ratio of basic salary of women to men by employment category at Group level

	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
Employees with ILC, undetermined period, full time	Ratio	1.2	1.2	1.2	1.2	1.3	1.2	1.2	1.2	405-2
Employees with ILC, determined period, full time	Ratio	1.5	0.3	0.4	0.5	0.5	0.4	0.3	0.7	
Employees under 30 years old	Ratio	1.2	1.1	1.3	1.2	1.2	1.2	1.2	1.4	
Employees between 30-50 years old	Ratio	1.3	1.3	1.2	1.4	1.5	1.5	1.3	1.1	
Employees over 50 years old	Ratio	1.1	1	1.1	1.1	1.2	1.1	0.9	1	

Ratio of the basic salary and remuneration of women to men for each employee category is calculated as ratio of average base gross salary or remuneration of defined category between women and men (where average base gross salary or remuneration = sum of total base gross salary or remuneration divided by w/m headcount).

# Social Performance

## Ratio of remuneration of women to men by employment category (Romania)

	Unit	2023	2022	2021	2020	GRI Indicator
Employees with ILC. undetermined period. full time	Ratio	1.1	1.1	1.2	1.3	405-2
Employees with ILC. determined period. full time	Ratio	2.5	0.4	0.4	0.3	
Employees under 30 years old	Ratio	1.1	1	1.3	1.3	
Employees between 30-50 years old	Ratio	1.2	1.2	1.3	1.4	
Employees over 50 years old	Ratio	1	1	1	1	

## Ratio of basic salary of women to men by employment category (Romania)

	Unit	2023	2022	2021	2020	GRI Indicator
Employees with ILC. undetermined period. full time	Ratio	1.2	1.2	1.2	1.2	405-2
Employees with ILC. determined period. full time	Ratio	1.9	0.4	0.5	0.4	
Employees under 30 years old	Ratio	1.2	1.1	1.3	1.3	
Employees between 30-50 years old	Ratio	1.4	1.3	1.3	1.4	
Employees over 50 years old	Ratio	1.1	1	1	1.1	

## Ratio of basic salary of remuneration

Ratio w/m	Calculation Criteria
Employees with ILC, determined period, full time	= ratio of average base gross or remuneration of defined category between woman and men (sum of total base gross divided by w/m headcount)
Employees with ILC, undetermined period, full time	= ratio of average base gross or remuneration of defined category between woman and men (sum of total base gross divided by w/m headcount)
< 30	= ratio of average base gross or remuneration of defined category between woman and men (sum of total base gross divided by w/m headcount)
30-50	= ratio of average base gross or remuneration of defined category between woman and men (sum of total base gross divided by w/m headcount)
> 50	= ratio of average base gross or remuneration of defined category between woman and men (sum of total base gross divided by w/m headcount)

# Social Performance

## Proportion of senior management hired from the local community

Proportion of senior management hired from the local community (significant locations of operation**)	2023	2022	GRI Indicator
<b>Romania</b>			
Senior Management* hired	1	9	202-2
Senior Management* there of local Nationality	1	6	
Senior Management* hired with local Nationality in %	100%	67%	

Annual total Compensation ratio	2023	2022	GRI Indicator
<b>Romania</b>			
Annual total compensation of the highest paid individual vs. median annual compensation for all employees	67	n.r.	2-21

\* Senior Managment = Career level 2.0: Executives (OMV Petrom Group Board Members, OMV Petrom Vice Presidents) & Advanced (VP, GM & Head of Department)

\*\*Significant locations of operation are countries with more than 500 employees



# Social Performance

## New employee hired by age group and gender

### Number of employees

Age group	Unit	2023	2022	2021	2020	2019	2018	2017	2016
<b>Total OMV Petrom Group</b>									
	number	382	243	164	130	320	329	302	91
	rate	5	3	2	1	3	3	2	1
<b>Romania</b>		316	219	139	107				
	number	92	57	59	49				
	rate	29	26	42	49				
30-50	number	189	135	74	51	n.r.	n.r.	n.r.	n.r.
	rate	60	62	53	48				
>50	number	35	27	6	7				
	rate	11	12	4	7				
<b>Bulgaria</b>		9	9	5	3				
	number	4	0	0	1				
	rate	40	0	0	33				
30-50	number	5	9	5	2	n.r.	n.r.	n.r.	n.r.
	rate	50	100	100	67				
>50	number	1	0	0	0				
	rate	10	0	0	0				
<b>Kazakhstan</b>		0	0	7	12				
	number	0	0	4	3				
	rate	0	0	57	25				
30-50	number	0	0	3	7	n.r.	n.r.	n.r.	n.r.
	rate	0	0	43	58				
>50	number	0	0	0	2				
	rate	0	0	0	17				

### from which, women

2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
114	94	49	43	114	114	101	25	401-1
5	4	2	2	4	4	3	1	
94	80	39	36					
26	23	15	13					401-1
28	29	38	12					
63	47	23	22	n.r.	n.r.	n.r.	n.r.	
67	59	59	21					401-1
5	10	1	1					
5	13	3	1					
9	6	4	0					401-1
3	0	0	0					
33	0	0	0					
5	6	4	0	n.r.	n.r.	n.r.	n.r.	401-1
56	100	100	0					
1	0	0	0					
11	0	0	0					401-1
0	0	1	4					
0	0	0	0					
0	0	0	0					401-1
0	0	1	3	n.r.	n.r.	n.r.	n.r.	
0	0	100	25					
0	0	0	1					401-1
0	0	0	8					

Note: Rate is calculated taking in consideration the number of employees from each country. Same for women's rate.

# Social Performance

## New employee hired by age group and gender

Number of employees

Age group	Unit	2023	2022	2021	2020	2019	2018	2017	2016
Moldova		10	4	6	3				
<30	number	5	1	4	2				
	rate	50	25	67	67				
30-50	number	5	3	2	1	n.r.	n.r.	n.r.	n.r.
	rate	50	75	33	33				
>50	number	0	0	0	0				
	rate	0	0	0	0				
Serbia		10	11	7	5				
<30	number	2	5	0	0				
	rate	20	45	0	0				
30-50	number	8	5	7	5	n.r.	n.r.	n.r.	n.r.
	rate	80	45	100	100				
>50	number	0	1	0	0				
	rate	0	9	0	0				
UK		35							
<30	number	0							
	rate	0							
30-50	number	8	n.r.	n.r	n.r.	n.r.	n.r.	n.r.	n.r
	rate	23							
>50	number	27							
	rate	77							
Italy		1							
<30	number	0							
	rate	0							
30-50	number	0	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.
	rate	0							
>50	number	1							
	rate	100							

from which, women

	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
	2	1	2	1					
	40	50	100	33					
	3	1	0	0	n.r.	n.r.	n.r.	n.r.	401-1
	60	50	0	0					
	0	0	0	0					
	0	0	0	0					
	5	6	3	2					
	1	2	0	0					
	20	33	0	0					
	4	3	3	2	n.r.	n.r.	n.r.	n.r.	401-1
	80	50	100	40					
	0	1	0	0					
	0	17	0	0					
	1								
	0								
	0								
	1	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	401-1
	100								
	0								
	0								
	0								
	0	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	401-1
	0								
	0								

Note: Rate is calculated taking in consideration the number of employees from each country. Same for women's rate.

# Social Performance

## Employee turnover by age group and gender

### Number of employees

Age group	Unit	2023	2022	2021	2020	2019	2018	2017	2016
<b>Total OMV Petrom Group</b>									
	number	411	474	2,952	1,716	1,174	918	1,281	1,272
	rate	5	6	37	16	10	7	9	9
<b>Romania</b>									
	number	389	448	2,580	1,681				
	rate								
<30	number	16	25	18	19				
	rate	4	6	1	1				
30-50	number	98	136	834	431	n.r.	n.r.	n.r.	n.r.
	rate	25	30	32	26				
>50	number	275	287	1,728	1,231				
	rate	71	64	67	73				
<b>Bulgaria</b>									
	number	4	5	5	5				
	rate								
<30	number	1	0	2	0				
	rate	25	0	40	0				
30-50	number	3	3	2	5	n.r.	n.r.	n.r.	n.r.
	rate	75	60	40	100				
>50	number	0	2	1	0				
	rate	0	40	20	0				
<b>Kazakhstan</b>									
	number	0	0	351	23				
	rate								
<30	number	0	0	30	4				
	rate	0	0	9	17				
30-50	number	0	0	254	17	n.r.	n.r.	n.r.	n.r.
	rate	0	0	72	74				
>50	number	0	0	67	2				
	rate	0	0	19	9				

### from which, women

	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
	120	146	476	284	280	225	319	270	401-1
	6	7	22	11	10	8	10	9	
	106	132	393	269					
	4	3	5	5					
	4	2	1	0					
	40	62	99	54	n.r.	n.r.	n.r.	n.r.	401-1
	38	47	25	3					
	62	67	289	210					
	58	51	74	12					
	4	4	3	3					
	1	0	1	0					
	25	0	33	0					
	3	2	1	3	n.r.	n.r.	n.r.	n.r.	401-1
	75	50	33	60					
	0	2	1	0					
	0	50	33	0					
	0	0	75	9					
	0	0	11	2					
	0	0	15	9					
	0	0	51	6	n.r.	n.r.	n.r.	n.r.	401-1
	0	0	68	26					
	0	0	13	1					
	0	0	17	4					

Note: Rate is calculated taking in consideration the number of employees from each country. Same for women's rate.



# Social Performance

## Employee turnover by age group and gender

### Number of employees

Age Group	Unit	2023	2022	2021	2020	2019	2018	2017	2016
Moldova		10	9	10	5				
<30	number	3	3	5	2				
	rate	30	3	50	40				
30-50	number	7	6	5	1	n.r.	n.r.	n.r.	n.r.
	rate	70	67	50	20				
>50	number	0	0	0	2				
	rate	0	0	0	40				
Serbia		8	12	6	2				
<30	number	0	0	1	0				
	rate	0	0	17	0				
30-50	number	7	12	5	1	n.r.	n.r.	n.r.	n.r.
	rate	88	100	83	50				
>50	number	1	0	0	1				
	rate	13	0	0	50				
UK		0							
<30	number	0							
	rate	0							
30-50	number	0	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.
	rate	0							
>50	number	0							
	rate	0							
Italy		0							
<30	number	0							
	rate	0							
30-50	number	0	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.
	rate	0							
>50	number	0							
	rate	0							

### from which, women

2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
5	4	2	1					
3	1	2	1					
60	25	100	20					
2	3	0	0	n.r.	n.r.	n.r.	n.r.	401-1
40	75	0	0					
0	0	0	0					
0	0	0	0					
5	6	3	2					
0	0	1	0					
0	0	33	0					
4	6	2	1	n.r.	n.r.	n.r.	n.r.	401-1
80	100	67	50					
1	0	0	1					
20	0	0	50					
0								
0								
0								
0	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	401-1
0								
0								
0								
0								
0								
0								
0								
0								
0	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	401-1
0								
0								
0								

Note: Rate is calculated taking in consideration the number of employees from each country. Same for women's rate.

# Social Performance

## Standard benefits for full-time employees\*

	2023	2022	2021	2020	Significant location of operation/Beneficiaries	Motivation	GRI Indicator
Benefit							
Holiday leave	yes	yes	yes	yes	Minimum 21 working days plus 1 to 9 days depending on length of service	Attraction/CLA	401-2
Vacation leave indemnity	yes	yes	yes	yes	All employees with special calculation of the indemnity corresponding to the vacation leave days	Attraction/CLA	
Subsidies for holiday and treatment	yes	yes	yes	yes	All employees	Attraction/CLA/parity committee	
Retirement bonus	yes	yes	yes	yes	All employees depending on the length of service	Attraction/CLA/parity committee	
Kindergarten subsidy	yes	yes	yes	yes	All employees with kids enrolled in kindergarten	Attraction/parity committee	
Relocation indemnity	yes	yes	yes	yes	All employees that are relocated from the current working point to another working point (over 60 Km far away), without daily commuting possibilities	Attraction/safety/retention/standard	
Commuting Support	yes	yes	yes	yes	Remboursement of travel expenses for employees who is not resident or domiciled in the locality in which the workplace is located	Attraction/safety/retention/standard	
Health insurance care	yes	yes	yes	yes	Private health insurance for employees and optional to their family members	Health protection	
Parental leave	yes	yes	yes	yes	All employees	Gender equality	
Reimbursement of home transport	yes	yes	yes	yes	Employees having domicile/ residence for over 10 Km further than the working point without shuttle transportation possibilities	Attraction/ CLA	
Meal tickets	yes	yes	yes	yes	All employees	Attraction/ CLA	

\*These key benefits are the same for all locations of operations in the OMV Petrom S.A (Romania)

# Social Performance

The percentage of total employees, by gender and by employee category, who received a regular performance and career development review

	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
% of members of the organization who received performance review	%	52	60	55	47	48	43	42	36	404-3
% of women who received performance review	%	77	86	83	76	77	71	66	63	
% of employees with ILC, undetermined period, full time, who received performance review	%	52	59	55	46	47	43	41	36	
% of women, with ILC, undetermined period, full time, who received performance review	%	77	86	82	75	77	71	66	63	
% of employees with ILC, determined period, full time, who received performance review	%	40	100	78	99	82	74	87	98	
% of women, with ILC, determined period, full time, who received performance review	%	64	100	92	100	91	92	80	93	

Indicators	Calculation Criteria
% of members of the organization who received performance review	= number of members who received performance review divided to total members of organization
% of women who received performance review	= number of women who received performance review divided to total women of organization
% of employees with ILC, undetermined period, full time, who received performance review	= number of employees with ILC, undetermined period, full time who received performance review divided to total number of employees with ILC, undetermined period, full time
% of women, with ILC, undetermined period, full time, who received performance review	= number of women with ILC, undetermined period, full time who received performance review divided to total number of women, undetermined period, full time from organization
% of employees with ILC, determined period, full time, who received performance review	= number of employees with ILC, determined period, full time who received performance review divided to total number of employees with ILC, determined period, full time
% of women, with ILC, determined period, full time, who received performance review	= number of women with ILC, determined period, full time, who received performance review divided to total number of women, determined period, full time from organization



# Social Performance

## Number of incidents of non-compliance with regulations and voluntary codes<sup>1</sup>

	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
Number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling	number	0	2	0	0	0	0	0	n.r.	417-2
Number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications	number	1	1	0	0	0	0	0		417-3
a) Total number of <b>significant</b> <sup>2</sup> instances of non-compliance with laws and regulations:	number	20	9							
instances for which fines were incurred	number	20	1							
instances for which non-monetary sanctions were incurred	number	15	8							
b) Total number of fines of noncompliance with laws and regulations that were <b>paid during the reporting period</b>	number	20	267	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	2-27
c) Total monetary value of fines for instances of noncompliance with laws and regulations that were <b>paid during the reporting period</b>	EUR	384,891	222,563							
fines for instances of non-compliance with laws and regulations that occurred in the current reporting period	EUR	374,891	222,563							
fines for instances of non-compliance with laws and regulations that occurred in previous reporting periods	EUR	10,000	n/a							

<sup>1</sup>Only fines above EUR 10,000 and paid in 2023 reported as significant. For instances of non-compliance that had a non-monetary penalty, no threshold for significance has been set and all are reported.

<sup>2</sup>Included in this figure is a critical case in Romania, where in 2016, a child drowned in a pit filled with oil from an extraction well, which was not fenced. In 2023, OMV Petrom S.A. was found guilty and convicted for committing the crime of involuntary manslaughter. A total fine of EUR 100,000 was imposed by the Ploiești Court of Appeal – Prahova District, of which EUR 40,000 was paid to the civil parties and EUR 3,000 was paid as judicial expenses. Since the case occurred in 2016, OMV Petrom S.A. ramped up its efforts to identify and secure the areas surrounding the wells and applying relevant precautionary measures e.g., fencing the areas around the well, install grills above the well and placing clear warning signs.

# Social Performance

## Frequency of training sessions on Code of Business Ethics

	Unit	Frequency of training sessions	2023	2022	2021	2020	2019	2018	2017	GRI Indicator
<b>Category to whom document is applicable</b>										
Employees on managerial levels in OMV Petrom SA	number	Every 3 years	227	292	252	222	153	226	330	205-2
EB and SB members	number	Every 3 years	0	0	3	0	0			
Employees from OMV Petrom SA and subsidiaries	number	By request (F2F/virtual)	72	0	42	115	187			
	number	Online	4,589	0	4,100	2,442	4,762	n/a	n/a	

## Mechanisms for seeking advice and raising concerns

	Stakeholders for which the service is available	Availability of the service [no, hours/day]	Availability of the service [no, days/week]	The language in which the service is available	GRI Indicator
<b>Type of counseling services</b>					
Advice via direct contact with the Corporate Compliance Office or representatives of the Compliance Department	Internal	Working hours (8,5 from Monday to Thursday; 6 hours on Friday)	Monday to Friday	Romanian; English	2-26
Advice via dedicated e-mail address or dedicated telephone line	Internal & External	24 hours	7 days	Romanian; English	
Advice via the new "Integrity Platform"	Internal & External	24 hours	7 days	Romanian; English	

# Social Performance

Total number of requests for advice, including the percentage of requests that were answered during the reporting period

Unit		Type of request	Description of the type of request	2023	2022	2021	2020	2019	2018	2017	2016	2023	2022	2021	2020	2019	2018	2017	2016
Type of counseling services				Number of requests								Number of requests that were answered							
Advice	number	Request for advice on business ethics-related topics	Conflict of interests	451	124	73	116	96	87	105	123	451	124	73	116	96	87	105	123
			Business ethics-related clauses in contracts with third parties																
			Gifts and invitations																
			Sanctions and embargo																

## Social investments in local communities

	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
Monetary	mn EUR	41.25	40	10.75	6.30	13.50	2.50	2.80	4	203-1
In kind	th EUR	216	130	114	167	267	4,290	366	359	
Volunteering hours	hours	9,288	6,035	3,240	800	6,650	n/a	n/a	n/a	

\* EUR 23,5 million was distributed after the end of the 2022 financial year. This distribution was facilitated by the new fiscal facility Form 177, approved by National Agency of Fiscal Administration Order No. 1679/2022, which is used to redirect the corporate tax, as applicable, towards sponsorship, patronage or the granting of private scholarships.



# Social Performance

Occupational Safety	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
Occupational safety - employees										
Fatalities	number	0	0	0	0	0	1	0	1	403-9
Fatalities rate	per 100 mn hours worked	0	0	0	0	0	3.99	0	3.53	
Number of hours worked	hours (mn)	15	15	17	22	24	25	26	28	
Lost-Time Injury rate (LTIR)	per 1 mn hours worked	0.33	0.20	0.18	0.14	0.63	0.20	0.15	0.25	
High-consequence work-related injuries <sup>1,2</sup>	number	0	1	0	0	2	1	0	1	
High-consequence work-related injuries <sup>1,2</sup>	per 1 mn hours worked	0	0.07	0	0	0.08	0.04	0	0.04	
Lost workday injuries	number	5	3	3	3	15	4	4	6	
Lost work days (Calendar days)	number	184	319	215	196	1,052	256	242	490	
Total recordable injuries <sup>3</sup>	number	8	4	7	8	31	20	16	17	
Total Recordable Injury Rate (TRIR) <sup>3</sup>	per 1 mn hours worked	0.53	0.26	0.41	0.36	1.3	0.8	0.61	0.6	
The main types of work-related injury for employees		Caught In, Under or Between (excl. dropped object), Slips and Trips (at the same height)	Caught In, Under or Between (excl. dropped object), Cut, Falls from height, Explosions	Slips and Trips (at the same height)	Slips and Trips (at the same height) Falls from height Caught In, Under or Between (excl. dropped object)	Contact/Bit/Cut/ Hit by Struck by Slips and Trips (at the same height)	Contact/Bit/Cut/ Hit by Stepping, Handling, Manual lifting Struck by	Contact/Bit/Cut/ Hit by Struck by Stepping, Handling, Manual Lifting	Contact/Bit/Cut/ Hit by Stepping, Handling, Manual Lifting Struck by	
Commuting LTIs (LTI = FAT + LWDI) - organized by company (acc to GRI defintion)		0	1	0	0	n.r.	n.r.	n.r.	n.r.	403-9
Commuting LTIs (LTI = FAT + LWDI) - acc to OMV Group Terms & Definitions		2	4	1	0					

Disclaimer: all the figures throughout this file refer to OMV Petrom Group; worked hours are expressed in thousands and rounded to closest integer value, so minor differences may result upon reconciliation. According to International Oil& Gas standards (IOGP, CONCAVE) and OMV Group definitions, commuting injuries are not included in the rates presented into safety performance table. According to GRI definition, rate should include injuries as a result of commuting incidents only where the transport has been organized by the organization;

<sup>1</sup>Lost-time injuries that resulted in 180 (or more) lost workdays or permanent total disabilities

<sup>2</sup>Corresponds to (GRI 403-9:2018-a-ii: high-consequence work-related injury)- Work-related injury that results in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months.

<sup>3</sup>Corresponds to (GRI 403-9:2018-a-iii: Recordable work-related injuries)-Work-related injury that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid.

# Social Performance

Occupational Safety	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
Occupational safety - contractors										
Fatalities	number	1	0	2	0	0	2	0	0	403-9
Fatalities rate	per 100 mn hours worked	2.2	0	4.56	0	0	4,09	0	0	
Number of hours worked	hours (mn)	45	43	44	43	46	49	43	51	
Lost-Time Injury Rate (LTIR)	per 1 mn hours worked	0.37	0.26	0.32	0.16	0.15	0.29	0.19	0.19	
High-consequence work-related injuries <sup>1,2</sup>	number	2	2	0	1	1	1	0	1	
High-consequence work-related injuries <sup>1,2</sup>	per 1 mn hours worked	0.04	0.05	0	0.02	0.02	0.02	0	0.02	
Lost workday injuries	number	16	11	12	7	7	12	8	10	
Lost work days (Calendar days)	number	956	720	572	496	291	967	410	400	
Total recordable injuries <sup>3</sup>	number	22	18	25	11	17	23	17	17	
Total Recordable Injury Rate (TRIR) <sup>3</sup>	per 1mn hours worked	0.48	0.42	0.57	0.26	0.37	0.47	0.39	0.33	
The main types of work-related injury for contractor	Falls from height, Slips and Trips (at the same height), Caught In, Under or Between (excl. dropped object)	Slips and Trips (at the same height), Struck By (excl. dropped object)	Falls from hight Assault, Robbery, Violent Act	Slips and Trips (at the same height) Falls from hight Dropped objects	Contact/Bit/Cut/ Hit by Struck by Slips and trips (at the same height)	Contact/Bit/Cut/ Hit by Caught in, under, between	Stepping, Handling/Manual lifting Contact/Bit/Cut/ Hit by Security related	Contact/Bit/Cut/ Hit by Caught in, under, between		
Commuting LTIs (LTI = FAT + LWDI) - organized by OMV Petrom company (acc to GRI defintion)		0	0	0	0	n.r.	n.r.			403-9
Commuting LTIs (LTI = FAT + LWDI) - acc to OMV Group Terms & Definitions		9	5	2	5					

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<sup>1</sup>Lost-time injuries that resulted in 180 (or more) lost workdays or permanent total disabilities

<sup>2</sup> Corresponds to (GRI 403-9:2018-a-ii: high-consequence work-related injury)- Work-related injury that results in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months.

<sup>3</sup> Corresponds to (GRI 403-9:2018-a-iii: Recordable work-related injuries)-Work-related injury that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid.

# Social Performance

Occupational Safety	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
Occupational safety - employees and contractors										
Lost-Time Injury Rate (LTIR)	per 1 mn hours worked	0.36	0.24	0.28	0.15	0.31	0.26	0.17	0.21	403-9
Total Recordable Injury Rate (TRIR) <sup>3</sup>	per 1 mn hours worked	0.50	0.38	0.53	0.29	0.68	0.58	0.48	0.43	

Disclaimer: all the figures throughout this file refer to OMV Petrom Group; worked hours are expressed in thousands and rounded to closest integer value, so minor differences may result upon reconciliation. According to International Oil& Gas standards (IOGP, CONCAVE) and OMV Group definitions, commuting injuries are not included in the rates presented into safety performance table. According to GRI definition, rate should include injuries as a result of commuting incidents only where the transport has been organized by the organization; OMV Petrom Group did not record in 2020 and 2021 any commuting incidents organized by the organization.

<sup>1</sup> Lost-time injuries that resulted in 180 (or more) lost workdays or permanent total disabilities.

<sup>2</sup> Corresponds to (GRI 403-9:2018-a-ii: Recordable work-related injuries) - Work-related injury that results in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months.

<sup>3</sup> Corresponds to (GRI 403-9:2018-a-iii: Recordable work-related injuries) - Work-related injury that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid.

## Process Safety Events

	2023			2022			2021			2020			2019			2018			2017			2016		
	Tier 1 <sup>1</sup>	Tier 2 <sup>2</sup>	Total Country	Tier 1	Tier 2	Total Country	Tier 1	Tier 2	Total Country	Tier 1	Tier 2	Total Country	Tier 1	Tier 2	Total Country	Tier 1	Tier 2	Total Country	Tier 1	Tier 2	Total Country	Tier 1	Tier 2	Total Country
Romania	6	3	9	2	1	3	1	6	7	1	3	4	2	3	5	1	6	7	2	0	2	3	4	7
Moldova	0	0	0	0	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0
Bulgaria	0	0	0	0	0	0	0	1	1	1	0	1	1	1	2	0	0	0	0	0	0	0	0	0
Serbia	0	0	0	0	0	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0
Kazakhstan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	2	0	2	2	2	8	10
Total company	9			3			8			7			7			9			4			12		

<sup>1</sup> Tier 1 PSEs are incidents with greater consequence and represent the most lagging performance indicator within the four-tier approach

<sup>2</sup> Tier 2 PSEs are incidents with lesser consequence



# Environmental Performance

Energy	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
Energy consumption <sup>1</sup>	PJ	38.8	44.3	44.8	43.9	43.1	45.1	43.3	45.8	
Fuel consumption within the organization	PJ	53.1	60.2	60.4	57.2					
thereof solid fuels	PJ	2.6	3.1	3.2	3.1					
thereof liquid fuels	PJ	1.6	1.9	0.5	0.9					
thereof gaseous fuels	PJ	48.9	55.2	56.6	53.1					
thereof renewable sources	PJ	0	0	0	0					
Electricity consumption <sup>2</sup>	PJ	0.9	1.3	1.1	1.2	n.r.	n.r.	n.r.	n.r.	302-1
Heating, cooling and steam consumption <sup>2</sup>	TJ	65.8	70.6	103.2	100.3					
thereof heating consumption <sup>2</sup>	TJ	0	0	0	0					
thereof cooling consumption <sup>2</sup>	TJ	0	0	0	0					
thereof steam consumption <sup>2</sup>	TJ	65.8	70.6	103.2	100.3					
Electricity sold <sup>3</sup>	PJ	14.9	18.0	16.6	14.2					

1 Refers to the total energy used for operations based on site calculations with specific data and methodology.

2 Includes only electricity/heating/cooling/steam purchased and consumed. Electricity/heating/cooling/steam consumed from own generation is included in fuel consumption.

3 Electricity sold internally is excluded.

n.r. = not reported

Energy consumption outside the organization	Unit	2023	2022	2021	2020	2019	2018	GRI Indicator
Total energy sold <sup>1</sup>	PJ	375.0	380.9	365	391.7	411.6	367.9	
thereof from non-renewable sources	PJ	366.2	372.4	356.8	384.2	403.8	362.1	
thereof fuels sold <sup>2</sup>	PJ	342.7	326.3	331.4	356.8	373.2	331.4	
thereof electricity sold <sup>3</sup>	PJ	23.5	46.1	25.5	27.4	30.6	30.7	302-2
thereof heating sold	PJ	0	0	0	0	0	0	
thereof cooling sold	PJ	0	0	0	0	0	0	
thereof steam sold	PJ	0	0	0	0	0	0	
thereof from renewable sources	PJ	8.8	8.4	8.1	7.5	7.9	5.8	

1 Total Energy supply (energy content of energy supply products)

2 Oil & gas to energy

3 Power - electricity

# Environmental Performance

Emissions	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator	
GHG Emissions											
GHG (direct, scope 1) <sup>1</sup>	mn t CO <sub>2</sub> eq	3.4	3.9	4.0	4.2	4.4	4.6	4.0	4.4	305-1	
of which from E&P	mn t CO <sub>2</sub> eq	1.0	1.0	1.2	1.6	2.1	2.2	2.0	2.3		
of which from R&M, G&P	mn t CO <sub>2</sub> eq	2.4	2.9	2.8	2.6	2.3	2.4	2.0	2.1		
CO <sub>2</sub>	mn t	3.2	3.7	3.6	3.5	3.4	3.6	3.2	3.3		
N <sub>2</sub> O	t	18	19	19	20	21	24	23	24		
CH <sub>4</sub>	kt	8.6	9.9	15.9	25.4	40.3	37.4	32.0	44.3	305-2	
GHG (indirect, scope 2) <sup>2</sup>	mn t CO <sub>2</sub> eq	0.06	0.09	0.07	0.09	0.05	0.08	0.06	0.06		
GHG (indirect, scope 3) <sup>3</sup>	mn t CO <sub>2</sub> eq	23.9	23.0	23.3	24.7	26.1	23.2	n.r.	n.r.		305-3
GHG (indirect, scope 3) - category 10	mn t CO <sub>2</sub> eq	1.2	1.4	1.4	1.5	1.6	1.4				
GHG (indirect, scope 3) - category 11	mn t CO <sub>2</sub> eq	22.7	21.7	21.9	23.2	24.4	21.8				
Biogenic CO <sub>2</sub> emissions	mn t CO <sub>2</sub> eq	0.6	0.6	0.6	0.5	0.6	0.4				
Other air emissions <sup>4</sup>											
SO <sub>2</sub>	kt	0.7	0.9	0.6	0.6	0.6	0.6	0.6	0.7	305-7	
NO <sub>x</sub>	kt	2.8	3.0	2.9	3.1	3.2	3.6	3.3	3.2		
Non-methane-volatile organic compounds (NM-VOC)	kt	4.1	4.8	3.1	3.6	5.1	5.4	5.4	7.0		
Particulate emissions	t	53	64	64	62	64	59	62	63		
<sup>1</sup> Scope 1 refers to direct emissions from operations that are owned or controlled by the organization (OMV Petrom Group). We use emission factors from different sources, e.g., IPCC, API GHG Compendium, etc. Since 2016 OMV Petrom is applying global warming potentials of the IPCC Fourth Assessment Report (AR4 – 100 year)											
<sup>2</sup> Scope 2 refers to indirect emissions resulted from generation of purchased or acquired electricity, heating, cooling, or steam. We use emission factors from different sources, e.g., national authorities, supplier-specific emission factors, etc. The data in the table refers to the market-based approach. Scope 2 emissions are accounted and reported with the “operational control” approach.											
<sup>3</sup> Scope 3 refers to other indirect emissions that occur outside the organization, including both Upstream and Downstream emissions. We use emission factors from different sources, e.g., IPCC, PlasticsEurope, etc. The data includes Scope 3 emissions from the use and processing of sold products, category 10 and 11. Pure “trading margin” sales as well as intracompany sales are excluded.											
<sup>4</sup> Same emissions factors sources are used for non GHG air emissions calculations.											
Flaring and Venting	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator	
Hydrocarbons flared	kt	16.1	19.2	21.4	16.9	27.6	39.2	38.7	22.2	305-1	
Hydrocarbons vented	kt	10.2	12.0	16.2	26.4	42.5	39.4	31.3	48.2		

The volumes of flared and vented gas in Upstream are calculated following legal/ internal regulations and are based on gas balance. Regular checks are performed and calculated volumes calibrated, if needed. Data may change based on such regular checks outcome and consolidated annually. Further to the above internal process, in 2020 in one location having two alternative stacks (one for flaring, one for venting), a quantity of gas was reclassified from flaring to venting.

# Environmental Performance

GHG intensity of OMV Petrom operations (Scope 1)	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
GHG Intensity E&P	t CO <sub>2</sub> eq/ toe	0.17	0.17	0.19	0.21	0.27	0.27	0.24	0.26	305-4
GHG Intensity Petrobrazi Refinery <sup>1</sup>	t CO <sub>2</sub> eq/ t throughput	0.25	0.25	0.23	0.25	0.25	0.25	0.24	0.25	
GHG Intensity CCPP <sup>1</sup>	t CO <sub>2</sub> eq/ MWh	0.35	0.35	0.36	0.36	0.36	0.36	0.36	0.37	
Carbon Intensity Index of OMV Petrom <sup>2</sup>	% (vs. previous year)	0.3	-1.4	-5.6	-7	0.5	6.7	-6.3	-5.9	

<sup>1</sup> CO<sub>2</sub> verified emissions

<sup>2</sup> CO<sub>2</sub> equivalent emissions associated with a certain business output using the following measurement units: Upstream: t CO<sub>2</sub>e/toe, Petrobrazi Refinery: t CO<sub>2</sub>e/t throughput, CCPP: t CO<sub>2</sub>e/MWh, consolidated into a Carbon Intensity Index of OMV Petrom operations. Variations vs. previous year, based on weighted average of the business segments' carbon intensity.

Water and wastewater	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
Water withdrawal										
Water withdrawn <sup>1,2</sup>	gigaliters	50.0	53.2	56.3	59.4	17.9	18.3	16.8	17.6	303-3
thereof groundwater	gigaliters	3.3	4.5	5.3	5.7	5.8	5.2	7.1	6.6	
thereof freshwater (≤1,000 mg/l total dissolved solids)	gigaliters	3.3	4.5	5.3	5.4	n.r.	n.r.	n.r.	n.r.	
thereof other water (>1,000 mg/l total dissolved solids)	gigaliters	0	0	0.1	0.3					
thereof surface water	gigaliters	10.3	10.7	10.6	11.4	11.1	11.8	8.5	9.7	
thereof freshwater (≤1,000 mg/l total dissolved solids)	gigaliters	10.3	10.7	10.6	11.4	n.r.	n.r.	n.r.	n.r.	
thereof other water (>1,000 mg/l total dissolved solids)	gigaliters	0	0	0	0					
thereof from public supply systems	gigaliters	0.9	1.0	1.0	0.9	1.1	1.3	1.2	1.3	
thereof freshwater (≤1,000 mg/l total dissolved solids)	gigaliters	0.9	1.0	1.0	0.9	n.r.	n.r.	n.r.	n.r.	
thereof other water (>1,000 mg/l total dissolved solids)	gigaliters	0	0	0	0					
thereof seawater	megaliters	8	7	10	8					
thereof produced water	gigaliters	35.5	36.9	39.5	41.4					



# Environmental Performance

## Water and wastewater

	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
<b>Water withdrawn by source from all areas with water stress<sup>3</sup></b>	megaliters	0	0	191	510					
thereof groundwater	megaliters	0	0	98	262					
thereof freshwater (≤1,000 mg/l total dissolved solids)	megaliters	0	0	0	0					
thereof other water (>1,000 mg/l total dissolved solids)	megaliters	0	0	98	262					
thereof surface water	megaliters	0	0	0	0					
thereof freshwater (≤1,000 mg/l total dissolved solids)	megaliters	0	0	0	0					
thereof other water (>1,000 mg/l total dissolved solids)	megaliters	0	0	0	0					303-3
thereof from public supply systems	megaliters	0	0	18	49	n.r.	n.r.	n.r.	n.r.	
thereof freshwater (≤1,000 mg/l total dissolved solids)	megaliters	0	0	18	49					
thereof other water (>1,000 mg/l total dissolved solids)	megaliters	0	0	0	0					
thereof seawater	megaliters	0	0	0	0					
thereof produced water	megaliters	0	0	75	199					
Water consumed <sup>1</sup>	gigaliters	41.8	44.2	46.3	49.6					303-5
Total water consumed from all areas with water stress <sup>3</sup>	gigaliters	0	0	0.2	0.3					
Water recycled and reused	gigaliters	248.3	310.3	313.2	311.8					

# Environmental Performance

## Water and wastewater

### Wastewater discharged

	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
Total water discharged to all areas by destination	gigaliters	8.2	9.0	10.0	9.7					
thereof Surface water	gigaliters	7.6	8.3	9.1	9.0					
thereof Groundwater	gigaliters	0	0	0	0					
thereof Seawater	megaliters	9	10	8	8	n.r.	n.r.	n.r.	n.r.	303-4
thereof Third-party water	gigaliters	0.6	0.7	0.9	0.7					
Total water discharge to all areas with water stress <sup>3</sup>	megaliters	0	0	4	11					

### Water discharged - quality

Hydrocarbons (oil) discharged	t	2	1	3	12	6	8	14	13	
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<sup>1</sup> Excluding water withdrawn for once-through use that is not applicable in OMV Petrom.

<sup>2</sup> Produced water included according to GRI 303/2018 effective for reports after 1 January 2021.

<sup>3</sup> Not applicable for current operations, applied to former operations in Kazakhstan, divested in 2021.

## Freshwater Withdrawal Intensity of OMV Petrom operations

	Unit	2023	2022	2021	2020	2019	2018	2017	2016
Freshwater Withdrawal Intensity E&P	cbm/toe	0.68	0.62	0.67	0.57	0.61	0.66	0.71	0.71
Freshwater Withdrawal Intensity R&M <sup>1</sup>	cbm/t throughput	1.72	1.74	1.71	2.16	2.10	2.26	1.74	1.82
Freshwater Withdrawal Intensity Power Plants	cbm/MWh	0.96	0.92	0.92	0.98	1.02	0.97	1.04	1.12
Freshwater Withdrawal Intensity Index of OMV Petrom <sup>2</sup>	%	3.6	-1	-6.5	-0.2	-4.7	11.5	-3.3	-6.2

<sup>1</sup> Not including Power Plants.

<sup>2</sup> Weighted average of Freshwater Withdrawal Intensity variations from business divisions.

# Environmental Performance

Waste	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
Total waste <sup>1</sup>	t	691,740	665,420	605,172	537,855	527,928	430,431	367,205	812,360	306-3
thereof non-hazardous waste	t	452,029	382,817	272,015	158,000	233,815	186,643	149,483	568,419	
thereof non-hazardous waste to landfill	t	58,609	71,310	34,718	49,599	81,666	36,656	18,500	99,091	
thereof non-hazardous waste for recovery <sup>2</sup>	t	392,731	311,432	230,395	97,740	124,580	132,540	123,347	405,893	
thereof non-hazardous waste for incineration	t	686	72	969	210	23,810	678	91	173	
thereof non-hazardous waste for other disposal options <sup>3</sup>	t	3	3	5,933	10,450	3,755	16,769	7,545	63,262	
thereof hazardous waste	t	239,711	282,603	333,157	379,855	294,113	243,788	217,722	243,941	
thereof hazardous waste to landfill	t	16,191	5,683	4,302	6,831	48,832	51,970	37,651	39,769	
thereof hazardous waste for recovery <sup>2</sup>	t	173,114	200,635	269,543	314,964	158,543	64,538	51,566	97,861	
thereof hazardous waste for incineration	t	7,382	11,154	11,656	13,786	892	2,393	4,380	11,053	
thereof hazardous waste for other disposal options	t	43,023	65,131	47,656	44,274	85,846	124,887	124,125	95,258	306-4
Total Waste directed to disposal	t	125,894	153,354	105,235	125,150	244,805	233,353	192,292	308,606	
thereof non-hazardous waste	t	59,298								
thereof non-hazardous waste for incineration (with energy recovery)	t	684								
of which onsite	t	0								
of which offsite	t	684								
thereof non-hazardous waste for incineration (without energy recovery)	t	2	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	
of which onsite	t	0								
of which offsite	t	2								
thereof non-hazardous waste to landfill	t	58,609								
of which onsite	t	12,745								



# Environmental Performance

Waste	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
of which offsite	t	45,864								
thereof non-hazardous waste for other disposal options	t	3								
of which onsite	t	0								
of which offsite	t	3								
thereof hazardous waste	t	66,596								
thereof hazardous waste for incineration (with energy recovery)	t	7,357								
of which onsite	t	0								
of which offsite	t	7,357								
thereof hazardous waste for incineration (without energy recovery)	t	25								
of which onsite	t	0	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	
of which offsite	t	25								306-4
thereof hazardous waste to landfill	t	16,191								
of which onsite	t	0								
of which offsite	t	16,191								
thereof hazardous waste for other disposal options	t	43,023								
of which onsite	t	56								
of which offsite	t	42,967								
thereof transboundary movement of hazardous waste (Basel convention) <sup>2</sup>	t	0								
Total Waste diverted from disposal (recovered)	t	565,846	512,067	499,937	412,705	283,123	197,078	174,913	503,754	
thereof non-hazardous waste	t	392,731								
thereof other (preparation for reuse and other recovery options)	t	371,180	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	
of which onsite	t	5,443								
of which offsite	t	365,737								

# Environmental Performance

Waste	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
thereof non-hazardous waste for recycling	t	21,552								
of which onsite	t	0								
of which offsite	t	21,552								
thereof hazardous waste	t	173,114								
thereof other (preparation for reuse and other recovery options) <sup>2</sup>	t	540								
of which onsite	t	50	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	306-4
of which offsite	t	490								
thereof hazardous waste for recycling	t	172,575								
of which onsite	t	133,334								
of which offsite	t	39,240								
Total Waste recovery <sup>2</sup> or recycling rate	%	82	77	83	77	53	46	48	62	

General note: aiming at improvement of disclosure, we considered as opportunity the disclosure split for on and off site

<sup>1</sup> Total waste amount including those from one-time projects.

<sup>2</sup> Recovery means operations that divert waste from being sent to disposal, such as preparation for reuse, recycling or other recovery operations.

<sup>3</sup> The 2022 reported value is corrected to the right unit, due to a previous excel setting error, that was transposed in 2022 PDF versions of the published report.

Spills	Unit	2023	2022	2021	2020	2019	2018	2017	2016	GRI Indicator
Spills <sup>1,4</sup>	number	2,160	2,197	2,142	2,267	2,012	2,164	2,375	2,105	306-3
of which major (i.e. severity level 3 to 5)	number	1	1	2	0	1	2	0	1	
of which minor (i.e. severity level below 3)	number	2,159	2,196	2,140	2,267	2,011	2,162	2,375	2,104	306-3
Spills Volume	k liters	161	224	49	32	54	34	54	98	

<sup>1</sup> In its management system, OMV Group defined the Standard GST-0225-Reporting, Investigation, and Classification of Incidents, to set the framework for a transparent management of incidents related to health, safety, security and environment.

Following this Standard criteria, the spills in context of GRI reporting, are framed within consequence levels for environment from 1 to 5, 1-2 being considered minor, 3-5 being considered major.

<sup>2</sup> Major Spill means a consequence to environment having at least medium environmental damage within a large area outside the boundaries and actions for remediation/restoration are required, acc. to the mentioned internal reporting standard.

<sup>3</sup> Minor Spill means a consequence to environment having negligible or low environmental damage within a limited area outside the boundaries/medium environmental damage within the boundaries and actions for cleanup are required, acc. to the mentioned internal reporting standard.

<sup>4</sup> For 2022 spills data, a minor review has been done during reporting year 2023, for 1 spill only and the respective volume.

# Environmental Performance

<b>Environmental protection expenditure<sup>1</sup></b>	<b>Unit</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Environmental protection expenditure, excluding depreciation	mn EUR	299.7	317.4	103.9	70.5	124.3	96.9	103.7	n.r.
Environmental investments for assets put into operation	mn EUR	75.7	30.0	28.6	36.3	45.8	59.4	29.4	

<sup>1</sup> When reporting Environmental protection expenditure, OMV Petrom uses the EMA (Environmental management accounting) methodology developed by International Federation Accountants (IFAC).

<b>Number of grievances - environmental impacts</b>	<b>Unit</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>GRI Indicator</b>
<b>Total number of grievances</b>	<b>number</b>	<b>583</b>	<b>701</b>	<b>786</b>	<b>737</b>	<b>906</b>	<b>949</b>	<b>1,046</b>	<b>1,469</b>	
Compensation for land contamination - Natural Persons	number	186	274	377	298	380	463	573	679	11.15.4
Compensation for land contamination - Legal Persons	number	11	9	9	18	23	29	28	33	



# Taxonomy KPIs - Turnover

Economic activities (1)	Code (a) (2)	Turnover (3)	Proportion of Turnover, year N (4)	Substantial contribution criteria						DNSH criteria (Does not significantly harm)						Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) proportion of turnover, year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
				(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)				
		RON mn	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																			
<b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>	-	-	-																
<b>Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)</b>	-	-	-		-	-	-	-	-										
Of each Enabling																			
Of each Transitional																			
<b>A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																			
Manufacture of organic basic chemicals	CCM 3.14	371	0.96	EL													0.94		
Transmission and distribution of electricity	CCM 4.9	1	0.00	EL													0.00		
Electricity generation from fossil gaseous fuels	CCM 4.29	2,535	6.53	EL													16.96		
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	7	0.02	EL													0.01		
<b>Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>		<b>2,914</b>	<b>7.51</b>														<b>17.92</b>		
<b>A. Turnover of Taxonomy eligible activities (A.1 + A.2)</b>		<b>2,914</b>	<b>7.51</b>														<b>17.92</b>		
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																			
<b>Turnover of Taxonomy-non-eligible activities</b>		<b>35,894</b>	<b>92.49</b>																
<b>Total</b>		<b>38,808</b>	<b>100.0</b>																

**Environmental Objectives:** (5), (11)-Climate change mitigation, (6), (12)-Climate change adaptation, (7), (13)-Water, (8), (14)-Pollution, (9), (15)-Circular economy, (10), (16)-Biodiversity and ecosystems.

# Taxonomy KPIs - CapEx

Economic activities (1)	Code (a) (2)	CapEx (3)	Proportion of CapEx, year N (4)	Substantial contribution criteria						DNSH criteria (Does not significantly harm)						Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) CapEx, year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
				(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)				
		in RON mn	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	E	T
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																			
<b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>																			
Electricity generation using from solar photovoltaic technology	CCM 4.1	6	0.12	100	-	-	-	-	-		Y	Y	Y	Y	Y	Y	0.05	E	
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	39	0.82	100	-	-	-	-	-		Y	Y	Y	Y	Y	Y	0.18	E	
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	12	0.25	100	-	-	-	-	-		Y	Y	Y	Y	Y	Y	0.00	E	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	18	0.38	100	-	-	-	-	-		Y	Y	Y	Y	Y	Y	0.18	E	
<b>CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)</b>		<b>75</b>	<b>1.57</b>	<b>100</b>	-	-	-	-	-								<b>0.41</b>		
Of each Enabling		75	1.57	100	-	-	-	-	-	0	0	0	0	0	0	0	0.41	0	0
Of each Transitional																			
<b>A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																			
Manufacture of hydrogen	CCM 3.10	14	0.30	EL													-		
Manufacture of organic basic chemicals	CCM 3.14	453	9.53	EL													2.99		
Electricity generation using from solar photovoltaic technology	CCM 4.1	0	-	EL													0.03		
Transmission and distribution of electricity	CCM 4.9	84	1.77	EL													0.14		
Manufacture biogas and biofuels for transport	CCM 4.13	47	1.00	EL													0.71		
Electricity generation from fossil gaseous fuels	CCM 4.29	165	3.47	EL													5.29		
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	2	0.05	EL													0.18		
Freight rail transport	CCM 6.2	60	1.25	EL													-		
Transport by motorbikes, passenger cars, light commercial vehicles	CCM 6.5	41	0.86	EL													0.50		
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM 6.10	24	0.50	EL													0.49		
Infrastructure for rail transport	CCM 6.14	32	0.68	EL													1.29		
Renovation of existing buildings	CCM 7.2	2	0.04	EL													-		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	11	0.22	EL													0.46		
Acquisition and ownership of buildings	<b>CCM 7.7</b>	<b>12</b>	<b>0.26</b>	EL													-		
<b>CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>		<b>947</b>	<b>19.92</b>														<b>12.07</b>		
<b>CapEx of Taxonomy eligible activities (A.1 + A.2)</b>		<b>1,022</b>	<b>21.49</b>														<b>12.48</b>		
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																			
<b>CapEx of Taxonomy-non-eligible activities (B)</b>		<b>3,732</b>	<b>78.51</b>																
<b>Total</b>		<b>4,754</b>	<b>100.00</b>																

**Environmental Objectives:** (5), (11)-Climate change mitigation, (6), (12)-Climate change adaptation, (7), (13)-Water, (8), (14)-Pollution, (9), (15)-Circular economy, (10), (16)-Biodiversity

# Taxonomy KPIs - OpEx

Economic activities (1)	Code (a) (2)	OpEx (3)	Proportion of OpEx, year N (4)	Substantial contribution criteria						DNSH criteria (Does not significantly harm)						Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) OpEx, year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
				(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)				
		RON mn	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																			
<b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>	-	0	-																
-																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	-	0	-		-	-	-	-	-										
<b>A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																			
Manufacture of hydrogen	CCM 3.10	0	-	EL													0.02		
Manufacture of organic basic chemicals	CCM 3.14	27	2.52	EL													1.53		
Transmission and distribution of electricity	CCM 4.90	14	1.31	EL													1.47		
Manufacture biogas and biofuels for transport	CCM 4.13	0	-	EL													0.11		
Electricity generation from fossil gaseous fuels	CCM 4.29	83	7.81	EL													10.24		
Infrastructure for rail transport	CCM 6.14	9	0.81	EL													1.06		
Close to market research, development and innovation	CCM 9.10	40	3.76	EL													2.09		
<b>OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>		<b>173</b>	<b>16.21</b>														<b>16.52</b>		
<b>A. OpEx of Taxonomy eligible activities (A.1 + A.2)</b>		<b>173</b>	<b>16.21</b>														<b>16.52</b>		
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																			
<b>OpEx of Taxonomy-non-eligible activities</b>		<b>895</b>	<b>83.79</b>																
<b>Total</b>		<b>1,069</b>	<b>100.00</b>																

**Environmental Objectives:** (5), (11)-Climate change mitigation, (6), (12)-Climate change adaptation, (7), (13)-Water, (8), (14)-Pollution, (9), (15)-Circular economy, (10), (16)-Biodiversity and ecosystems.



**Bucharest, 10 April 2024**

**Christina Verchere**  
Chief Executive Officer

**Alina Gabriela Popa**  
Chief Financial Officer





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# Risks and Opportunities Summary

## Material Topic: Climate change and Energy transition

Risk/Opportunity		Effect Description (Positive or Negative)	Mitigation/Approach
Risk	Accelerated Carbon Emissions Reduction	<ul style="list-style-type: none"> <li>▶ Potential enforcement action by regulators</li> <li>▶ Stakeholder outrage (limited to non-major market)</li> <li>▶ Damage of reputation</li> </ul>	<ul style="list-style-type: none"> <li>▶ Procedures on GHG Emissions Monitoring and Reporting under EU Emission Trading Scheme (EU-ETS)</li> <li>▶ Annual internal audits for each ETS plant</li> <li>▶ Minimize impact of methane</li> <li>▶ Carbon Intensity Monitoring at company level on a systematic basis, quarterly internal reporting on emissions</li> <li>▶ Carbon Management Program in E&amp;P</li> </ul>
Opportunity	Expansion of new energy solutions	<ul style="list-style-type: none"> <li>▶ Generation of new revenue streams</li> <li>▶ Sustainable solutions in the energy supply</li> <li>▶ Long-term value for OMV Petrom and its shareholders</li> <li>▶ Carbon footprint reduction</li> <li>▶ New energy solutions promoted and implemented by OMV Petrom will ensure a healthy environment and economic and sustainable development</li> </ul>	<ul style="list-style-type: none"> <li>▶ Test and implement business opportunities, which offer significant upscale potential, fit for OMV Petrom's capabilities</li> <li>▶ Five new low carbon activities in portfolio by 2030 – renewable power generation, biofuels, alternative mobility, carbon capture and storage, hydrogen</li> </ul>
Opportunity	Use of renewable energy for own operations	<ul style="list-style-type: none"> <li>▶ GHG emissions reduction from energy efficiency improvements and technology changes</li> <li>▶ Increase and enhancement of sustainable operations in entire business (reduced carbon footprint, increased energy efficiency consumption)</li> <li>▶ Lower costs of electricity and carbon (ETS)</li> <li>▶ Positive reputational effect</li> <li>▶ Renewable energy sources will reduce the net carbon intensity of energy supply for our Company</li> </ul>	<ul style="list-style-type: none"> <li>▶ Identify and execute business opportunities which offer significant upscale potential, fit OMV Petrom's capabilities, and create long-term value</li> <li>▶ Increase of energy efficiency and reduction of internal fuel consumption by renewable energy supplies such as own photovoltaic plants</li> <li>▶ Ensure achievement of OMV Petrom's long-term decarbonization targets</li> </ul>
Opportunity	Carbon capture and storage	<ul style="list-style-type: none"> <li>▶ Lower carbon footprint</li> <li>▶ Significant positive environmental benefits</li> <li>▶ Potential new business line</li> </ul>	<ul style="list-style-type: none"> <li>▶ Carbon capture and storage projects development and potential development of business line</li> </ul>
Risk	Not implementing low and zero carbon emissions projects	<ul style="list-style-type: none"> <li>▶ Financial risks – budget overrun, project delay</li> <li>▶ Reputational risks – jeopardizing the achievement of strategic targets</li> </ul>	<ul style="list-style-type: none"> <li>▶ Pilot projects or in partnership</li> <li>▶ Continuous monitoring of new technologies</li> <li>▶ Inorganic growth (M&amp;A)</li> </ul>
Risk	Accelerated transition, stricter regulations and policies on carbon pricing, higher carbon prices	<ul style="list-style-type: none"> <li>▶ Financial risks – possible high fines and/ or costs</li> <li>▶ Accelerated supply reduction of traditional products without alternatives</li> </ul>	<ul style="list-style-type: none"> <li>▶ Continuous market monitoring</li> <li>▶ Build up portfolio optionality</li> <li>▶ Resource reprioritizations</li> </ul>



# Risks and Opportunities Summary

## Material Topic: Environment

Risk/Opportunity		Effect Description (Positive or Negative)	Mitigation/Approach
Risk	Environmental compliance issues	<ul style="list-style-type: none"> <li>▶ Pollution of soil, surface water or ground water, air</li> <li>▶ Community nuisance from noises, odors, light</li> <li>▶ Biodiversity loss</li> <li>▶ Damage of company reputation</li> <li>▶ Environmental costs from potential liabilities, fines</li> </ul>	<ul style="list-style-type: none"> <li>▶ Environmental management system ISO 14001</li> <li>▶ Waste Management Plan</li> <li>▶ Biodiversity Management Plan</li> <li>▶ Proper management of conformity budget and projects</li> <li>▶ Operating procedures in place and risk-based maintenance</li> <li>▶ Emergency preparedness and response</li> <li>▶ Insurance for third party losses</li> <li>▶ Environmental risk assessments</li> </ul>

## Material Topic: Supply Chain

Risk/Opportunity		Effect Description (Positive or Negative)	Mitigation/Approach
Risk	Not supporting the OMV Petrom Group climate change targets	<ul style="list-style-type: none"> <li>▶ Lose share of social responsible investors</li> <li>▶ Lower ESG ratings</li> <li>▶ Reputational risk (image risk)</li> <li>▶ Financial impact (e.g., EU carbon border adjustment mechanism)</li> </ul>	<ul style="list-style-type: none"> <li>▶ Sustainable Procurement targets in place</li> <li>▶ Increase engagement with suppliers on carbon management topics through CDP Supply Chain</li> <li>▶ Increase transparency on carbon footprint of purchased goods and services through carbon management reporting (Scope 3 of purchased goods and services) in Power BI</li> </ul>
Risk	Reputational damage related to ESG topics in supply chain (e.g., climate change, human rights violations, business ethics, poor labor practices)	<p><b>Reputational risk</b></p> <ul style="list-style-type: none"> <li>▶ Business impact (i.e., losing customers)</li> <li>▶ Business continuity (i.e., if a supplier is blocked and cannot continue to operate this has an impact on our business continuity)</li> </ul> <p><b>Consequences for OMV Petrom:</b></p> <ul style="list-style-type: none"> <li>▶ Legal liability in case of direct complicity</li> <li>▶ Reputational damage</li> <li>▶ Low moral of employees</li> <li>▶ Low quality of products and services delivered</li> </ul>	<ul style="list-style-type: none"> <li>▶ Perform supplier audits and evaluations as part of the “Together for Sustainability” program</li> <li>▶ Include sustainability performance and KPIs in the awarding criteria</li> <li>▶ Training for employees (focus on high-risk countries)</li> <li>▶ Human Rights Country Entry Check before launching operations in a country, as well as regular human rights assessments in our countries of operations consider labor rights aspects</li> <li>▶ Human rights aspects (incl. labor rights) included in the pre-qualification phase and suppliers/contractors' audits</li> <li>▶ ESG supplier assessments done with EcoVadis</li> <li>▶ Code of Conduct includes labor rights</li> </ul>

# Risks and Opportunities Summary

## Material Topic: Health, Safety & Security

Risk/ Opportunity		Effect Description (Positive or Negative)	Mitigation/Approach
Risk	Onshore Surface integrity and process safety failures	<ul style="list-style-type: none"> <li>▶ Injuries/fatalities of 3<sup>rd</sup> party</li> <li>▶ Temporary stop of gas supply to populations</li> <li>▶ Reputational damage to company incident reported by press</li> <li>▶ Property damages</li> </ul>	<ul style="list-style-type: none"> <li>▶ Risk awareness campaign</li> <li>▶ Lessons learned (internal incidents or industry experience)</li> <li>▶ Preventive maintenance</li> <li>▶ Integrity assessment programs</li> <li>▶ Corrosion Management Plan developed</li> <li>▶ Pipeline Integrity Management System in place</li> <li>▶ Awareness campaign for communities</li> </ul>
Risk	Offshore Asset integrity and process safety	<ul style="list-style-type: none"> <li>▶ Injuries/ fatalities</li> <li>▶ Loss of assets, loss of production</li> <li>▶ Major Oil Spill</li> <li>▶ Significant negative public image</li> <li>▶ Reputational damage of OMV Petrom as competent operator</li> <li>▶ Penalties and fines, possible prosecution under Romanian laws</li> </ul>	<ul style="list-style-type: none"> <li>▶ Risk awareness campaign</li> <li>▶ Lessons learned (internal incidents or industry experience)</li> <li>▶ Preventive maintenance</li> <li>▶ Integrity assessment programs</li> <li>▶ Corrosion Management Plan</li> <li>▶ Pipeline Integrity Management System in place</li> <li>▶ Awareness campaign for communities</li> </ul>
Risk	Vapor Cloud Explosion Incidents in refinery	<ul style="list-style-type: none"> <li>▶ Injuries/ fatalities</li> <li>▶ Fire and blast destruction of equipment (property)</li> <li>▶ Environmental impact</li> <li>▶ Penalties and fines</li> <li>▶ Reputational consequences</li> <li>▶ Financial losses generated by the business interruption</li> </ul>	<ul style="list-style-type: none"> <li>▶ Inspection program</li> <li>▶ Risk Based Maintenance</li> <li>▶ Operating and emergency procedures</li> <li>▶ Risk mitigation measures: 24H operator, gas detectors and measurements</li> <li>▶ Frequent turnarounds</li> <li>▶ Training program</li> <li>▶ HAZOP measures conducted (measures from risk analysis regarding possible sources of gas and ignition sources)</li> <li>▶ Related measures from QRA study</li> <li>▶ Third party liability insurance; Business interruption and Property Damage Insurance</li> <li>▶ Life insurance for employees</li> <li>▶ Emergency plans and exercises (with the collaboration of firefighting authorities)</li> </ul>

# Risks and Opportunities Summary

## Material Topic: Health, Safety & Security

Risk/Opportunity		Effect Description (Positive or Negative)	Mitigation/Approach	
Opportunity	Safety of contractors & suppliers – OMV Petrom requirements defined for integrating best practice HSSE aspects in all phases of the life cycle of contracts and contractor management enhancing local legal safety regulations	<ul style="list-style-type: none"> <li>▶ Strong reputation as a strong partner in a safer environment</li> <li>▶ Shared knowledge stays within local community and increases safety and environmental awareness among the communities which leads to a positive impact on the environment and society</li> <li>▶ Partnership between OMV Petrom and contractors, supporting an effective best practice and safe behavior, and leading to the improvement of contractors' employee safety culture</li> </ul>	<ul style="list-style-type: none"> <li>▶ For improving the HSSE performance of OMV Petrom contractors:</li> <li>▶ HSSE requirements in the SOW</li> <li>▶ HSSE pre-qualification of contractors</li> <li>▶ HSSE aspects included in subcontractors' approval process</li> <li>▶ HSSE part of the capability audits</li> <li>▶ HSSE requirements annex to the contract</li> <li>▶ HSSE bridging document</li> </ul>	<ul style="list-style-type: none"> <li>▶ HSSE induction, common trainings, forums and workshops, common walks, periodical meetings</li> <li>▶ HSSE management system audits of contractors, inspections, etc.</li> <li>▶ Organization of common working groups (OMV-OMV Petrom – Borealis) on specific areas of interest related to contractors' activities</li> </ul>
Risk	Theft of petroleum product, infrastructure components	<ul style="list-style-type: none"> <li>▶ Financial impact due to production interruption, loss of operational equipment/petroleum product</li> <li>▶ Safety risk that can lead to third party injuries</li> <li>▶ Environmental damages (after theft attempt)</li> <li>▶ Reputational impact</li> <li>▶ Legal liability due to possible nonconformities with the legislation</li> <li>▶ Personnel injuries due to interference with theft authors</li> </ul>	<ul style="list-style-type: none"> <li>▶ Corporate Security &amp; Resilience</li> <li>▶ Standards and frameworks (security services and security risk assessment) in place</li> <li>▶ Zero tolerance policy for theft</li> <li>▶ Protocols with Ministry of Internal Affairs</li> <li>▶ HQ Security continuous monitoring new solutions</li> <li>▶ Security concept focused on technology</li> <li>▶ Develop security systems</li> <li>▶ Standardized technical security through Integrated Security System</li> </ul>	<ul style="list-style-type: none"> <li>▶ Corporate Social Responsibility projects</li> <li>▶ Replace Man guarding with Technology</li> <li>▶ Automated Security Incident Reporting Tool</li> <li>▶ Security Operations Center (SOC) operational</li> <li>▶ Implemented Security Loss management Program</li> <li>▶ New Security Operations Concept designed and implemented as basis for increased detection and deterrence while maintaining cost efficiency</li> </ul>
Risk	Non-compliance with existing technical and qualitative standards for our products – Customer satisfaction management and reducing the risks for the Health & Safety of consumers and for the environment	<ul style="list-style-type: none"> <li>▶ Damage of reputation</li> <li>▶ Financial liability towards clients</li> <li>▶ Loss of clients</li> <li>▶ Decrease of customer satisfaction level</li> <li>▶ Customers claims</li> </ul>	<ul style="list-style-type: none"> <li>▶ Implemented standards for products according to legislation</li> <li>▶ Technical specifications for fuels in place</li> <li>▶ Quality Council with regular meetings</li> <li>▶ Regular audits on partners to ensure products quality and thus, customers satisfaction</li> <li>▶ Anticontamination and e-sealing devices implemented</li> </ul>	<ul style="list-style-type: none"> <li>▶ Monthly quality control in FSs to check the fuels are according to the standards. In case of deviations, measures are applied to correct the quality of fuels or fuels are replaced with products in accordance with standards</li> <li>▶ Active campaigns to increase customers satisfaction and loyal</li> </ul>



# Risks and Opportunities Summary

## Material Topic: Business Principles & Economic Impacts

Risk/ Opportunity		Effect Description (Positive or Negative)	Mitigation/Approach
Risk	Non-compliance with the principles of the code of ethics (Business ethics, anti-corruption, and anti-competitive behavior)	<ul style="list-style-type: none"> <li>▶ Damage to business reputation that may result in withdrawal of business partners and difficulties to access credit lines</li> <li>▶ Suspension of activity and fines contractual damage</li> <li>▶ Drop in share price</li> <li>▶ Misuse of company resources and improper direction of funds</li> <li>▶ Imprisonment for bribe offering / taking and ancillary crimes</li> <li>▶ Criminal allegations in case of fraudulent intent</li> <li>▶ Erosion of public perception regarding the trust and integrity of the company</li> </ul>	<p>▶ Internal rules:</p> <p>(i) Code of Business Ethics entered into force on July 1<sup>st</sup>, 2012, and revised in Oct 2015, May 2018, July 2019, November 2022 stipulating the Zero tolerance Policy for bribery and corruption.</p> <p>(ii) Whistleblowing Platform Directive entered into force in May 2018 and revised in December 2021 stipulating the Non-retaliation, Policy;</p> <p>(iii) the Integrity Policy Directive newly introduced in October 2023</p>
	Lack of awareness on relevant trade sanctions regulations could cause their unintentional breach		<p>▶ Whistleblowing channels: Integrity Platform, Ethics helpline, dedicated email address, direct contact with Compliance</p> <p>▶ Training and awareness program</p> <p>▶ Advice on sensitive matters</p> <p>▶ Provisions in contracts</p>
Risk	Breaches of Competition Council requirements regarding cartels/ abuse of dominance	<ul style="list-style-type: none"> <li>▶ Fines between 3% and 10% of company turnover</li> <li>▶ Damage to business reputation</li> <li>▶ Damage claims by third parties</li> <li>▶ Significant defense burden</li> <li>▶ Criminal allegations against the management in case of fraudulent intent</li> </ul>	<p>▶ Compliance program: ongoing training, antitrust guidelines, advice on sensitive matters, etc.</p> <p>▶ Awareness campaigns</p> <p>▶ Advice on market policies/strategies and on relevant ad-hoc decisions</p> <p>▶ Legal verification of the contracts</p>
	Lack of internal awareness on the relevant competition principles could cause their unintentional breach		

# Risks and Opportunities Summary

## Material Topic: Employees

Risk/ Opportunity		Effect Description (Positive or Negative)	Mitigation/Approach
Risk	Non-conclusion of the new collective labor agreement (CLA) in Romania	<div><div>►</div>Collective conflict, including strike (in the absence of a valid collective bargaining in place)<div>►</div>Unpredictability in labor relations</div>	<div><div>►</div>Identify solutions to reach an agreement<div>►</div>Try to involve representative trade union in the negotiation as a partner, not from the opposite position</div>
Risk	Limited employee engagement for Online Learning	<div><div>►</div>Employees' perception of the company's lack of interest in their development<div>►</div>Lack of motivation, engagement, lower performance</div>	<div><div>►</div>Strengthen the culture of feedback<div>►</div>Increase training for leaders (coaching and people development skills)</div>

# Risks and Opportunities Summary

## Material Topic: Communities

Risk/Opportunity		Effect Description (Positive or Negative)	Mitigation/Approach
Risk	Not fulfilling the expectations of local communities with regards to economic benefits	<ul style="list-style-type: none"> <li>▶ Consequences for communities: increased number of grievances/ social unrest, increased unemployment, limited economic opportunities, livelihood quality</li> </ul>	<ul style="list-style-type: none"> <li>▶ Operating and emergency procedures</li> <li>▶ Efficient Training and Inspection programs</li> <li>▶ Close Coker blowdown system and new tanks for toluene and benzene</li> <li>▶ Risk based maintenance</li> <li>▶ Retro-hazard and operability study (HAZOP) program and quantitative risk assessment study</li> <li>▶ Insurance for third party losses</li> <li>▶ Corrosion Management Plan developed and implemented</li> <li>▶ Pipeline Integrity Management System in place</li> <li>▶ Routine patrolling of pipeline sections</li> <li>▶ CSR projects, community engagement, safety communication campaigns</li> <li>▶ Effective grievance mechanism</li> <li>▶ Community/stakeholders engagement plans</li> </ul>
	Perturbances produced to the inhabited areas closed to our operational sites (gas pipelines, air pollution, spills, other new strategic projects)	<ul style="list-style-type: none"> <li>▶ Consequences for OMV Petrom: reputational damage, loss of social license to operate, limited economic opportunities, production delays, security issues</li> </ul>	

## Material Topic: Human Rights

Risk/Opportunity		Effect Description (Positive or Negative)	Mitigation/Approach
Risk	Human Rights policies in relation with OMV Petrom business activities, Non-compliance, or indirect violation of human rights	<ul style="list-style-type: none"> <li>▶ Consequences for stakeholders: limited rights of freedom of opinion and expression, limited access and information regarding grievances mechanisms, discrimination</li> <li>▶ Consequences for OMV Petrom: reputational damage, legal liability in case of actual violation, fines</li> </ul>	<ul style="list-style-type: none"> <li>▶ Include Human Rights in social impact assessments and in social engagement plans</li> <li>▶ Focus on the human rights component of all HSSE Management System and procurement audits; include human rights expert in these audits</li> <li>▶ Increase communication/ education on human rights topics to contractors via letters or in quarterly meetings, etc.</li> </ul>



# Natural Protected Areas

The following table indicates the results of the study finalized at the end of 2022 indicating proximity to NPAs and associated IUCN (International Union for Conservation of Nature) Red List species and national conservation list species with habitats in areas affected by operations.

Location	Major Operational Sites	Inside/overlapping Natural Protected Area (NPA) - (NPA category)	Overlapping surfaces (%)	Ecosystem categories (inside/overlapping)	Proximity to Natural Protected Area (NPA) (buffer 1km) (NPA category)	Type of operation	Biodiversity listed value - inside/overlapping or adjacent (1 km buffer) (Critical IUCN Red list species)
Romania	E&P	Nature Reserve (IUCN IV) Nature Park (IUCN V) SCI (Natura2000) SPA (Natura2000) Wetland of International Importance (RAMSAR) Biosphere Reserves (UNESCO) World Heritage Site - WHS (UNESCO)	2.01	Terrestrial, Freshwater, Marine	Nature Reserve (IUCN IV) Nature Park (IUCN V) SCI (Natura2000) SPA (Natura2000) Wetland of International Importance (RAMSAR) Biosphere Reserves (UNESCO) World Heritage Site - WHS (UNESCO)	Extractive	12 species: Acipenser gueldenstaedtii, Acipenser nudiventris, Acipenser stellatus, Anguilla anguilla, Bradyporus montandoni, Cricetus cricetus, Huso huso, Hypnum fertile, Melanopsis parreyssii, Mustela lutreola, Romanichthys valsanicola, Scardinius racovitza
Romania	R&M	SCI (Natura2000) SPA (Natura2000) Nature Park (IUCN V) Wetland of International Importance (RAMSAR)	0.11	Terrestrial	Nature Reserve (IUCN IV) Nature Park (IUCN V) SCI (Natura2000) SPA (Natura2000) Wetland of International Importance (RAMSAR) Biosphere Reserves (UNESCO) National Park (IUCN II) Natural Monument (IUCN III)	Energy Production	8 species: Acipenser gueldenstaedtii, Acipenser nudiventris, Acipenser stellatus, Anguilla anguilla, Cricetus cricetus, Huso huso, Hypnum fertile, Mustela lutreola
Romania	Petrobrazî Refinery	0	0	Terrestrial	0	Chemicals Production	3 species: Mustela lutreola, Anguilla anguilla, Cricetus cricetus
Romania	Brazi Power Plant	0	0	Terrestrial	0	Energy Production	3 species: Mustela lutreola, Anguilla anguilla, Cricetus cric

# GRI Content Index

Statement of use	OMV Petrom has reported in accordance with the GRI Standards for the period January 1 <sup>st</sup> to December 31 <sup>st</sup> , 2023
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	GRI 11 Oil and Gas Sector 2021

GRI Standard - General Disclosures 2021	Location in the Report	Omission			GRI Sector Standard Ref. No.	Romanian Sustainability Code
		Requirement(s) omitted	Reason	Explanation		
Organizational profile						
2-1 Organizational details	About this report OMV Petrom Group Corporate Sustainability Governance					
2-2 Entities included in the organization's sustainability reporting	About this report					
2-3 Reporting period, frequency and contact point	About this report					
2-4 Restatements of information	About this report					
2-5 External assurance	About this report Annexes – Assurance Statement					
2-6 Activities, value chain and other business relationships	About this report OMV Petrom Group Mapping our specific Sustainability Risks Supply Chain					Criterion 4 – Aspect 1 Criterion 11 – Aspect 2
2-7 Employees	Diversity, inclusion, and non-discrimination					
2-8 Workers who are not employees	Performance in detail		Information unavailable/incomplete	We do not calculate this indicator for other workers performing activities on OMV Petrom premises and who are not directly employed by OMV Petrom.		
2-9 Governance structure and composition	Corporate Sustainability Governance					

# GRI Content Index

GRI Standards - General Disclosures 2021	Location in the Report	Omission			GRI Sector Standard Ref. No.	Romanian Sustainability Code
		Requirement(s) omitted	Reason	Explanation		
Organizational profile						
2-10 Nomination and selection of the highest governance body	Corporate Sustainability Governance					
2-11 Chair of the highest governance body	Corporate Sustainability Governance					
2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Sustainability Governance					Criterion 3 – Aspect 3 Criterion 5 – Aspect 1
	Sustainability Framework in our Business Strategy					
	Materiality					
	Mapping our specific Sustainability Risks					
2-13 Delegation of responsibility for managing impacts	Sustainability Framework in our Business Strategy					
2-14 Role of the highest governance body in sustainability reporting	Materiality					
2-15 Conflicts of interest	Business Ethics					
2-16 Communication of critical concerns	Corporate Sustainability Governance					
2-17 Collective knowledge of the highest governance body	Corporate Sustainability Governance					
2-18 Evaluation of the performance of the highest governance body	Corporate Sustainability Governance					
2-19 Remuneration policies	Corporate Sustainability Governance					Criterion 8 – Aspects 1, 2, 3, 4
2-20 Process to determine remuneration	Corporate Sustainability Governance					
2-21 Annual total compensation ratio	Performance in detail					
2-22 Statement on sustainable development strategy	CEO Statement					Criterion 1 – Aspects 2, 3



# GRI Content Index

GRI Standards - General Disclosures 2021	Location in the Report	Omission			GRI Sector Standard Ref. No.	Romanian Sustainability Code
		Requirement(s) omitted	Reason	Explanation		
2-23 Policy commitments	Mapping our specific Sustainability Risks Business Ethics Human Rights					Criterion 1 – Aspects 1, 4
2-24 Embedding policy commitments	Mapping our specific Sustainability Risks Business Ethics Human Rights					
2-25 Processes to remediate negative impacts	Community Grievance Mechanisms					
2-26 Mechanisms for seeking advice and raising concerns	Mapping our specific Sustainability Risks Business Ethics					
2-27 Compliance with laws and regulations	Performance in details					
2-28 Membership associations	Annexes - Memberships					Criterion 19 – Aspect 3
2-29 Approach to stakeholder engagement	Materiality Community Grievance Mechanisms					Criterion 9 – Aspects 2, 3
2-30 Collective bargaining agreements	Labor rights, working practices and conditions					
GRI Standard - General Disclosures 2021	Location in the Report	Omission			GRI Sector Standard Ref. No.	Romanian Sustainability Code
		Requirement(s) omitted	Reason	Explanation		
Material Topics						
3-1 Process to determine material topics	Materiality					Criterion 3 – Aspect 2 Criterion 9 – Aspect 1
3-2 List of material topics	Materiality Reporting on Materiality					Criterion 1 – Aspects 1, 2, 3

**CLIMATE  
CHANGE  
AND ENERGY  
TRANSITION**

Material Topic	GRI Disclosures and additional comments	Location in the Report	Omission			GRI Sector Standard Ref. No.	Contribution to UN SDGs	IPECA Indicators	Romanian Sustainability Code
			Requirement(s) omitted	Reason	Explanation				
CLIMATE CHANGE AND ENERGY TRANSITION	GRI 3-3 Management Approach					11.1.1 11.2.1			Criterion 3 – Aspects 1, 4 Criterion 6 – Aspect 1 Criterion 7 – Aspect 1 Criterion 12 – Aspects 1, 2, 4 Criterion 13 – Aspects 2, 3
		Mapping our specific Sustainability Risks					SDG 3 –		
	GRI 305-1 Direct (Scope 1) GHG emissions	Scope 1, Scope 2, Scope 3				11.1.5	target 3.9		
	GRI 305-2 Energy indirect (Scope 2) GHG emissions	Flaring and venting					SDG 7 – target 7.2, 7.3	CCE-4 Greenhouse gas (GHG) emissions	
	GRI 305-2c and 305-2g: We use emission factors from different sources, e.g., DEFRA, Plastics Europe, IEA, Ecolnvent, etc.	Energy efficiency				11.1.6	SDG 8 – target 8.4		Criterion 13 – Aspects 1, 4
		Environmental Performance					SDG 12 – target 12.4	CCE-7 Flared gas	
	GRI 305-3 Other indirect (Scope 3) GHG emissions	Annexes – Risks and Opportunities Summary				11.1.7	SDG 13 – target 13.1		
	GRI 305-4 GHG emissions intensity 305-4d: We use emission factors from different sources, e.g., DEFRA, Plastics Europe, IEA, Ecolnvent.					11.1.8			
	GRI 302-1 Energy consumption within the organization					11.1.2			

# GRI Content Index

Material Topic	GRI Disclosures and additional comments	Location in the Report	Omission			GRI Sector Standard Ref. No.	Contribution to UN SDGs	IPIECA Indicators	Romanian Sustainability Code
			Requirement(s) omitted	Reason	Explanation				
CLIMATE CHANGE AND ENERGY TRANSITION		Mapping our specific Sustainability Risks							
	GRI 302-2 Energy consumption outside of the organization	Scope 1, Scope 2, Scope 3				11.1.3			
	GRI 302- 3 Energy intensity	Flaring and venting Energy efficiency Environmental Performance		Information unavailable/ incomplete	We currently do not have an approved methodology for data collection and reporting in place. Reporting on this indicator will be further investigated for the next reporting period.	11.1.4			
	GRI 305-5 Reduction of GHG emissions	Annexes – Risks and Opportunities Summary				11.2.3			Criterion 13 – Aspect 5
	GRI 201-2 Financial implications and other risks and opportunities due to climate change					11.2.2			Criterion 2 – Aspect 4



Material Topic	GRI Disclosures and additional comments	Location in the Report	Omission			GRI Sector Standard Ref. No.	Contribution to UN SDGs	IPECA Indicators	Romanian Sustainability Code
			Requirement(s) omitted	Reason	Explanation				
<b>HEALTH, SAFETY and SECURITY</b>	GRI 3-3 Management Approach	Health							Criterion 3 – Aspects 1, 4
		Occupational Safety				11.8.1		<b>SHS-1</b> Safety, health and security engagement	Criterion 6 – Aspect 1
		Performance in details				11.9.1			Criterion 7 – Aspect 1
		Product Safety				11.3.1	<b>SDG 3</b> – target 3.3, target 3.9	<b>SHS-2</b> Workforce and community health	Criterion 15 – Aspects 1, 2
		Corporate Security				11.18.1	<b>SDG 8</b> – target 8.8		Criterion 16 – Aspects 1, 2
		Process Safety					<b>SDG 12</b> – target 12.2, 12.4	<b>SHS-3</b> Occupational injury and illness incident	Criterion 17 – Aspects 1, 2
							<b>SDG 13</b> – target 13.1	<b>SHS-6</b> Process safety	
								<b>SHS-7</b> Security risk management	
	GRI 306-3 Significant spills					11.8.2			
	GRI 403-1 Occupational health and safety management system focus on Occupational Safety					11.9.2			
	GRI 403-2 Hazard identification, risk assessment, and incident investigation					11.9.3			
	GRI 403-3 Occupational health services					11.9.4			
	GRI 403-4 Worker participation, consultation, and communication on occupational health and safety					11.9.5			
	All workers are represented within the established structure of Health and Safety committees								

# GRI Content Index

Material Topic	GRI Disclosures and additional comments	Location in the Report	Omission			GRI Sector Standard Ref. No.	Contribution to UN SDGs	IPECA Indicators	Romanian Sustainability Code
			Requirement(s) omitted	Reason	Explanation				
HEALTH, SAFETY and SECURITY	GRI 403-5 Worker training on occupational health and safety					11.9.6			
	GRI 403-6 Promotion of worker health					11.9.7			
	GRI 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships					11.9.8			
	GRI 403-8 Workers covered by an occupational health and safety management system <i>This percentage refers only to the OMV Petrom direct employees. Other workers performing activities on OMV Petrom premises and who are not directly employed by OMV Petrom are not included in the calculation.</i>					11.9.9			
	GRI 403-9 Work-related injuries			Legal prohibitions	In most of the countries where OMV Petrom operates, the legal definition of an “occupational health illness” varies widely (Health is excluded from the EU Maastricht Treaty). The investigation and decision of potential cases is not carried out by the company medical teams but by legally appointed authorities. In OMV Petrom Group, in 2023, no information received from appointed authorities in relation to this topic.	11.9.10	SDG 3 – target 3.3, target 3.9 SDG 8 – target 8.8 SDG 12 – target 12.2, 12.4 SDG 13 – target 13.1	SHS-1 Safety, health and security engagement SHS-2 Workforce and community health SHS-3 Occupational injury and illness incident SHS-6 Process safety SHS-7 Security risk management	
	GRI 403-10 Work-related ill health <i>No work-related ill health events were registered</i>					11.9.11			
	GRI 410-1 Security personnel trained in human rights policies or procedures					11.18.2			
	GRI 416-1 Assessment of the health and safety impacts of product and service categories					11.3.3			
	Additional Sector disclosure - Tier 1 and Tier 2 process safety events					11.8.3			

# GRI Content Index

Material Topic	GRI Disclosures and additional comments	Location in the Report	Omission			GRI Sector Standard Ref. No.	Contribution to UN SDGs	IPECA Indicators	Romanian Sustainability Code
			Requirement(s) omitted	Reason	Explanation				
ENVIRONMENT	GRI 3-3 Management Approach					11.6.1 11.3.1 11.4.1			Criterion 3 – Aspects 1, 4 Criterion 6 – Aspect 1 Criterion 7 – Aspect 1 Criterion 12 – Aspects 2, 4, 5 Criterion 15 – Aspects 1, 2
		Water						ENV-1 Fresh water	
		Environmental Performance				11.8.2	SDG 3 – target 3.9	ENV-3 Biodiversity Policy and Strategy	
	GRI 306-3 Significant spills						SDG 12 – target 12.4	ENV-5 Emissions to air	
	GRI 305-7 Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), and other significant air emissions	Waste				11.3.2	SDG 15 – target 15.5	ENV-6 Spills to the environment	
	GRI 306-1 Waste generation and significant waste-related impacts	Spills				11.5.2			
	GRI 306-2 Management of significant waste-related impacts	Biodiversity				11.5.3			
	GRI 306-3 Waste generated					11.5.4		ENV-8 Decommissioning	
	GRI 306-4 Waste diverted from disposal					11.5.5			
	GRI 306-5 Waste directed to disposal					11.5.6			
	GRI 303-1 Interactions with water as a shared resource					11.6.2			Criterion 11 – Aspect 1
	GRI 303-2 Management of water discharge-related impacts					11.6.3			
	GRI 303-3 Water withdrawal					11.6.4			

## ENVIRONMENT

Material Topic	GRI Disclosures and additional comments	Location in the Report	Omission			GRI Sector Standard Ref. No.	Contribution to UN SDGs	IPEICA Indicators	Romanian Sustainability Code
			Requirement(s) omitted	Reason	Explanation				
ENVIRONMENT	GRI 303-4 Water discharge					11.6.5	SDG 3 – target 3.9  SDG 12 – target 12.4  SDG 15 – target 15.5	ENV-1 Fresh water	
	GRI 303-5 Water consumption					11.6.6		ENV-3 Biodiversity Policy and Strategy	
								ENV-5 Emissions to air	
	GRI 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Water	Environmental Performance			11.4.2		ENV-6 Spills to the environment	
		Waste							
		Spills							
		Biodiversity							
	GRI 304-2 Significant impacts of activities, products and services on biodiversity					11.4.3			
	GRI 304-3 Habitats protected or restored					11.4.4			
	GRI 304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations					11.4.5			



# GRI Content Index

Material Topic	GRI Disclosures and additional comments	Location in the Report	Omission			GRI Sector Standard Ref. No.	Contribution to UN SDGs	IPECA Indicators	Romanian Sustainability Code
			Requirement(s) omitted	Reason	Explanation				
BUSINESS PRINCIPLES and ECONOMIC IMPACTS	GRI 3-3 Management Approach	Business Ethics				11.20.1	SDG 1 – target 1.4  SDG 16 – target 16.3, 16.5, 16.6  SDG 17 – target 17.6	GOV-3 Preventing corruption  GOV-4 Transparency of payments to host governments  GOV-5 Public advocacy and lobbying  SOC-12 Community Grievance mechanisms	Criterion 3 – Aspects 1, 4
						11.19.1			Criterion 6 – Aspect 1
		Community Grievance Mechanisms				11.15.1			Criterion 7 – Aspect 1
						11.22.1			Criterion 20 – Aspects 1, 2, 3, 4
		Public Policy				11.21.1			Criterion 20 – Aspect 7
		Tax Transparency				11.14.1			Criterion 20 – Aspect 5
		Supply Chain							Criterion 19 – Aspects 1, 2, 3
		Community development investments				N/A			
		Social Performance				N/A			
		Economic Performance				11.20.2			Criterion 20 – Aspect 7
						11.20.3			Criterion 20 – Aspect 5
						11.20.4			
	GRI 205-1 Operations assessed for risks related to corruption								
	GRI 205-2 Communication and training about anti-corruption policies and procedures								
	GRI 205-3 Confirmed incidents of corruption and actions taken								
	GRI 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices								
						11.19.2			

# GRI Content Index

Material Topic	GRI Disclosures and additional comments	Location in the Report	Omission			GRI Sector Standard Ref. No.	Contribution to UN SDGs	IPECA Indicators	Romanian Sustainability Code
			Requirement(s) omitted	Reason	Explanation				
BUSINESS PRINCIPLES and ECONOMIC IMPACTS	GRI 415-1 Political contributions					11.22.2			Criterion 19 – Aspects 1, 2, 3
	Additional Sector disclosure – Number and type of grievances from local communities	Business Ethics				11.15.4			
	GRI 207-1 Approach to tax	Community Grievance Mechanisms				11.21.4			
	GRI 207-2 Tax governance, control, and risk management	Public Policy				11.21.5			
	GRI 207- 3 Stakeholder engagement and management of concerns related to tax	Tax Transparency				11.21.6	SDG 1 – target 1.4	GOV-3 Preventing corruption	
	GRI 207- 4 Country-by-country reporting 207-4biii, 207-4biv, 207-4bv, 207-4bvi, 207-4bvii, 207-4bviii, 207-4bix, 207-4bx, 207-4c Confidentiality constraints and information unavailable/incomplete.	Supply Chain				11.21.7	SDG 16 – target 16.3, 16.5, 16.6	GOV-4 Transparency of payments to host governments	
		Community development investments					SDG 17 – target 17.6	GOV-5 Public advocacy and lobbying	
	GRI 201-1 Direct economic value generated and distributed	Social Performance				11.14.2		SOC-12 Community Grievance mechanisms	
	GRI 201-4 Financial assistance received from government	Economic Performance				11.21.3			

## SUPPLY CHAIN

Material Topic	GRI Disclosures and additional comments	Location in the Report	Omission			GRI Sector Standard Ref. No.	Contribution to UN SDGs	IPEICA Indicators	Romanian Sustainability Code
			Requirement(s) omitted	Reason	Explanation				
SUPPLY CHAIN	GRI 3-3 Management of material topics					11.22.2			Criterion 19 – Aspects 1, 2, 3
	GRI 203-2 Significant indirect economic impacts					11.15.4		GOV-3 Preventing corruption	
	GRI 204-1 Proportion of spending on local suppliers *204-1-b. Local suppliers are defined as suppliers registered and active in the local countries where OMV Petrom has operations (e.g., the spend with local suppliers in Romania represent the spend of those suppliers which are registered in Romania). 204-1-c. Significant locations of operation are all the locations where OMV Petrom is the main operator. We disclose local spend for our biggest country of operation, Romania.	Supply chain				11.21.4	SDG 8 - targets 8.7 and 8.8	GOV-4 Transparency of payments to host governments GOV-5 Public advocacy and lobbying	
	GRI 308-1 New suppliers that were screened using environmental criteria					11.21.5		SOC-12 Community Grievance mechanisms	Criterion 4- Aspect 2
	GRI 414-1 New suppliers that were screened using social criteria					11.21.6			Criterion 4- Aspect 2
	GRI 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk					11.21.7			Criterul 14 – Aspect 5

# GRI Content Index

Material Topic	GRI Disclosures and additional comments	Location in the Report	Omission			GRI Sector Standard Ref. No.	Contribution to UN SDGs	IPIECA Indicators	Romanian Sustainability Code
			Requirement(s) omitted	Reason	Explanation				
EMPLOYEES	GRI 3-3 Management of material topics	Diversity, Equity, Inclusion, and Non-discrimination				11.22.2			Criterion 3 – Aspects 1, 4 Criterion 6 – Aspect 1 Criterion 7 – Aspect 1 Criterion 14 – Aspects 1, 2
		Labor rights, working practices and conditions					<b>SDG 4</b> - target 4.3, target 4.4 and target 4.5 <b>SDG 5</b> - target 5.1	<b>SOC-5</b> Workforce diversity and inclusion <b>SOC-7</b> Workforce training and development	Criterion 15 – Aspects 1, 2 Criterion 16 – Aspects 1, 2 Criterion 17 – Aspects 1, 2
	GRI 404-1 Average hours of training per year per employee	Skills development and training				11.15.4	<b>SDG 8</b> - target 8.2, target 8.5 and target 8.6	<b>SOC-8</b> Workforce non-retaliation and Grievance mechanisms	
	GRI 404-2 Programs for upgrading employee skills and transition assistance programs					11.21.4			
	GRI 404-3 Percentage of employees receiving regular performance and career development reviews					11.21.5	<b>SDG 10</b> - target 10.2, 10.3		Criterion 4 - Aspect 2 Criterion 4 - Aspect 2
	GRI 401-1 New employee hires and employee turnover	Talent attraction and retention				11.21.6			Criterion 4 - Aspect 2
	GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees					11.21.7			Criterion 14 – Aspect 5
	GRI 401-3 Parental leave								
	GRI 402-1 Minimum notice periods regarding operational changes	Social Performance							
	GRI 405-1 Diversity of governance bodies and employees								
	GRI 405-2 Ratio of basic salary and remuneration of women to men								
	GRI 406-1 Incidents of discrimination and corrective actions taken								
	GRI 202-2 Proportion of senior management hired from the local community								
	GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor								



# GRI Content Index

Material Topic	GRI Disclosures and additional comments	Location in the Report	Omission			GRI Sector Standard Ref. No.	Contribution to UN SDGs	IPIECA Indicators	Romanian Sustainability Code
			Requirement(s) omitted	Reason	Explanation				
COMMUNITY RELATIONS	GRI 3-3 Management Approach					11.15.1	SDG 1 – target 1.4 SDG 3 – target 3.3 SDG 4 – target 4.7	SOC-13 Social investment	Criterion 3 – Aspects 1, 4 Criterion 6 – Aspect 1 Criterion 7 – Aspect 1 Criterion 18 – Aspect 1
	GRI 203-1 Infrastructure investments and services supported	Community development investments				11.14.4	SDG 8 – targets 8.5 and 8.6 SDG 13 – target 13.1		
	GRI 203-2 Significant indirect economic impacts					11.14.5			
	GRI 413-1 Operations with local community engagement, impact assessments, and development programs					11.15.2			
	GRI 413-2 Operations with significant actual and potential negative impacts on local communities					11.15.3			Criterion 18 – Aspect 2

# GRI Content Index

Material Topic	GRI Disclosures and additional comments	Location in the Report	Omission			GRI Sector Standard Ref. No.	Contribution to UN SDGs	IPECA Indicators	Romanian Sustainability Code
			Requirement(s) omitted	Reason	Explanation				
HUMAN RIGHTS	GRI 3-3 Management Approach					11.11.1 11.12.1		SOC-1 Human rights due diligence	Criterion 3 – Aspects 1, 4 Criterion 6 – Aspect 1 Criterion 7 – Aspect 1 Criterion 14 – Aspects 1, 2, 4 Criterion 16 – Aspects 1, 2 Criterion 17 – Aspects 1, 2
		Human Rights							
		Supply Chain							
	GRI 404-1 Average hours of training per year per employee					11.11.4			
	GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor					11.12.2			Criterion 14 – Aspect 5 Criterion 17 – Aspect 4
	GRI 408-1 Operations and suppliers at significant risk for incidents of child labor					N/A			Criterion 17 – Aspect 4
Leverage INNOVATION & DIGITALIZATION	OMV Petrom specific indicator - Investments for low and zero carbon business	Innovation & Circular Economy					SDG 9 – target 9.5 SDG 12 – target 12.a SDG 13 – target 13.1		Criterion 10 – Aspects 1, 2, 3 Criterion 16 – Aspects 1, 2

Topics in the Oil&Gas Sector Standard determined as not material		
TOPIC	Sector Standard No.	EXPLANATION
Land and resource rights	11.16	Not material for OMV Petrom, however, details can be found in the Community relation chapter.
Rights of indigenous people	11.17	Not applicable for OMV Petrom operations. OMV Petrom operates in Romania, Bulgaria, Serbia, Moldova.

# TCFD Recommendations Index

## TCFD Statement:

Since 2020, we have supported the recommendations of the Task Force on Climate related Financial Disclosure (TCFD) and our progress on implementing the TCFD recommendations in 2023 is summarized below:

- **Governance** – managing and coordinating climate change risks and opportunities. The Supervisory Board and Executive Board monitor and manage climate change aspects. There are also dedicated task forces (New Energy Solutions and Environmental task forces) through which these aspects are quarterly monitored.

The table below sets out some examples from the year ended 31<sup>st</sup> of December 2023:

Forum	Relevant aspects related to climate change have been considered
Supervisory Board	<b>Strategy:</b> During its meetings, the SB discussed reports on and assessed the progress on strategy implementation, including on Energy Transition projects (e.g., PVs, biofuels, CCS, hydrogen, SAF/HVO, EV chargers).
	<b>Climate change:</b> The SB received constant updates on company’s impact on climate change and on climate change disclosure, where an improvement against previous periods was noted, especially on the sensitivities analysis. Also, the SB received and discussed on specific climate change topics (e.g., the methane emissions of the Company’s operations).
	<b>Capital expenditure, acquisitions, and divestments:</b> The SB reviewed and approved major investments and transactions for the acquisition of transition and low carbon projects (such as Helios, SAF HVO, H2, etc.), some of which involved also grants.

Forum	Relevant aspects related to climate change have been considered
Audit Committee	Discussed twice a year on the risk management framework and process, the most significant risks the Company is exposed to, as well as the activities performed by the business units in mitigating those risks. The risk report also includes the strategic and operational risks related to climate change and lower carbon economy.
	Debated the E&Y 2022 Audit results, with focus on the climate risk position of OMV Petrom and the impact of climate risk and the energy transition on its financial statements, and as well as the related disclosures.
	Endorsed the Annual Report for 2022 that includes references and disclosures for the climate change risks and opportunities, as well as mitigations, being mentioned as a strategic priority for the Company’s business, committed to be part of the solution for the transition to the cleaner energy.
The Presidential and Nomination Committee	
	Starting with the financial year 2022, the committee decided to include a carbon intensity reduction target with a weight of 25%, as well as a diversity KPI with a weight of 10% as performance criteria in the LTIP applicable to the Executive Board.

# TCFD Recommendations Index

Forum	Relevant aspects related to climate change have been considered
New Energy Solutions (NES) task force	<p>The objective of the task force is to activate and monitor the implementation of transition to low and zero carbon business of OMV Petrom.</p> <p>It works to align views on OMV Petrom's low and zero carbon business, on aspects related to climate change and energy transition, on initiatives and partnerships that OMV Petrom shall pursue to mitigate climate change risks.</p> <p>The task force engages with internal stakeholders on topics related to new energy solutions and understanding global, regional or country trends on product demand, risk impact analysis or peers' reactions.</p> <p>Relevant strategic energy transition topics (e.g., PVs, biofuels, CCS, hydrogen, etc.) are discussed in the NES task force and brought to the attention of the Supervisory Board at least once per year.</p> <p>In terms of representation, all the Executive Board Members and the Head of Strategy, Corporate Development &amp; NES Department are permanent members of the NES task force, in addition to relevant divisional representatives and other key stakeholders that may be invited on an on-call basis on specific topics of discussion.</p>
Environmental task force	<p>The objective of this task force is to identify the measures considering the targets as well as those areas where Environment (incl. GHG Management) is in focus and those where Environment (incl. GHG Management) is spotted and or low ranked. The committee analyzes, prioritizes and approves the implementation of environmental and carbon management actions for strategic developments and improvement.</p> <p>The OMV Petrom Environmental Task Force met four times in 2023, considering as main topics on their quarterly agenda: GHG performance monitoring, GHG compliance, relevant projects on emissions reduction and phase out.</p> <p>In terms of representation, all the Executive Board Members and the Head of the HSSE Department are permanent members with common decision role, in addition to other relevant divisional representatives that are invited on an on-call basis.</p>

- **Strategy** – the risks and opportunities are identified, while future focus on impact evaluation and company resilience in the light of the 2030 OMV Petrom Strategy with the sustainability framework is embedded.  
The SB and EB consider climate-related risks and opportunities across three-time horizons when developing and implementing the OMV Petrom strategy:
  - The coming years to 2025 are defined as short term, by business and financial plans that are performance managed to meet the targets.
  - Medium-term, to 2030: by looking past our short-term goals and out to the end of this decade, we may think beyond them and change course as necessary.
  - Long term, towards 2050, we use scenarios to investigate the wide range of uncertainties surrounding the energy transition over the next 30 years.

## ► Risk Management

OMV Petrom's risk management system, described in the "Mapping our specific Sustainability Risks" section of this report, is designed and implemented to address all types of risks and opportunities that might impact the company's activity.

Climate change related risks and opportunities are integrated into OMV Petrom's EWRM process aimed at identifying, assessing, and managing uncertainties, as detailed in the risk section.

OMV Petrom's management team reviews the principal risks as part of our regular process. The most substantial climate-related changes in the energy industry are expected to arise on a longer time scale. The management pays close attention to climate change related long-term risks and opportunities and factors these in the strategic decision-making process.

The risks related to climate change and energy transition are further analyzed under physical risks, transition risks and transition opportunities categories. Measures that we implement to manage or mitigate such risks are set out in the relevant sections of this report, particularly in the "Mapping our specific Sustainability Risks".

- **Metrics and Targets** – is an ongoing disclosure, with new climate change KPIs disclosed in 2030 Strategy. Details on our performance can be found in the "Environment" and "Performance in detail" sections.



# TCFD Recommendations Index

## Recomandations index:

<b>GOVERNANCE</b> Recommendations:	Disclosure a) Describe the board's oversight of climate related risks and opportunities.	<a href="#">Corporate Sustainability Governance</a> <a href="#">Sustainability at OMV Petrom</a>	<b>RISK MANAGEMENT</b> Recommendations:	Disclosure a) Describe the organization's processes for identifying and assessing climate-related risks.	<a href="#">Mapping our specific Sustainability Risks</a> <a href="#">Transition to low carbon business</a> <a href="#">Annual report</a> , Risk management governance section
	Disclose the organization's governance around climate-related risks and opportunities	<a href="#">Corporate Sustainability Governance</a> <a href="#">Sustainability at OMV Petrom</a> <a href="#">Mapping our specific Sustainability Risks</a> <a href="#">Annual report</a> , Risk management governance section		Disclosure b) Describe the organization's processes for managing climate related risks.	<a href="#">Corporate Sustainability Governance</a> <a href="#">Mapping our specific Sustainability Risks</a> <a href="#">Annual report</a> , Risk management section
<b>STRATEGY</b> Recommendations:	Disclosure a) Describe the climate related risks and opportunities the organization has identified over the short, medium, and long term.	<a href="#">Mapping our specific Sustainability Risks</a> <a href="#">Annual report</a> , Risk taxonomy section <a href="#">Annex: Risks and opportunities summary</a>	<b>METRICS &amp; TARGETS</b> Recommendations:	Disclosure c) Describe how processes for identifying, assessing, and managing climate related risks are integrated into the organization's overall risk management.	<a href="#">Mapping our specific Sustainability Risks</a> <a href="#">Transition to low carbon business</a>
	Disclosure b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	<a href="#">Mapping our specific Sustainability Risks</a> <a href="#">Sustainability at OMV Petrom</a> <a href="#">Transition to low carbon business</a>		Disclosure a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	<a href="#">Corporate Sustainability Governance</a> <a href="#">Sustainability at OMV Petrom</a> <a href="#">Transition to low carbon business</a> <a href="#">Performance in detail - Environmental data</a>
	Disclosure c) Describe the resilience of the organization's strategy, taking into consideration different climate related scenarios, including a 2°C or lower scenario.	<a href="#">Sustainability at OMV Petrom</a> <a href="#">Transition to low carbon business</a> <a href="#">Annual report</a> , Risk management governance section, Notes		Disclosure b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	<a href="#">Sustainability at OMV Petrom</a> <a href="#">Transition to low carbon business</a> <a href="#">Performance in detail - Environmental data</a>
			Discloses the metrics and targets used to assess and manage relevant climate related risks and opportunities where such information is material.	Disclosure c) Describe the targets used by the organization to manage climate related risks and opportunities and performance against targets.	<a href="#">Corporate Sustainability Governance</a> <a href="#">Transition to low carbon business</a>

# Memberships

## List of Participations in Professional and Employers' Associations 2023 OMV Petrom (22)

1. Association of Electricity Suppliers in Romania (AFEER)
2. Romanian Association for Promoting Energy Efficiency (ARPEE)
3. Romanian Standard Association (ASRO)
4. Association for the Prevention and Combating of Fraud (ACFE)
5. Romanian Association of Internal Auditors (AAIR)
6. Romanian Investor Relations Association (ARIR)
7. Energy Policy Group (EPG)
8. Romanian National Committee of the World Energy Council (CN.r.-CME)
9. HR Management Club Association
10. Romanian Association for International Numbering of Articles (GS1 Romania)
11. Association of Treasurers of Romania (ATR)
12. American Chamber of Commerce in Romania (AMCHAM)
13. Romanian – German Chamber of Commerce & Industry (AHK)
14. French Chamber of Commerce in Romania (CCIFER)
15. Romanian Energy Center (CRE)
16. Coalitia pentru Dezvoltarea Romaniei (through Concordia/FPPG, FIC and AMCHAM)
17. CONCORDIA Employers' Confederation (through Oil & Gas Employers' Federation)
18. CONCAWE
19. Foreign Investors Council (FIC)
20. Aspen Institute Romania
21. Oil and Gas Employers' Federation (FPPG)
22. Employer Organisation Gas/Organisation Petrogas (OPG)

# Abbreviations and Definitions

## A

ACFE	Association of Certified Fraud Examiners
AI	Artificial Intelligence
AIDA	Asset Integrity Data Assistant
APC	Advanced Process Control
API	Wells Standard
ARIR	Romanian Investor Relations Association
ARMS	Active Risk Management System
ARPEE	Romanian Association for Promoting Energy Efficiency
APS	Announced Pledges Scenario

## B

BAT-BREF	Best Available Techniques - Reference Documents
bbl	Barrel(s), e.g., 159 liters
bcm	Billion cubic meters
BEPS	Base Erosion and Profit Shifting
bn	Billion
BOP	Blowout preventer
BTEX	Benzene, toluene, ethylbenzene, and xylene
Boe	Barrels of oil equivalent
BSI	Federal Office for Information Security (DE)
BVB	Bucharest Stock Exchange

## C

CapEx	Capital Expenditure
CbCR	Country-by-Country Report
CBOs	Community Based Organizations
CCPP	Combined Cycle Power Plant
CCPS	Center for Chemical Process Safety

## CCS

CCS	Carbon capture and storage
CCS EBIT	Current Cost of Supply (EBIT)
CCTV	Closed Circuit Television System
CDP	Climate Disclosure Project
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CGM	Community Grievance Mechanism
CH <sub>4</sub>	Methane
CHP	Cogeneration or Combined Heat & Power
CLP	Classification, Labelling, and Packaging
CMMS	Computerized Maintenance Management System
CNG	Compressed natural gas
CO <sub>2</sub>	Carbon Dioxide
CO <sub>2</sub> eq	Carbon dioxide equivalent
CSR	Corporate Social Responsibility
CIO	Chief Information Officer
CRCD	Community Relations and Community Development

## D

DCF	Discounted Cash Flow
DE&I	Diversity, Equity and Inclusion
DSRs	Data Subjects' Requests

## E

EB	Executive Board
EBIT	Earnings Before Interest and Taxes
EIA	Environmental Impact Assessment
EMA	Environmental Management Accounting
EMS	Environmental Management System
EOR	Enhanced Oil Recovery
E&P	Exploration and Production
EPSC	European Process Safety Center
ESG	Environmental, Social and Governance
ESIA	Environmental and Social Impact Assessments
EU	European Union
EUR	EUR European Union, euro(s)
EU-ETS	EU Emission Trading Scheme

## F

FP	Property Fund
FIC	Foreign Investors
FFPG	Oil&Gas Employers' Federation

## G

GDPR	General Data Protection Regulation
G2P	Gas to Power
G20	Group of Twenty is an intergovernmental forum comprising 19 countries and the European Union (EU)
GHG	Greenhouse Gas
GHG Scope 1	Direct emissions from operations that are owned or controlled by the organization

# Abbreviations and Definitions

GHG Scope 2	Energy indirect emissions resulted from the generation of purchased or acquired electricity, heating, cooling or steam	IT/ OT	Information Technology/ Operational Technology	m <sup>2</sup>	Square meter
				m <sup>3</sup>	Cubic meter
GHG Scope 3	Other indirect emissions that occur outside the organization	<b>K</b>		<b>N</b>	
GMS	General Meeting of Shareholders	KPI	Key Performance Indicator	n.a.	Not applicable/not available
GJ	Gigajoule	kWh	Kilowatt-hour	n.r.	Not reported
GRI	Global Reporting Initiative			NES	New Energy Solutions
		<b>L</b>		NGO	Non-governmental organization
<b>H</b>		LDAR	Leak Detection and Repair	NISG	Network and Information System Security Act
HSSE	Health, Safety, Security and Environment	LED	Light-emitting Diode	NM-VOC	Non-methane volatile organic compounds
ha	Hectare	LIA	Legitimate Interest Assessments	N <sub>2</sub> O	Nitrous oxide
HAZID	Hazard Identification	LLP	Limited Liability Partnership	NOx	Nitrogen oxide
HAZOP	Hazard and Operability	LNG	Liquefied natural gas	NPO	Non-profit organization
H <sub>2</sub> S	Hydrogen sulfide	LOPC	Loss of primary containment	NZEB	nearly Zero-Energy Building
HQ	Headquarter	LPG	Liquefied Petroleum Gas		
HVO	Hydrotreated Vegetable Oil	LTIR	Lost-time injury rate	<b>O</b>	
		<b>M</b>		OECD	Organization for Economic Cooperation and Development
<b>I</b>		m, km	Meter(s), kilometer(s)	OGI	Optical Gas Imaging
ICPT	Câmpina Institute of Research and Technological Design	mn	Million	OpEx	Operating Expenses
		MAE	Major Accident Events	OPT	Outdoor Payment Terminals
IDW	Institut der Wirtschaftsprüfer	MoC	Management of Change	<b>P</b>	
IFAC	International Federation Accountants	MTP	Mid Term Planning	PCI DSS	Payment Card Industry Data Security Standard
IGRR	Integrated Risk Register	ML	Megaliters	PHA	Process hazards
ILO	International Labor Organization	MS	Management Systems	PI	Plant Information
IPIECA	International Petroleum Industry Environmental Conservation Association	MW; MWh	Megawatt(s); megawatt hour(s)	PJ	Petajoule
		M&I	Monitoring and Intervention	PMF	Production Management Framework
ISO	International Organization for Standardization				



# Abbreviations and Definitions

PPE Personal Protective Equipment

PSC Production Sharing Contract

PSE Process safety event

PSM Process Safety Management

PSPI Process Safety Performance Indicators

## Q

QRA Quantitative Risk Assessment

## R

R&D Research and Development

REACH Registration, Evaluation, Authorisation and Restriction of Chemicals

RoPA Record of Processing Activities

RRR Reserve Replacement Rate

## S

S2P Solar to Power

S.A. Romanian JSC - Joint stock company

SAF Sustainable Aviation Fuel

SASB Sustainability Accounting Standards Board

SB Supervisory Board

SDGs Sustainable Development Goals

S&R Security and Resilience

SIA Social Impact Assessment

SO<sup>2</sup> Sulphur dioxide

SoW Scope of Work

SRA Security Risk Assessment

SRL Limited - Societate cu răspundere limitată

## T

t, kt Metric ton(s), thousand tons;

toe Ton of oil equivalent

TCFD Task Force on Climate-related Financial Disclosures

TfS Together for Sustainability

TJ Terajoule

TPH Total Petroleum Hydrocarbons

TRIR Total recordable injury rate

TWh Terawatt hour(s)

## U

UN United Nations

US United States

## V

VOC Volatile organic compounds

## W

W2P Wind to Power



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# Independent Limited Assurance Report on the Sustainability Report of OMV Petrom Group

To the Supervisory Board of OMV Petrom S.A.

## Introduction

We were engaged by the Supervisory Board of OMV Petrom S.A. (“the Company”) to report on the Sustainability Report of the Company and its subsidiaries (together, “OMV Petrom Group” or “the Group”) as at and for the year ended 31 December 2023 (“the Sustainability Report”), in the form of an independent limited assurance conclusion that, based on our work performed and evidence obtained, nothing has come to our attention that causes us to believe that the Sustainability Report is not prepared, in all material respects, in accordance with:

- ▶ the Sustainability Reporting Guidelines of the Global Reporting Initiative (“GRI Standards”), and
- ▶ the provisions of Article 8 of the Regulation (EU) 2020/852, as amended, and the supplementing delegated Regulation (EU) 2021/2178 (together: “EU Taxonomy Regulation”),

(together, “the Criteria”)

## Management Board's responsibilities

The Company’s Management Board is responsible for the preparation of the Sustainability Report that is free from material misstatement in accordance with the Criteria, and for the information and assertions contained therein, for determining the Group’s objectives in respect of sustainable development performance and reporting, including identification of stakeholders and material issues, and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived. This responsibility includes the selection and application of appropriate methods for sustainability reporting, making judgements and estimates that are reasonable in the circumstances. The Management Board is responsible for preventing and detecting fraud and for identifying and ensuring that OMV Petrom Group complies with laws and regulations applicable to its activities. The Management Board is also responsible for ensuring that staff involved with the preparation and presentation of the Sustainability Report are properly trained, information systems are properly updated and that any changes in reporting encompass all significant business units.

## Our responsibilities

Our responsibility is to examine the Sustainability Report and to report thereon in the form of an independent limited assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. That Standard requires that we plan and perform our procedures to obtain a meaningful level of assurance about whether the Sustainability Report is prepared in accordance with the Criteria, in all material respects, as the basis for our limited assurance conclusion.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the independence and other ethical requirements of the *International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards Board (“IESBA Code”))*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

## Procedures performed

The procedures selected depend on our understanding of the Sustainability Report and other engagement circumstances, and our assessment of areas where material misstatements are likely to arise. In obtaining an understanding of the Sustainability Report and other engagement circumstances, we have considered the process used to prepare the Sustainability Report in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of OMV Petrom Group’s process of internal control over the preparation and presentation of the Sustainability Report.

A limited assurance engagement on the Sustainability Report consists of making inquiries, primarily of persons responsible for the preparation thereof, and applying analytical and other evidence gathering procedures, as appropriate. Our engagement included: assessing the appropriateness of the Sustainability Report, the suitability of the criteria and the appropriateness of the methods, policies and procedures used by OMV Petrom Group in preparing the Sustainability Report in the circumstances of the engagement, and the reasonableness of estimates made by the Group.



The procedures performed also included:

- ▶ Inquiries of the Group’s personnel responsible for materiality analysis, in order to gain an understanding of the process in place for determining material sustainability topics and the Group’s respective reporting thresholds;
- ▶ Evaluation of the processes for developing and monitoring of disclosures on environmental, social and employee-related matters, also in respect of the collection and consolidation of underlying data from subsidiaries and business units;
- ▶ Inspection of selected internal and external documentary evidence, in order to determine whether the qualitative and quantitative sustainability information is supported by sufficient evidence and presented in an accurate and balanced manner;
- ▶ Assessment of the processes for local data collection, validation and reporting, and the relevance and reliability of the data through a survey performed at a sample of business units;
- ▶ Tracing the inputs into the determination of quantitative information to the underlying data sources, on a sample of items;
- ▶ Assessment whether the EU Taxonomy regulation’s requirements on determination of eligible and aligned economic activities have been adequately addressed;
- ▶ Inspecting the Sustainability Report and assessing the overall presentation of the disclosures.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the

assurance that would have been obtained had a reasonable assurance engagement been performed.

### Criteria

The applicable criteria against which the Sustainability Report was evaluated are included in the GRI Standards and the EU Taxonomy Regulation.

### Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

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

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Sustainability Report of the Group as at and for the year ended 31 December 2023 is not prepared, in all material respects, in accordance with the Criteria.

### Other matters – comparative information

The comparative information for the years ended 31 December 2022, 31 December 2021 and 31 December 2020 was subject to a limited assurance engagement by another independent assurance provider whose reports dated 20 April 2023, 22 June 2022 and 28 April 2021 expressed unmodified conclusions on such information.

The comparative information for the years ended 31 December 2019 - 31 December 2016 was not subject to our limited assurance engagement and accordingly, we do not express a conclusion, or provide any assurance on such information.

Our conclusion is not modified with respect to these matters.

### Restriction of use of our report

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Company, for any purpose or in any context. Any party other than the Company who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than the Company for our work, for this independent limited assurance report, or for the conclusions we have reached.

**For and on behalf of KPMG Audit S.R.L.:**

**Dragoi Monica-Iuliana**

registered in the electronic public register of financial auditors and audit firms under no AF4375

registered in the electronic public register of financial auditors and audit firms under no FA9

Bucharest, 11 April 2024



## Contact point for Sustainability Issues:

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## Referent person in charge of Sustainability:

Alina Popa, Communication and Sustainability Director

## Photos:

OMV Petrom archive, Dreamstime, iStock

## Other Publication for 2023:

OMV Petrom Annual Report 2023

## Disclaimer regarding forward-looking statements

This report does not, and is not intended to, constitute or form part of, and should not be construed as, constituting or forming part of, any actual offer to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares issued by OMV Petrom S.A. (the Company) or any of its subsidiaries in any jurisdiction or any inducement to enter into investment activity; nor shall this document or any part of it, or the fact of it being made available, form the basis of, or be relied on in any way whatsoever. No part of this report, nor the fact of its distribution, shall form part of or be relied on in connection with any contract or investment decision relating thereto; nor does it constitute a recommendation regarding the securities issued by the Company. The information and opinions contained in this report are provided as at the date of this report and may be subject to updating, revision, amendment or change without notice. Where this report quotes any information or statistics from any external source, it should not be interpreted that the Company has adopted or endorsed such information or statistics as being accurate. No reliance may be placed for any purpose whatsoever on the information contained in this report, or any other material discussed verbally. No representation or warranty, express or implied, is given as to the accuracy, fairness or correctness of the information or the opinions contained in this document or on its completeness and no liability is accepted for any such information, for any loss howsoever arising, directly or indirectly, from any use of this report or any of its content or otherwise arising in connection therewith. This report may contain forward-looking statements.

These statements reflect the Company's current knowledge and its expectations and projections about future events and may be identified by the context of such statements or words such as "anticipate," "believe", "estimate", "expect", "intend", "plan", "project", "target", "may", "will", "would", "could" or "should" or similar terminology. By their nature, forwardlooking statements are subject to a number of risks and uncertainties, many of which are beyond the Company's control that could cause the Company's actual results and performance to differ materially from any expected future results or performance expressed or implied by any forward-looking statements. None of the future projections, expectations, estimates or prospects in this report should in particular be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared or the information and statements contained herein are accurate or complete. As a result of these risks, uncertainties and assumptions, you should in particular not place reliance on these forward-looking statements as a prediction of actual results or otherwise. This report does not purport to contain all information that may be necessary in respect of the Company or its shares and in any event each person receiving this report needs to make an independent assessment. The Company undertakes no obligation publicly to release the results of any revisions to any forward-looking statements in this report that may occur due to any change in its expectations or to reflect events or circumstances after the date of this report. This report and its contents are proprietary to the Company and neither this document nor any part of it may be reproduced or redistributed to any other person.



