COP 2020 OMV

**Communication on Progress 2019**

**Participant**

* [OMV](https://www.unglobalcompact.org/what-is-gc/participants/7122) Petrom

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**Time period**

* January 2019  –  December 2019

**Files :**

**Links :** [**https://www.omvpetrom.com/services/downloads/00/omvpetrom.com/1522188090115/Raport%20de%20Sustenabilitate%202019**](https://www.omvpetrom.com/services/downloads/00/omvpetrom.com/1522188090115/Raport%20de%20Sustenabilitate%202019)

**Format**

* Part of a sustainability or corporate (social) responsibility report

**Differentiation Level**

* This COP qualifies for the Global Compact Advanced level

**Self-assessment**

* Includes a CEO statement of continued support for the UN Global Compact and its ten principles
* Description of actions or relevant policies related to Human Rights
* Description of actions or relevant policies related to Labour
* Description of actions or relevant policies related to Environment
* Description of actions or relevant policies related to Anti-Corruption
* Includes a measurement of outcomes
* Meets all criteria for the GC Advanced level

**How does your organization share its COP with stakeholders?**

* Through the UN Global Compact website only

 COP is easily accessible to all interested parties (e.g., via its website)

 COP is actively distributed to all key stakeholders (e.g., investors, employees, consumers, local community)

 Both b) and c)

**Verification  
and Transparency**

* How is the accuracy and completeness of information in your COP assessed by a credible third-party?
* The COP describes any action(s) that the company plans to undertake by its next COP to have the credibility of the information in its COP externally assessed, including goals, timelines, metrics, and responsible staff
* Information is reviewed by multiple stakeholders (e.g., representatives of groups prioritized in stakeholder analysis)
* Information is assured by independent assurors (e.g., accounting or consulting firm) against recognized assurance standard (e.g., ISAE3000, AA1000AS, other national or industry-specific standard)
* Information is reviewed by a panel of peers (e.g., members of the same industry, competitors, benchmarked leaders, others organized via Global Compact Local Network)
* Information is assured by independent assurors (e.g., accounting or consulting firm) using their own proprietary methodology
* Other established or emerging best practices

**The COP incorporates the following high standards of transparency and disclosure:**

* Applies the GRI Sustainability Reporting Guidelines or the GRI Standards
* Is 'in accordance - core' with GRI Standards
* Provides information on the company’s profile and context of operation
* Is 'in accordance - comprehensive' with GRI Standards
* Applies elements of the International Integrated Reporting Framework

**Which of the following Sustainable Development Goals (SDGs) do the activities described in your COP**

**address? [Select all that apply]**

* SDG 1: End poverty in all its forms everywhere

 SDG 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture

* SDG 3: Ensure healthy lives and promote well-being for all at all ages
* SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for

all

* SDG 5: Achieve gender equality and empower all women and girls
* SDG 6: Ensure availability and sustainable management of water and sanitation for all
* SDG 7: Ensure access to affordable, reliable, sustainable and modern energy for all
* SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
* SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

SDG 10: Reduce inequality within and among countries

* SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable
* SDG 12: Ensure sustainable consumption and production patterns
* SDG 13: Take urgent action to combat climate change and its impacts

 SDG 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development

* SDG 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
* SDG 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

 SDG 17: Strengthen the means of implementation and revitalize the global partnership for sustainable

**With respect to your company’s actions to advance the Sustainable Development Goals (SDGs), the COP describes: [Select all that apply]**

* Opportunities and responsibilities that one or more SDGs represent to our business

E.g., new growth opportunities; risk profiles; improved trust among stakeholders; strengthened license to operate; reduced legal, reputational and other business risks; resilience to costs or requirements imposed by future legislation.

* Where the company’s priorities lie with respect to one or more SDGs

Conducting an assessment on the current and potential, positive and negative impacts that your business activities have on the SDGs throughout the value chain can help you identify your company’s priorities.

* Goals and indicators set by our company with respect to one or more SDGs

Setting specific, measurable and time-bound sustainability goals helps foster shared priorities and drive performance. To do this: Define scope of goals and select KPIs; define baseline and select goal type; set level of ambition; announce commitment to SDGs; select indicators and collect data.

* How one or more SDGs are integrated into the company’s business model

Integrating sustainability has the potential to transform all aspects of the company’s core business, including its product and service offering, customer segments, supply chain management, choice and use of raw materials, transport and distribution networks and product end-of-life. It involves anchoring sustainability goals within the business up to the board level, embedding sustainability across all functions, and engaging in partnerships.

* The (expected) outcomes and impact of your company’s activities related to the SDGs

Example: For a food company that sells nutritionally balanced breakfasts and lunches to primary schools, an output is the number of meals served. An outcome is the rate of malnutrition among children served. Impact is the company’s contribution to SDG Target 2.1, “end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round.”

* If the companies' activities related to the SDGs are undertaken in collaboration with other stakeholders

E.g., United Nations agencies, civil society, governments, other companies

 Other established or emerging best practices

Please use the text box below to publicly share any other best practices. 255 characters or less, including spaces

**Implementing the Ten Principles into Strategies & Operations**

**Criterion 1: The COP describes mainstreaming into corporate functions and business units**

Indicate which of the following best practices are described in your COP:

* Place responsibility for execution of sustainability strategy in relevant corporate functions (procurement, government affairs, human resources, legal, etc) ensuring that no function is conflicting with company sustainability commitments and objectives
* Align strategies, goals and incentive structures of all business units and subsidiaries with corporate sustainability strategy
* Assign responsibility for corporate sustainability implementation to an individual or group within each business unit and subsidiary
* Design corporate sustainability strategy to leverage synergies between and among issue areas and to deal adequately with trade-offs
* Ensure that different corporate functions coordinate closely to maximize performance and avoid unintended negative impacts

• Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to fulfill this criterion, including goals, timelines, metrics, and responsible staff

• Other established or emerging best practices

**Criterion 2: The COP describes value chain implementation**

* Analyze each segment of the value chain carefully, both upstream and downstream, when mapping risks, opportunities and impacts
* Communicate policies and expectations to suppliers and other relevant business partners
* Implement monitoring and assurance mechanisms (e.g. audits/screenings) for compliance within the company’s sphere of influence
* Undertake awareness-raising, training and other types of capacity building with suppliers and other business partners
* Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to fulfill this criterion, including goals, timelines, metrics, and responsible staff
* Other established or emerging best practices

**Robust Human Rights Management Policies & Procedures**

**Criterion 3: The COP describes robust commitments, strategies or policies in the area of human rights**

* Commitment to comply with all applicable laws and respect internationally recognized human rights, wherever the company operates (e.g., the Universal Declaration of Human Rights, Guiding Principles on Human Rights) (BRE1 + ARE1)
* Integrated or stand-alone statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company (BRE 1 + BRE5 + ARE 1 + ARE 5)
* Statement of policy stipulating human rights expectations of personnel, business partners and other parties directly linked to operations, products or services (BRE 1)
* Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties (BRE 1 + BRE 5 + ARE 1 + ARE 5)
* Other established or emerging best practices

OMV Group has mapped its human rights responsibility in a comprehensive Human Rights Matrix. This tool enables us to assess existing gaps between OMV's responsibilities and OMV's activities in the fields of Human Rights. OMV Petrom recognizes , follows and identifies with the OMV Group's policy and Matrix.

* Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to fulfill this criterion, including goals, timelines, metrics, and responsible staff

**Criterion 4: The COP describes effective management systems to integrate the human rights principles**

* Process to ensure that internationally recognized human rights are respected
* On-going due diligence process that includes an assessment of actual and potential human rights impacts (BRE 2 + BRE 3 + ARE 2 + ARE 3)
* Internal awareness-raising and training on human rights for management and employees
* Operational-level grievance mechanisms for those potentially impacted by the company’s activities (BRE 4 + ARE 4)
* Allocation of responsibilities and accountability for addressing human rights impacts
* Internal decision-making, budget and oversight for effective responses to human rights impacts
* Processes to provide for or cooperate in the remediation of adverse human rights impacts that the company has caused or contributed to (BRE 3+ BRE 4 + ARE3 + ARE 4)
* Process and programs in place to support human rights through: core business; strategic philanthropic/social investment; public policy engagement/advocacy; partnerships and/or other forms of collective action (BRE 6 + ARE 6)
* Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to fulfill this criterion, including goals, timelines, metrics, and responsible staff

**Criterion 5: The COP describes effective monitoring and evaluation mechanisms of human rights integration**

* System to monitor the effectiveness of human rights policies and implementation with quantitative and qualitative metrics, including in the supply chain (BRE3 + ARE3)
* Monitoring draws from internal and external feedback, including affected stakeholders
* Leadership review of monitoring and improvement results
* Process to deal with incidents the company has caused or contributed to for internal and external stakeholders (BRE 4 + ARE 4)
* Grievance mechanisms that are legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning, and based on engagement and dialogue (BRE4 + ARE4)
* Outcomes of integration of the human rights principles

 Other established or emerging best practices

 Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to fulfill this criterion, including goals, timelines, metrics, and responsible staff

**Robust Labour Management Policies & Procedures**

**Criterion 6: The COP describes robust commitments, strategies or policies in the area of labour**

* Reference to principles of relevant international labour standards (ILO Conventions) and other normative international instruments in company policies
* Reflection on the relevance of the labour principles for the company
* Written company policy to obey national labour law, respect principles of relevant international labour standards in worldwide company operations and engage in dialogue with representative organization of the workers (international, sectoral, national).
* Inclusion of reference to the principles contained in the relevant international labour standards in contracts with suppliers and other relevant business partners
* Specific commitments and Human Resources policies, in line with national development priorities or decent work priorities in the country of operation
* Other established or emerging best practices

OMV Petrom is committed to its OMV Group diversity strategy with focus on gender . OMV Petrom is committed to support women’s advancement to managerial positions, having a specific KPI on OMV Petrom Sustainability strategy 2025 .

* Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to fulfill this criterion, including goals, timelines, metrics, and responsible staff
* Participation and leadership by employers’ organizations (international and national) to jointly address challenges related to labour standards in the countries of operation, possibly in a tripartite approach (business – trade union – government).
* Structural engagement with a global union, possibly via a Global Framework Agreement

**Criterion 7: The COP describes effective management systems to integrate the labour principles**

* Risk and impact assessments in the area of labour
* Dialogue mechanism with trade unions to regularly discuss and review company progress in addressing labour standards
* Allocation of responsibilities and accountability within the organization
* Internal awareness-raising and training on the labour principles for management and employees
* Active engagement with suppliers to address labour-related challenges
* Grievance mechanisms, communication channels and other procedures (e.g., whistleblower mechanisms) available for workers to report concerns, make suggestions or seek advice, designed and operated in line with the representative organization of workers
* Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to fulfill this criterion, including goals, timelines, metrics, and responsible staff
* Other established or emerging best practices

**Criterion 8: The COP describes effective monitoring and evaluation mechanisms of labour principles integration**

* System to track and measure performance based on standardized performance metrics
* Dialogues with the representative organization of workers to regularly review progress made and jointly identify priorities for the future
* Audits or other steps to monitor and improve the working conditions of companies in the supply chain, in line with principles of international labour standards
* Process to positively engage with the suppliers to address the challenges (i.e., partnership approach instead of corrective approach) through schemes to improve workplace practices
* Outcomes of integration of the Labour principles
* Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to fulfill this criterion, including goals, timelines, metrics, and responsible staff
* Other established or emerging best practices

**Robust Environmental Management Policies & Procedures**

**Criterion 9: The COP describes robust commitments, strategies or policies in the area of environmental stewardship**

* Reference to relevant international conventions and other international instruments (e.g. Rio Declaration on Environment and Development)
* Reflection on the relevance of environmental stewardship for the company
* Written company policy on environmental stewardship
* Inclusion of minimum environmental standards in contracts with suppliers and other relevant business partners
* Specific commitments and goals for specified years
* Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to fulfill this criterion, including goals, timelines, metrics, and responsible staff
* Other established or emerging best practices

**Criterion 10: The COP describes effective management systems to integrate the environmental principles**

* Environmental risk and impact assessments
* Assessments of lifecycle impact of products, ensuring environmentally sound management policies
* Allocation of responsibilities and accountability within the organisation
* Internal awareness-raising and training on environmental stewardship for management and employees
* Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice regarding environmental impacts

• Other established or emerging best practices

• Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to fulfill this criterion, including goals, timelines, metrics, and responsible staff

**Criterion 11: The COP describes effective monitoring and evaluation mechanisms for environmental stewardship**

* System to track and measure performance based on standardized performance metrics
* Leadership review of monitoring and improvement results
* Process to deal with incidents
* Audits or other steps to monitor and improve the environmental performance of companies in the supply chain
* Outcomes of integration of the environmental principles
* Other established or emerging best practices
* Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to fulfill this criterion, including goals, timelines, metrics, and responsible staff

**Robust Anti-Corruption Management Policies & Procedures**

**Criterion 12: The COP describes robust commitments, strategies or policies in the area of anti-corruption**

* Publicly stated formal policy of zero-tolerance of corruption (D1)
* Commitment to be in compliance with all relevant anti-corruption laws, including the implementation of procedures to know the law and monitor changes (B2)
* Statement of support for international and regional legal frameworks, such as the UN Convention against Corruption (D2)
* Detailed policies for high-risk areas of corruption (D4)
* Policy on anti-corruption regarding business partners (D5)
* Other established or emerging best practices

OMV Petrom has a comprehensive Code of Conduct , same as OMV Group and Code of Business Ethics detailing our anti-corruption commitments, which are binding on employees and suppliers.

• Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to fulfill this criterion, including goals, timelines, metrics, and responsible staff

**Criterion 13: The COP describes effective management systems to integrate the anti-corruption principle**

* Support by the organization’s leadership for anti-corruption (B4)
* Carrying out risk assessment of potential areas of corruption (D3)
* Human Resources procedures supporting the anti-corruption commitment or policy, including communication to and training for all employees (B5 + D8)
* Internal checks and balances to ensure consistency with the anti-corruption commitment (B6)
* Actions taken to encourage business partners to implement anti-corruption commitments (D6)
* Management responsibility and accountability for implementation of the anti-corruption commitment or policy (D7)
* Communications (whistleblowing) channels and follow-up mechanisms for reporting concerns or seeking advice (D9)
* Internal accounting and auditing procedures related to anticorruption (D10)
* Other established or emerging best practices

OMV Petrom has set up a compliance management system aiming to prevent, detect and mitigate risks in key compliance areas. The system was re-certified by international auditors in terms of design, appropriateness, implementation and effectiveness according to international standards in 2017 (IDW PS 980).

* Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to fulfill this criterion, including goals, timelines, metrics, and responsible staff

**Criterion 14: The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption**

* Leadership review of monitoring and improvement results (D12)
* Process to deal with incidents (D13)
* Public legal cases regarding corruption (D14)
* Use of independent external assurance of anti-corruption programmes (D15)
* Outcomes of integration of the anti-corruption principle
* Other established or emerging best practices

**Taking Action in Support of Broader UN Goals and Issues**

**Criterion 15: The COP describes core business contributions to UN goals and issues**

* Align core business strategy with one or more relevant UN goals/issues
* Develop relevant products and services or design business models that contribute to UN goals/issues
* Adopt and modify operating procedures to maximize contribution to UN goals/issues
* Other established or emerging best practices

We have a series of KPIs for safety, carbon efficiency, diversity and , grievance mechanism, supply chain, R&D, human rights and business ethics. OMV Petrom refers to supported SDGs in its Sustainability Report.

* Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to fulfill this criterion, including goals, timelines, metrics, and responsible staff

**Criterion 16: The COP describes strategic social investments and philanthropy**

* Pursue social investments and philanthropic contributions that tie in with the core competencies or operating context of the company as an integrated part of its sustainability strategy
* Coordinate efforts with other organizations and initiatives to amplify—and not negate or unnecessarily duplicate—the efforts of other contributors
* Take responsibility for the intentional and unintentional effects of funding and have due regard for local customs, traditions, religions, and priorities of pertinent individuals and groups
* Other established or emerging best practices

OMV Petrom integrates community relations and development into business projects, which starts with Social Impact Assessments (SIA) to ensure the incorporation of local communties' views into the project life cycle.

• Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to fulfill this criterion, including goals, timelines, metrics, and responsible staff

**Criterion 17: The COP describes advocacy and public policy engagement**

* Publicly advocate the importance of action in relation to one or more UN goals/issues
* Commit company leaders to participate in key summits, conferences, and other important public policy interactions in relation to one or more UN goals/issues
* Other established or emerging best practices
* Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to fulfill this criterion, including goals, timelines, metrics, and responsible staff

**Criterion 18: The COP describes partnerships and collective action**

* Develop and implement partnership projects with public or private organizations (UN entities, government, NGOs, or other groups) on core business, social investments and/or advocacy
* Join industry peers, UN entities and/or other stakeholders in initiatives contributing to solving common challenges and dilemmas at the global and/or local levels with an emphasis on initiatives extending the company’s positive impact on its value chain
* Other established or emerging best practices
* Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to fulfill this criterion, including goals, timelines, metrics, and responsible staff

**Corporate Sustainability Governance and Leadership**

**Criterion 19: The COP describes CEO commitment and leadership**

* CEO leads executive management team in development of corporate sustainability strategy, defining goals and overseeing implementation
* CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN Global Compact
* CEO promotes initiatives to enhance sustainability of the company’s sector and leads development of industry standards
* Make sustainability criteria and UN Global Compact principles part of goals and incentive schemes for CEO and executive management team
* Other established or emerging best practices
* Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to fulfill this criterion, including goals, timelines, metrics, and responsible staff

**Criterion 20: The COP describes Board adoption and oversight**

* Board of Directors (or equivalent) assumes responsibility and oversight for long-term corporate sustainability strategy and performance
* Board establishes, where permissible, a committee or assigns an individual board member with responsibility for corporate sustainability.
* Board (or committee), where permissible, approves formal reporting on corporate sustainability (Communication on Progress)
* Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to fulfill this criterion, including goals, timelines, metrics, and responsible staff
* Other established or emerging best practices

**Criterion 21: The COP describes stakeholder engagement**

* Publicly recognize responsibility for the company’s impacts on internal and external stakeholders
* Define sustainability strategies, goals and policies in consultation with key stakeholders
* Consult stakeholders in dealing with implementation dilemmas and challenges and invite them to take active part in reviewing performance
* Establish channels to engage with employees and other stakeholders to hear their ideas and address their concerns
* Other established or emerging best practices

We update our materiality analysis every three years, the next update is planned for 2020.

* Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to fulfill this criterion, including goals, timelines, metrics, and responsible staff