



## Employees

Building and retaining a talented and competent team for international and integrated growth is a key factor in the success of the Group's strategy. We are committed to creating an environment in which every employee can learn, grow, connect, and collaborate as well as live a safe and healthy life. This is the purpose of our approach in managing the material topic "Employment and skills development," which successfully enables us to be an employer of choice.

Through our activities, we support the "four fundamental principles and rights at work" outlined in the ILO (International Labour Organization) Declaration:

- ▶ Freedom of association and the effective recognition of the right to collective bargaining
- ▶ The elimination of all forms of forced or compulsory labor
- ▶ The effective abolition of child labor
- ▶ The elimination of discrimination in respect of employment and occupation

Our Company's Principles – Team Spirit, Accountability, Passion, Pioneering Spirit, and Performance – foster the culture that we strive for and support the sustainable growth of OMV.

### Key Figures

**99%**

**of employees**

**have the right to exercise freedom of association and collective bargaining**

**19.6%**

**share of women**

**at management level**

**77%**

**of executives**

**have international experience**



## Management of employment and skills development

In 2019, we focused on a significant internationalization of our business portfolio, both Upstream and Downstream, within a disciplined financial framework. Driven by our employees, we convert energy into quality of life.

We know that it is the experience, skills, attitude, and commitment of our people at OMV that turn our strategy into reality. To unlock our organization's full potential we have further embedded OMV's Foundation Principles into our daily work.

**OMV's People Strategy supports the implementation of the following priorities through planned initiatives directed at supporting OMV's growth:**

### Strengthening leadership capability

Strong leadership is needed to ensure that our growth is fast, profitable, and sustainable. Since 2017, we have put significant effort into strengthening the capabilities of our managers. This is still a core item on our agenda through various initiatives. For example, we broadened our leadership development opportunities by adding leadership refreshment and leadership essential courses and deepened training in all functional, technical, and business skills. In 2019, we further expanded our portfolio of leadership development programs in the area of soft skills learning and process management.

### Focusing on culture and performance

Digitalization is about people and culture. That is why creating a digital mindset and reshaping the talent landscape are an integral part of OMV's Digital Journey, as is integrating technology partners, universities, and start-ups into our activities.

Our human resources processes have been further simplified and automated in the course of digitalization. One initiative in this area was the installation of My Success Factors, a SAP-based tool that is also accessible from mobile devices and helps us improve our performance and build a digitally oriented corporate culture. The following processes are supported by My Success Factors with further enhanced performance features: goal setting, goal evaluation and feedback, development planning, succession planning, recognition, personal HR administration, and learning. For example, employees can use the tool's feedback function to request and receive feedback from their colleagues on their performance. This feedback is directly linked to their record of achievements in the goal plan. Furthermore, a user-friendly and state-of-the-art recognition

tool allows anyone to nominate a colleague or a team for an award to show appreciation with just a few clicks.

In continuation of our digitalization efforts, we launched our Digital Academy in September 2019 to prepare for the digital transformation. Implemented as part of the OMV's Digital Journey, this set of courses aims to create a culture and environment that is receptive to innovation at all hierarchy levels of the Company organization. The Academy consists of more than 250 courses, covering everything from basic digital and function-specific digital skills to leadership skills to prepare our employees for working in a digital world. In bite-sized lessons, the courses can be attended whenever and wherever employees want. (For more details on the Digital Academy, see [OMV's digital journey](#).)

### Increasing organizational agility

Growth is based on consistency, transparency, and standardization of our processes for managing our human capital. We are therefore continuing to integrate and consolidate our processes into a central Group-wide IT platform as part of our HR Digital Journey. We are also concentrating more on corporate management from headquarters. As the global governance and business center, headquarters will, in future, be responsible for all Group-wide Finance and HR activities as well as digitization and IT. With this step, OMV is creating more than 250 new, highly qualified jobs in Austria, where its roots lie.

### Ensuring OMV remains a great place to work

Every day we strive to create an environment in which every employee can learn, grow, connect, and collaborate as well as live a safe and healthy life. We have continued to expand our training offering by adding new courses and online content for professional, business, personal, and leadership development. We also introduced a transparent and consistent system for classifying career positions with a list of criteria for each level of employment, corresponding responsibilities, and compensation and benefits.

### Rights and obligations

The rights and obligations of our employees are set out in employment contracts. The vast majority of our employees, i.e., 98.9% (2018: 98.5%), have the right to exercise their freedom of association and collective bargaining. For 98.8% (2018: 99.6%) of our employees, minimum wages or salaries are fixed by law or agreed through collective bargaining agreements. Local trade unions or works councils represent 89.6% (2018: 88.6%) of our employees. In addition, 98.9% (2018: 97.8%) are covered by mandatory periods of notice under national employment laws or bargaining agreements in case restructuring of the business is necessary.

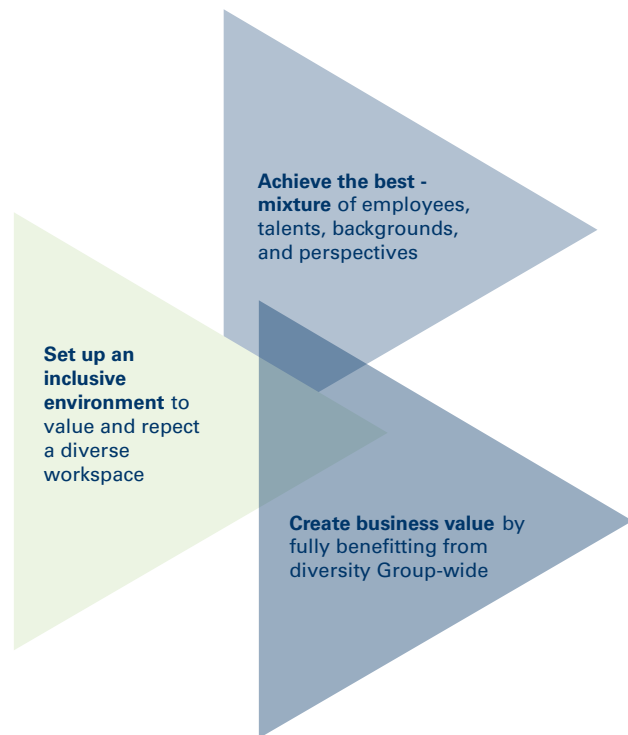
## Diversity

OMV is committed to its diversity strategy focusing on gender equality and internationality. Diversity is an enormous strength that we are actively leveraging by creating diversity-based business value. It has therefore become a strategically important goal with two measurable targets in our Sustainability Strategy 2025: gender equality and internationality. The focus on diversity is one of the key pillars of our People Strategy, which has been defined under the strategic priority of leadership as “Inspiring leaders – building high-performing, diverse teams.” To achieve this goal, we have embedded diversity targets into our people processes, such as recruitment, talent and succession planning, learning, and leadership development. We continuously monitor gender, age, employee background, seniority, and salary equality to ensure fair treatment and equal opportunities at all career levels. At the same time, we strive to continuously develop new initiatives and measures that promote diversity and equal opportunity at OMV. In 2019, we defined a joint action plan between business functions and the HR department to strengthen diversity throughout our organization by:

- ▶ Engaging and raising awareness through specific actions and initiatives to support professional progress for female employees
  - ▶ Diversity Network: a self-organized Group-wide network that raises awareness of specific needs, provides support, and builds a strong network within the Company
- ▶ Maintaining and improving a work environment that helps female employees be their best by supporting work-life balance and parenthood
  - ▶ In some countries, we have in place OMV daycare, summer camps, flexitime, home office, 16 flexible part-time models, “stay connected” guide, job sharing
- ▶ Providing tailored trainings and information to leaders and employees to ensure gender balance at OMV
  - ▶ Unconscious bias e-learning course, advanced mentoring for women, and women in leadership pilot training
  - ▶ To encourage leaders to create an inclusive work environment, the unconscious bias topic has been included in our leader programs.



**OMV is committed to its diversity strategy focusing on gender equality and internationality**



Considering the fact that we operate in an industry with a strong technical focus, it is particularly challenging for OMV to achieve a balanced gender ratio in all areas of business activity. The proportion of women in the Group as a whole amounts to 26%.



To encourage gender diversity, our recruitment policy reflects our commitment to promoting equal opportunities: At least one female candidate is included in every shortlist for each position. Internationality, another focus of our diversity strategy, is integrated into the recruitment process by highlighting the advantage of recruiting candidates with professional international experience. Our diversity targets are also embedded in succession planning, with a preference for female candidates when identifying top talent. (For more details on the succession planning process, see [Succession planning](#).)

We support women in technical training at the early pre-professional stage. The proportion of women in OMV's Upstream graduate development program<sup>31</sup> for technical skill pools was 27% in 2019 (25% in 2018). To get young people interested in technical professions, we organized activities in kindergartens and schools, such as Girls' Day

(for more details, see [Community Relations and Development](#)).

OMV has committed itself to supporting the advancement of women in management positions. The strategic objective is to achieve the best diversity mix at management level. By 2025, we aim to increase the proportion of women in management positions from 19.6% to 25%. To achieve this goal, we anchored diversity in leadership expectations and in all leadership initiatives. In OMV's leadership development programs, the proportion of women was 26% in 2019 (28% in 2018). Our development activities include, for example, mentoring for female leaders and specific trainings on unconscious bias<sup>32</sup> and decision-making. Gender is one of the diversity criteria we apply when selecting members of the Supervisory Board and of the Executive Board. (For additional information, see the [Annual Report 2019](#).)

<sup>31</sup> Integrated Graduate Development (IGD) in Upstream is designed to train technical graduates in the field of petroleum engineering over the course of three years.

<sup>32</sup> Unconscious bias training explains the role of stereotypes and how they can influence behavior in employment and careers.



### Sustainability Strategy 2025 targets

Increase share of women at management level<sup>33</sup> to 25%<sup>34</sup> by 2025

Keep high share of executives<sup>35</sup> with international experience<sup>36</sup> at 75%

### Status 2019

- ▶ Share of women at management level: 19.6%
- ▶ Executives with international experience: 77%

### Action plan to achieve the targets



The plan is embedded in OMV's People Strategy. Building diverse teams is one of our leadership expectations. Implementation of the joint action plan aimed at:

- ▶ Engagement and raising awareness
- ▶ Facilitating a work environment that supports female employees
- ▶ Enabling development of the workforce with the objective of facilitating gender balance

We raise awareness of diversity by embedding it in our existing leadership development programs. In 2020, we are planning additional events, such as speaker series based on diversity success stories.

We support increasing the proportion of women in senior management positions through a range of initiatives, such as mentoring, succession planning, specific trainings, and our recruitment policy. Initiatives to increase work-life flexibility and country-specific programs, such as company daycare and summer camps for school kids, facilitate the balance between work and family life.

The process of executive recruiting includes the criteria of internationality in the assessment of candidates.

<sup>33</sup> Management level: executives and advanced career level

<sup>34</sup> Figure excludes the following legal entities: Gas Connect Austria GmbH, Avanti GmbH, and DUNATÁR Kőolajtermék Tároló és Kereskedelmi Kft.

<sup>35</sup> Executives are defined as Senior Vice Presidents.

<sup>36</sup> International experience: equal to or greater than three years of living and working abroad

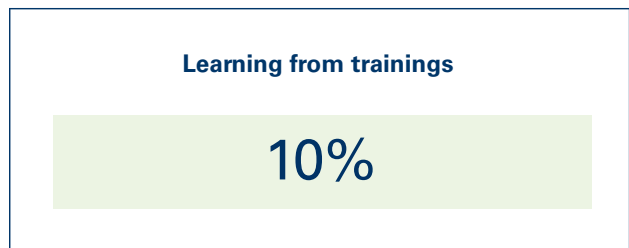
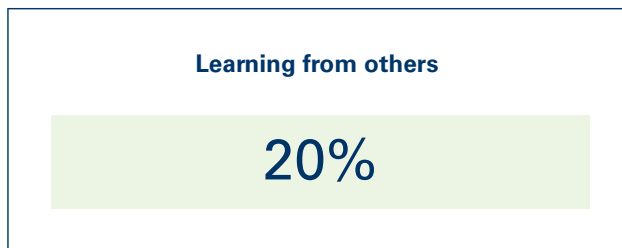


## Activities in the area of skill development

### Learning and development

We highly encourage employees to pursue continuing education to further enhance their various skills. Employees identify their learning needs through a mixture of localized training matrices. These assist them in creating development-oriented action plans linked to career paths, competencies, and professional goals.

The four key competencies in which we encourage our employees to further develop are functional and technical skills, business skills related to effective work in the OMV Group, personal skills, and leadership skills. Our functional and technical training focuses on maintaining a skilled and capable workforce. This training is planned and delivered annually in line with our workforce requirements.



We encourage the use of online resources for training. The expansion of our online learning content enables employees to access more consistent training content and enhances its accessibility on a global level. We have seen that the use of online courses and online materials has doubled without a decrease in the use of face-to-face training channels.

The Learning module launched in our learning system provides a transparent and user-friendly tool for finding appropriate educational and development activities based on employee-specific development needs, registering for training, and tracking each employee's online and face-to-face training history.

However, learning on the job remains an important element in employee development and training. We encourage employees to learn on the job, where they can apply their professional or educational skills to the specifics of OMV business and culture.

Our 70:20:10 approach gives the importance of learning on the job a weighting of 70, learning from others a weighting of 20, and learning from training a weighting of 10.

### Leadership development

One of the People Strategy priorities is to strengthen leadership capabilities. We aim to ensure that our leaders continually grow and develop. In 2019, 113 leaders participated in our leader program which is designed to support employees taking on a personnel management role for the first time. 42 participated in the program which aims to support transitioning leaders in taking on their new roles. These programs were rolled out on a Group-wide basis.

We ran cross-divisional leadership workshops as part of a Group-wide leadership upskilling initiative. They were aimed at supporting a shared understanding of leadership and the role of leaders at OMV, fostering cross-divisional learning, and introducing our new leadership tools for employee development and succession planning. The



cross-divisional workshops for all middle managers were attended by 496 leaders.

We also allow our employees to provide anonymous feedback to senior leaders and middle managers on their performance, leadership capabilities, and how they encourage compliance with the OMV Principles. As part of this 360° feedback program, about 200 of our senior leaders and middle managers received insights from employees. On a more personal level, we offer mentoring to provide employees with guidance on key career issues. In 2019, 34 mentors provided mentoring services at the Board and executive levels.

## Activities in the area of employment

### Recruitment process management

In 2019, OMV launched a very important strategic project, the aim of which is to facilitate the recruitment of highly qualified employees from the local labor market in Austria for approximately 250 newly created positions in the Human Resources, IT, and Finance departments. The Corporate Strategy 2025 stipulates further growth and internationalization, which is why OMV needs more resources to manage central data collection and processing on a Group-wide scale, under the leadership of the headquarters in Austria. This also allows us to master the increasing digitalization of our business. Austria has a proven track record as home to the OMV Group's research and innovation center, from which digital technologies are increasingly being developed and rolled out internationally.

In order to ensure consistent quality in the recruitment process, we have introduced an online satisfaction survey, which is conducted quarterly among our business managers participating in the recruiting process.

### Succession planning

Effective succession planning contributes to managing business continuity risk by ensuring the preservation of human capital – OMV's most valuable asset. "Personal Impact x Potential" is an evaluation tool used to provide structural feedback in performance reviews and in succession planning. Managers evaluate their employees on Personal Impact and Potential and identify successors for business-critical positions. Based on this, an employee's development plan is created to improve the skills needed for his or her future role. We have developed Company-wide career paths that outline the experience and skills required for a position.

We created a global platform for evaluating technical skills and launched a pilot project for this digital tool in Down-

stream Gas Sales. We plan to extend coverage of the platform to other functions in early 2020.

We are also focusing on building a robust talent pipeline through cooperation with key universities. In addition to offering internships, we operate a sponsored program and long-term partnership with the University of Leoben (Austria's university for mining, metallurgy, and materials), where eight students from Austria, Romania, Russia, and Libya were accepted into our master's degree course in petroleum engineering in 2019.

### Rewards and performance management

OMV strives for competitive compensation and benefits packages. We continuously monitor market trends and international best practices in order to attract, motivate, and retain the best-qualified talent around the world. Long-term employment relationships are what we strive for. In addition, we encourage salary equality at all career stages, for example, by setting up standardized salaries for entry-level employees which are reviewed each year in line with local market conditions.

OMV strives to maintain a uniform organizational structure that provides clarity and transparency with regard to responsibilities and the hierarchical classification of positions. In 2019, we implemented a project to ensure a fair and objective evaluation of positions that is consistent across all divisions and countries, and revised the system for grading positions. We use a clearly defined methodology that allows us to assess the specific value of the position of each employee for the organization.

At OMV, we aim to optimize employee performance through our Principles-led culture. To unlock an employee's full potential, we look at what we do and how we do it. Both aspects are important when we set our performance and development goals, review our progress, evaluate our achievements, and ultimately are rewarded and recognized annually. The purpose of our annual review process is to support our employees and managers through structured, systematic planning of performance and personal development within the Company. In 2019, performance and development reviews were conducted with 11,815 employees.

The remuneration of the Executive Board is fully disclosed as part of the OMV Annual Report. (Detailed information is provided in the Consolidated Corporate Governance Report, which is part of the [Annual Report 2019](#). Additional information on compensation and benefits for OMV employees can be found on the OMV website at [www.omv.com](http://www.omv.com).)



## Recognition program

Employees can give and receive three types of awards as a token of appreciation for their colleagues' accomplishments:


- ▶ The OMV Excellence Award provides recognition for outstanding results and significant impact in connection with strategic projects or business transactions. The Executive Board discusses and selects the best projects and initiatives that have the greatest impact on the success of the Company in a quarterly calibration.
- ▶ The Job Excellence Award recognizes employees for exceptional performance that goes beyond the usual job requirements.

- ▶ The Principle in Action Award provides instant recognition to an individual for being a role model and living by our Foundation Principles, which reinforces our desired culture of performance and cooperation. This recognition enables all awarded colleagues to make a donation to a social project supported by OMV.



Based on the success of last year's recognition initiative, in which employees sent each other "thank you" messages, we raised sufficient funds to donate to three selected social initiatives:

1. Yemen: humanitarian assistance in war-torn Yemen
2. Austria: social-pedagogical care center Schwechat
3. Romania: Oilmen's School in Romania

### Humanitarian assistance in war-torn Yemen


- ▶ Nearly 16 million people do not have enough to eat and are in urgent need of emergency assistance:
- ▶ 1.8 million children are suffering from acute malnutrition, and more than 3.25 million women in Yemen are facing increased health and safety risks.
- ▶ To help support food and provide essential services to those in need, several national and international organizations are working tirelessly in Yemen. Our support will help those in need in Yemen.
- ▶ Contribution to UN Sustainable Development Goal 1 – No Poverty 

### Social-pedagogical care center Schwechat

- ▶ The social-pedagogical care and counseling center (SOPS) in Schwechat is a private association for children, young people, and families experiencing social and economic challenges.
- ▶ SOPS offers educational and leisure activities, along with various excursions, parties, and creative workshops.
- ▶ With this financial support, the center can purchase special books, educational materials, and games to support learning.
- ▶ Contribution to UN Sustainable Development Goals 1 – No poverty and 4 –Quality education  



### Oilmen's School in Romania

- ▶ As part of the Vocational Romania Program, OMV Petrom created three vocational classes attended by 168 students across the country.
- ▶ Students successfully completing the program receive a professional qualification recognized at European level.
- ▶ The schools need practical laboratories with mechanical equipment and infrastructure for student practice.
- ▶ Contribution to UN Sustainable Development Goal 4 – Quality education 

In 2019, we won the most significant HR Award in Austria and received a silver prize for our “Thx for doing great!” recognition program in the category of “Strategy, Leadership & People Development.” Our recognition program is among the best-practice HR programs, tools, and initiatives recognized for innovation and added value for the business and for employees.



At the Loyalty Ceremony in 2019, we honored the outstanding achievements and loyalty of 139 of our coworkers in the categories 25, 35, 40, 45, and even 50 years of service to OMV.

