

Focus Areas

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Climate Change

The OMV Group clearly recognizes that climate change is one of the most important global challenges today and fully supports the goals set forth by the Paris Agreement. By 2050, OMV aims to transform into a net-zero business.⁷

OMV has set out a roadmap with concrete interim short-, medium-, and long-term targets. OMV's targets are set at an absolute and intensity level with the ultimate goal of achieving net zero greenhouse gas (GHG) emissions in Scopes 1, 2, and 3 by 2050. For Scopes 1 and 2, OMV is aiming for an absolute reduction of 30% by 2030 and of 60% by 2040. For Scope 3, OMV is striving for a reduction of at least 20% by 2030 and of 50% by 2040 from our product portfolio and other material Scope 3 emissions. These absolute GHG emission reductions and the increase of zero-carbon product energy sales are key in reducing the carbon intensity of our energy supply, pursuing a decline of 20% by 2030 and of 50% by 2040. These targets are approximated to IEA's Sustainable Development Scenario (SDS). However, our ambition is to achieve net-zero emissions already by 2050, thus being aligned with the IEA's Net Zero Emissions by 2050 Scenario (NZE).

To achieve these targets, OMV takes climate action in its operations, product and service portfolio, circular economy activities, innovations and R&D activities, working environment, and social investments. There is no silver bullet for tackling climate change. Reaching our targets for 2030 and beyond will require a considerable effort by all of our business units, but it will be done by building on existing strengths and know-how.

These are the key pillars that will enable us to meet our goals:

- ▶ A significant decrease in fossil fuels and natural gas sales: By 2030, we intend to reduce oil and gas production levels to around 350 kboe/d and cut crude distillation throughput by 2.6 mn t.
- ▶ An increase in zero-carbon product energy sales: There will be a significant increase in sustainable and biobased fuels, green gas sales, and a build-up of renewable electricity capacity for captive use, as well as geothermal heat.
- ▶ An increase in the recycling of polyolefins and sustainable feedstocks: We will deliver approximately 2 mn t/year of circular products, that is, polyolefins manufactured from recycle or biogenic feedstock rather than fossil sources.
- ▶ Improved energy and operational efficiency, and zero routine flaring and venting, thereby reducing methane emissions.
- ▶ All energy purchases in the C&M segment will be 100% renewable. In 2023, electricity purchased by C&M accounted for 10 PJ – approximately 73% of OMV's total electricity purchased.

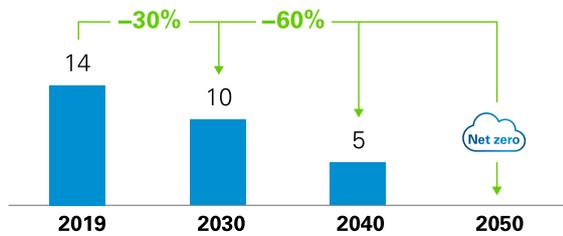
In addition to these efforts, neutralization measures such as Carbon Capture and Storage (CCS) will be necessary. OMV anticipates that it will develop around 5 mn t per year of CCS capacity across all business units until 2030. OMV aims to support and accelerate the energy transition with this new strategy.

⁷ The commitment "net-zero business by 2050" covers the greenhouse gas (GHG) emissions of our operations (Scopes 1 and 2), and our product portfolio and other Scope 3 emissions along the value chain. For our interim GHG targets for 2030 and 2040, Scopes 1 and 2 and the following Scope 3 categories are included: Category 11: Use of Sold Products for energy supply, Category 1: Purchased Goods (feedstocks) from OMV's C&M business segment, and Category 12: End-of-Life of Sold Products for non-energy use.

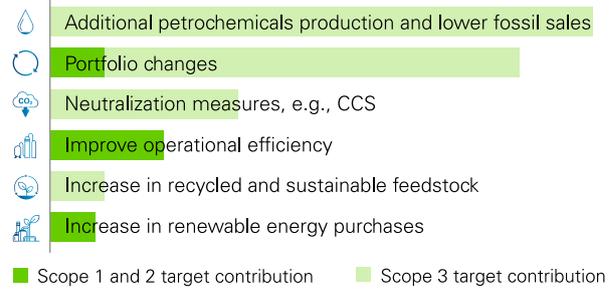


CAPEX Allocated for Decarbonization Measures to Meet OMV's 2030 Climate Targets with the Ambition of Reaching Net Zero by 2050

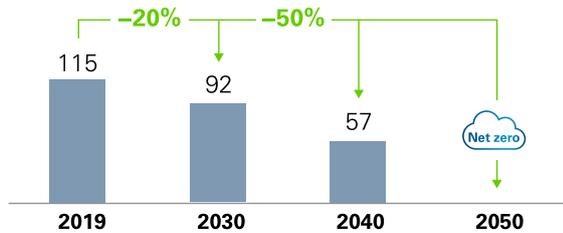
Absolute net GHG Scope 1 and 2 emissions [mt CO₂e]



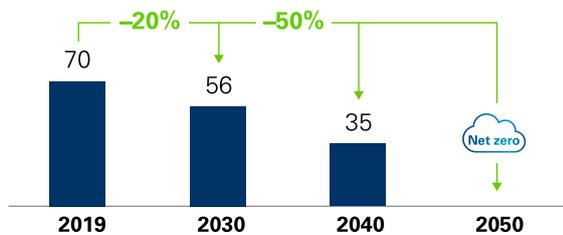
Contribution of GHG Scope 1, 2, and 3 emissions reduction measures 2019–2030



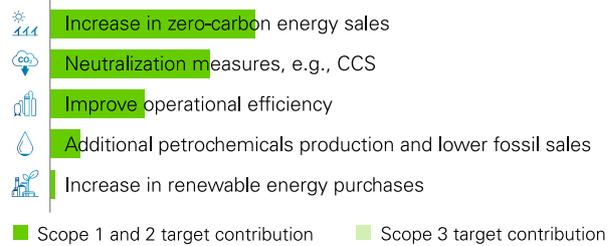
Absolute net GHG Scope 3 emissions [mt CO₂e]



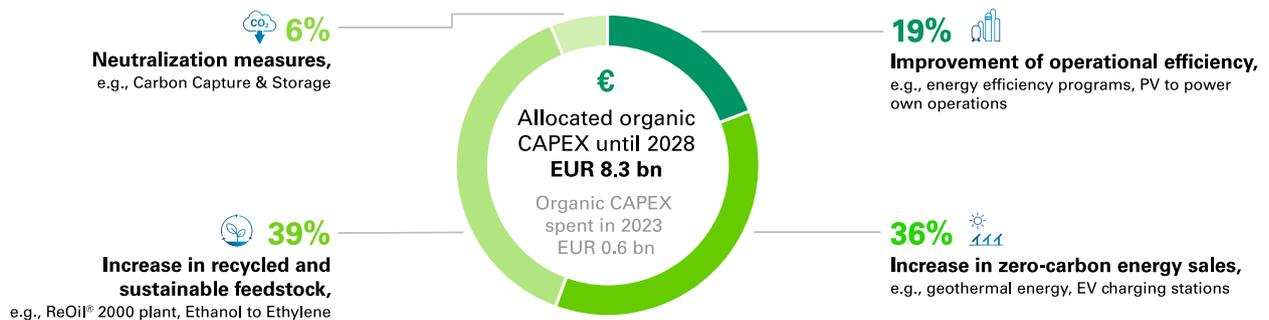
Carbon intensity of energy supply, Scopes 1, 2, and 3 [g CO₂e/MJ]



Contribution of reduction measures to g CO₂e/MJ 2019–2030



EUR 13 bn CAPEX planned until 2030 to achieve climate targets



- Overall EUR 13 bn CAPEX until 2030 is planned to achieve the 2030 climate targets, EUR 8.3 bn is already allocated to concrete projects until 2028.
- Until 2028, more than 2/3 of planned sustainability CAPEX will go to recycled and sustainable feedstock and zero-carbon products.

Carbon Emissions Reduction

Material Topic: Carbon Emissions Reduction

Supporting the goals of the Paris Agreement by reducing the carbon footprint of our operations, for example by improving energy efficiency and reducing the venting and routine flaring of gas.

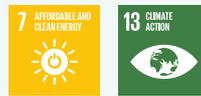
Key GRIs

- ▶ GRI 302: Energy 2016
- ▶ GRI 305: Emissions 2016

NaDiVeG

- ▶ Environmental concerns

Most Relevant SDGs



The Carbon Emissions Reduction material topic focuses on reducing the GHG emissions of our operations (Scopes 1 and 2) through targeted efforts such as improving energy efficiency, increased use of renewable electricity, modernizing our equipment and processes, and reducing venting and flaring of gas. These efforts are integral to meeting our goal of becoming carbon neutral in our operations by 2050, which is also incorporated into our HSSE Policy. As part of our Strategy 2030, we have set specific interim tar-

gets for the short (2025), medium (2030), and long term (2040) on the path to meeting our 2050 goals.

The OMV Group uses 2019 as its base year for all three scopes of emissions and for our 2030, 2040, and 2050 targets because 2019 was the last full year before the COVID-19 pandemic and the majority of the OMV Group's assets were operating for the whole of 2019.



Targets 2025

- ▶ Reduce carbon intensity of operations⁸ (Scope 1) $\geq 30\%$ vs. 2010
- ▶ Achieve at least 1 mn t of CO₂ reductions in 2020–2025 from operated assets

Target 2030

- ▶ Reduce absolute Scope 1 and 2 emissions by $\geq 30\%$ vs. 2019

Target 2040

- ▶ Reduce absolute Scope 1 and 2 emissions by $\geq 60\%$ vs. 2019

⁸ CO₂ equivalent emissions produced to generate a certain business output using the following business-specific metrics – in the E&P assets within OMV Energy: t CO₂ equivalent/toe produced; refineries: t CO₂ equivalent/t throughput (crude and semi-finished products without blended volumes); power: t CO₂ equivalent/MWh produced – consolidated into an OMV Group Carbon Intensity Index, based on weighted average of the business segments' carbon intensity

Status 2023

- ▶ Carbon intensity of operations reduced by 20% vs. 2010
- ▶ 0.70 mn t of CO₂e reduced through concrete emissions reduction initiatives and divestments vs. 2020
- ▶ Scope 1 and 2 emissions reduced by 25% vs. 2019

Most relevant SDGs

**SDG targets:**

7.2 By 2030, increase substantially the share of renewable energy in the global energy mix

7.3 By 2030, double the global rate of improvement in energy efficiency

13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

Effective carbon and energy management helps reduce costs and liabilities. The OMV Group's comprehensive approach to managing GHG emissions encompasses GHG and energy accounting and reporting, inventory management, audits, assessment plans, and training for employees. The Group Sustainability team is also audited by OMV's internal auditing team on the completeness, correctness, reporting processes and methodologies, and quality assurance processes of our GHG accounting to confirm that the OMV Group reports Scope 1, 2, and 3 emissions in a complete and correct manner, that the accounting methodology complies with international standards, and that the reporting process is adequate. The last internal audit was conducted in 2020.

The Group Sustainability team continues to conduct on-site audits of GHG accounting to verify and improve transparency. For instance, in 2023 the team audited asset Valahia in OMV Petrom, which included a detailed assessment of the process of collecting data, the process of managing the data (measurement, estimations, assumptions, calculations, forecasts, consolidation, etc.), and the process of internal and external data communications. The audit confirmed the good practices already in place and highlighted some potential areas for improvement. For all findings and non-conformities, respective action plans are being defined and tracked for close-out in OMV's HSSE reporting tool.

Governance

Ultimate responsibility for reducing carbon emissions lies with OMV's Executive Board. The Chief Executive Officer (CEO) is responsible for the overall management and coordination and is therefore also responsible for overseeing climate-related issues. OMV Executive Board members meet regularly (at least quarterly) to discuss current and upcoming

environmental, climate, and energy-related policies and regulations, related developments in the fuels and gas market, the financial implications of carbon emissions trading obligations, the status of innovation project implementation, and progress on achieving climate targets. The Executive Board's remuneration is linked to the achievement of our GHG emissions reduction targets (for more information, see [Sustainability Governance](#)).

OMV's Supervisory Board also oversees the carbon emissions reduction topic. The Sustainability & Transformation Committee was formed in 2021 to support the Company's Supervisory Board in reviewing and monitoring OMV's sustainability strategy, ESG-related standards, performance, and processes, and specifically, the Group's performance in HSSE (Health, Safety, Security, Environment) and climate change. For example, one of their responsibilities is to review and evaluate the progress we are making toward OMV's objectives in relation to our carbon footprint, climate change, and the energy transition.

At Group level, responsibility for GHG accounting and management, sustainability reporting, and ESG governance lies with the Group Sustainability team in Investor Relations & Sustainability, an area overseen by the CFO. OMV's Group Sustainability department is responsible for generating OMV's GHG inventory based on international standards and best practice. This ensures a consistent approach across the Group.

The main tasks of the team are:

- ▶ to define, implement, and manage OMV's GHG Management Framework, including the OMV Group's Climate Targets



- ▶ to monitor, calculate, and report OMV's GHG emissions (Scopes 1–3), and
- ▶ to define OMV's GHG accounting and reporting protocols and tools.

The team coordinates activities throughout the business, providing guidance to stakeholder groups such as subsidiaries, business units, and assets on GHG and energy-related topics. To ensure consistency across the Group, there are also dedicated teams in OMV Petrom and Borealis. Tailored voluntary training on GHG accounting, monitoring and management, sustainability, and climate change is developed by the experts in the Group Sustainability team and offered to interested employees Group-wide.

In OMV's Capital Allocation Framework, a project category called "Sustainability Projects" allows certain projects to meet different economic return requirements. These projects are assessed and scored according to a strategic climate scoring methodology for Group-wide investment projects. This enables the impact of investments on OMV's decarbonization strategy to be considered. Alongside other strategic scoring aspects, this allows for holistic portfolio optimization across the OMV Group to support the achievement of our GHG reduction targets (for more information, see [Sustainability Governance](#)).

The Group-wide GHG Management Framework is an OMV Group regulation that defines how to measure, report, and manage GHG emissions and contains the definitions, boundaries, and rules for the OMV Group's strategic GHG reduction targets and "net zero by 2050" ambition. The regulation also includes requirements for Scope 1 E&P methane emissions accounting, which will align with the Oil & Gas Methane Partnership 2.0 (OGMP 2.0) Framework as a minimum and require source-level measurement of methane emissions (OGMP 2.0 level 4) operated by the Energy division by 2026. According to OGMP 2.0, Level 4 refers to the source level quantification of methane emissions using specific emissions factors established through direct measurements, sampling, and/or detailed engineering calculations.

Flaring, Venting, and Fugitive Methane Emissions

During oil production, associated gas is produced together with the oil. While much of this gas is utilized, some of it is routinely flared due to technical or economic constraints, resulting in the release of greenhouse gases such as CO₂ and methane. In 2017, to reinforce our clear commitment to responsible resource management and sustainable business, we endorsed the World Bank's "Zero routine flaring by 2030" initiative to end routine flaring of

associated gas during oil production by 2030. Phasing out routine flaring is an essential step in combining resource efficiency with long-term economic success, as well as a way of supporting the decarbonization of our operations. We see financial opportunities in the monetization of hydrocarbon resources by utilizing the previously flared gas and/or selling it. Phasing out routine flaring improves the environmental and safety conditions at our respective assets, thereby enabling us to not only maintain our license to operate but also avoid any penalties.

Reducing methane emissions from the routine/non-routine venting of gas during oil and gas production and processing, as well as from gas leaks, also contributes to slowing down climate change and provides a valuable mitigation option for climate risk management. Methane is a powerful greenhouse gas. It is the most abundant anthropogenic GHG after CO₂ and second in its overall contribution to climate change. Its greenhouse effect is significantly stronger in the short term, making it more potent than CO₂. In our climate strategy, we therefore also introduced a target for reducing methane emissions for the first time.

Management and Due Diligence Processes

Phasing Out Routine Flaring and Venting

Around 1% of OMV's total direct GHG emissions and around 5% of OMV's Energy GHG direct emissions result from routine flaring. With stricter policies requiring zero routine flaring expected, OMV has taken initial steps toward compliance by voluntarily endorsing the World Bank's "Zero routine flaring by 2030" initiative. We report to the World Bank on our progress on this initiative annually. All OMV operations are required to minimize methane emissions from point sources, as well as fugitive emissions and technically avoidable emissions (such as well testing and well workover, among others). New production sites are developed with the appropriate gas utilization solutions in place and without routine flaring. Existing sites, where routine flaring of associated and free gas still occurs, are required to develop a phase-out plan to eliminate legacy routine flaring as soon as possible, but no later than 2030.

In our refineries, state-of-the-art plant design is implemented to avoid routine flaring, for example through the use of flare gas recovery and balancing the fuel gas systems. This type of advanced process control includes sufficient capacity for the flare gas recovery system, the use of high-integrity relief valves, and other economically viable organizational and control measures. All refineries use a flare gas recovery system to collect excess gas, which is desulphurized as required, pressurized, and added to the refinery fuel gas system as fuel for the process furnaces. As a result of such measures, we aim to use flaring as a safety system during unplanned operations, which include



start-up, shutdown, emergency, process upsets, and others. At the Petrobrazi refinery in particular, the capacity for flare gas recovery has been increased over the past few years. Emissions of volatile organic compounds (VOCs) are minimized by applying the best available techniques (BATs) in such areas as hydrocarbon storage and tank seals according to implementation plans.

Fugitive Emissions Monitoring and Leak Detection and Repair

Fugitive methane emissions and other non-methane volatile organic compounds (NMVOCs) are monitored or estimated and controlled systematically with leak detection and repair (LDAR) programs. Knowing the main potential sources of methane emissions also allows us to implement precautionary measures for preventing such emissions at new production assets. The minimum requirement for identifying leaks is conducting routine audio, visual, and olfactory inspections as part of daily operator rounds at all relevant OMV operating facilities. Leak detection also entails soap-bubble testing and optical gas imaging with defined scopes and intervals (annually or more frequently, as required in accordance with a corresponding risk assessment). At some facilities, infrared cameras are also used for leak detection. We also collaborate with third parties to further enhance state-of-the-art methane monitoring with technologies such as drones, satellite data, and acoustic leak imaging.

Leaks are repaired immediately or within defined time frames and, depending on prioritization, according to the site's maintenance processes. These are based on the risk assessment outcomes and other factors including feasibility of repair during operation. To prevent and mitigate fugitive emissions, we have taken important steps, including implementing a pipeline integrity program and modernizing facilities such as compressor stations.

2023 Actions

Decarbonization Initiatives

- ▶ At OMV Petrom, several initiatives have been initiated to reduce methane emissions, routine venting, and flaring, including various modernization and upgrade projects for oil and gas processing, production, and transportation infrastructure. In 2023, the Production System Padina in Asset Moldova installed a combined heat and power unit (CHP) that recovers the gas that would otherwise be vented and/or flared. This will result in an emissions reduction of approximately 18,000 t CO₂e during the first full year after implementation.
- ▶ In August 2023, a performance test for the Bărbuncești Compressor Station in Asset Moldova was successfully carried out before it was put into operation. This project is partly a continuation of the project initiated in 2014 and aims to improve the performance of the compression system. As an integrating section for that project, the Merișani-Vâlcele and Brăgăreasa-Colelia compression stations were completed and the Brădești compression station is currently under construction. The new system architecture will reduce operational costs significantly, ensure flexible and safe natural gas collection and compression, and improve safety by introducing new equipment while dismantling old equipment that present some integrity problems and significant operational risks. The new system meets the Transgaz requirements for increasing system pressures up to 40 barg. Lower GHG emissions are expected by minimizing possible leaks and through more efficient energy consumption.
- ▶ 2023 was a milestone year for OMV New Zealand in terms of the completion of decarbonization projects. Two projects were implemented at the Raroa production system in Asset Maari. First, a reverse osmosis unit was installed in order to replace the steam-driven water maker. Reducing the steam demand resulted in lower consumption of the fuel oil, leading to an emissions reduction of approximately 6,000 t CO₂e. The second project's scope was the replacement of fuel gas with nitrogen in the flare purge process. A nitrogen generator was already available on site, offering an opportunity for the project to minimize investment costs. The emissions reduction impact from this project is estimated at approximately 3,000 t CO₂e. Other projects with a decarbonization effect in New Zealand that have been trialed or implemented include changes to the turbine's operating concept, pressure optimization at the production separator, optimization of the compressor surge controller, and installation of solar panels on the roof of the warehouse. The combined emissions reduction impact from these projects is approximately 4,200 t CO₂e.
- ▶ As OMV and Borealis operate joint facilities in Schwechat and Burghausen, we strive to identify and increase joint synergies across both sites. For instance, at the Burghausen refinery from mid-2023, the quantity of flared gas was reduced, as the discontinuous nitrogen-rich gases produced by OMV were combusted in the Borealis regenerative thermal oxidation (RTO) plant, rather than being sent to the elevated flare.
- ▶ Borealis completed the cracker furnace upgrade in Stenungsund, Sweden, with the final furnace upgraded in 2023. This will generate a total annual reduction of up to 24,000 t CO₂e.



- ▶ Flaring was reduced in Porvoo, Finland, which resulted in savings of 500 t CO₂e annually.

Leak Detection and Repair

OMV consistently implements 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 OMV Energy and the LDAR program in both OMV Energy and Fuels & Feedstock (F&F). An LDAR program includes two fundamental steps: first, the identification of the leaking components and second, the repair of these leaks to minimize losses. This program serves as the basis for developing reduction projects in accordance with best practices in the industry and using the best available technologies. LDAR programs are routinely run both upstream (OMV Energy) and downstream (OMV F&F) to detect, prevent, and eliminate fugitive emissions. In OMV Energy, following the guidelines of the GHG Management Framework, methane emission programs have been established in line with the Oil and Gas Methane Partnership 2.0 (OGMP 2.0) Framework, which accepts LDAR as the most efficient method for detecting fugitive methane emissions from the operations and mitigating them. In OMV Austria, an internal LDAR team has been formed in order to perform regular screening of the production and processing sites by utilizing high-standard technologies (e.g., OGI, FLIR cameras, etc.). In addition, more than 300 facilities are included in the internal LDAR program led by Operations in OMV Petrom, which covers methane screening using FLIR cameras and mitigation of identified leakages. Furthermore, LDAR programs have become an integral part of operations, establishing strong partnerships with external service providers for compliance with our GHG Management Framework, as well as with other frameworks such as upcoming EU Regulations for methane emissions in the energy sector.

Methane Reporting

In line with the OMV Group's GHG Management Framework, which references the OGMP 2.0, OMV Energy-operated businesses shall reach source-level measurement of methane emissions (equivalent with Level 4) by the end of 2025.

Furthermore, the upcoming EU methane legislation will introduce additional stringent requirements for methane leak detection and repair programs, as well as for methane monitoring and reporting at source level and site level. In OMV Energy, OMV has already started taking important steps toward compliance with both the GHG Management Framework and the EU methane reporting requirements within the given deadlines for the ventures that are affected, i.e., OMV Austria and OMV Petrom.

Global and local methane management programs (such as Ops CH4llenge at OMV Petrom) have been established within OMV Energy with the purpose of preparing the operations' organization for the new methane detection, measurement and reporting requirements. For that purpose, multiple pilot tests with various technologies, solutions, and service providers were executed by the end of 2023. An extensive pilot project has been completed at representative sites in three assets at OMV Petrom. The detection and quantification services were performed by third-party specialized contractors. This enabled us to achieve the following reporting levels:

- ▶ Source-level methane emissions for operated assets by direct measurements and sampling to establish the specific emission factors
- ▶ Source-level methane emissions for operated assets complemented by measurements of site-level methane emissions, thereby allowing assessment and verification of the source-level estimates aggregated by site

Based on the outcome of the pilot project, a rollout strategy has been developed and converted into a scope of work for outsourcing the services for methane measurement reporting and verification for affected assets at OMV Austria and Romania.

Outlook

In 2024, OMV will continue to pursue projects to further phase out routine flaring and venting, reduce Scope 1 emissions, and expand and intensify our LDAR campaigns. For example, an LDAR campaign has been planned in Tunisia, where pilot Optical Gas Imaging (OGI) camera screening will be conducted for the Gas Treatment Plant (GTP) to quantify the leaks and establish an appropriate action plan. In addition, other sustainability and decarbonization projects that specifically target flaring and venting reduction and are currently in the execution phase in multiple assets at OMV Petrom are expected to be completed by 2025 at the latest. At the Burghausen refinery, the current gasometer is scheduled to be replaced with a membrane gasometer, which has a greater gas storage volume. This is expected to reduce the intervals and quantity of gas flared, and result in an annual reduction of 1,800 t CO₂e.

In general, we will focus on reducing fugitive methane emissions through process optimization, field modernization, and integrity improvement measures in OMV Energy. We continue to define and implement methane leakage, detection, and repair programs in all OMV Energy-operated assets, as well as establishing standard methane reporting with the required granularity (e.g., source level, site level).



Target 2025

- ▶ Achieve an E&P methane intensity⁹ of 0.2% or lower

Targets 2030

- ▶ Achieve an E&P methane intensity of 0.1% or lower
- ▶ Zero routine flaring and venting of associated gas as soon as possible, but no later than 2030

Status 2023

- ▶ 0.3% E&P methane intensity
- ▶ Volume of gas routinely flared and vented decreased from 240 mn m³ in 2022 to 53 mn m³ in 2023

Most relevant SDG



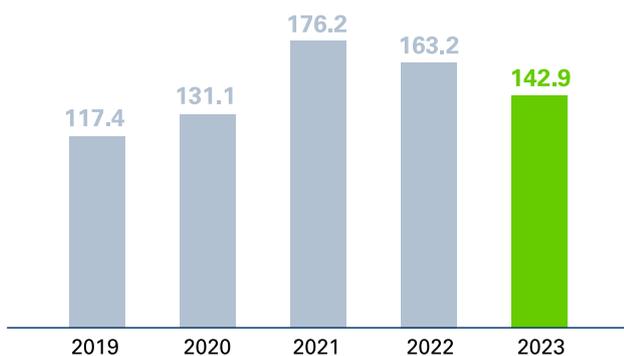
SDG target:

13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

Energy Efficiency and Sourcing Renewable Energy

Energy Consumption

In PJ



As an integrated oil, gas, and chemicals company, the OMV Group operates large facilities and is also a major energy consumer. The amount of energy we use creates a significant impact on the environment. Effective management of energy consumption reduces the environmental cost of our operations, increases financial savings owing to our energy efficiency measures, prevents non-compliance with regulatory requirements on energy use, and reduces GHG emissions.

Energy efficiency measures therefore have a considerable effect on issues relating to energy consumption and are of particular interest to certain stakeholders:

- ▶ Government authorities: compliance with the EU Emissions Trading System (EU ETS) regulations relating to the submission of emission allowances within the EU ETS, compliance with the national transposition of the EU Energy Efficiency Directive, which requires greater energy efficiency in all stages of the energy value chain, and performing obligatory energy efficiency audits every four years
- ▶ Shareholders and other stakeholders with a direct financial interest in the OMV Group: financial savings resulting from reduced energy consumption, lower production costs, and lower GHG emissions
- ▶ NGOs/NPOs: reduced impact of our operations on the environment

Management and Due Diligence Processes

57% of sites are ISO 50001 certified

The OMV Group's Environmental Management Standard requires that all OMV businesses and activities use energy responsibly, conserve primary energy resources, and

⁹ Methane intensity refers to the volume of methane emissions from OMV's operated oil and gas assets in the Energy division as a percentage of the volume of the total gas that goes to market from those operations. This is calculated as methane intensity [%] = methane emissions [Sm³] / marketed gas (sales) [Sm³].



implement energy management plans in accordance with ISO 50001.

Identification Measures

The potential for reducing energy use is identified in annual campaigns encouraging improved environmental performance, including energy consumption. For example, we have set targets for the refineries to reach certain energy intensity index ratings through annual monitoring campaigns. Based on their energy intensity, we identify and assess areas for improvement in terms of energy efficiency. Subsequently, we decide which measures to implement to reduce energy consumption as part of our environmental governance process.

Borealis is responsible for 24% of the energy consumption of the OMV Group. Furthermore, Borealis sees the energy-efficiency-first principle as a cornerstone in achieving its climate strategy. The defined energy ambition is to implement 10% energy savings of the consumption of 2015 by 2030. As OMV and Borealis operate joint facilities in Schwechat and Burghausen, an initiative to identify and increase joint synergies across both sites was established.

Projects identified in 2022 were evaluated during 2023, with the potential for implementation from 2024 onward. For instance, the Schwechat refinery currently supplies boiler feed water to the Borealis facility. By adapting the supply lines, this boiler feed water can be replaced with cheaper, colder, and fully desalinated water, resulting in energy and CO₂ savings.

Technical Improvements

Energy efficiency measures in OMV operations are closely linked with technical improvements directed at reducing energy use while achieving the same operational output. Process optimization and increasing energy efficiency to reduce costs and CO₂ emissions are also a priority at our refineries. At the Schwechat refinery, measures have included the optimization of the blade rows in one of the steam turbines, which has resulted in an increase in the efficiency of the high-pressure section of the turbine, and a subsequent increase in the electrical output equal to the steam rate. Ultrasonic atomizer nozzles for power plant boilers were also installed to promote the atomization of liquid fuel to improve the quality of combustion. This resulted in a reduction in exhaust gas losses, fuel demand, combustion air demand, and CO₂ emissions.

The implementation of planned energy efficiency measures was interrupted by the unplanned shutdown of the RD4 crude oil distillation plant at the Schwechat refinery in 2022, resulting in severe delays. Some of the measures were implemented in 2023, and those remaining are expected to be finalized in 2024.

Sourcing Renewable Energy for Operations

We are increasingly turning to renewable sources of electricity to power our operations. One way of doing this is by purchasing renewable energy, which subsequently reduces our Scope 2 emissions. For instance, in our refineries in Schwechat and Burghausen, electricity contracts stipulate that 50% of purchased electricity must be from renewable sources. As such, in 2023, 50% of the purchased electricity at the Schwechat refinery and the Adria Wien Pipeline (AWP), 51.8% at the Burghausen refinery, including tank farms and pumping stations, came from renewable sources. 100% of the electricity purchased by OMV's Austrian filling stations and the head office are obtained from renewable sources. For OMV's refineries and the AWP, the electricity contracts are generally spot-indexed and contracted on a one- to three-year basis. Commodity pricing risk is managed using financial risk instruments.

To reduce our Scope 2 emissions and to achieve the target Borealis has set of sourcing 100% of the electricity it uses from renewable sources by 2030, the OMV Group continued to establish Power Purchase Agreements (PPAs) to source renewable electricity on a longer-term basis, and sourced the electricity and utilities needed for its production processes. Several PPAs with renewable energy providers are already in place. These include:

- ▶ PPA between OMV and WEB Windenergie AG. With an output of 5.6 MW and annual electricity production of 13.7 GWh, the anticipated clean wind energy supplied to the OMV Group will be used to generate green hydrogen using an electrolyzer at the Schwechat refinery in 2023.
- ▶ Borealis and Finnish energy company Fortum have signed a long-term PPA to source renewable energy from two onshore wind parks. Starting mid-2024, 800 GWh of renewable power will be supplied to the Borealis production operations in Porvoo, Finland, over the course of eight years.
- ▶ Borealis and Axpo Nordic, a subsidiary of Switzerland's largest renewable energy provider, have a PPA for wind energy, which includes the annual supply of more than 130,000 MWh of wind power to the Borealis production location in Stenungsund, Sweden, over the next ten years. The electricity will be generated by a new onshore wind farm (Hultema) located in central Sweden, with delivery expected to start in January 2024.
- ▶ In Belgium, Borealis has a PPA with Eneco, a Dutch energy supplier. The energy will be generated by an existing offshore wind park (Mermaid) located in the North Sea.



- ▶ Borealis has a co-investment agreement with VERBUND to build a PV plant (4.8 MWp) at its production location in Schwechat, Austria, and a ten-year PPA to obtain renewable hydroelectricity from two existing hydro plants in Austria, which are part of VERBUND's portfolio.

To help reduce our Scope 1 emissions, the OMV Group also produces renewable energy and uses it to power our operations. Some of these initiatives include:

- ▶ In Austria, OMV and VERBUND built a ground-mounted photovoltaic (PV) plant at Schönkirchen with a total capacity of 15.32 MWp. The generated electricity is used for ongoing operations in OMV Energy Austria. Since mid-2022, the photovoltaic plant installed during both Phases I and II has been operational simultaneously. In 2023, approx. 13.6 GWh of renewable energy was produced and used for ongoing operations at our Austrian E&P assets within our OMV Energy business segment.
- ▶ The commercial operation of OMV's PV installation in Lobau began in early 2022, where a PV tracker system with an output of 5.6 MWp was installed. In comparison to a fixed installation, the tracker system, which follows the path of the sun, enables an increase in the generation of sustainable electricity of approximately 10%. Production efficiency was increased by another 5% by installing solar panels with bifacial (double-sided) modules. In 2023, the PV plant at the Lobau tank farm produced around 7.0 GWh of renewable energy covering approximately 45% of the annual electricity demand of the tank farm and resulting in savings of around 2,100 t CO₂ per year.
- ▶ In Norway, our joint venture partner Equinor reached full output of renewable power produced from the largest floating offshore wind farm called Hywind Tampen. The Hywind Tampen wind farm consists of eleven floating wind turbines with a total capacity of 88 MW, offsetting 200,000 t of CO₂ emissions and 1,000 t of NO_x emissions per year. The capacity covers the annual power demand of five platforms at the Snorre and Gullfaks oil and gas fields in the North Sea. In 2023, 48.3 MW of renewable energy was delivered to the Snorre and Gullfaks fields and 50,000 t CO₂ emissions were saved.
- ▶ The Cosmești solar park comprises 6,500 photovoltaic panels installed over an area of approximately 30,000 m². The green energy produced (approximately 2,500 MWh/year) will be used to supply electricity for ongoing operations in the E&P segment. This will result in a reduction of about 550 t CO₂.
- ▶ The Brădești solar park comprises 3,350 photovoltaic panels installed over an area of approximately 18,500 m². The green energy produced (approximately 1,200 MWh/year) will be used to supply electricity for ongoing operations in the E&P segment. This will result in a reduction of about 250 t CO₂.

- ▶ In Tunisia, utility air compressors with photovoltaic panels were installed at the Waha wells, while the Nawara well sites and pipeline valve stations were also equipped with PV panels for autonomous electricity generation.
- ▶ By the end of the fourth quarter of 2023, PV panels were installed at approximately 1,700 OMV and OMV Petrom filling stations. The electricity produced from these installations annually is estimated at 8,900 MWh and presents savings of approximately 2,400 t CO₂e.
- ▶ The installation of solar panels on the roof of the warehouse in Māui, New Zealand, was completed in 2023. 196 panels were installed with approximately 78 kW capacity; of that, approximately 20 kW is used for internal purposes and the excess is exported.

Borealis is working to reduce its energy consumption and greenhouse gas emissions and increased the share of renewable energy consumed from 28% in 2022 to approximately 38% in 2023, as well as signing PPAs to lock in renewable energy supply for years to come.

2023 Actions

Energy Efficiency

Energy efficiency measures implemented at our three refineries in 2023 have made it possible to achieve an annual reduction of more than 27.5 kt CO₂e and energy savings of 654 TJ. These include:

- ▶ The HDS2 project was implemented at the Burghausen refinery in June 2023. It has an annual savings potential of about 37 TJ and CO₂ savings potential of about 2.1 kt. Thanks to the two new and improved reactor effluent heat exchangers, the fired heat in the HDS2 furnace can be reduced.
- ▶ Due to commissioning and the refinery shutdown, the District Heating Hub at the Schwechat refinery was not in full operation in 2023. When it was operational, around 100 TJ and 6 kt of CO₂ was saved.
- ▶ At OMV Petrom, an upgrade of the aromatic complex was initiated at the Petrobrazi refinery, and once finalized in 2025, it will achieve an annual saving of approximately 49 TJ and a CO₂ savings potential of about 3.2 kt. These savings will be achieved thanks to the extractive distillation technology, which reduces the amount of steam consumed.

In C&M, examples of energy efficiency measures taken include the following:

- ▶ Borealis successfully completed a major upgrade to its steam cracker operations in Stenungsund, Sweden. The overhaul is expected to realize yearly CO₂ emissions reductions of up to 24,000 t.



- ▶ A new regenerative thermal oxidizer was successfully installed at Porvoo and is expected to significantly lower the site's CO₂ emissions, reduce flaring, and save around 60 gigawatt hours (GWh) of energy annually.

In OMV's Energy segment, the key energy efficiency projects included the following:

- ▶ In Norway, OMV and Wintershall signed a five-year rig contract for the use of the Transocean Norge platform. OMV will drill a minimum of seven wells with this rig, including four exploration wells and one development well. Energy efficiency is part of a contract incentive to reduce fuel consumption and further reduce CO₂ and NO_x emissions. The rig was used in a drilling campaign in August and September 2023 that resulted in an emissions reduction of 27% and 76% reduction of NO_x. In the Velocette drilling campaign, energy optimization software and a closed bus system for dynamic positioning were employed to reduce fuel consumption by approximately 27%.
- ▶ In the Māui field in New Zealand, the Māui A gas turbine generators were optimized by shifting the load between two units, thus allowing them to operate more efficiently. At the Māui Production Station, the surge controllers on the refrigerator compressors were also optimized, reducing the gas recycle as a result. Between the two projects, a saving of approximately 4,250 t CO₂e will be achieved annually.
- ▶ A legally required energy audit was conducted for Waha CPF, Nawara CPF, and GTP to assess the energy performance of the plants and implement appropriate improvement actions.

Outlook

We will continue to identify measures to improve energy efficiency and operational renewable energy initiatives. Examples of actions to be taken in the coming years are as follows:

- ▶ At the Schwechat refinery, a new preheating system will be installed for steam boiler 5, which is expected to result in an estimated saving of 2,000 t CO₂e.
- ▶ In Burghausen, the waste steam condensate stream from the Metathesis plant will be used to heat the cooler steam condensate from the crack-gas compressor increasing the energy efficiency of the process and resulting in an annual reduction of approximately 2,300 t CO₂e. By 2025, OMV Petrom aims to install PVs at half of its network of OMV Petrom filling stations. PV panels at additional OMV filling stations in Austria, Hungary, and Slovakia are also scheduled to be installed in 2024.
- ▶ In Austria, additional PV plants will become operational, including in Arbesthal and Würmlach, which will have a power output of approximately 1.1 MWp and 3 MWp respectively.

We will continue to increase our sourcing of renewable energy to power our operations. For the OMV Group, will aim to source an additional 580–780 GWh per annum of renewable electricity through additional PPAs and solar power investments. In C&M, the segment purchasing the greatest amount of energy, our aim is to ensure that all energy purchased is renewable by 2030. In the future, where local regulations permit, we also plan to produce renewable energy and feed it into the electricity grid for use by third parties. The potential for doing this in the countries where we have business operations is currently being evaluated.

Energy Transition

Material Topic: Energy Transition

Supporting the goals of the Paris Agreement by reducing the carbon footprint of our energy supply, specifically by increasing sales of zero-carbon energy products such as renewable mobility fuels and renewable power

Key GRI

- ▶ GRI 305: Emissions 2016

NaDiVeG

- ▶ Environmental concerns

Most relevant SDGs

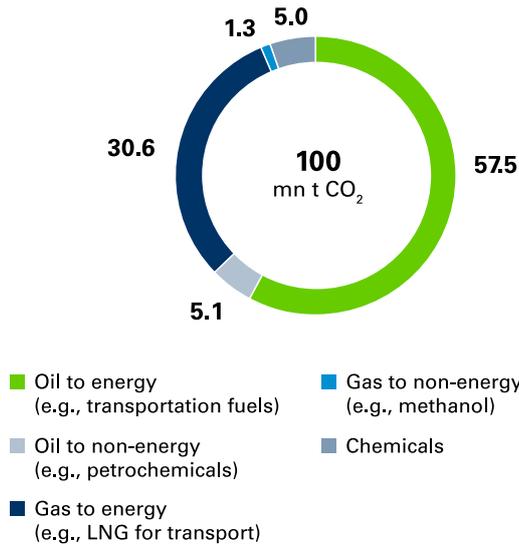




As an oil, gas, and chemicals company, we are aware that a large percentage of our emissions come from the use of our products. At present, about 78% of the OMV Group’s products are directly used for combustion, significantly contributing to global climate change. As such, we have a unique responsibility in this regard, and understand that a “business as usual” approach is no longer an option.

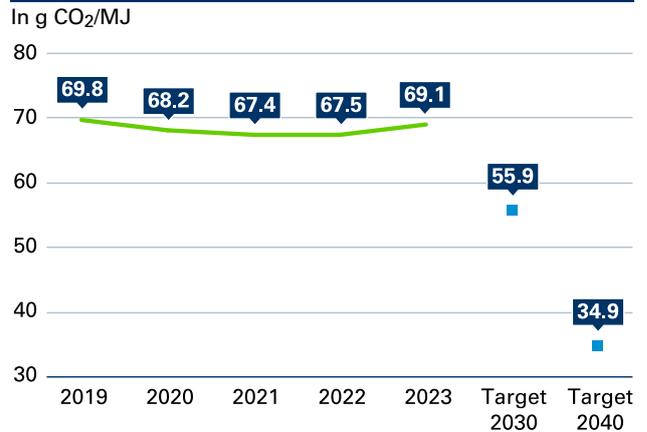
GHG Scope 3 Emissions from Products¹⁰

In mn t CO₂ equivalent



The Energy Transition material topic focuses on reducing the carbon footprint of our energy supply, specifically through increasing sales of zero-carbon energy products such as renewable mobility fuels and renewable power. This is the centerpiece of OMV’s commitment to supporting and accelerating the energy transition, and becoming a net-zero business by 2050 or sooner in alignment with the IEA’s Net Zero Emissions (NZE) scenario, which foresees limiting the global temperature rise to 1.5°C. To concretize our 2050 goals, we have set mid- and long-term targets to reduce our absolute Scope 3 emissions by at least 20% by 2030 and by at least 50% by 2040, both against the baseline year 2019. In addition, we intend to reduce the carbon intensity of our energy supply by at least 20% by 2030 and by at least 50% by 2040, both against the baseline year 2019. These intermediate targets on our pathway to net zero by 2050 are approximated to the IEA’s Sustainable Development Scenario (SDS), which foresees limiting the global temperature rise to well below 2°C and is thus aligned with the goals of the Paris Agreement.

Carbon Intensity of Energy Supply¹¹



Our absolute emissions targets cover all parts of the OMV Group, i.e., the upstream, downstream, and chemicals segments and their respective value chains. These divisions are expected to decarbonize at different rates, with a higher rate of decarbonization forecast in our energy segments (Energy and Fuels & Feedstock). This is attributable to the immediate reductions that will be achieved by our plans to minimize fossil fuel production and sales: We aim to decrease oil and gas production levels to around 350 kboe/d and reduce crude distillation throughput by 2.6 mn t, both by 2030. Growth in these segments will instead come from zero-carbon products, such as geothermal energy, photovoltaic, wind, hydrogen, and sustainable fuels. In our Energy segment, we will build up around 10 TWh of renewable energy production (including geothermal, PV, and wind). In our Fuels & Feedstock (F&F) segment, we are primarily focusing on finding solutions for hard-to-electrify market segments, such as heavy road transportation and air travel, as well as providing feedstock for greener chemical production. Overall, we plan to grow production of renewable mobility fuels and sustainable chemical feedstocks to approximately 1.5 mn t and produce and market at least 700 kta of sustainable aviation fuels by 2030. This scale-up of zero-carbon energy product sales while decreasing fossil fuel sales is central to OMV’s climate strategy.

Meanwhile, our chemicals segment is projected to grow by 35% in monomer production volumes and 30% in poly-olefins production volumes by 2030. In this non-energy segment, we will also reduce our Scope 3 emissions by pursuing circular economy technologies, but not at the same rate as our energy segments.

In this material topic, we focus on reducing the carbon footprint of our energy supply, as encapsulated in the key metric “carbon intensity of energy supply,” for which we have also set 2030 and 2040 targets. However, our circular economy solutions also play a central role in our climate and carbon footprint reduction strategy. Read more about our efforts on this topic in [Circular Economy](#).

¹⁰ Includes Scope 3, Category 10: Processing of sold products, and Scope 3, Category 11: Use of sold products

¹¹ The carbon intensity of the energy supply is measured by assessing the intensity of the Scope 1 and 2 emissions plus Scope 3 emissions (in g CO₂) from the use of sold energy products, against the total energy value of all externally sold energy products (in MJ) (excluding purely traded volumes). GHG data that is part of OMV’s 2030 and 2040 targets is subject to baseline recalculation; therefore, historical data has been recalculated. See [Environmental Data](#) for more details.



Target 2025

- ▶ Reduce carbon intensity of product portfolio (Scope 3) by >6% vs. 2010

Targets 2030

- ▶ Reduce absolute Scope 3 emissions¹² by ≥20% vs. 2019
- ▶ Reduce carbon intensity of energy supply by ≥20% vs. 2019

Targets 2040

- ▶ Reduce absolute Scope 3 emissions by ≥50% vs. 2019
- ▶ Reduce carbon intensity of energy supply by ≥50% vs. 2019

Status 2023

- ▶ Carbon intensity of product portfolio reduced by 1% vs. 2010
- ▶ Absolute Scope 3 emissions reduced by 10% vs. 2019
- ▶ Carbon intensity of energy supply reduced by 1.0% vs. 2019

Most relevant SDGs



SDG targets:

7.2 By 2030, increase substantially the share of renewable energy in the global energy mix

7.3 By 2030, double the global rate of improvement in energy efficiency

13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

Governance

OMV's energy transition is the cornerstone of our Group's business strategy. Our sustainability framework and "net zero by 2050" target were the basis for developing the business strategy 2030 approved by the Executive and Supervisory Boards in December 2021. The Group's decarbonization strategy is overseen by Group Sustainability and Strategic Planning & Projects.

Our climate ambitions are at the heart of our strategy, and responsibility for meeting these ambitions is embedded at the highest levels. Our Executive Board is responsible for setting our climate targets and ensuring that our Group's business strategy is aligned with meeting these targets. Correspondingly, meeting our climate change targets is a part of executive remuneration, with GHG reduction targets included in the Long-Term Incentive Plan (LTIP) and in the annual bonus paid to the Executive Board. Read more in [Sustainability Governance](#).

The responsibility for our role in the energy transition is also entrenched at Supervisory Board level. In 2021, a Sustainability & Transformation Committee was established. Their purpose is to support the Company's Supervisory Board in

reviewing and monitoring OMV's sustainability strategy, ESG-related standards, performance, and processes, and specifically our performance in HSSE and impact on climate change. Furthermore, the committee serves to support and oversee the transformation process toward a more sustainable business model, including the cultural integration of strategically significant acquisitions. For example, one of their responsibilities is to review and evaluate the progress we are making toward OMV's objectives in relation to our carbon footprint, climate change, and the energy transition.

At Group level, responsibility for GHG accounting and management, sustainability reporting, and ESG governance lies with the Group Sustainability team in Investor Relations & Sustainability, an area overseen by the CFO. OMV's Group Sustainability department is responsible for generating OMV's GHG inventory based on international standards and best practice. This team coordinates activities throughout the business, providing guidance to stakeholder groups such as subsidiaries, business units, and assets on GHG and energy-related topics. Low- and zero-carbon products enabling the energy transition are developed in the business units. Support for carbon impact assessments for new products is provided at Group level by the Group Sustainability department. To ensure

¹² For our GHG targets 2030 and 2040, the following Scope 3 categories are included: Category 11: Use of Sold Products for OMV's energy segment, Category 1: Purchased Goods (feedstocks) from OMV's non-energy segment, and Category 12: End-of-Life of Sold Products for OMV's non-energy segment.



consistency across the Group, there are also dedicated teams in OMV Petrom and Borealis.

The Group Sustainability team developed a Group-wide GHG Management Framework in 2022. This OMV Group regulation defines how to measure, report, and manage greenhouse gas emissions and contains the definitions, boundaries, and rules for the OMV Group's strategic GHG reduction targets and "net zero by 2050" ambition. It also defines the requirements for purchasing voluntary carbon offsets and their contribution to achieving the Group's GHG target.

The OMV Group's Capital Allocation Framework includes a strategic scoring methodology for investment projects based on four pillars: business strategic targets, financial metrics, risk profile, and climate targets impact. This new methodology was tested in 2022 in a pilot phase. The scoring helps to objectively define and review OMV's most important strategic projects and allows for holistic portfolio optimization across the OMV Group to support our strategy delivery, including our GHG reduction path. Climate scoring is an integral part of this overall scoring and covers the investment's impact on the OMV Group's Scope 1, 2, and 3 climate targets for 2030, as well as EU taxonomy relevance.

As part of the updated Capital Allocation Framework, OMV also introduced a new definition for "sustainability CAPEX," which encompasses investments that meet one of two criteria: either they are aligned with the EU taxonomy or they are investments that support the implementation of OMV's 2030 Sustainability Framework. The goal of the new Capital Allocation Framework is to promote and facilitate investments in projects aligned with our climate targets, including our long-term net-zero target, rather than traditional fossil fuel-related investments. For more information, see [Sustainability Governance](#).

Collaboration with Start-ups and Research Institutions

Emissions reduction and sustainable energy solutions play a major role in our transformational path to meet society's energy needs. The OMV Group is leveraging its existing expertise and collaborating with start-ups and research institutions to find innovative technological solutions that will drive the energy transition and pave the way to becoming a net-zero company by 2050. Innovation is a key element in OMV's implementation of its Strategy 2030 and critical to the transformation of the value chain from a linear to a circular model. OMV is always looking for innovative solutions to optimize operations, evaluate business opportunities, and develop new business models to make OMV a sustainable company.

The complexities of the competing demand between climate action and the continued demand for energy high-

lights the importance of investment in innovation and technological advancement. Investments in unlimited, low-carbon geothermal energy, Carbon Capture and Storage (CCS), and renewable power solutions play a key role in OMV's Strategy 2030. In 2023, the OMV Group entered into several partnerships, which include the following:

- ▶ OMV acquired a 6.5% stake in the privately owned Canadian company Eavor Technologies Inc. Eavor is the world's leading developer of closed-loop geothermal energy solutions. In addition, OMV and Eavor entered into a commercial agreement to pursue large-scale deployments of the Eavor-Loop™ technology in Europe and beyond. Read more in [Low- and Zero-Carbon Products](#).
- ▶ OMV partnered with Plug and Play, which serves as a hub for innovation and entrepreneurship, connecting start-ups with corporate partners, investors, and resources. As a core element of the collaboration, OMV is actively engaged in Plug and Play's innovation program, which offers a structured and efficient pathway to discover, evaluate, and invest in a selected group of promising start-ups.
- ▶ For the past four years, OMV has been part of the "VERBUND X Accelerator." In 2023, OMV was a community partner, which gave the Company access to a vast network of idea generators and thought pioneers. This collaboration offered the opportunity to engage with start-ups and benefit from the innovative potential of the community. As part of the VERBUND X Accelerator program, OMV entered a strategic collaboration with the American start-up Compact Membrane Systems (CMS) in 2022. As a technology leader in separation solutions for low-carbon intensity processes, CMS has developed a potentially groundbreaking technology for carbon capture. Following an intensive research and testing phase, OMV will implement the technology and test it on an industrial scale.
- ▶ OMV announced research funding of approximately USD 6 mn to research teams at Stanford University for the next five years. The funding builds on ten years of existing cooperation with the institute, marking a significant step forward for OMV in spearheading the creation of AI-driven tools aimed at ideating sustainable solutions. Among the notable achievements of this support is the development of a smart AI-based decision-making tool to optimize developments in the low-carbon business areas. It is capable of not only strategically positioning CO₂ injectors, but also selecting the most effective monitoring techniques. This innovation is key in ensuring the highest level of safety in long-term CO₂ storage.



- ▶ OMV started a collaboration with Hycamite, a Finnish start-up and a leader in emission-free pyrolysis technology. Through this collaboration, OMV will have access to a technology that will significantly aid the transition from our traditional business approach to a lower-carbon business model. The Hycamite technology breaks methane down into its component elements, hydrogen and carbon, without releasing any greenhouse gas emissions.
- ▶ OMV developed and tested innovative technologies for Carbon Capture (CC), which will be tested in a pilot project in 2024. Together with Brusche Process Technology, a Dutch specialist in the design and construction of innovative sustainable process plants, a mobile carbon capture pilot plant is being built with the aim of testing these promising technologies for future application on a large scale at various OMV sites.

Low- and Zero-Carbon Products

The scale-up of zero-carbon and renewable energy product sales while reducing fossil fuel sales is central to reducing the carbon footprint of our energy supply. Zero-carbon and renewable energy products include biofuels, electricity, waste heat, and new energy products such as geothermal heat.

In our Energy division, the Low Carbon Business (LCB) team has been working on expanding our photovoltaic asset base. Based on our subsurface knowledge, capabilities, and asset base, we have also been exploring carbon capture and storage solutions. We collaborate with industry and research partners on these activities in line with applicable regulatory and legal requirements. We are also investigating solutions for subsurface energy storage, e.g., with hydrogen, and looking at options to explore and commercially develop geothermal energy potential in the countries where we operate. These projects are mainly in the R&D or initial investment phase.

In F&F, we are contributing to the creation of a sustainable energy system by identifying and maturing solutions, with a strong focus on markets that are hard to electrify using batteries and customer segments such as heavy road transport or air travel. What these markets have in common is that they need an energy-dense yet climate-friendly fuel with the lowest possible downtime. Our portfolio focuses on waste-based and advanced biofuels, hydrogen, and e-fuels, as these offer the potential to utilize synergies with existing refinery assets and competences for a feasible scale-up and roll-out of green technologies.

The successful implementation of all these projects will reduce our absolute emissions, create green, innovative products and services for society, and provide a key differentiator for OMV.

Management and Due Diligence Processes

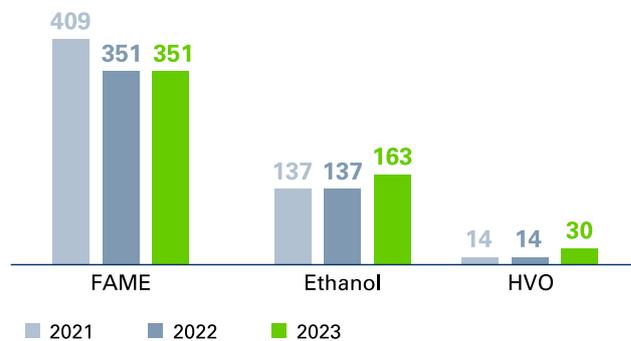
OMV has defined sustainability criteria that influence which projects and technologies are selected for investment. For all investments and M&A activities, it should be ensured that all climate-related risks are identified, assessed, and evaluated. This will include the assessment of the actual and forecast carbon footprint of the respective investment and M&A. Projects that contribute positively to the achievement of OMV's climate targets are preferred for investment (for more details, see [Sustainability Governance](#)). All project ideas selected for maturing need to demonstrate a feasible trajectory from pilot and demo stage to full industrial scale in the medium term.

Responsible Biofuels Sourcing

All biofuels purchased by OMV in 2023 and used for blending meet the requirements of the EU's Renewable Energy Directive (EU) 2018/2001. Since 2013, the ISCC EU certificate issued for OMV Downstream GmbH has been renewed on an annual basis. OMV Petrom, OMV Hungary, OMV Czech Republic, OMV Germany, and OMV Slovakia are also certified according to the ISCC EU standard.

Biofuel Volumes¹³

In megaliters



OMV purchases biofuels mainly from European producers and excludes palm oil as a feedstock. International Sustainability & Carbon Certification (ISCC) standards require that no deforestation took place from January 2008 onward for any feedstock that is used for biodiesel generation. Since July 2021, OMV has also complied with the Austrian legal requirement not to use palm-oil-based biofuels for target fulfillment. In 2023, of all biofuels placed on the market by OMV, only around 0.3% were based on palm oil. The main feedstocks used are used cooking oil (30%), rapeseed oil (29%), and corn (13%).

OMV plans to use vegetable oils and used cooking oil as well as other potential waste and advanced feedstock to produce biofuels using our Co-Processing technology. Co-Processing involves introducing biogenic feedstock during the fuel refining process instead of the conventional method of blending biogenic components into fuel after production.

¹³ 2023 figure estimated as both Austria and Germany data are based on year-to-date actuals plus a forecast for the remaining months each year, given that the annual deadline for closing all biofuel balances of a given year is not before the publication of the Sustainability Report.



This concept allows OMV's existing refineries to produce transportation fuels from various types of biogenic feedstock.

In 2016 and 2017, OMV successfully conducted the first field trials of Co-Processing at the Schwechat refinery using rapeseed oil, and obtained certification in accordance with the REDcert standard, an EU-recognized system for the certification of sustainable biomass. In 2020, another field trial was successfully completed at the Petrobrazi refinery. OMV continues to implement the Co-Processing technology and in 2024, the Company aims to start the co-processing of sustainable feedstock in Schwechat. It is important to note that no palm oil will be co-processed. The project will start with a mix of vegetable oils (rapeseed oil and sunflower oil). It may include some other waste and residue or advanced streams like used cooking oil or cashew nutshell liquid in future (2024–2025). In December 2020, OMV committed to investing EUR 200 mn in the construction of the Co-Processing unit at the Schwechat refinery. Utilizing this process will lead to an annual reduction of OMV's carbon footprint of up to 360 kt CO₂, which is equivalent to the annual emissions of around 200,000 cars driving an average of 12,000 km per year.

2023 Actions

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

Geothermal Energy

OMV and Wien Energie are joining forces to deliver the heating transition. In a joint venture called "deeeep," the two companies are working closely to make deep geothermal energy a reality in the greater Vienna area. The aim is to develop deep geothermal plants with an output of up to 200 MW, thereby generating climate-neutral district heating for the equivalent of up to 200,000 Viennese households. The partners are also planning to implement up to seven deep geothermal plants in Vienna as part of drilling programs. The first deep geothermal plant is to be realized together by the partners in the joint venture. The plant will generate up to 20 MW of climate-neutral district heating – in combination with heat pumps from Wien Energie. The aim is to supply up to 20,000 Viennese households with district heating from this plant. Approval procedures are currently underway and drilling is due to start toward the end of 2024. The plant is scheduled to go into operation in 2027. Making the project part of the joint venture allows the partners to glean valuable insights and data for follow-up projects, enabling Wien Energie and OMV to realize the further expansion of geothermal energy in Vienna more quickly and efficiently.

OMV acquired a 6.5% stake in Canadian privately owned Eavor Technologies Inc. for the amount of EUR 34 mn. Eavor is the leading closed-loop geothermal energy solution

developer worldwide. In addition, OMV and Eavor have entered into a commercial agreement to pursue large-scale deployments of Eavor-Loop™ technology in Europe and beyond. The commercial agreement establishes OMV as a key partner with preferred licensing terms, access to services, and development support. OMV's initial focus will be on the deployment of Eavor-Loop™ in Austria and Germany. Eavor's technology is based on a closed-loop system, installed in deep subsurface rock, whereby a working fluid is circulated between surface and deep subsurface rock in a closed loop and therefore heated up. The technology reduces the geological and hence operational risk significantly compared to normal hydrothermal systems with similar energy output. As Eavor-Loop™ is truly scalable and applicable in various types of geological structures, it will enable OMV to offer heat solutions for district heating networks outside of the normal hydrothermal areas and therefore complement its existing portfolio of hydrothermal projects.

OMV is constantly evaluating and maturing further opportunities and projects with regards to open- and closed-loop geothermal.

Renewable Energy

OMV Petrom and Complexul Energetic (CE) Oltenia will begin the construction of four solar parks, which will provide a combined capacity of approximately 450 MW. The total investment required for the establishment of these four photovoltaic parks exceeds EUR 400 mn, with 70% of the funding coming from the Modernization Fund. The PV parks will be built in Ișalnița, Tismană, Roșia and Rovinari, on the sites of the former mining operations managed by CE Oltenia. Based on current estimates, the PV parks should supply electricity to the national energy system from 2024 onward. In addition, OMV Petrom has signed an agreement to acquire a number of projects for the construction of solar parks in Teleorman county. The projects will go into the execution phase by the second quarter of 2024 and, with a total power output of 710 MW, will supply enough power for 280,000 Romanian households annually.

Glycerin2Propanol

After seven years of successful development within OMV, the implementation of the Glycerin2Propanol pilot plant at the Schwechat refinery site marks a significant step toward advancing the technology maturity (barrel/hour scale; TRL 6–7). In October 2023, important milestones were reached with the delivery of the last modules and placement on the foundation. The final assembly of the Glycerin2Propanol plant is now underway, with only a few stages left before mechanical completion. The OMV-patented technology will produce propanol from low-value material crude glycerin by the end of Q1 2024. The plant will use a catalyst, or reaction accelerator, developed in-house by OMV to transform the biogenic waste-based crude glycerin into a so-



called advanced bioalcohol (propanol). In doing so, the plant will generate what are known as advanced biofuels, which are not in competition with foodstuffs and which, when added to gasoline, reduce its carbon footprint.

While glycerin is a waste/by-product of the production of biodiesel and the manufacture of detergents and soaps, it is also considered an advanced biobased feedstock under the European Union's RED III Renewable Energy Directive. This means that the feedstock is not part of the food chain and does not compete for land use for food. The propanol produced in this way will then be used as an advanced bioadditive for gasoline. It can also be used as a sustainable feedstock for the chemicals market to replace fossil-fuel-based propanol. OMV is set to invest around EUR 30 mn in the scale-up of this project, of which around EUR 8 mn will be funded through the Austrian Research Promotion Agency (Forschungsförderungsgesellschaft; FFG) and the COVID-19 premium. The capacity of the pilot plant will be 1.25 mn l of propanol per year. This will lead to a CO₂ reduction of around 1,800 t annually. A total of 1.2 l of crude glycerin is needed to produce 1 l of propanol. Under moderate temperature and pressure, 1 barrel (159 liters) of propanol will be produced per hour in an energy-efficient process. The long-term plan is to commercialize the technology to produce around 125 mn l of propanol per year and reduce CO₂ emissions by around 180 kt. The Glycerin2Propanol pilot plant will be located at the Schwechat refinery alongside the ReOil[®] plant so that both units can take advantage of a combined operator station, exploiting the synergy of a shared operator concept. In addition to this unique in-house development, we also partner with technology providers to develop viable business projects for transforming biomass from agriculture, municipalities, the paper industry, or wood processing into bioliquids to be used for greener fuels and chemicals.

Project commissioning is scheduled for March 2024 after finalizing integration with IT systems and preparing operation manuals.

Hydrogen

Together with our partner Kommunalkredit Austria AG, in February 2021, we announced a joint investment in the construction of Austria's largest electrolysis plant at our Schwechat refinery. Construction work started on this project in August 2022. Total investment will be around EUR 25 mn, with OMV and Kommunalkredit each bearing half the cost. The plant is expected to go live in the first half of 2024. The 10 MW polymer electrolyte membrane (PEM) electrolysis system will produce up to 1,500 t of green hydrogen per year. The green hydrogen will be used to hydrogenate biobased and fossil fuels, substituting gray hydrogen in the refinery. This would reduce OMV's carbon footprint by up to 15 kta of fossil CO₂. On global wind day on June 15, 2023, a new mile-

stone was accomplished where the first wind turbine assigned to OMV in Dürnkrot, Weinviertel was inaugurated. This wind turbine was built and is operated by our partner, the W.E.B. energy company. The wind turbine has a capacity of 5.6 MW and generates 13.7 GWh of electricity per year, which is equivalent to the annual consumption of 4,000 households. It will cover about 20% of the renewable energy needed for the 10 MW electrolysis plant in Schwechat.

Sustainable Aviation Fuels

With the innovative aviation fuel known as Sustainable Aviation Fuel (SAF), we're driving the transition to a climate-friendly future. Because by also processing waste food oil from around the region, CO₂ emissions can be cut by more than 80% compared with conventional kerosene products. SAF is thus a viable alternative and already in use today.

OMV has initiated a broad investment portfolio to produce sustainable fuels such as Sustainable Aviation Fuels (SAF) and Hydrotreated Vegetable Oil (HVO). Mandated blending targets for both road fuels (HVO) and the aviation sector (SAF) are planned, with financial penalties for non-compliance. OMV is aiming to produce both SAF and HVO in a flexible product yield range, depending on market needs. Investments in new units and unit revamps are under development for the refineries in Austria, Romania, and Germany, as well as in new assets beyond the current refineries.

Another focus topic is the hard to electrify area of e-fuels, another core building block of OMV's SAF portfolio, which shows great potential for enabling climate-friendly air travel. While in theory the concept is simple, i.e., hydrogen produced with renewable electricity is combined with CO₂, the production technology is still in the demonstration phase and requires further research and development for the required industrial scaling.

OMV is leading a project consortium together with industrial partners like BASF and thyssenkrupp Uhde, and academia (e.g., the German Aerospace Centre DLR and ASG Analytik-Service Gesellschaft) to develop a process to produce SAF based on methanol (M2SAF project). In addition to catalyst development, process development, plant integration, and the design of a demo plant, the project also includes techno-economic and -ecological analysis, as well as accompanying support for the certification and analysis of the new aviation fuels. The project is also targeting the production of a 100% drop-in capable SAF and enabling a process route with high selectivity and minimal additional CO₂ emissions, and with a high degree of integrability into existing brown-field or greenfield installations. The starting point of the process is sustainably produced methanol, either from CO₂ and hydrogen or from biogenic feedstock. The development project started in August 2022 for an initial period of 2.5 years

and is being funded by the German Federal Ministry for Digital and Transport (BMDV).

OMV was already delivering SAFs to Air France-KLM, Ryanair, and Associated Energy Group, LLC (AEG Fuels) at Vienna airport in 2023. Additional Memorandums of Understanding (MoUs) for the intended offtake of SAFs were signed with Air France-KLM and Ryanair in 2023. Volumes covered by MoUs between 2023 and 2030 are: up to 160,000 t for Ryanair, up to 155,000 t for Wizz Air, up to 200,000 t for Air France-KLM, and more than 800,000 t for the Lufthansa Group.

Retail 2023

Mobility is changing fast – countries in the EU have released climate and energy strategies, aiming for a carbon-free

energy sector by 2050. The vision addresses all energy sectors; mobility is being presented as a flagship sector to showcase sustainable development. To adapt to these trends, OMV is developing an EV fast-charging network.

OMV is investing over EUR 400 mn in delivering superior EV charging services for drivers and businesses. Our objective is to offer at least 2,000 e-charging points at highway and transit route filling stations, plus around 17,000 office wall-box charging points by 2030. The implementation includes the installation of charging points in Austria, Romania, Slovakia, and Hungary to offer high-power chargers, with the majority featuring a charging capacity between 150 kW and 300 kW. In 2023, an additional 272 charging points were installed.

Retail 2023



Outlook

► In the coming years, we will focus on implementing the investment projects mentioned (e.g., Glycerin2Propanol). In Q3 2024 and subsequently to commissioning and start-up, vigorous test runs will be conducted according to a dedicated parameter matrix to further optimize the operating window of the Glycerin2Propanol process, and data will be gathered in parallel for subsequent industrial scale commercialization. Moreover, ISCC EU certification is planned for the Glycerin2Propanol pilot plant.

► In addition, we will mature project ideas in the areas of advanced biofuels and e-fuels. By 2030, we aim to produce and market at least 700 kta of sustainable aviation fuels. OMV will also expand its capabilities to take advantage of the growth in electric vehicle charging. By investing more than EUR 400 mn by 2030, OMV will offer more than 2,000 electric charging points at highway and transit route filling stations, plus around 17,000 office wall-box charging points. In addition, following the MoU signed by the OMV Group and Austrian Post in 2021 for the use of green hydrogen in heavy goods vehicles (HGVs), the first use of green hydrogen is expected in 2023 at the latest. By 2030, 2,000 HGVs will be powered by green hydrogen fuel cells.



- ▶ For the Glycerin2Propanol project, the factory acceptance test was completed in Q2 2023 and the pilot plant modules have been transported to the Schwechat refinery for reassembly, loop checks, and final commissioning by the end of 2024's first quarter. In parallel and as a precondition for the bulk chemical market, the propanol from OMV's biobased process has been registered at the European Chemicals Agency (ECHA) – OMV being the first company to register propanol produced from a renewable basis. Looking to the future, collaborative R&D efforts have begun to transform the propanol into sustainable aviation fuel.
- ▶ Investments of approximately EUR 5 bn have been planned between now and 2030 to build the Low Carbon Business (LCB) in our Energy division, with a focus on geothermal energy, CCS, and renewable power. The investments are expected to ramp up after 2024. The LCB team has been working on expanding our renewables asset base with a focus on captive use within the OMV Group. Furthermore, we are looking at opportunities and projects to explore and commercially develop the geothermal energy potential via open- and closed-loop systems. For CCS, we are working on further license applications and opportunities.

Neutralization Measures

We aim to reduce our carbon footprint to net zero by 2050 at the latest. While the biggest drivers on this journey will be decreasing our fossil fuel sales and increasing our zero-carbon product sales, we also recognize that neutralization measures will be necessary. Neutralization measures include, but are not limited to, Carbon Capture and Storage (CCS), Carbon Capture and Utilization (CCU), and Bioenergy with Carbon Capture and Storage (BECCS). By 2030, we aim to establish CCS capacities of around 5 mn t per year as our main neutralization measure toward achieving our targets.

Management and Due Diligence Processes

Offsetting Emissions

OMV offers voluntary carbon offsetting to customers and works closely with ClimatePartner, an internationally trusted service partner based in Munich. ClimatePartner selects certified carbon offset projects and ensures that OMV customers who use this option are able to contribute a dedicated amount to these projects. The criteria for these carbon offset credits to be used for voluntary offsetting are clearly defined in OMV's GHG Management Framework. In 2023, the biggest contributors in terms of CO₂ offsets in OMV's portfolio were wind and solar energy projects in India and China, and forest protection in Brazil. In 2023, the climate protection projects used for CO₂ offsetting consisted of: hydropower projects (14.38%) in Bulgaria, Turkey, India, and China; solar projects (9.13%) in China and India; wind energy projects (46.26%) in Bulgaria, Turkey, China, and India; nature-based projects

(18.35%) in Rumania and Brazil; gas/heat recovery and biogas projects (11.9%) in Turkey, Bulgaria, and Pakistan. These carbon offsets are verified according to one or more of the following internationally recognized standards: Gold Standard (GS), Verified Carbon Standard (VCS), Certified Emission Reductions (CER), and Climate, Community & Biodiversity Standard (CCBS).

None of these voluntary carbon offsets have been accounted to contribute toward achieving OMV's GHG reduction target.

Carbon Capture and Storage (CCS) and Utilization (CCU)

In line with the aim of becoming a net-zero company, OMV will invest in carbon capture and storage (CCS), leveraging existing assets and capabilities, and contribute to a more sustainable society.

In order to reduce greenhouse gas emissions, OMV Energy will invest around EUR 5 bn in the development of low-carbon businesses, i.e., geothermal energy, renewables and carbon capture and storage (CCS). For CCS, we intend to offset absolute emissions both from captive use and third parties. The target for 2030 is to grow to 5 mn metric t a year. We will explore CCS solutions based on our subsurface knowledge, capabilities, and asset base. In addition to the license that we hold together with Aker BP, we are working on further license applications and opportunities in this area. We collaborate on these activities in line with applicable regulatory and legal requirements in conjunction with industry and research partners.

OMV aims to capture CO₂ and ideally use it as a resource. Carbon capture and utilization technologies, such as capturing biogenic CO₂ emissions, hydrating the CO₂, and then reusing it as a chemical or aviation fuel, are crucial to reducing overall atmospheric emissions and fostering circularity. However, achieving the goals of the Paris Agreement does not just require reducing our own emissions but also helping reduce atmospheric emissions from other sources. Thus, our CCS and CCU projects include, but are not limited to, capturing our own emissions.

2023 Actions

327 kt CO₂e of customer-related GHG emissions voluntarily offset by verified carbon credits



- ▶ Currently, OMV's customers can voluntarily offset the carbon footprint resulting from using all products they purchase from us, such as diesel, gasoline, bitumen, heating oil, and natural gas. OMV GAS offers this service in all markets. We recognize the high and ever-increasing customer demand for this option. OMV Fuels Sales customers can voluntarily offset their carbon footprint based on the use of gasoline or diesel, as well as extra-light heating oil and bitumen, in all countries where we operate. Customers of OMV Retail Mobility & Convenience (our filling stations) are able to offset 20% of the carbon footprint when opting for MaxxMotion Performance Fuels in Austria, Romania, Slovakia, and Hungary, without any surcharge. Our OMV Card customers can use their OMV Card with the Routex function to offset the carbon footprint of the diesel and gasoline they purchase.
- ▶ Aker BP and OMV (Norge) AS have entered into a collaboration agreement for carbon capture and storage (CCS) and been awarded a license for CO₂ storage in accordance with the CO₂ Storage Regulations on the Norwegian Continental Shelf (NCS). The license awarded to Aker BP and OMV is located in the Norwegian North Sea and is named Poseidon. Aker BP (50%) and OMV (Norge) AS (50%) have interest in the license, which will be operated by Aker BP. The license comes with a work program that includes a 3D seismic acquisition and a drill or drop decision by 2025. The Poseidon license could potentially provide storage of more than 5 mn t of CO₂ per year. The intention is to inject CO₂ captured from multiple identified industrial emitters in northwest Europe, including from Borealis' various industrial sites in Europe.
- ▶ Borealis entered into a collaboration with the University of Helsinki, Finland, as well as several other academic and industry partners, on a joint research project focusing on direct carbon dioxide (CO₂) capture from the air. This project is part of the Business Finland-funded SPIRIT Program (Sustainable Plastics Industry Transformation). Co-founded by Borealis, the program seeks to bring about a circular and net zero transformation of the plastics value chain.

Outlook

As part of our strategy, we foresee developing CCS storage capacity of around 5 mn t per year CO₂ net at OMV by 2030. In addition, OMV Petrom will test an innovative technology for CCU at the Petrobrazi refinery. OMV Petrom is a partner in an ambitious European project to address the problem of CO₂ emissions through carbon capture and conversion technologies. Over a five-month period in 2024, they will capture the CO₂ from flue gasses released by the cogeneration unit, further converting them electrochemically into a marketable product.



Natural Resources Management

Our impact on the environment – and responsibility to act – extends beyond our greenhouse gas emissions. As an oil, gas, and chemicals company, OMV’s environmental footprint is significant due to its water use, environmental degradation caused by spills, biodiversity impacts, and waste. However, we also have the technological know-how to present solutions to reduce this impact, in particular by fostering the circular economy. In contrast to the linear “take-make-waste” model, which will lead to more plastic waste and environmental pollution while putting pressure on the planet’s limited resources, a circular economy is regenerative by design and aims to decouple growth from the consumption of finite resources.

OMV is fully committed to taking action when it comes to responsible natural resources management and is proactively expediting the transition from a linear to a circular economy. OMV aims to minimize environmental impacts by preventing water and soil pollution, reducing emissions, using natural resources efficiently, and avoiding the disruption of biodiversity.

The Natural Resources Management strategic focus area combines our commitments and actions relating to environmental preservation under one umbrella. The first step is to manage our operational footprint, as described in the Environment section below. The Circular Economy material topic then describes the strategies and technologies we are applying to recover and reuse by-products or waste to make new materials and products, resulting in a cleaner environment.



Environment

Material Topic: Environment

Protecting natural resources and ecosystems, especially through the prevention of spills and water, air, and soil pollution.

Key GRIs

- ▶ GRI 303: Water and Effluents 2018
- ▶ GRI 305: Emissions 2016
- ▶ GRI 306: Waste 2020
- ▶ GRI 306: Effluents and Waste 2016
- ▶ GRI 307: Environmental Compliance 2016

NaDiVeG

- ▶ Environmental concerns

Most relevant SDGs



OMV aims to protect people and nature through measures such as preventing water and soil pollution. OMV is liable for the impact that our activities have on the environment. Breaching environmental regulations on a local, national, and international level would result in both financial losses and harm to our reputation. Our license to operate depends on compliance with regulations relating to envi-

ronmental protection, which is also of particular importance to governmental authorities, shareholders, and stakeholders such as the public and environmental NGOs and NPOs. OMV's Code of Conduct and HSSE Policy formalize our public commitments to safeguarding the environment.



Targets 2025 and 2030

- ▶ Increase waste reuse and recycling from operations
- ▶ Reduce freshwater withdrawal

Target 2030

- ▶ Reduce use of natural resources by reducing oil and gas production levels to around 350 kboe/d and by reducing crude distillation throughput by 2.6 mn t

Status 2023

- ▶ Waste recovery or recycling rate: 74%
- ▶ Freshwater withdrawal: 154,573 megaliters
- ▶ Production: 364 kboe/d
- ▶ Crude throughput: 15.1 mn t¹⁴

Most relevant SDGs



SDG targets:

- 3.9** By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination
- 6.3** By 2030, improve water quality by reducing pollution, eliminating dumping, minimizing the release of hazardous chemicals and materials, halving the proportion of untreated wastewater, and substantially increasing recycling and safe reuse globally
- 6.4** By 2030, substantially increase the efficient use of water across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity, and substantially reduce the number of people suffering from water scarcity
- 6.6** By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers, and lakes
- 12.4** By 2020, achieve the environmentally sound management of chemicals and all waste throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water, and soil in order to minimize their adverse impacts on human health and the environment
- 12.5** By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse
- 15.5** Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity, and, by 2020, protect and prevent the extinction of threatened species¹⁵

Our internal Environmental Management (EM) Standard stipulates an 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. In 2020, the EM Standard was revised and minimum requirements on odor emissions were established. In 2021, the EM Standard was revised again, following which minimum requirements on H₂S in vented gas and the design of the environmental processes to complement the implementation of the EM Standard were added. The review in 2022 resulted in the addition of two new annexes on a Water Management Plan Framework and Water Management Plan Template.

Before undertaking new operational activities or entering new countries, environmental risk assessments are performed, including evaluations of local legislation, the potential impact of our activities on sensitive and protected areas, and the effects on endangered species. Each subsequent phase of project implementation is accompanied by a detailed assessment of environmental risks.

The framework and methodology for our coordinated Group-wide Environmental Risk Assessment are based on best practice standards, which meet the ISO 14001 requirements and ensure the consistent qualitative assessment of operational risks and impacts related to the environment.

The OMV Group's Environmental Management Standard furthermore defines the process of carrying out Environmental and Social Impact Assessments (ESIAs), mainly for projects. Preventive and mitigation measures and the monitoring program to ensure implementation of the proposed measures are documented in an Environmental and Social Management Plan. The final ESIA report is submitted to the local regulator or lender (whichever is applicable) for review, public disclosure, and approval.

52% of sites certified to ISO 14001

The OMV Group's Environmental Management Standard requires that all relevant OMV businesses and activities (including investment, acquisitions, and divestment) implement an Environmental Management System (EMS) consistent with ISO 14001 and adhering to the minimum requirements listed. All relevant OMV businesses are required to review and update the EMS at least once per year, while a full EMS audit must be carried out either by an external independent auditor or OMV corporate environmental experts every three years for sites not certified to ISO 14001. Internal EMS audits are performed regularly and as necessary at local level to assess whether the guidelines in the EMS are being followed and to identify improvement measures.

¹⁴ In 2023, the utilization rate of the European refineries increased by 12% to 85% (2022: 73%), as the first half of the previous year was impacted by the turnaround and incident at the Schwechat refinery. The turnaround at the Petrobrasil refinery and the petrochemicals turnaround in Schwechat had a negative impact on the utilization rate in 2023.

¹⁵ Several UN SDG subtargets were initially designated to be reached by 2020. However, sources such as the UN's Global Biodiversity Outlook state that goals related to nature have not been met. OMV still considers the attainment of these goals relevant past the year 2020, and thus still links these SDG subtargets to its strategic targets.



Governance

There is a high degree of interdependence between the Environment material topic and the material topics Health, Safety, and Well-Being, and Security, Emergency, and Crisis Resilience. Thus, these distinct material topics are governed centrally by Group HSSE. The OMV Group HSSE department is organized into specialized teams with experienced experts in areas such as:

- ▶ Development and implementation of OMV's HSSE strategy, regulations, and processes
- ▶ HSSE risk assessment
- ▶ Incident investigation
- ▶ HSSE data analysis and reporting
- ▶ Environmental management
- ▶ Process safety management
- ▶ Security and resilience management

Group HSSE is led by the VP HSSE, who reports directly to the Chief Executive Officer. There are HSSE departments at OMV Petrom and Borealis, which oversee their specific issues and coordinate their local HSSE officers and experts. The OMV Petrom and Borealis HSSE departments report functionally to the VP HSSE at Group level.

Environmental awareness is promoted across the Group through various activities. For instance, regular exchanges on Environmental Management are held, where environmental experts and interested colleagues Group-wide can learn about the best practices being implemented at other sites and gain inspiration. At OMV Petrom, a contest to highlight key initiatives in the company was again held in 2023, with winners receiving awards from the OMV Petrom Executive Board.

Strategy Update

As the OMV Group fundamentally updated its transformational business strategy in 2022, a major review of the HSSE Strategy 2025 led to the updated HSSE Strategy 2030. As pressure on the planetary boundaries continues to increase and substantial changes in the regulatory environment are taking place, environmental management will need a stronger and updated strategic focus in the coming years. More information on the strategy update can be found in [Health, Safety, and Security](#).

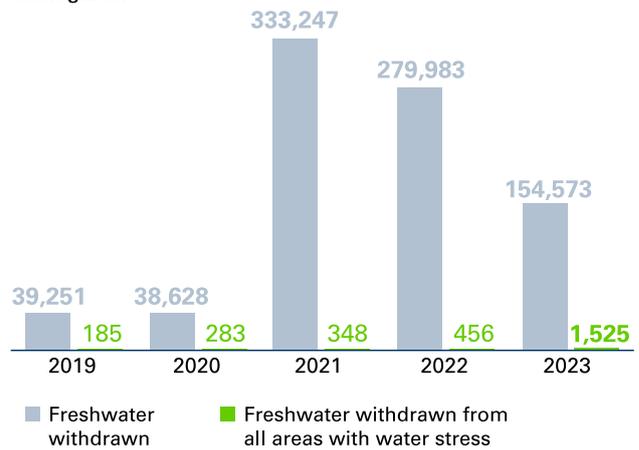
Water

OMV uses significant amounts of water for its operations in its upstream and downstream activities. Freshwater is used for processes such as drilling, steam generation, and cooling, among others. Smaller amounts of water are also used for non-industrial purposes. Any water produced is treated for reinjection into pressurized hydrocarbon reser-

voirs to optimize the extraction rate. Desalinated water is used in some offshore operations. Refineries and various other operating facilities also use brackish and/or recycled water for various operational purposes. Some of OMV's operating facilities are located in water stress areas.¹⁶

Freshwater Withdrawn¹⁷

In megaliters



Specific Policies and Commitments

Our Water Ambition Statement is OMV's public commitment to water management, and states the following:

- ▶ We respect water as a precious limited resource and focus on its sustainable use.
- ▶ We are committed to meeting all applicable legislative requirements or our own OMV regulations, whichever are more stringent.
- ▶ Water management is a key component of our social license to operate. We cooperate with local communities and prove to be responsible partners.
- ▶ We are committed to transparency when it comes to our impact on water resources.
- ▶ Every OMV employee is responsible for minimizing the impact of our activities on water resources.

The OMV Group's Environmental Management Standard requires all OMV businesses and activities to minimize the impact of effluent on the environment and on local communities and outlines specific requirements for wastewater discharge onshore and offshore. The direct discharge of wastewater on land, in wetlands, or in other bodies of water without prior treatment is not permitted. No discharge may alter or diminish the value of the receiving environment. Based on the national legislation and permits, all discharge must be systematically monitored, and any environmental impact must be managed appropriately. Local regulatory and river basin authorities are involved to ensure that OMV complies with local envi-

¹⁶ Areas of water stress are areas where the demand for water exceeds the available amount during a certain period, or when poor quality restricts its use. In such areas, water stress causes deterioration of freshwater resources in terms of quantity (aquifer overexploitation, dry rivers, etc.) and quality (eutrophication, organic matter pollution, saline intrusion, etc.). Source: [European Environmental Agency](#).

¹⁷ The decrease in freshwater withdrawn in 2023 vs. 2022 is due to the divestment of Borealis Nitro in 2023. The majority of freshwater withdrawn at Borealis is once-through cooling water, meaning it is discharged to the environment in its original quality, only with a very slightly elevated temperature. See [European Environmental Agency](#) for details.



ronmental regulations and has obtained all of the required permits. The OMV Group's Environmental Management Standard was updated in 2022, with key additions being new annexes for the development and implementation of Water Management Plans.

Management and Due Diligence Processes

OMV's Group-wide Water Strategy was drafted in 2014 and is based on five strategic pillars: transparency, risks and opportunities, water efficiency and treatment, training and awareness, and stakeholder engagement.

Risk Assessments

High-level water stress assessments are conducted annually. In order to identify operations in areas affected by water scarcity and water stress, OMV uses international tools and indexes such as the Verisk Maplecroft Water Stress Index complemented by the World Resources Institute (WRI) Aqueduct Baseline Water Stress Index, and its own assessments as required. Some regions where OMV operates have already experienced water stress in dry years and a further decline in water availability is expected, mainly due to climate change.

A bottom-up approach in the assessment of water-related risks is followed in accordance with OMV's Group-wide Environmental Risk Assessment (ERA) guideline to ensure consistent qualitative assessments of operational risks and impacts related to the environment, including water. Significant risks are integrated into OMV's Enterprise-Wide Risk Management (EWRM) system. When entering a new country or considering new operational activities, OMV primarily uses the World Resources Institute (WRI) Aqueduct tools and Verisk Maplecroft indices to identify future potential water-related constraints, such as baseline water stress, groundwater stress, and seasonal variability.

Water management-related risks are closely linked with the topic of spill prevention. Offshore operations may lead to oil spills that have a significant impact on marine water resources and ecosystems. The response strategy aims to minimize the probability of such risks and maximize preparedness so that we can provide timely remediation measures in the unlikely event of an oil spill. OMV allocates significant resources to prevention and mitigation measures. Read more about spill prevention in the section [Spills](#). Any new or existing offshore drilling activity is accompanied by a third-party analysis evaluating the magnitude of a potential major event and its possible consequences. As part of the biannual Group-wide EWRM process, water-related risks and mitigation measures are assessed in a larger strategic context, while a systematic approach is taken in day-to-day operations to monitor and manage high-impact/low-probability risks, such as blowouts during offshore drilling.

Water Management Plans

Water Management Plans are an effective tool for addressing all water-related topics, issues, and tasks, with the aim of improving water management performance. They provide information about current water uses and chart a course for water efficiency improvements, conservation activities, and water reduction goals.

Every location in the OMV Group must develop, implement, and maintain a Water Management Plan, which should include at least the following elements:

- ▶ Scope and objectives including site description
- ▶ Applicable legislation, other requirements, and permits
- ▶ Identification of water sources, discharges including water quality parameters, and monitoring plans
- ▶ Water map, inventory, and balance including discharges
- ▶ Water transport, storage, and treatment systems
- ▶ Significant water-related risks and mitigation measures
- ▶ Water conservation and water efficiency measures including an action plan

Operating facilities located in places that are affected or are likely to be affected by water scarcity issues, and operations utilizing significant water resources (e.g., Tunisia) are prioritized when developing and implementing Water Management Plans. These plans aim to allow sustainable long-term production with minimal effects on the environment.

Best Available Technologies

We implement measures to reduce freshwater withdrawal to a minimum. These include: reduction of operational complexity, water recirculation (e.g., at CCPP Brazil), upgrade of equipment (boilers), maintenance of equipment to reduce water loss, replacement of water cooling systems with air coolers (for example, the C3+ fraction recovery plant from Petromar), the use of desalinated seawater rather than freshwater, the installation of recirculating cooling systems, the use of air or glycol as a cooling agent instead of water (e.g., at Oltenia's 2 Bustuchin compressor station asset), and optimization of pipeline routes for water supply. In addition to implementing measures to reduce freshwater withdrawal, we implement the Best Available Technology (BAT) to sustainably treat water.

Stakeholder Engagement

Our impact on water resources is important to various stakeholders. We engage with government authorities, such as river basin management authorities, on compli-



ance with water use rules and environmental parameters relating to any wastewater generated. We also engage with local water utility companies to discuss the supply of freshwater for OMV operations and the treatment of wastewater. We additionally work with NGOs on environmental preservation and water resource conservation, as well as with local communities on the sharing of local water resources and the quality of discharged wastewater. For instance, in Austria, there are local fisherpersons who fish the Danube in Schwechat, close to both the refinery and the Lobau Tank Farm, and in the harbor there, with whom we have maintained an active and open dialogue for several years. In areas where OMV operations require large amounts of water, or areas that suffer from water stress, it is particularly important to include local stakeholders in water management activities to secure a “social license to operate.” OMV’s water management activities pursue socially equitable water use, and OMV regularly carries out supplier audits to ensure compliance with our human rights requirements.

To ensure that the interests of local communities are known and taken into account during the project life cycle, OMV conducts social baseline studies and community needs assessments as part of Social Impact Assessments (SIAs). If these assessments identify the need, OMV launches community projects aimed at increasing access to clean water for local communities. Our Community Grievance Mechanisms also enable communities to raise concerns about water-related issues. For more information, see [Community Impacts and Grievances](#).

2023 Actions

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

Water Management Plans completed for **68%** of priority sites

1% of freshwater withdrawal is in water scarce areas

0.012 mg/l dispersed oil concentration in discharged water

- ▶ Water Management Plans have been completed for 68% of priority sites, with the development of plans in progress at the remaining sites. All plans are developed according to the new annexes of the OMV Group’s Environmental Management Standard.

- ▶ At OMV Tunisia, we implemented improvement projects to reduce freshwater use and increase the safe reuse of wastewater. To reduce freshwater use at the buffer firewater pit, we modified the outlet of our reverse osmosis unit and now use lower-quality retentate water for refilling instead of the previously used higher-quality well water. In order to safely reuse wastewater, we implemented downstream enhancements to the existing sewage water unit by installing additional sand filters and UV disinfection to act on pathogenic bacteria. This has enabled wider water reuse for the green zone irrigation and extension.
- ▶ In 2023, Borealis put a new wastewater treatment plant in Stenungsund into operation. The new wastewater treatment unit is designed according to the BAT for this purpose and fulfills all legal requirements from the Swedish authorities. A new and modern wastewater treatment unit will improve the environmental performance of the cracker plant and reduce the environmental impact on the surroundings. The new wastewater treatment unit will reduce the emission of contaminants to the Baltic Sea and will also minimize VOC emissions to the air, since all treatment steps are covered and enclosed. The new unit includes buffering in two tanks and physical and chemical treatment of the water in dissolved nitrogen flotation units. The off-gas from the different steps will be treated by adsorption in carbon filters.

Outlook

As part of our Sustainability Strategy 2025, we aim to reduce freshwater use. As a next step, we plan to establish quantitative targets to improve water management. Over the coming years, the aim is for all operated OMV Group sites to have finalized and implemented their Water Management Plans.

Spills

Oil spills¹⁸ are a critical environmental issue for our industry. Spill management is defined as the prevention of spills in operations and those caused by incidents such as sabotage or natural hazards, and the management and remediation of spills resulting from an incident. Our key commitment is to prevent spills from happening in the first place. If they do occur, we aim to reduce their impact through appropriate and fast oil spill response and clean-up.

Multiple stakeholder groups are affected by our spill management activities. Government authorities are involved through potential breaches of environmental regulations, while employees and contractors are impacted by potential health and safety issues arising from accidents and damage to the environment and society. NGOs/NPOs are interested in potential damage to the environment and society, society may suffer as a result of damage to the

¹⁸ Oil spills are defined as hydrocarbon liquid spills that reach the environment.



surrounding environment, and shareholders may have to deal with direct financial losses due to the costs of remediation measures and reputational damage.

Furthermore, as OMV is diversifying, oil spills are no longer the only spills we need to deal with. For our subsidiary Borealis, preventing pellet spills is also a key issue. Borealis is committed to achieving zero pellet loss in and around its operations, during transportation, and across the entire value chain. The company was therefore an early signatory to Operation Clean Sweep® (OCS), an international program initiated by the Plastics Industry Association and the American Chemistry Council and rolled out in Europe by Plastics Europe. Borealis is also a signatory of the Zero Pellet Loss pact in Austria, which is the Austrian equivalent of OCS. Achieving zero pellet loss is an ongoing journey and requires leadership, effort, investment, and targeted and effective work practices. The following section will discuss our management of oil spills. Read more about our efforts on pellet spills in the [Borealis Annual Report](#).

Management and Due Diligence Processes

We aim to prevent and reduce oil spills and leakage in our operations at sea as well as on land. Appropriate spill prevention and control plans that account for specific business conditions have been put in place and are summarized in the Spill Preparedness and Response Planning annex of our Environmental Standard. These include proactive management plans comprising risk assessments, preventive measures, and inspections, as well as reactive management plans comprising control, response, and clean-up procedures. The majority of our oil spills involve OMV Petrom’s Exploration & Production division, where we concentrate our efforts on safeguarding and maintaining our infrastructure and improving the reliability of our facilities.

Hazard Identification and Risk Assessments

We have a Well Integrity Management System (WIMS) in place covering all active wells operated by OMV. WIMS enables a uniform and structured approach for describing, documenting, and reporting the status of the well integrity throughout the production phase of a well in a predefined operating envelope. WIMS therefore ensures that we operate our wells safely for people and the environment. OMV’s Energy division has also developed a Corrosion Management Framework (CMF) to provide a proactive and consistent approach to corrosion monitoring and management across the entire division. Covering the full life cycle of the equipment exposed to the risk of corrosion in both oil and gas facilities, from the well to the sales point, this framework encompasses the entire value chain of our business. A team of dedicated in-house experts with multidisciplinary and multicultural backgrounds is working to embed CMF principles into everyday operations.

Emergency Response and Contingency Plans

We conduct spill responses according to a plan that identifies appropriate resources (persons in charge and intervention materials) and expertise. This plan assists on-site personnel with dealing with spills by clearly setting out the responsibilities for the actions necessary to stop and contain the spill and to mitigate its effects. This includes techniques for preventing the spill from moving beyond the immediate site and collecting the spilled substance and contaminated material. Clear communication and coordination protocols are set out in the local plans, particularly where national or international response resources may be required. We carry out regular oil spill response drills and training.

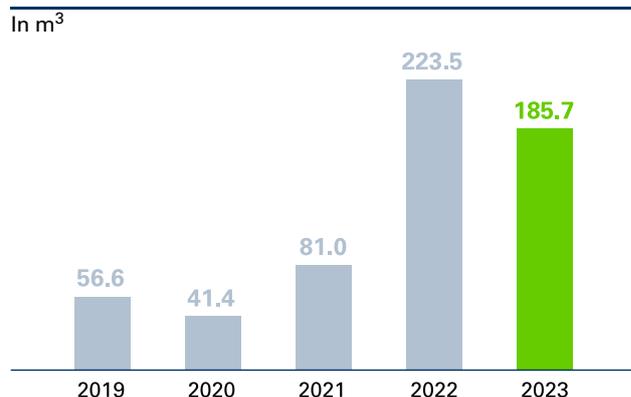
Clean-up and Remediation

Oil spills are assessed and cleaned up immediately after their occurrence in accordance with the Spill Preparedness and Response Planning Annex of our Environmental Standard. In particularly difficult cases, we rely on third-party support for capping and containment, surface clean-up, and emergency management. Leaks are repaired immediately or within defined time frames in accordance with the site’s maintenance processes and based on the risk assessment outcome and other factors, such as feasibility of repair during operation. To strengthen our response to and reduce the environmental impact of oil spills, we continue to perform emergency drills, including pollution scenarios. We approach remediation measures in line with the relevant legal requirements, which include clean-up, restoration, rehabilitation, and/or replacement of damaged environmental receptors.

We ensure that the affected land is fit for the intended use by implementing remediation measures, including cleaning up spills (e.g., by excavation and clean earth filling) as well as relying on natural attenuation (recovery) based on the respective decision of the environmental authorities. Provisions are included in our accounts for the liabilities related to spills and cover cleaning and remediation costs.

2023 Actions

Total volume of spills





In 2023, another significant spill occurred in the Exploration & Production division of OMV Petrom in Romania. Between June 4 and 5, 2023, an oil-water spill occurred downhill from a buried pumping pipeline connecting Park 11 to Tank Farm (TF) Independenta, Asset Moldova E&P. An agricultural area of 500 m² was affected. The Loss of Primary Containment (LOPC) event lasted for around 20 hours, until Monday, June 5 (10 p.m.) when the pumping was stopped. Production measurement at the Tank Farm and calculations indicated an estimated loss of 200 m³ gross oil-water volume (85 t oil and 100 m³ produced water). Lessons learned from 2022 could not prevent this spill because of the specific design and age of the pipeline. The incident was thoroughly investigated in accordance with internal regulations and the root causes were identified. All recommendations raised address the technical upgrade of pipelines with an old design as well as updating the work instructions to prevent major consequences. All measures are in the implementation phase and lessons learned are being shared and discussed within the organization.

The majority of our spills occur at OMV Petrom. In 2023, the Pipeline Integrity Management Program in the Exploration & Production division continued, and the resulting actions were embedded in the Integrated Risk Register. A total of 31 pipeline projects were executed to show our commitment to this program. The Pipeline Inspection Program also witnessed the completion of a number of successful New Technology projects, resulting in the capacity to perform inspections that were not possible in the past. These new technologies are now part of our regular inspection options and will serve to enhance pipeline integrity in the future. In addition, OMV Petrom continues to reduce the number of kilometers of pipelines through several field optimization projects, which will reduce the risk of exposure by removing numerous aging pipelines while maintaining optimal production.

The Corrosion Management Plans developed over the past few years are now fully implemented and the remaining locations are being finalized. This has helped improve the integrity and longevity of our pipelines through cleaning, inspection, and introduction of inhibition chemicals, along with new corrosion monitoring techniques. In our offshore asset, a large maintenance optimization project was kicked off in 2023 that will ensure all the right maintenance is being performed at the optimal intervals. This review will conclude in 2024.

Outlook

Every year, we assess any occurrences of spills and use any “lessons learned” as a basis for improving our process safety in the coming years. For the significant spill in Romania in 2023, lessons learned included reviewing the risk ranking of pipelines crossing environmentally sensitive areas, reviewing pipeline testing procedures, and reassessing the methodology for inspecting aging pipelines. In 2024, the OMV Group aims to prevent process safety events at all our sites across the globe, ulti-

mately resulting in the reduction of spills. Read more in [Process Safety](#).

Waste

Our production activities generate solid and liquid waste, including hazardous waste such as oily sludge, waste chemicals, and catalysts. Examples of non-hazardous waste include excavated soil, as well as mixed municipal waste, paper, and metal.

In addition, as a producer of plastics, we are deeply aware of the issue of plastic waste. Too often, unmanaged plastic waste is dumped in unsanitary landfills or burned, therefore increasing the risk of leakage into waterways, lakes, or oceans and thus causing negative impacts on the environment, marine life, and, potentially, human health. This section of the Sustainability Report focuses on waste management in our operations. For more on end-of-life waste, please see the focus area [Circular Economy](#).

Specific Policies and Commitments

According to OMV’s Environmental Management Standard, all OMV Group businesses and activities are required to identify and use the least hazardous material option and to minimize both the use of raw materials and the subsequent generation of waste. The following hierarchy is applied to controlling waste: prevention, preparation for reuse, recycling, other recovery (e.g., energy recovery), and, lastly, disposal in a controlled manner. The disposal of liquids in landfills and the burning of solid and liquid materials in open burning pits or any other location are not permitted.

The OMV Group’s Environmental Management Standard further requires that environmental and social components be identified for the entire life cycle of facilities, including decommissioning and abandonment, so that any future adaptation measures can be identified and planned for. The needs of local communities, including indigenous peoples, are incorporated and addressed throughout all phases of the project life cycle, including during decommissioning or abandonment.

Management and Due Diligence Processes

Application of Best Practices

International industry best practice is applied for the management and treatment of waste, including drilling waste. Where existing local, regional, or national waste management facilities are inadequate, OMV supports third parties in developing their capability.

Recycling

Waste is recovered and recycled where possible, including during site closure and decommissioning. If recycling is

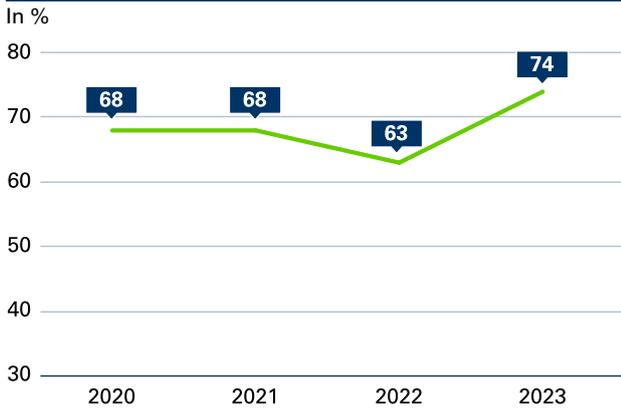


not possible, all waste is processed and/or disposed of only in licensed facilities or via reputable licensed contractors. Waste contractors are regularly audited.

2023 Actions

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

Waste Recovery or Recycling Rate



- ▶ 81% of OMV’s total waste comes from OMV Petrom. OMV Petrom continued to work on site restoration at the remaining five depots in Constanța, Zalău ANRS, Iași, Oradea, and Găești. At the Zalău ANRS, Oradea, and Găești depots, the restoration works were finalized in 2023. Over the past few years, 42 former fuel terminals have already been restored, with sites having been remediated to initial preoperational state. In addition to the 249,575 m³ of soil/subsoil contaminated with petroleum products generated and treated over previous years, around 53,372 m³ of additional contaminated soil was treated in 2023. The treatment is performed using site-specific methods in line with best practice (e.g., bioremediation technologies off site and on site with injection). We achieved a recovery rate of 99% for the contaminated soil treated, which we then used for on-site backfills or directed to other authorized locations. We performed periodic monitoring during and after site rehabilitation, as requested for each site by environmental authorities. The site status (e.g., land covered by grass, soil compaction) is monitored quarterly for one year after our works are finalized. The decontamination work on the former petroleum products terminal in Constanța was carried out in close collaboration and alongside the archaeological research conducted by the Museum of National History and Archaeology Constanța (MINAC). This was done according to national legislation, and due to the site’s high archaeological potential. During the archaeological survey, many artefacts of historical significance were also discovered.

- ▶ To celebrate World Environment Day (WED), which takes place annually on June 5, OMV Tunisia launched the #BeatPlasticPollution campaign in Gabès and the south of Tunisia where it operates. Some 25 people from corporate volunteering, including members of the OMV Tunisia leadership team, were present at the beach in Gabès to participate in the “Run and Plog” activities jointly organized by OMV and other public sector institutions and local non-government organizations. Participants engaged in a plastic waste collection rally. The Gabès coastline is home to a vulnerable ecosystem in the Mediterranean with increased interest in preserving marine biodiversity (e.g., endangered turtle species). From Gabès, we moved to our sites in the desert of Tataouine. Another cleaning campaign was held in the heart of the desert, where Waha CPF, Nawara CPF field teams, and contractors gathered to pick up littered plastic. Two permanent containers were also placed on the road to allow travelers to dispose of plastic bottles in an adequate way.

Outlook

As part of our Sustainability Strategy 2025, we plan to increase the reuse and recycling of waste from operations. Over the coming year, we plan to review the Waste Management Plans across the OMV Group.

Biodiversity

Biodiversity supports human and societal needs, including food and nutrition security, energy, development of medicines and pharmaceuticals, freshwater, and clean air, which together underpin good health. It also supports economic opportunities and leisure activities that contribute to our overall well-being. Biodiversity conservation provides substantial benefits, such as clean, consistent water flows, protection from floods and storms, and a stable climate. The loss of biodiversity is perilous, and its consequences are immediate.

In December 2022, the Kunming-Montreal Global Biodiversity Framework (GBF) was adopted with the objective of taking urgent action to halt and reverse biodiversity loss, thereby putting nature on a path to recovery by 2030. Accordingly, the EU’s biodiversity strategy for 2030, which is a comprehensive, ambitious, and long-term plan to protect nature and reverse the degradation of ecosystems, aims to put Europe’s biodiversity on a path to recovery by 2030 and contains specific actions and commitments.

Specific Policies and Commitments

The OMV Group is committed to preserving and restoring biodiversity and ecosystems in alignment with the post-2020 Global Biodiversity Framework (GBF) and the EU’s biodiversity strategy. The OMV Group’s Environ-



mental Management Standard and Environmental Impact Assessment Procedure state that all OMV activities must be conducted in such a way as to cause minimal disturbance to protected areas and to local flora and fauna.

Management and Due Diligence Processes

Risk Assessments

Observed or predicted direct and indirect impacts on biodiversity and ecosystem services (BES) are described and analyzed in environmental impact assessments. Through these impact assessments, the presence of nationally or globally endangered species and nationally or internationally recognized protected areas are identified.

Biodiversity Management Plans

OMV is in contact with Ipieca's Biodiversity Task Force, which issued a guide on how to develop biodiversity action plans in 2022. OMV aims to develop Biodiversity Management Plans based on this guide for all operations and projects where significant risks are identified.

Mitigation and Rehabilitation

In the event of significant observed or predicted impacts, we apply the mitigation hierarchy, and action planning gives priority to avoidance and minimization over the restoration and offsetting of the impact. Mitigation measures include, for example, the rerouting of pipelines or scheduling projects during seasons when the impact on breeding populations can be avoided.

An example of good practice in biodiversity management can be taken from the Berling development project (formerly Iris Hades) in offshore Norway. The aim was to avoid any damage to sensitive cold-water coral. Building on available know-how and technology, biodiversity screening and baseline studies were executed as part of the environmental impact assessment. The mitigation hierarchy was applied by selecting the well location, template location, and pipeline routing as far away as possible from any coral colonies. The best available technologies were utilized to minimize any impact on the environment.

In 2023, OMV Petrom continued the cleaning, remediation, and ecological reconstruction works for five former fuel terminals (for more information, see [Waste](#)). During this project, we performed periodic monitoring during and after site rehabilitation, as requested for each site by the environmental authorities. Examples of this monitoring include taking samples of soil/subsoil and checking the groundwater in each phase of the project (e.g., excavation, bioremediation). This is carried out on a quarterly basis for one year after our work is finalized.

Working with Third Parties

OMV works locally with third parties on restoration and rehabilitation projects. For example, in 2023, we supported the following biodiversity-related projects in New Zealand as part of our wider Stakeholder Engagement and Corporate Social Responsibility portfolio. New Zealand has the highest number of threatened indigenous species in the world.¹⁹

- ▶ Partnership with Ngāti Koata and the Department of Conservation for the Moawhitu lake and wetland regeneration project
- ▶ Partnership with the Rotokare Scenic Reserve Trust, creating a predator-free reserve in South Taranaki, thereby protecting the endemic hihi bird (stitchbird) in this reserve located just outside of New Plymouth
- ▶ Partnership with the local hapū at Pohokura to restore and protect the wetlands on site

2023 Actions

- ▶ We initiated a Group-wide project to establish a nature and biodiversity framework for the OMV Group, as part of which we are applying the Taskforce on Nature-related Financial Disclosures' (TNFD) Locate, Evaluate, Assess, and Prepare (LEAP) approach to identify priority sites, evaluate impacts and dependencies, assess risks and opportunities, and prepare to respond to nature-related risks and opportunities and to report on material nature-related issues.
- ▶ We again took steps to prevent impacts on sensitive species and ecosystems. For instance, during our exploration activities at the Wittau site in Austria, a range of technologies were used to mitigate impacts on insects and birds as much as possible. As the target location was positioned below a sensitive area, we moved the drill site to a less sensitive place and applied directional drilling technology. Insect-friendly lighting was used during the whole drilling operation. For well testing, enclosed incinerators were used instead of open flares to minimize disturbance to the local ecosystem.

Outlook

In 2024, we plan to apply the TNFD LEAP approach to all our operated sites (excluding filling stations) and develop the processes for consistent biodiversity management in our operated sites. Subsequently, we plan to extend the scope to value chain impacts. In 2024, OMV will also continue supporting local biodiversity initiatives such as the Ngāti Koata and the Department of Conservation for the Moawhitu lake and wetland regeneration project, and the partnership with the Rotokare Scenic Reserve Trust in New Zealand.

¹⁹ Source: [Environment Aotearoa 2019, Ministry for the Environment](#)



Non-GHG Air Emissions

Exposure to air pollution can affect everyone's health. It is the greatest environmental threat to public health globally. The World Health Organization (WHO) recently issued stricter recommendations on safe air pollution levels in a bid to curb the millions of premature deaths and loss of millions more healthy years of life caused by air pollution.

Specific Policies and Commitments

The OMV Group's Environmental Management Standard stipulates that all OMV Group businesses and activities must understand the impacts of their air emissions on local and regional ambient air quality. Air emissions are required to be monitored, controlled, and minimized in order to mitigate the potential effects on human health and harm to the environment. There are strong legal requirements surrounding air emissions in the EU, which is where all our refineries are located. For instance, the EU does not permit the use of fuels containing sulfur to prevent transport-related SO_x emissions. Sulfur has a significant impact on health, for example sulfur dioxide affects the respiratory system, particularly lung function, and can irritate the eyes. It causes coughing and mucus secretion and aggravates conditions such as asthma and chronic bronchitis.

Management and Due Diligence Processes

Monitoring

In all our refineries, we monitor emissions of pollutants such as sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO), particulate matter/dust, and non-methane volatile organic compounds (NMVOCs) as required by European and national legislation and the respective permits. If emissions are found to be in excess of nationally prescribed limits and/or limits defined in a permit, additional monitoring stations are installed, and measures are implemented. For example, in OMV Tunisia, pollutant emissions from combustion processes such as NO_x or CO have caused great public concern due to their impact on health and the environment. The past decade has witnessed rapid changes both in the regulations for controlling gas turbine emissions and in the technologies used to meet these regulations. Monitoring of these emissions is typically performed with a Continuous Emissions Monitoring System (CEMS), which is a packaged system of gas analyzers necessary for the determination of gases and particles to stay within Tunisian emissions regulations. Because of this, we installed a pollutant analyzer on the turbines at GTP.

Prevention and Treatment

OMV has long implemented technologies to reduce emissions, such as installing end-of-pipes, abatement technolo-

gies, and floating roofs to reduce emissions of VOCs. Over the past years, we have focused on upgrading such technologies to ensure that they are still effective and reducing emissions. For instance, a SNO_x flue gas cleaning plant at the Schwechat refinery was commissioned. With the SNO_x Refurbishment of Wet Sulfuric Acid (WSA) program, in which a solution patented by OMV (two-layer PFA film structure with monitoring system) was implemented, both the reliability and the availability of the flue gas cleaning system could be increased. The flue gas cleaning plant at the Schwechat refinery is used for the removal of dust, and for denitrification and desulfurization of flue gases from the two power plants before they are emitted via the stack. As a first process step, dust is separated via electrostatic precipitators. During selective catalytic reduction, nitrogen oxides (NO_x) are converted into free nitrogen (N₂) and water (H₂O) by injecting ammonia (NH₃). In the third step, sulfur dioxide (SO₂) is oxidized with the aid of a catalyst and reacts with residual moisture to form gaseous sulfuric acid. Finally, the sulfuric acid is condensed in the WSA by means of air cooling and heat recovery. The sulfuric acid obtained in this way is then either sold or used for pH adjustment within the refinery. By applying these process steps, 98% of dust can be separated, more than 96% of sulfur can be recovered, and around 95% of NO_x emissions can be prevented. With the catalyst update, a NO_x reduction rate of around 95% is now achievable again. At other emissions sources at the Schwechat refinery, we continued our work on reducing emissions to air. The installation of a fourth electrical field at the existing electrostatic precipitator of the FCC plant aided the significant reduction of dust emissions.

2023 Actions

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

- ▶ In Norway, we included the reduction of emissions to air in our drilling operations by incentivizing emissions reduction measures in our drilling contracts. As a result, in the Velocette drilling campaign, selective catalytic reduction was installed at the engine exhausts to reduce NO_x emissions by approximately 74%.
- ▶ In 2023, Borealis put a wastewater treatment plant in Stenungsund into operation. The new wastewater treatment unit will reduce the emission of contaminants to the sea and will also minimize VOC emissions to the air, since all treatment steps are covered and enclosed. The new unit includes buffering in two tanks and physical and chemical treatment of the water in Dissolved Nitrogen Flotation (DNF) units. The off-gas from the different steps will be treated by adsorption in carbon filters.



- ▶ OMV Petrom continues to restore sites as it has done previously for former fuel terminals or abandoned facilities. The best practices applied include the use of a water spray curtain, dust protection nets, forced ventilation, off-site bioremediation of the most heavily contaminated soil, and periodic communication with the community and the authorities. In periods of strong wind, OMV Petrom always minimizes dust-producing activities, wets surfaces more thoroughly, and covers the surfaces of on-site biopiles. This subsequently reduces the impact on the air quality. Regarding odor and dust control during soil excavation and transport, OMV Petrom has optimized transportation routes to minimize disturbance to the community, and always secures loads and cleans the wheels at the site exit to avoid the contamination of public roads, and sprinkles the access roads on site.
- ▶ In OMV Petrom R&M, the leak detection and repair (LDAR) program in accordance with BAT Reference Documents (BREF) continued to be carried out at the Petrobrazi refinery. The objective of this program is to reduce fugitive emissions from the plant's technical equipment (e.g., vents, flanges). We continued the program, targeting accessible fugitive emissions sources from coking, the catalytic reforming complex, catalytic cracking and GASCON units, as well as the tank park including the screening of inaccessible sources. 48% of the leakages identified could be fixed. The program will run periodically, according to a schedule, in all Petrobrazi installations.

Outlook

In 2021, we launched a pilot project to develop an Odor Management Plan for one representative facility at an E&P asset of OMV Petrom. Due to legal uncertainties, the pilot project could not be finalized in 2023. As soon as requirements are clear, we will finalize the development and implementation of the Odor Management Plan.

Circular Economy

Material Topic: Circular Economy

Decoupling economic growth from resource depletion by recovering and reusing products or waste to make new materials and products, such as recycled or biobased polyolefins

Key GRI

- ▶ GRI 306: Waste 2020

NaDiVeG

- ▶ Environmental concerns

Most relevant SDGs



The OMV Group believes that transitioning to a circular economy will significantly reduce its impact on the environment and its GHG emissions. A circular economy decouples economic growth from resource depletion by keeping materials, resources, and products in circulation and by preventing the leakage of these resources into the environment as much as possible, particularly into the oceans and landfill sites. Transitioning from a linear “take-make-waste” economy to a circular “reduce-reuse-recycle” economy will also help curb global warming. Through the efficient use of precious resources, it is possible to recover and reuse by-products or waste by transforming them into new materials and products. This approach has the poten-

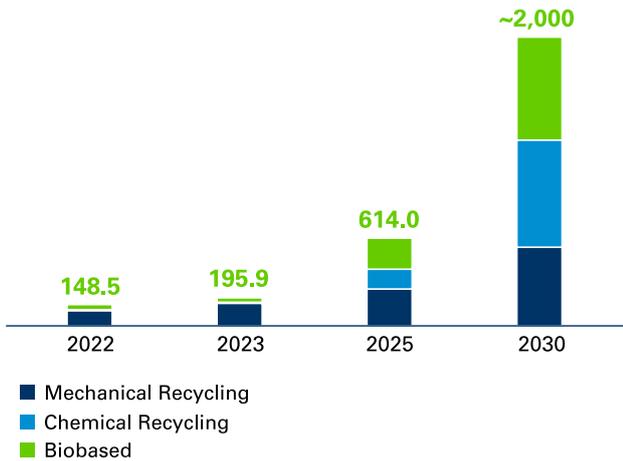
tial to greatly decrease associated emissions along product value chains.

In addition to recycling plastic waste and reusing it to make new materials and products, the OMV Group also sees plastics based on renewable feedstock as playing a key role in the circular economy. The use of renewable feedstock lowers the demand for fossil feedstock and considerably decreases carbon footprints. The OMV Group focuses on utilizing waste biomass, such as residual forestry matter that is not in competition with the food and feed chain, and thus does not require the use of additional natural resources such as land or water. If then recycled,

such second-generation bioplastics can play a vital role in a sustainable, circular economy and reduce greenhouse gas emissions on two fronts, cutting emissions in the input and in the end-of-life phase.

Sustainable polyolefins production capacity

In kt



The creation of a truly circular economy also has wider societal implications. It will provide economic benefits to

society by reducing the major financial burden of ineffective waste management systems and pollution management, and will create new business opportunities and employment at various stages along the value chain. A circular economy will also result in better living and working conditions, and an overall cleaner environment.

Following the acquisition of a majority share in the polyolefins producer Borealis in 2020 and the consolidation of Borealis into the C&M segment within OMV, circular economy is now a cornerstone of the OMV Group's Strategy 2030. By 2030, the aim is to establish a production capacity of 2 mn t of sustainable polymers and chemicals per year, i.e., polyolefin products or other chemicals derived from plastic waste (either through a mechanical or chemical recycling process) or from biobased feedstock. In parallel, the use of fossil fuels will decrease, as the aim is to reduce oil and gas production levels to around 350 kboe/d and reduce crude distillation throughput by 2.6 mn t by 2030. These fossil fuels would ordinarily also be used to make polymers; instead, more polymers will be based on recycled waste or renewable resources such as biobased feedstock. In 2023, the OMV Group established a production capacity of 195.9 kt of sustainable (including recycled and biobased) polyolefins and other chemicals.



Target 2025

- ▶ Establish production capacity of 600 kta sustainable (including recycled and biobased) polyolefins and other chemicals

Target 2030

- ▶ Establish production capacity of approximately 2,000 kta sustainable (including recycled and biobased) polyolefins and other chemicals

Status 2023

- ▶ Production capacity of 195.9 kta established

Most relevant SDGs



SDG targets:

8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavor to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programs on sustainable consumption and production, with developed countries taking the lead

9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

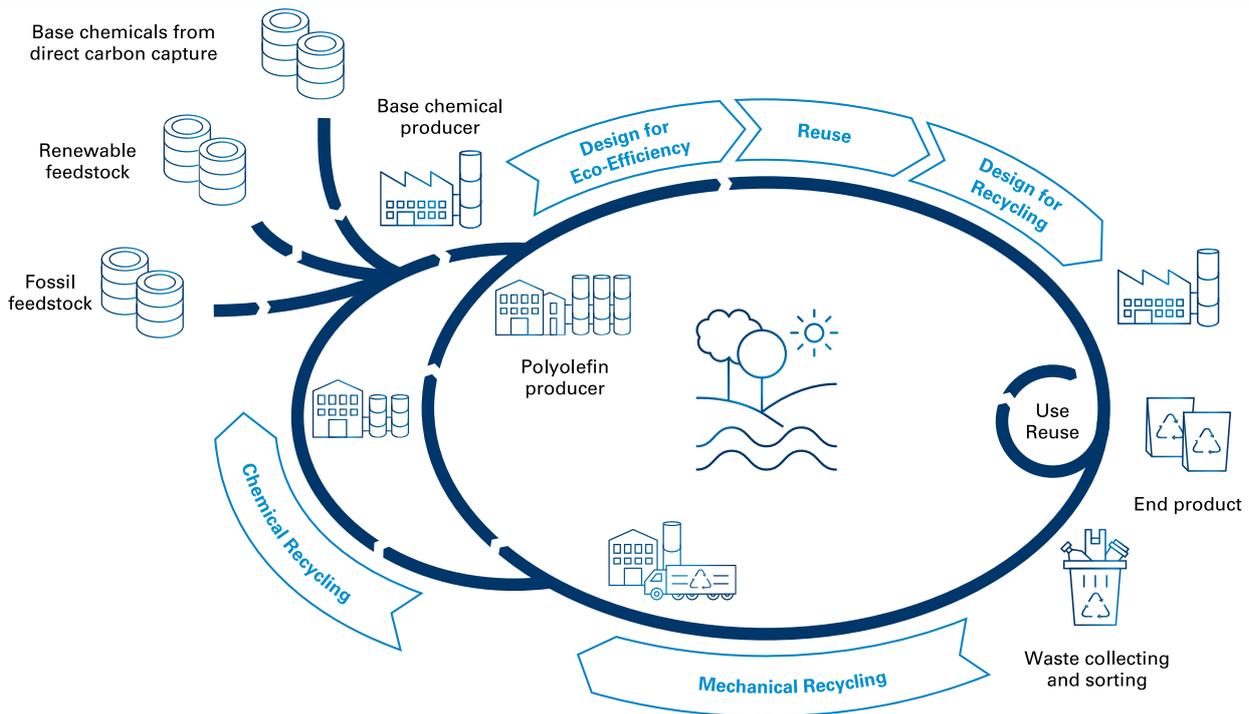
12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution



Through its subsidiary Borealis, the OMV Group is promoting the circular economy across the industry by launching initiatives and participating in activities and platforms that drive recycling options and solutions. Borealis is a core partner in the New Plastics Economy (NPEC), a member of the EU's Circular Plastics Alliance, and, as a member of the Business Coalition for a Global Plastics Treaty, supports the development of the UN treaty to end plastic pollution.

The OMV Group's goal is to take on a leading position in the circularity of plastics and to offer its customers innovative solutions that advance the circular economy. In order to transition to a truly circular and carbon-neutral economy, a variety of solutions will be required to keep products circulating at their highest value, quality, and utility over many lifetimes. This can only be achieved by using a full suite of different, complementary technologies that come into play in a cascading way. This integrated approach is embodied in the Circular Cascade Model.



Design for Eco-Efficiency

This means adopting a fundamental design mindset that starts with minimizing the use of resources during production and maximizing the product's lifetime value. Borealis' foam business is a prime example of eco-efficient polyolefin solutions. This business line is used in industries such as packaging, sports, transportation, and construction, and helps facilitate the transition to a circular economy as it is especially suited to ultra-lightweight foam applications while being fully recyclable.

In 2023, Borealis increased its participation in Bockatech EcoCore[®], a patented manufacturing technology for foamed articles that uses Borealis' HMS (high melt strength) polypropylene. The aim is to enable a greater number of global customers, value chain partners, and supply chain players to benefit from a broader range of lighter foam-based applications, primarily in the packaging sector.

Reuse

Reuse is a core element of circularity, as circular change starts first with reduction and reuse, before recovery and recycling close the loop. This step aims to maximize and extend the lifetime of products that are already in circulation. This will be fostered by leveraging knowledge of plastic use and processing, and by establishing systems and business models designed to encourage reuse.

Partnerships are vital for broadening knowledge about reuse activities and ensuring sustainable growth. In 2023, Borealis further strengthened its commitment to the reuse principle by engaging in several collaborative projects with value chain partners. For example, Borealis joined the 4everPack consortium, a two-year research program run by the Finnish institute VTT and funded by Business Finland. The project aims to replace the linear economy with a fully circular model, focusing on the reusable packaging value chain. Borealis will provide its know-how and expertise in



innovative material and packaging design for the selected reuse systems.

Design for Recycling

A key challenge in increasing the recycling of plastics is that many products are not intentionally designed for recycling in the first place. For example, flexible packaging often uses layers of different materials, which makes separating and recycling the plastic content extremely difficult. The challenge is to create packaging that uses only a single material, while maintaining or even improving performance. Thus, Design for Recyclability (DfR) emphasizes that a product must be designed with the intention that it can be easily collected, sorted, and recycled. DfR is an important aspect of eco-efficient design and takes a life cycle approach by carefully and intelligently balancing the production, use, and after-use phases of a product.

Inspired by the EU Commission's vision for increased levels of recycling, brand owners worldwide are committing to developing 100% recyclable, reusable, or compostable packaging solutions by 2025. To further DfR, Borealis developed and actively promotes its 10 Codes of Conduct for polyolefin packaging designers. These help designers develop packaging materials that can be successfully recycled and used again, either for the same application or in other products. The Codes are being incorporated into assessment methodologies for recyclability, for example in future modulated Extended Producer Responsibility (EPR) guidelines for packaging.

Borealis also applies its innovation activities to offer alternatives to materials and material combinations that are not recyclable today and collaborates with value chain partners to expand its range of fully recyclable, mono-material solutions. At the Plastics Recycling Show Europe 2023, Borealis launched a new mono-material pouch containing over 95% polypropylene (PP), which is fully designed for mechanical recycling. This could help meet the ambitious recycling and waste reduction targets set out in the EU's Packaging and Packaging Waste Regulation, as well as eco-modulation criteria for EPR programs.

Borealis is an active member of the HolyGrail 2.0 (HG 2.0) digital wan already to more than 170 members, including over 40 brand owners and retailers. This initiative, which is driven by the AIM (European Brands Association) and powered by the Alliance to End Plastic Waste, is a pilot project working to prove the technical viability of digital watermarks (i.e., almost imperceptible postage stamp-sized codes on the packaging) for the accurate sorting of packaging waste as well as to prove the economic viability of the business case on a large scale. In 2023, digital watermarking initiative Holy Grail 2.0 entered the final phase of research and development trials to validate the technology

at the highest technical level and prepare it for market entry. Borealis will perform recycling tests on the PP film and polyethylene flexibles generated by the sorting trials conducted by Hündgen Entsorgung, who is using the packaging volumes put on the market by Holy Grail 2.0 brand company members in Germany and Denmark.

Closing the Loop

The potential for product reuse also has its limits. This is when the steps of recovery and recycling come into play in the circular cascade model in order to close the loop on plastic waste. The OMV Group is fully committed to broadening the range of circular products. It therefore ranks the development of mechanical and chemical recycling equally, as they are seen as complementary to each other. The Group's ambitions in the area of mechanical recycling lie with its subsidiary Borealis, which continues to work with partners to develop new technologies for mechanical recycling, with the objective of delivering products with near-virgin quality where possible, and with the lowest carbon footprint (read more in [Mechanical Recycling](#)).

Chemical recycling can extract value from residual waste streams from mechanical recycling and mixed plastic waste streams, which would otherwise be sent to landfill or be incinerated. This process involves changing the chemical composition of the plastic. The resulting synthetic pyrolysis oil can then be used again to make any type of plastic or product. Since it is practically comparable to virgin plastics, it can also serve a more diverse field of applications (read more in [Chemical Recycling](#)).

There is rising demand for both high-quality recyclates and product-based solutions for renewable feedstocks. The OMV Group is committed to supporting producers and brand owners in meeting environmental and regulatory challenges and is therefore continuously developing its circular and renewable product offering. The wide range of mechanically recycled products falls under the Borcycle™ M umbrella, and chemically recycled product solutions are in the Borcycle™ C portfolio. Borealis also offers and markets circular polyolefin products based on renewable feedstock: Bornewables™ (read more in [Renewable Feedstock](#)).

Borvida™ represents the portfolio of circular base chemicals. Borvida B, from non-food waste biomass, and Borvida C, from chemically recycled plastic waste, are the first products in the portfolio. In the future, it will be expanded to include Borvida A, from atmospheric carbon capture.

The OMV Group is also committed to reducing plastic leakage. In 2017, Borealis initiated Project STOP (Stop Ocean Plastics) in Indonesia. Co-founded with SYSTEMIQ, this program aims to achieve zero leakage of waste into



the environment and increase plastics recycling. Project STOP focuses on the regions with the highest leakage rates and, with the support of industry and government partners, works hand in hand with cities to create leak-free, low-cost, and more circular waste management systems (read more in [Community Investments](#) and on the [Project STOP website](#)).

Governance

The circular economy has been on the OMV Group's agenda since 2015, and has become even more important since the acquisition of a majority share in Borealis in 2020. Several aspects of the circular economy, in particular mechanical and chemical recycling, are now jointly being developed further.

With the new Strategy 2030, which was introduced in March 2022, OMV emphasized once again the importance of a circular economy for a sustainable chemicals business going forward. This is the reason why the OMV Group plans to implement a fundamental strategic shift from a linear toward a circular business approach. The C&M business segment will act as the growth engine of the Company. It is to be substantially strengthened, expanded, and diversified, with the aim of developing into a leader in high-quality polyolefin solutions, as well as renewable and circular chemicals and materials. In order to implement this strategy, a new target operating model was defined. This new organization came into effect in 2023 and forms the backbone of the strategy execution.

The C&M segment continues to cover the entire chemicals value chain, including responsibility for capturing value from the circular economy. As one of the focus areas in the C&M segment, Circular Economy forms a separate business unit. This unit covers business development activities, as well as activities related to circular feedstock.

The department covering the further development of OMV's ReOil[®] technology is now allocated to the new corporate unit Innovation & Technology, and with that has moved into the direct responsibility of OMV's CEO. Among other things, the new licensing business will also be managed by a separate department within this unit in order to license sustainable technologies developed by OMV to the wider industry. The establishment of a dedicated corporate function focusing on innovation and technology under the leadership of the CEO is based on the idea that the transformation will be fueled by a high degree of innovation and new technologies, while maximizing the value of the life cycle management of current technologies and the new organization will strengthen these capabilities across the Group.

Most of the OMV Group's circular economy initiatives, especially those regarding mechanical recycling and circular products, are run by Borealis. To accelerate its transition to a circular model, Borealis has a dedicated department called Circular Economy Solutions and New Business Development. This department leads the execution of Borealis' circular economy strategy based on several thematic project focus areas, such as recycling or design for recyclability, in addition to assisting all other Borealis business areas in their industry-specific transitions. A dedicated business team is fully focused on short- to mid-term business growth opportunities in mechanical recycling, including Borealis' mtm plastics and Ecoplast businesses. The Circular Economy Innovation Studio at Borealis' Innovation Headquarters in Linz, Austria, remains Borealis' spearhead for technology and innovation, while the Digital Studio in Brussels, Belgium, is creating digital solutions for circularity. This setup enables Borealis to constantly learn and push innovation boundaries, while the business grows by offering customer-centric circular solutions that satisfy today's needs.

In 2018, Borealis launched a dedicated communication platform, EverMinds[™]. This platform serves to streamline all of Borealis' circular economy-related activities in order to boost their impact and promote familiarity with the topic. The platform facilitates deeper collaboration between Borealis and its partners in the interest of developing innovative and sustainable polyolefin solutions based on the circular model of design for circularity, reuse, and recycling. Further details on Borealis' specific initiatives, management, governance, and development of circular products can be found in the [Borealis Annual Report](#).

The OMV Group has a variety of initiatives in place to raise awareness about recycling among its employees, specifically with regard to recycling of plastics. For instance, informative internal blogs are regularly published, and expert talks are organized with the aim of better informing employees on how to identify plastic recycling codes and the etiquette on how to correctly separate different types of plastic waste so that they will eventually be recycled.

From June to September 2023, the newly launched Sustainability Academy provided a series of online training courses on circular economy and sustainable products. The learning path was designed to offer interested colleagues from all divisions information on and insights into the circular economy and give a more detailed overview of ongoing projects related to this material topic within the OMV Group. The training package included online learning material as well as several internal and external instructor-led sessions that focused not only on introducing the concept of the circular economy, but also on providing a deeper dive into topics such as mechanical and chemical recycling. In addition, external factors like sustainability



certifications and EU policies and regulations were introduced and discussed. Around 630 participants from across the OMV Group registered for the instructor-led sessions, emphasizing employees' interest in this topic.

Mechanical Recycling

The diverse properties of plastic enable a plethora of products and applications that make daily life safer, more mobile, and more eco-efficient. These properties allow us to ensure more sustainable living, while the global population grows and demand for plastic increases. However, within the linear economic model, plastic products are made, used, and then discarded. Continuing with this model will lead to more plastic waste and environmental pollution, while putting pressure on the planet's limited resources.

Borealis is one of the world's leading providers of advanced and sustainable polyolefin solutions and a European front-runner in polyolefins recycling. OMV and Borealis are actively developing enhanced technologies to efficiently recycle two key plastic types, polyethylene (PE) and polypropylene (PP), thereby providing an alternative to the linear "take-make-waste" economy. Mechanical recycling is one such technology. With mechanical recycling, the plastic is cleaned, mechanically flaked, melted down, and processed into plastic granulate. In an ideal scenario, this material can be used to make the same products again, i.e., a detergent bottle becomes a new detergent bottle. No change is made to the chemical structure of the plastic, which is why the feedstock must be sorted properly and even split into different colors.

Borcycle™ M is Borealis' transformational technology for mechanical recycling, which gives polyolefin-based post-consumer waste a new lease of life. Using advanced mechanically recycled products out of the Borcycle™ M portfolio ensures a lower carbon footprint compared to using fully fossil-fuel-based products. Through Borealis and its subsidiaries (mtm plastics, Ecoplast, and a demo plant operated by a joint enterprise in Lahnstein), OMV operates three mechanical recycling plants. The demo plant in Lahnstein is a joint undertaking by Borealis, TOMRA, and Zimmerman, and was commissioned at the beginning of 2021.

Borealis currently runs four mechanical recycling plants in Austria and Germany with a total capacity of around 100 kt p.a.

- ▶ mtm plastics GmbH, a leading German recycler of post-consumer polyolefins, was acquired in 2016. The company runs two plants and produces up to 70 kt p.a. of regranulate.

- ▶ Ecoplast Kunststoffrecycling GmbH in Austria was acquired in 2018. The company processes post-consumer plastic waste from households and industrial consumers into high-quality recyclate destined primarily for the plastic film market. The plant has a capacity of 30 kt p.a.
- ▶ A demo plant for advanced recycling was established in Germany in 2021 as part of a partnership with TOMRA, a Norwegian collection and sorting machine manufacturer, and Zimmermann, a German waste management company. It is one of the world's most advanced mechanical recycling plants and implements the Borcycle™ M technology.

In 2022, Borealis started looking into the development of a commercial-scale advanced mechanical recycling plant in Austria, based on the Borcycle™ M technology. The decision was supported with positive feedback from the market on the recycled polyolefins delivered by the demo plant in Lahnstein, Germany, using the same technology.

The acquisition of Rialti S.p.A. in November 2023 increases the current sustainable polyolefins production capacity by a further 50 kt. As soon as the acquisition of Integra Plastics AD, which was announced in November 2023, is completed, another 20 kt of recycling capacity will be added to Borealis' advanced mechanical recycling portfolio.

Management and Due Diligence Processes

Certification

The Borealis recycling businesses mtm plastics and Ecoplast are certified according to the Europe-wide EuCert-Plast certification program for companies that recycle post-consumer plastic waste.

2023 Actions

- ▶ In January 2023, Borealis announced that its subsidiary Ecoplast Kunststoffrecycling GmbH, a mechanical polyolefin recycler based in Wildon, Austria, had received the International Sustainability and Carbon Certification (ISCC PLUS). ISCC PLUS is a global certification that covers the entire supply chain, from raw material to final product, guaranteeing compliance with the highest standards for ecological and social sustainability, greenhouse gas emissions savings, and traceability. Ecoplast is the first mechanical polyolefin recycler in Austria to achieve the certification.



- ▶ In 2023, Borealis presented a new mono-material pouch containing over 95% PP and designed for recycling, developed in collaboration with value chain partners. When processed within dedicated mechanical recycling streams for PP, this mono-material pouch yields greater volumes of high-quality recyclate fit for use in non-food, flexible PP packaging applications. It is thus the ideal format with which to fulfil the principal aims of the EU's Packaging and Packaging Waste Regulation (PPWR): improve recyclability, grow the market for recycled content, and reduce packaging waste. As a mono-material PP packaging format, it can help meet ambitious recycling and waste reduction targets set forth in the PPWR, as well as eco-modulation criteria for Extended Producer Responsibility (EPR) programs.
- ▶ In June 2023, Borealis acquired Rialti S.p.A., a leading European producer of recycled polypropylene compounds. The transaction was successfully completed in November 2023. Based in Italy, Rialti is one of the European market leaders specialized in the production of sustainable polypropylene (PP) compounds with a focus on mechanically recycled PP feedstock from post-industrial and post-consumer waste. The investment will strengthen Borealis' circular portfolio, adding 50 kt of recycled compounding capacity and meeting growing customer demand for sustainable solutions.
- ▶ In November 2023, Borealis announced the signing of an agreement to acquire a 100% stake in Integra Plastics AD, an advanced mechanical recycling player based in Bulgaria. Integra Plastics AD operates a modern advanced mechanical recycling plant built in 2019 with state-of-the-art equipment. Integra Plastics has the ability to transform post-consumer waste into high-quality polyolefin recyclates suitable for demanding applications. This investment will add more than 20 kt of recycling capacity to Borealis' advanced mechanical recycling portfolio.
- ▶ In July 2023, Borealis' PO compounding site in Monza, Italy, received ISCC PLUS certification, as did its mechanical recycling plant mtm plastics in November. Earlier Borealis had achieved the milestone of having all of its European PO operations and PO compounding sites (with the exception of the newly acquired Rialti in Italy) certified, in addition to the Renasci recycling sites in Ostend, Belgium, and Ecoplast in Austria.

Outlook

In 2024 and over the coming years, OMV will focus on making further investments in Borealis' mechanical recycling production capacities to enable the commercial ramp-up of its circular portfolio to continuously progress toward its targets.

Chemical Recycling

Chemical recycling comes into play when mechanical recycling reaches its limits, for example in products where multiple types of plastics are used together. While most rigid plastic waste can be processed quite effectively through mechanical recycling, flexible materials (e.g., plastic film) are still predominantly incinerated or sent to landfill. Chemical recycling is the only way of overcoming this challenge. It involves altering the chemical composition of the plastic to produce pyrolysis oil from plastic waste. This synthetic oil can then be used to make any type of plastic or product. Because the quality of these products is effectively comparable to virgin plastics, they can also be used in tightly regulated areas such as the food and medical industries. Plastic waste thereby becomes a valuable raw material.

OMV has been exploring the potential for utilizing post-consumer plastics, i.e., polyethylene, polypropylene, and polystyrene, through chemical recycling since 2011. The Austrian Research Promotion Agency has also contributed to this effort with subsidies covering part of the project investment. The first test facility was launched in 2013. In 2018, the next-level test facility – the ReOil® 100 pilot plant – began fully refinery-integrated operation with a processing capacity of up to 100 kg/h and a production capacity of up to 100 l/h of pyrolysis oil.

In 2021, the final investment decision (FID) was made to build a prototype of a ReOil® demonstration plant at an intermediary refinery scale with a design capacity of 16 kta. This plant, called ReOil® 2000, will be fully operational in 2024. To finance this project, OMV entered its first-ever green loan agreement. This is aligned with the green loan principles and is based on a green and project-specific external due diligence appraisal, called a second party opinion, and a project-specific green financing framework. The plant will be fully integrated within the petrochemical production units at the Schwechat refinery in Austria, enabling OMV to guarantee the best use of resources, maximum efficiency, and the highest industrial safety standards, while creating around 50 new jobs. It represents a crucial step in developing ReOil® into an industrial-scale chemical recycling technology with a processing capacity of up to 200 kta.

The pyrolysis oil produced in the ReOil® plant is further processed into monomers in the refinery's steam cracker to produce high-quality base chemicals for the plastics industry. At Borealis, these monomers are then converted into high-grade polymers. Borcycle™ C represents the portfolio of chemically recycled polyolefins that Borealis is offering to the market. These products are suitable for very demanding applications such as food contact materials. Borcycle™ C is not only the label for the portfolio of chemically recycled products offered to its customers, but also the designated name for Borealis' own technology solutions for chemical recycling. Along with



Borcycle™ M, in which “M” stands for mechanical recycling, it forms the Borcycle™ portfolio of all-round polyolefin solutions for plastics circularity based on the Borcycle™ technology suite launched in 2019.

Management and Due Diligence Processes

Selection of Feedstock

The ReOil® facility can process different forms of plastic waste, ranging from household waste to waste from commercial and industrial sources. The main feedstocks are polyethylene (e.g., films), polypropylene (e.g., food packaging and car parts), and polystyrene (e.g., packaging and insulation materials). Currently, the recycled feedstock is sourced almost exclusively from Austrian waste sorting facilities. With regard to the ambition of developing an industrial-scale ReOil® plant and the resulting need for more feedstock, the geographical scope for feedstock sourcing will be expanded and countries neighboring Austria will be explored.

Technology

Plastic is an excellent heat isolator with poor heat transfer properties, compared with glass or metal. These properties, which make plastic desirable in everyday life, also make it difficult to break down. OMV's proprietary ReOil® technology is based on pyrolysis, a well-known refinery process during which thermoplastics are first melted and then cracked at a temperature of about 400–450°C. This means that long-chain hydrocarbons are cracked into shorter-chain light hydrocarbons. One of the inherent challenges in pyrolysis stems from the fact that, compared with glass or metal, plastics are notoriously difficult to melt, and once melted, are highly viscous, which impairs the heat transfer necessary for pyrolysis. The ReOil® technology is unique compared to that of competitors because of the use of an innovative heat transfer technology, which allows the viscosity of the molten plastic to be reduced and thus heat transfer to be improved. As a result, the ReOil® process is scalable to industrial scale (up to 200 kta). Thanks to the integration into OMV's refinery in Schwechat, Austria, ReOil® also achieves higher yields than other non-integrated chemical recycling technologies.

Certification

The ReOil® pilot plant and the ReOil® 2000 demo plant are both certified according to the International Sustainability & Carbon Certification (ISCC). ISCC PLUS is a sustainability certification that is well-recognized by all stakeholders in recycled and biobased materials, providing traceability along the supply chain and verifying that companies meet environmental and social standards. Compliance with the certification means that for each ton of circular feedstock fed into the ReOil® plant and replacing fossil fuels, a certain proportion of the output can be classified as circular by using the mass balance approach.

Emissions Reduction

In 2021, OMV commissioned a life cycle assessment (LCA) to determine the CO₂ reduction potential of its ReOil® chemical recycling technology versus incineration. The LCA was conducted by the Fraunhofer Institute for Environmental, Safety and Energy Technology (UMSICHT) and the Fraunhofer Institute for Chemical Technology (ICT) according to ISO standards 14040 and 14044, and independently peer-reviewed by three world-leading institutes. The LCA analyzes the different treatments of one ton of pre-sorted mixed plastic waste on waste-to-gate level, starting with the collection of waste and ending with the production of polymers and energy. The LCA compares two systems ensuring the same outputs: (i) a linear economy, where waste goes to incineration producing thermal energy and electricity, and where polymers are produced from fossil sources, vs. (ii) a circular economy, where these waste streams are chemically recycled, and the same amount of thermal energy and electricity is produced based on the expected future energy mix in Austria. The LCA shows significant benefits of the circular economy system: 34% of CO₂e emissions could be saved by 2030 if waste streams that are currently going to incineration are chemically recycled using the ReOil® technology.

2023 Actions

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

- ▶ In October 2023, OMV announced the final investment decision to build an innovative sorting plant developed by Interzero, Europe's leading provider of circular economy solutions, to produce feedstock for chemical recycling. For that purpose, OMV and Interzero established a joint venture, in which OMV holds 89.9% of the shares and 10.1% of the shares belong to Interzero. OMV will invest over EUR 170 mn in building this state-of-the-art facility in Walldürn, southern Germany, which will also lead to the creation of around 120 new jobs on site. With a processing capacity of up to 260,000 t of post-consumer mixed waste plastic per year, this fully automatic sorting facility will be the first of its kind to produce feedstock for OMV's chemical recycling on a large industrial scale. The innovative sorting process used in the new facility will make it possible to recover a polyolefin-rich fraction from a waste stream that currently ends up in thermal recycling due to its unsuitability for mechanical recycling. This process has already been tested on an industrial scale and the product has been successfully processed as feedstock in OMV's ReOil® pilot plant. Construction began in Q4 2023 and production is expected to start in 2026. The strategic partnership between OMV and Interzero combines the complementary strengths and capabilities of both parties, with the joint aim of taking another step toward a world without waste.



- ▶ In October 2023, OMV and Wood, a global leader in consulting and engineering solutions in energy and materials markets, signed a mutually exclusive collaboration agreement for the commercial licensing of OMV's proprietary ReOil[®] technology, following a Memorandum of Understanding that was signed between the two parties in November 2022. The companies will bring the ReOil[®] technology to the global market together utilizing Wood's proprietary heater technology and will establish a joint technology and engineering delivery team to support clients throughout the whole process of adopting and successfully implementing the technology at their sites. In addition, Wood will work with ReOil[®] licensees to provide full asset life cycle support globally.
- ▶ In early 2023, Borealis announced the capability to use its proprietary Borcycle[™] C chemical recycling process to recycle cross-linked polyethylene (PE) types such as XLPE and PE-X into recycled polyethylene. Thanks to its suitability for high-performance applications, the recycled PE obtained from the pyrolysis process can replace virgin PE in the manufacture of XLPE and PE-X for use in the wire and cable and infrastructure industries respectively. Using ISCC PLUS certified grades in the Borcycle[™] C portfolio enables customers to capitalize on circular solutions while at the same time maintaining high application quality and meeting industry standards.
- ▶ Borealis entered into a partnership with Renasci in 2021 to work on the innovative Smart Chain Processing concept, including a plastic to pyrolysis oils process. In 2022, Borealis acquired a minority share in Renasci, which it increased to a majority shareholding of 50.01% in early 2023. The participation in Renasci was further increased in Q4 2023 to approximately 98%. The investment gives Borealis greater access to chemically recycled feedstock, thereby strengthening the Borcycle[™] C portfolio.
- ▶ In February 2023, Neste, Borealis, Uponor, and Waste-wise successfully produced pipes made of cross-linked polyethylene (PE-X), which was based on feedstock gained from chemically recycled post-industrial waste plastic from PE-X pipe production using the ISCC PLUS-certified mass balance approach. PE-X pipes are an important contributor to energy-efficient heating and safe plumbing due to their robustness, temperature resistance, and longevity, yet the interconnected polymer chains make them nearly impossible to recycle using conventional recycling technologies. The project shows that chemical recycling can close the circularity loop for hard-to-recycle waste plastic, turning it into high-quality polymer feedstock and enabling the consecutive manufacturing of products with quality and properties identical to those in their previous life.

Outlook

Since the first ReOil[®] trials in OMV's own laboratory, there has been a lot of ongoing development. The ReOil[®] 2000 plant will become operational in 2024 at OMV's refinery site in Schwechat, Austria, with a capacity of 16 kta. The next step is the development of an industrial-scale ReOil[®] plant with a planned capacity of 200 kta. Furthermore, the first ReOil[®] licenses are due to be launched to the market over the course of 2024, marking an important milestone in promoting circularity and chemical recycling in the industry.

Renewable Feedstock

Together with partners, OMV is actively pursuing the development of industry-scale projects to produce bio-fuels, biochemicals, and bioplastics from renewable feedstock, including waste streams. Waste biomass, such as residual agricultural, forestry, and wood processing matter, or mixed municipal waste are not in competition with the food and feed chain. While the conversion of such waste biomass into high-value products is often technically challenging, the resulting benefits are a significant reduction in CO₂ compared with fossil fuels and local resource utilization that creates value. The biobased feedstock, which is used at OMV's subsidiary Borealis in order to produce sustainable polyolefins, is currently entirely derived from waste biomass such as residual agricultural processing matter or collected waste streams and is not in competition with the food and feed chain. These polyolefins are marketed to the end customer under the portfolio name Borneables[™]. In this section, the focus is on plastics based on renewable feedstock. For more information on energy products based on renewable feedstock, please refer to [Energy Transition](#).

Management and Due Diligence Processes

Certification

As a global standard for recycled and biobased materials, ISCC PLUS enables traceability along the supply chain by verifying that companies comply with certain environmental and social standards and by establishing a chain of custody. Applying the mass balance approach enables OMV to provide a verifiable basis for tracking the amount of its renewable and chemically recycled raw materials in the value chain. Providing more products that are certified by ISCC PLUS is crucial for the transition to a more circular economy. OMV's cracker in Burghausen was one of the first 20 worldwide to be ISCC PLUS certified for the production of renewable benzene, butadiene, and isobutylene. Additionally, the production of ethylene and propylene at OMV's Burghausen and Schwechat refineries is also ISCC PLUS certified.



The Borneables™ portfolio, Borcycle™ C, and Borvida™ are certified according to ISCC PLUS, by applying the mass balance approach. This means that the materials are not physically segregated in the production processes throughout the entire supply chain, but they are separated in bookkeeping to provide a verifiable basis for tracking the amount and sustainability characteristics of circular and/or biobased content in the value chain. This certification system ensures the traceability of the renewable, sustainably produced feedstock from its point of origin through the entire chain of custody. The Borneables™ polypropylene, for example, is a second-generation renewable feedstock, derived entirely from waste and residue vegetable oil streams. The milestone of having all of Borealis' European polyolefin and polyolefin compounding sites, the Renasci recycling sites in Oostende, Belgium, and Ecoplast in Austria ISCC PLUS certified was reached in mid-2023, when the PO compounding site in Monza, Italy, received the respective certification.

Life Cycle Assessment

In the life cycle assessment published in 2021, Borealis demonstrated that Borneables™ is especially suited to reducing carbon emissions. The assessment showed that the greenhouse gas emissions of Borneables™ polypropylene and polyethylene go beyond carbon neutrality and can be reduced by at least 120% from cradle to gate (meaning all the steps from the sourcing of raw materials to products leaving Borealis' production site) compared to fossil-fuel-based polypropylene and polyethylene. According to the LCA's findings, using Borneables™ substantially reduces a product's carbon footprint by at least 1.9 kg CO₂e for every kilogram of polymer. This is possible while offering the same high performance levels as virgin polyolefins and the ability to be recycled in the same way.

2023 Actions

- ▶ OMV is currently working on comprehensive life cycle assessments (LCAs) for its fossil-based and renewable petrochemical products being produced at the refineries in Burghausen, Germany, and Schwechat, Austria. These LCAs are being conducted in accordance with the applicable ISO standards 14040 and 14044 and will undergo a critical peer review process. Once completed, the results are expected to be published in 2024.

Over the course of 2023, OMV's subsidiary Borealis continued to commercialize the Borneables™ portfolio. Some significant developments include:

- ▶ In April 2023, it was announced that PFNonwovens Group (PFN) had teamed up with Borealis to enhance their production of nonwoven materials for the personal hygiene market and set a new industry standard by using Borneables™ polypropylene (PP) resins for spunbond and meltblown solutions. Using the certified renewable Borneables™ polymers in the manufacturing of absorbent hygiene products, from baby diapers to feminine hygiene products, supports the PFNonwovens Group in meeting the growing market demand for more sustainable nonwoven solutions.
- ▶ In May 2023, Borealis introduced the Borneables™ line Queo™, a range of high-performance polyolefin elastomers and elastomers based on renewable feedstock. Borealis' production location Geleen, the Netherlands, is the production site for Queo™. The facility received the International Sustainability and Carbon Certification (ISCC PLUS) in March 2023, thus enabling Borealis to introduce this new product line. Queo™ represents an expansion of the Borneables™ portfolio of circular polyolefin products, which offer the same material performance as fossil-based polyolefins yet decoupled from fossil-based feedstock and with reduced carbon emissions. Applications include automotive, flexible and rigid packaging, housewares, and wire and cables.
- ▶ In July 2023, Borealis' polyolefin (PO) compounding site in Monza, Italy, received International Sustainability and Carbon Certification (ISCC PLUS). With the certification of the Monza site, Borealis is now able to offer circular PO products manufactured with renewable feedstocks (Borneables™) and grades based on chemically recycled feedstock (Borcycle™ C) as part of their Monza PO compounds portfolio.
- ▶ Borealis began exploring carbon capture technologies and the use of carbon dioxide as a resource as an alternative to fossil-based resources. Following the proofs of concept, their target is to scale up these initiatives in 2024.

Outlook

By 2030, OMV plans to establish a production capacity of approximately 2,000 kta of sustainable polymers and other chemicals, including biobased polyolefins. To achieve this, OMV will build up capacity for the procurement of sustainable feedstock and develop and implement a sustainable product portfolio for biobased polyolefins.



Health, Safety, and Security

Health, safety, and security constitute an integral part of our commitment to conducting our business in a responsible way. We continuously aim to improve our employees' health and ability to work through integrated health management. We build on sustainable safety measures to protect people by providing a safe and healthy workplace and ensuring the safety and reliability of our plants. We also protect people and assets from the possibility of intentional malicious threats.

OMV's long-term business success is dependent on our ability to continually improve the quality of our business activities while protecting people, the environment, assets, and our reputation. The Health, Safety, and Security strategic focus area emphasizes reducing health and safety risks for OMV employees and customers, as well as protecting assets, information, and operations against any threat. Particularly in times of geopolitical unrest, our Company's resilience is dependent on our emergency and crisis management capabilities.

Health, Safety, and Well-Being

Material Topic: Health, Safety, and Well-Being

Reducing health and safety risks for OMV employees, customers, and third parties, such as communities, and promoting physical and mental health in an integrative way

Key GRIs

- ▶ GRI 403: Occupational Health and Safety 2018
- ▶ GRI 416: Customer Health and Safety 2016

NaDiVeG

- ▶ Employee and social concerns

Most relevant SDGs





Ensuring the health, safety, and security of our employees, contractors, and assets is essential for OMV. Employee health and well-being are the foundation for successful company performance, as they are core elements of ensuring the ability to work. OMV aims to adhere to the highest standards to provide its employees and contractors with a safe workplace.

OMV's HSSE vision is "Committed to Zero Harm – Protect People, Environment, and Assets." This vision is embedded in the [HSSE Policy](#), which is OMV's public commitment to health, safety, security, and the environment. Our chemicals subsidiary, Borealis, is committed to implementing the guidelines of the Responsible Care Global Charter, which is the chemical industry's voluntary initiative aimed at continuous improvement in health, safety, and environmental performance.

The OMV Group HSSE strategy sets out the mid-term strategic goals and targets to support the Group's business strategy. The HSSE Strategy 2025 is based on a framework that was developed in 2012 and has since been regularly updated. As the OMV Group comprehensively updated its transformational business strategy (OMV Strategy 2030) in 2022 and bearing in mind the substantial changes ongoing in the regulatory environment, a major review of the HSSE strategy was conducted during 2023, resulting in an updated HSSE Strategy 2030. While proven HSSE management concepts 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.

The strategy revision process included a large number of stakeholders. Changes in the business, specifically the new low-carbon and recycling businesses, were discussed during 13 meetings with the responsible managers of the various areas. A SWOT analysis was conducted over several weeks with numerous subject matter experts and the involvement of over 50 senior managers at two dedicated workshops. The massive emerging changes driven by international regulations, such as sustainability reporting and environmental management, were evaluated to find strategic responses to how to handle them in future. And finally, the proposed updates to the strategy were discussed with all Executive Board members of OMV, OMV

Petrom, and Borealis in a unique half-day on-site workshop. Executive management challenged the proposed strategic targets and provided steering and backing for their implementation.

The updated HSSE Strategy 2030 is strongly linked to the company Values and can be summarized as follows:

- ▶ **We care** about safety and the physical and mental well-being of our people; for the planet we live on; for the people we interact with; for our locations and assets.
- ▶ **We're curious** about our future partners, contractors, and technologies so we can develop the business relationship together to achieve the highest HSSE standards.
- ▶ **We progress** to enable the successful transformation of our company toward sustainability and to become the industry leader in HSSE.

While we are able to build on a solid foundation for the further strategic development of the various HSSE disciplines and their integration in the business, we have identified key areas that will receive a much higher focus in terms of how we manage HSSE in the business in future.

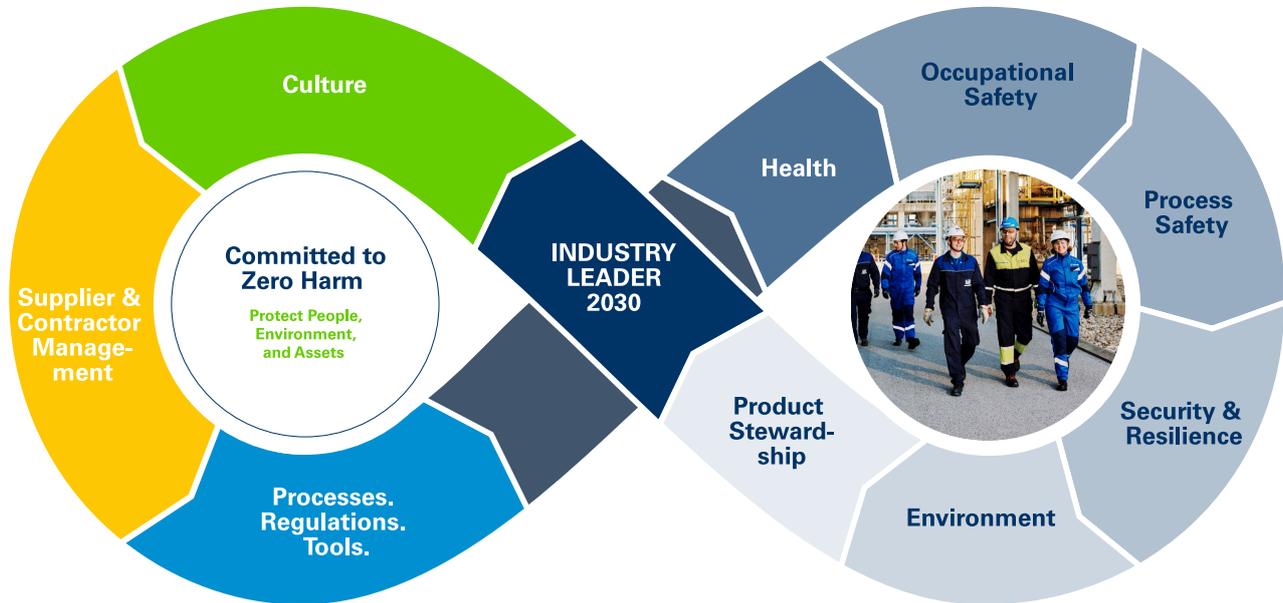
- ▶ The aim is to develop a company culture where HSSE shapes decision-making at any time and at every level, based on highly committed leaders, a competent workforce of employees and contractor employees, and an atmosphere of openness where everybody has the confidence to speak up.
- ▶ Given the high degree of contractor work in our business, we will further strengthen our supplier and contractor management capabilities. We aim to improve the selection process to ensure that only contractors with appropriate HSSE capabilities work with us. When needed, we will put effort (e.g., training, supervision) into helping contractors reach the expected HSSE performance levels. We will focus on long-term relationships with our key contractors based on mutual trust and develop their HSSE culture jointly.
- ▶ We will leverage the opportunities afforded by new technologies to improve our systems and tools to manage HSSE, including product stewardship.



Overview of the Updates to the HSSE Strategy 2030

HSSE Strategy 2030

Strategic Goals



Rollout and implementation of the updated HSSE strategy began in Q4/23. The data reported in the OMV Sustainability Report 2023 is therefore still based on the 2025 HSSE strategy.

HSSE management is governed by the internal HSSE Directive, which defines key expectations in compliance with internal HSSE regulations at various levels of the organizational structure, as well as across Group and local functions. This internal Directive sets out the principles and rules for the management of HSSE-related risks and activities throughout the life cycle of the Group's business and activities, including capital projects, mergers, and acquisitions. The Directive also defines key HSSE responsibilities for all OMV Group employees, partners, and contractors. It additionally stipulates the continuous improvement of HSSE performance. The HSSE Directive defines core aspects of HSSE management, grouped into twelve elements revolving around the Plan-Do-Check-Act cycle. For each element, the HSSE Directive defines the approach to follow for effective HSSE management.

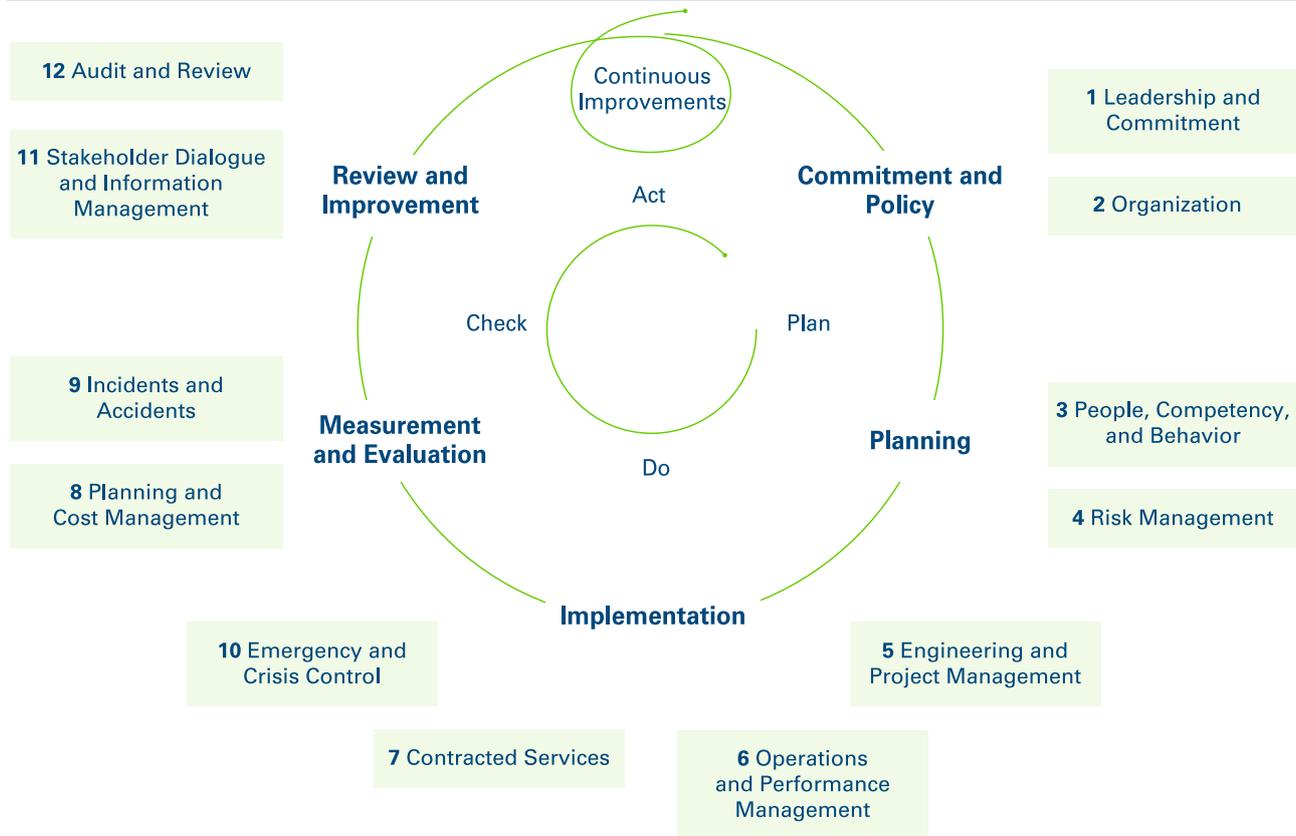
Other corporate regulations governing the topic are HSSE Risk Management, Process Safety Management, Occupational Safety Management, Contractor HSSE Management, Management of Hazardous Substances, and Personnel Transportation, as well as Reporting, Investigation, and

Classification of Incidents, which together provide the framework for safety management. Our Major Accident Prevention Policy sets out the overall aims and guidelines for controlling the risk of a major accident as part of the OMV Group's operations. Acknowledging that the risk of major accidents in onshore or offshore operations related to oil and gas extraction, transportation, refining, and distribution activities is significant, and recognizing that such major accidents can have severe consequences for the environment and affected persons, OMV firmly believes that a strong awareness of HSSE embedded in the company culture is the foundation for all its operations and relationships with contractors. Our Contractor HSSE Management Standard defines the minimum requirements for integrating HSSE issues into all phases of the contract life cycle and into the contractor management process. This standard aims to define a structured process for the HSSE management of contractors, from selection through contract close-out. All 15 Group HSSE regulations have been implemented at Borealis, following an intensive alignment process conducted in 2021.

The HSSE strategy is implemented by means of annual plans and targets. In a combined top-down and bottom-up process, 43 local annual HSSE plans are developed and monitored centrally.



Core Aspects of HSSE Management



Governance

The health and safety of the people who work for us are key priorities at OMV. The HSSE strategy and its implementation are aligned with and fully embedded in the corporate strategy and the corporate governance structure. Leadership responsibility is assigned to the members of the Executive Board. The Executive Board's remuneration is subject to a Health & Safety Malus (read more in Sustainability Governance). In 2022, focus areas related to safety were defined, with an Executive Board member assigned as the owner of each. For instance, one OMV Executive Board Member serves as the focus topic owner for process safety performance in the OMV Group. In regular update meetings, the owners discuss updates on process safety challenges and achievements.

Group HSSE is responsible for coordinating health and safety topics across the Group. Group HSSE is led by the VP HSSE, who reports directly to the Chief Executive Officer. The OMV Group HSSE department is organized into specialized teams with experienced experts in the following areas:

- ▶ Development and implementation of OMV's HSSE strategy, regulations, and processes

- ▶ HSSE risk assessment
- ▶ Incident investigation
- ▶ HSSE data analysis and reporting
- ▶ Health management
- ▶ Occupational safety management
- ▶ Process safety management
- ▶ Security and resilience management
- ▶ Environmental management

This is supplemented by local HSSE officers at each site, along with local subject matter experts. For example, at each refinery, we have a dedicated employee who heads the process safety management. This individual is in direct contact with and actively collaborates and communicates with all departments that manage process safety as part of their daily business. This individual also receives process safety guidance from a centralized Process Safety Advisor overseeing the whole of the Refining business unit. In addition, there are HSSE departments at OMV Petrom and Borealis that oversee their specific issues and coordinate their local HSSE officers and experts. The OMV Petrom and Borealis HSSE departments report functionally to the VP HSSE at Group level.



In line with the HSSE Directive, clear roles and responsibilities are defined for all staff, line management, and senior management. Line management is responsible for ensuring that HSSE issues are integrated into all business decisions and activities. They are required to demonstrate commitment and leadership by acting as role models and taking appropriate measures to control and manage all HSSE risks in their spheres of responsibility. OMV's HSSE management includes interaction with employees or their representatives (works councils, trade unions) as a channel of engagement regarding issues that are particularly important and necessary for improvement. For instance, Borealis has HSE Forums at each location, where employee representatives are consulted and informed about the HSE management system. The HSSE department organizes HSSE Days for OMV's various units to inform employees about HSSE topics.

Health

The physical and mental health and well-being of our employees are the foundations for a successful company. Health management at OMV follows both a strategic and an operational system. Its success depends on leadership, commitment, and participation at all levels and functions in the organization, from medical specialists and partners to employees.

Specific Policies and Commitments

We have established an OMV health care standard to ensure a high level of care for employee health across the Company. OMV's internal Group Health Standard describes the main principles, roles and responsibilities, and lines of communication within the OMV Group. The standard provides a framework for managing preventive health measures and curative health care, as well as collaboration among HSSE specialists. It supplements local legal requirements, allowing us to establish a harmonized level of health care services and access to medical facilities at all OMV sites.

The Group Health Standard governs the work of operative medical service providers in relation to the following areas:

- ▶ Planning of human resources, medical facilities and services, and local health plans
- ▶ Operational health risk assessment and management, emergency preparedness, preventive initiatives such as targeted health promotion campaigns, health programs and training sessions, and curative care
- ▶ Minimum equipment and materials for our clinics – both on land and offshore – such as electrocardiograms (ECGs), defibrillators, suction units, rescue devices, and emergency medication

- ▶ Checks and audits of medical suppliers (laboratories, partner clinics, pharmacies), hygiene in food facilities, customer satisfaction
- ▶ Reporting
- ▶ Collaboration with contractors and subcontractors on health and safety

Management and Due Diligence Processes

Risk Assessments

OMV applies its own risk management standard, which provides for a thorough assessment of possible risks, including health-related risks. We have therefore developed guidelines – based on international guidelines from IOGP/Ipieca – for health risk assessments covering such risks as harm from chemical agents, psychological strain, physical injuries, and others.

Preventive Care

OMV maintains or works with a total of 45 medical units across all locations where we have operating facilities. To mitigate occupational health risks, our medical staff carries out specific preventive examinations in accordance with the legal regulations of the countries in which we operate. These examinations include blood tests for employees working with specific hazardous substances and hearing tests for employees exposed to noise. We offer general health screenings to our workforce. In 2023, a voluntary screening and check-up service for cardiovascular issues was offered to all OMV Group colleagues based at the head office in Vienna, and similar check-ups were offered at many other clinics for employees in other workplaces and countries. In addition, we run seasonal campaigns to provide free vaccinations against flu and tick-borne encephalitis in affected areas. In 2023, COVID-19 vaccinations and boosters were offered once again.

Audits

A special health audit program developed by the Corporate Health Management department serves as an evaluation tool to ensure that our common corporate health care standard is implemented and followed throughout the Group. The program stipulates that all clinics and medical partners be audited every three years, and clinics also report on a self-conducted audit every year. In 2023, after most of the COVID-19 related travel restrictions were lifted, Corporate Health Management was once again able to perform health audits in Romania, Czech Republic, New Zealand, Serbia, and Bulgaria; all other clinics carried out self-audits. Audit results serve as the basis for identifying areas for further improvement and analyzing the effectiveness of our health management approach.



Community Engagement

The presence of OMV’s first aid facilities benefits the local population, as it often provides necessary medical help in remote areas where medical services might not be easily or quickly accessible (e.g., in Yemen). In 2023, OMV’s first aid facilities supported 1,737 individuals in the local population in need of urgent care. From this perspective, our assistance to the local population ensures a positive impact outside OMV’s operational boundaries, thereby contributing to building a good relationship with our neighbors. Read more about our engagement on SDG 3, Good Health and Well-Being, in the [Community Investments](#) section.

2023 Actions

In 2023, COVID-19 prevention was still on the agenda of medical staff in some countries (e.g., Romania, Germany, and Austria), where it was legally possible for vaccinations to be administered at workplaces.

- 15** clinics audited by OMV Corporate Health²⁰
- 51,729** voluntary health screenings²⁰
- 5,352** vaccinations²⁰
- 102,518** medical consultations²⁰
- 17,582** occupational health examinations²⁰
- 21,887** physiotherapy treatments²⁰
- 1,864** psychological consultations²⁰

In fall 2023, doctors and other health care professionals came together and discussed the main challenges, such as mental health issues and the latest developments in emergency medicine. The focus topics for preventive care for 2023 were discussed and a plan for implementation developed.

Every year, we organize health promotion activities to enhance the knowledge of our employees on health-related issues.

- ▶ At the Health Circle in Gänserndorf, Austria, employees gather regularly to address work-related health issues and create customized solutions in collaboration with the local health team.
- ▶ The Corporate Health and Learning departments have developed a new collaborative initiative to raise awareness of health issues over the last few years. In 2023, webinars were held focusing on issues such as ideas for achieving a better work-life balance, while another was organized to discuss the promotion of mental health.

- ▶ Locally in some countries, face-to-face health promotion sessions were able to take place, with the main topics including a breast cancer awareness campaign that continued in Romania and offers free and voluntary breast ultrasounds, followed by the availability of a specialist doctor examination in case of abnormalities.

Outlook

In collaboration with a task force from the health committee of IOGP/Ipieca, we will elaborate a guideline and training materials for the relationship between mental health and leadership. Emphasis will be placed on raising awareness of this relationship and how to improve it. The first pilot training session are scheduled to for the second half of 2024 so that training can be organized at all our workplaces starting in 2025.

Occupational Safety

OMV aims to adhere to the highest standards to provide its employees and contractors with a safe workplace. This is not only a moral obligation but also necessary for seamless operations, without costly shutdowns or delays due to incidents.

The OMV Group’s Reporting, Investigation, and Classification of Incidents Standard clearly outlines the systematic approach to be followed (beyond local/national laws) and the regulations and roles, responsibilities when notifying, reporting, investigating, and classifying incidents within the OMV Group, together with identifying appropriate preventive and corrective actions. OMV Group’s HSSE Directive covers all HSSE terms and definitions, including work-related injuries for all OMV Group employees and contractors.

Management and Due Diligence Procedures

Risk Assessments and Audits

Major risks and the respective mitigation measures are evaluated and monitored within the Enterprise-Wide Risk Management (EWRM) process, and documented in a Group-wide database (Active Risk Management System; ARMS). They are reported to top management twice a year or as necessary whenever issues arise. Senior management are directly involved in the review of risks identified as a top priority. Sites are audited regularly based on a Group-wide HSSE audit program. For example, in 2023 we had an HSSE Management System Audit at the Burghausen refinery. The audit showed good implementation and application of the 12 HSSE management elements. Recommendations from the audit contributes to continuous improvement.

²⁰ Data excluding Borealis, but including Borealis Head Office, Vienna



Incident Reporting and Investigation

All employees and contractors are encouraged to bring any unsafe conditions and behaviors to the attention of line management in order for them to identify and resolve potential issues that might otherwise lead to future incidents or accidents. We acknowledge these suggestions for improvement submitted by employees and contractors locally.

All incidents, hazards, HSSE walks, audits, findings, and defined actions are reported and tracked within a central HSSE reporting tool (OMV Synergi). Online training is regularly organized via the My Success Factors learning platform to ensure the effective use of the tool, e.g., by highlighting the importance of the quality of data input.

Dashboards for the most significant HSSE data and relevant KPIs (e.g., LTIs, TRIs, HiPos, process safety events, and action status) have been set up and made available to various management levels Group-wide. Since 2016, all Tier 1 and Tier 2 process safety events have been transferred to our centralized reporting tool to enable trend analysis and sharing of findings from past events. Our aim here was to increase awareness of OMV Synergi entries to boost their quality and transparency, and to improve data owner accountability.

We continue to investigate incidents and accidents using the knowledge of our incident investigator pool members and other technical experts. In 2023, we again trained more than 104 colleagues during a one-day incident investigation training session. In addition to the training, a Community of Practice Meeting was organized for incident investigators. This event is used for communicating experiences and findings from incident investigations across the Group.

Our aim regarding incident investigation is to find the root causes of incidents and to carry out suitable and necessary measures to prevent the occurrence of more severe incidents in the future. Here, the focus is not only on incidents that have occurred but also on near misses that, under slightly different circumstances, could have the potential to lead to serious accidents. In parallel, the focus remains on verifying the effectiveness of actions implemented in previous years after severe and high-potential incidents (HiPos), including process safety incidents. In this way, OMV Synergi is updated with information about safety events that have happened over the last few years to help foster learning from past incidents. The incident investigation process has been further developed, and a sub-process to share HSSE information and promote our lessons learned as an organization has also been established. Our Incident Investigation Panel meets quarterly to obtain a

clear overview of the whole process and to implement practical measures for its improvement.

Training, Awareness Raising, and Safety Promotion Activities

All staff are required to be familiar with the HSSE Policy, internal HSSE regulations, and relevant legislation. They actively contribute to and further develop HSSE awareness as part of our corporate culture, for example by stopping and reporting unsafe or irresponsible acts and conditions and reporting any incidents and non-compliance. OMV employees at all levels are regularly trained in their roles and responsibilities.

Education and training are important for informing workers and managers about workplace hazards and controls so they can work more safely and be more productive. After the update and Group-wide alignment of our Life-Saving Rules (LSR), we ran an intensive program of face-to-face rollout workshops led by line management to reach all employees and contractor employees. Furthermore, the LSR are presented and discussed regularly during awareness programs, workshops, management walk-arounds, and safety walks, as well as during various meetings. Practical LSR training will be continued and delivered systematically in the Safety Centers, for which the training concept and material have been fully reviewed and updated. Based on this, existing Safety Centers will be redeveloped, and new ones created in 2024.

We believe that promoting an open dialogue and establishing a culture in which health and safety are integrated into every employee's role are effective ways to empower people to work safely. Workers are engaged in initiating, implementing, evaluating, and improving health and safety programs. They work closely with their managers to find joint solutions to common problems, which helps managers pinpoint issues while motivating and encouraging workers to improve their own safety. To concentrate on quality over quantity in terms of reporting, HSSE walks, safety walks, and action close-outs continued throughout 2023. In addition, efforts to make safety a top priority in the minds of employees were continued. More attention is focused on improving the HSSE walks and safety walks by encouraging open dialogue while they're in progress. This promotes understanding of the challenges in the operating fields and increases trust between the workforce and management.

Focus on Contractor Safety

The safety of our contractors is just as important as the safety of our own employees. For this reason, we have established processes that require contractors to work according to our standards. Our Contractor HSSE Management Process begins when we issue the scope of work



with information about HSSE requirements and the HSSE key performance indicators (KPIs). The process continues through the tender stage with the HSSE evaluation and capability audit, if needed. Once the contract terms are agreed and the contract is awarded, and before work begins at the site, we reinforce our expectations and requirements during kick-off meetings, HSSE induction, site specific training, and other joint meetings.

The presence of contractors at our sites is monitored around the clock using an electronic registration system (e.g., in the refineries) or paper sign-in system (e.g., attendance sheet, permit to work, and induction sheet). During the contract period, we monitor our contractors by way of audits, inspections, joint HSSE or safety walks, service quality meetings, forums, and workshops, using the outcomes to share information and encourage improvement of our HSSE performance as a team. To increase the awareness and knowledge of contract owners, contract holders (i.e., the beneficiaries in need of external services), procurement staff, and HSSE experts regarding our Contractor HSSE Management Process, we have continued to deliver specific training explaining how HSSE requirements and tools are embedded in the source-to-contract process. Having trained over 800 people on Contractor HSSE Management between 2019 and 2022, the training program continued with e-learning and webinars, as well as individual coaching and counseling for selected sourcing projects. Contract owners, contract holders, and procurement staff were the main target group of these training sessions.

2023 Actions

37% of our sites are certified to ISO 45001 (covering **29%** of OMV employees).

91 formal joint health and safety committees comprising management and worker representatives were organized at OMV Group sites.

44,001 unsafe conditions and behavior reports were received in our reporting tool.

In 2023, the number of injured personnel increased among both our own employees and those of contractors. This trend is not only evident within OMV, but also across the whole industry, according to the IOGP position statement "2022 safety trends and responses" dated February 2023. The main reasons for the deterioration of the key safety indicators of our industry include:

- ▶ lingering effects of the COVID-19 pandemic

- ▶ a clear increase in industry activity, with associated aggressive hiring and reduction in collective experience levels
- ▶ geopolitical situation, both in terms of direct stress on both individuals and their organizations, and the workload increase due to energy security imperatives.

To take countermeasures and to improve safety and bring it back to the highest level, various activities and programs have been carried out:

- ▶ In our operations, motivational management and practical training is a key topic to encourage positive behavior. For example, during the 2023 turnaround at the Schwechat refinery and polyolefin production facility, where more than 6,000 contractor employees were on duty every day, special safety behavior was praised and encouraged with a selection of small goodies. More than a thousand foremen were also given practical training in the specially built safety training centers in order to act as a multiplier for safety on site. This helped improve the relationship between the workforce and management and also encouraged safe behavior, leading to an overall positive impact at our sites.
- ▶ A big focus here is on Contractor Safety Improvement. Safety programs with the aim of consolidating and improving safety performance were implemented with a wide variety of contractors. In order to underline their importance, they are supported and managed by senior management as a sponsor.
- ▶ In line with our "Committed to Zero Harm" vision, Borealis developed and implemented stringent measures to improve our safety performance. These include the new B-Safe program, which involves employees and supervisors of main contractors participating in either a three-day training course (all leaders including top management) or a one-day training course (all other employees). The program focuses on proactive intervention to prevent safety incidents, risk identification measures, learning from past incidents, and promoting a heightened awareness of the importance of looking out for others while working.
- ▶ In order to create a better common understanding of what motivates the employees in their daily safety work and, on the other hand, what expectations management has with regard to safety work, the "Day with the crew" initiative was launched at OMV Petrom.

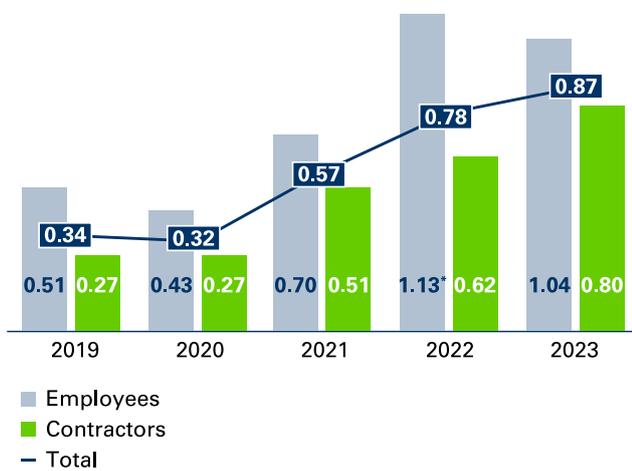


- ▶ In order to draw further attention to the topic of health and safety, on May 2 and 3, 2023, we held a Group-wide session to celebrate the UN World Day for Safety and Health at Work. Around 850 colleagues participated in the two action-packed days at the head office in Vienna. During the event, we informed the participants about the know-how required to optimize workspaces when working from home and how to get your bike fit for the new season. In addition, "Driving" was chosen from the OMV Life-Saving Rules as a focus topic. Additional safety days were held at the various locations, where theory and practice were combined. This was an additional great opportunity for both our own and contractor employees to discuss health and safety in a practical way.
- ▶ The incident investigation panel meets quarterly and consists of the divisional HSSE Managers, the Incident Investigation & Analysis Advisor, the VP HSSE, and the Head of Coordination & Implementation HSSE. They ensure:
 - ▶ the quality of incident investigation reports
 - ▶ the effectiveness of the defined actions
 - ▶ event frequency and trend analysis is reviewed
 - ▶ focus areas for lessons learned are defined and communicated

- ▶ To improve the incident investigation process and ensure that the new incident investigators get the right support, we started 2023 with an Incident Investigators Community of Practice Experience sharing session across the whole OMV Group. This will be continued regularly in 2024.
- ▶ In 2023, action close out focus audits were performed to ensure the continuous improvement process. The specific objectives were to audit the close out of actions resulting from incident investigations and to audit the sharing within the organization and to contractors of (technical/safety) alerts and lessons learned. Regrettably, however, one of our contractor colleagues at an OMV-operated venture lost their life in 2023 during the course of their work for OMV. The contractor colleague in Romania died from injuries sustained during a fire. OMV feels this loss deeply and are determined to learn from this incident, and do everything possible to prevent anything similar from happening again. We continue to work closely with our contractors to help build a strong safety culture at the front line.

Lost-Time Injury Rate

Per 1 mn hours worked



* 2022 figure restated due to reclassification of a case after the audit in 2023.

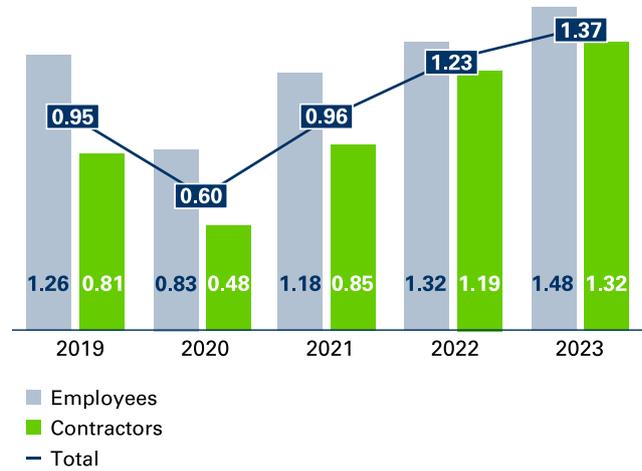
Outlook

The HSSE strategy is implemented by means of annual plans and targets. In a combined top-down and bottom-up process, 43 local annual HSSE plans are developed and monitored centrally.

The occupational safety focus points for the 2024 HSSE plan include:

Total Recordable Injury Rate

Per 1 mn hours worked



- ▶ improvements in HSSE culture,
- ▶ motivational management,
- ▶ training and competencies,
- ▶ contractor performance and subcontractor management, and
- ▶ safe behavior and compliance.



Targets 2025

- ▶ Achieve a Total Recordable Injury Rate (TRIR) of around 1.0 per 1 mn hours worked
- ▶ Achieve zero work-related fatalities

Targets 2030

- ▶ Stabilize Total Recordable Injury Rate (TRIR) at below 1.0 per 1 mn hours worked
- ▶ Achieve zero work-related fatalities

Status 2023

- ▶ TRIR: 1.37 per 1 mn hours worked
 - ▶ 1 fatality
-

Most relevant SDGs

**SDG targets:**

- 3.9** By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination
- 8.8** Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

Process Safety

Process safety management comprises the systematic use of standardized instructions, practices, and specifications to achieve and maintain safe and reliable production. The fundamental components of this include our organization, resources, management processes, people and equipment performance, the prevailing safety culture, and documented regulations and practices. It covers the management of hazards associated with the chemical and physical properties of the substances we handle in our oil, gas, and chemical activities. OMV and Borealis process large quantities of flammable and/or toxic materials at high pressures and temperatures that, if not properly handled, could potentially lead to serious process safety incidents. In a worst-case scenario, leaks, fires, or explosions could also cause fatalities. Further consequences include a substantial disruption to the supply to customers, along with additional costs. The OMV Group's Process Safety Management Standard serves as a framework and reference for the implementation and maintenance of effective process safety regulations.

Management and Due Diligence Processes

OMV has implemented comprehensive measures to ensure process safety, as detailed below.

Risk Assessments

Process safety risks are systematically assessed through a variety of process hazard assessments such as HAZOP studies, QRAs (Quantitative Risk Assessments), and risk assessments according to the Seveso Directive, which is the main EU regulation dealing with the control of onshore major accident hazards involving dangerous substances.

Recommendations from process hazard analyses (PHAs), audits, reviews, and incident investigations addressing process safety risks are centrally recorded and prioritized systematically in the OMV Group Integrated Risk Register. This is linked to the mid-term planning process to ensure there is budget available to address the recommendations.

Prior to the start-up of a new facility, after major modifications, or following a turnaround, we conduct an independent pre-start-up safety review to ensure that the facility is safe for start-up and operations.

Emergency Management Plans

Process safety incidents could at times affect communities in the vicinity of our operations. For this reason, we have robust emergency management plans in place that are coordinated with the surrounding communities.



Different levels of emergency management plans outline roles and responsibilities, structures, communications, and the interfaces required for emergency and incident management teams. Emergency response plans include specific emergency procedures and alerting and notification requirements to ensure that an emergency response is managed in a coordinated manner.

Inspection and Maintenance

Comprehensive inspection and maintenance programs are carried out by dedicated departments for inspection, maintenance, and plant integrity. They conduct regular inspections of process equipment, pipelines, tanks, and more, and manage safety equipment testing plus plant maintenance and turnarounds.

Investigations and Audits

All incidents are identified and reported in an appropriate and timely manner. Work-related incidents with potential consequences for people, the environment, assets, or our reputation are investigated in a suitable manner to determine direct causes, root causes, and systemic causes so we can learn from them and prevent the recurrence of similar incidents. Tier 1 and Tier 2 process safety events²¹ are measured each year for a consistent overview of the OMV Group's process safety performance. In addition to Tier 1 and 2 process safety incidents, we monitor Tier 3 process safety events for a better assessment of the critical barriers. The monitoring and reporting of Tier 3 events provides an overview of the challenges to safety systems so that weaknesses within the barriers can be identified and corrected at facility level.

Training

Employee competence in the field of process safety is ensured by a well-defined training plan, as well as continuous communication of process safety topics and the sharing of lessons learned and other relevant process safety information. Scenario-based emergency drills involving the site emergency management team are conducted periodically in the refineries in addition to regular drills carried out by the fire service.

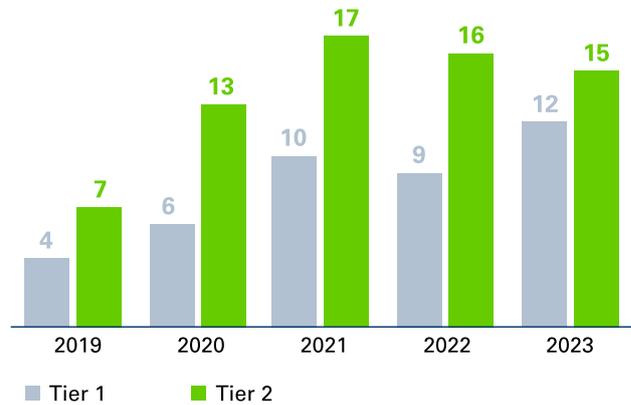
We have set up an OMV Group Process Safety Network and created an online collaboration platform that includes a reference library, discussion board, and other features. We host regular virtual sessions to exchange process safety knowledge across the Group, with participants coming from a variety of OMV countries and working in different fields of expertise. This helps foster continuous learning. Top management participation in these online sessions sends a clear message that process safety is important and demonstrates process safety leadership and commitment.

2023 Actions

In 2023, the number of Tier 1 and Tier 2 process safety events increased slightly. The following key activities were carried out across the Group in 2023:

Process Safety Events, Tier 1 and Tier 2

Number of events



- ▶ A register containing risk reduction measures identified in various process hazard analyses (PHAs), assessments, and safety studies was established in each operated production unit and was populated with data, including from Borealis sites. This provides a consolidated overview to support prioritization and further development of risk reduction plans.
- ▶ The key process safety performance indicators (PSPI) were updated for the OMV Group, and a dashboard was developed to inform management.
- ▶ The Advanced Risk Assessment (ARA) software, a cloud-based tool for process hazard analyses, recommendation tracking, and workflows, was rolled out at OMV.
- ▶ A process safety management (PSM) assessment was carried out offshore in OMV's Energy business segment.
- ▶ A safety deep dive on pre-start-up safety review (PSSR) and pressure testing hazard control in the Schwechat refinery was conducted.
- ▶ Periodic Group Process Safety Committee meetings with Executive Board member involvement took place, where process safety performance, achievements, and challenges were on the agenda.
- ▶ The Group-wide process safety knowledge- and experience-sharing platform was continued, with quarterly half-day events where up to 200 individuals participate in virtual meetings and presentations, including contributions from senior management. The yearly Process Safety Day, a full-day event of sharing experiences and learning, was also held.

²¹ Tier 1 and Tier 2 process safety events classified according to API RP 754



- ▶ The OMV Energy segment completed a digital Maintenance and Integrity Dashboard that provides an overview of compliance with safety-critical equipment maintenance while also displaying up-to-date maintenance statistics.
- ▶ The OMV Energy segment has been utilizing the newest technologies on the market to inspect pipelines that are usually difficult to access.
- ▶ Tier 1 and 2 analyses were performed at Borealis. The results were presented to the Borealis Process Safety Committee and key focus areas were identified based on the analysis.
- ▶ Borealis carried out a quantitative risk assessment (QRA) in Beringen, and the results were communicated to the local management team (LLT). An action plan is being developed.
- ▶ At Borealis, “blue audits” were conducted as planned at the following sites: Burghausen (Germany), Antwerp (Belgium), Stenungsund HC & PO (Sweden), and Itatiba (Brazil). The results will be presented to the local management teams and the Operation Assurance Committee.
- ▶ Borealis started the rollout of a Process Safety Roadmap, which is a five-year plan of critical Process Safety activities needed to close identified gaps in process safety management, in a structured way across all locations, followed by training.
- ▶ Borealis continued to develop the Group’s process safety competency by conducting Process Safety in Design and Hazard Study Leader training and following up with Process Safety Basics e-learning, which the OMV Group shared with Borealis.
- ▶ We will continue to thoroughly analyze and learn from process safety events and promote the sharing of knowledge across all our divisions.
- ▶ We aim to reduce the number of process safety events at all our sites across the globe. Our continued efforts will focus on process hazard analyses (PHAs), the implementation of technical risk reduction measures identified in those PHAs, audits, and other process safety assessments, while maintaining and monitoring the performance of existing safeguards.
- ▶ We will continue to develop and follow process safety roadmaps, i.e., five-year plans with activities in the area of process safety, at facility level, and to define and plan necessary process safety activities for upcoming years. Process safety roadmaps help to ensure that key aspects of the process safety management system are delivered.
- ▶ We will enhance our tools to identify and assess hazards more effectively and address these risks in a systematic way.
- ▶ We will continually improve our training provision and will emphasize process safety content to build process safety competence and culture in the workforce and increase risk awareness.
- ▶ Borealis will continue process safety event (PSE) Tier 1 and Tier 2 analysis and expand it to Tier 3 events, including an impact assessment to identify the greatest opportunities for risk reduction and develop an action plan.
- ▶ The Borealis HSSE group will perform internal health checks on process safety-related elements and a process safety review as part of the Borealis blue audits.
- ▶ Borealis will conduct Quantitative Risk Analysis (QRA) in Stenungsund, Sweden, to evaluate all possible release scenarios in terms of probability and consequences, and to identify risk profiles at various locations inside and outside the site, with the aim of reducing the overall exposure of employees and contractors.

Outlook

To continue to improve our process safety performance, we will take the following actions in the coming years:



Target 2025 and 2030

▶ Maintain leading position in Process Safety Event Rate

Status 2023

▶ 0.23²²

Most relevant SDG



SDG target:

3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination

Product Safety

OMV assumes responsibility for delivering safe, high-quality products. At the same time, we continuously work on exploring ways to reduce the environmental impact of the life cycle of our products. We take a holistic approach to product safety, with technologically advanced solutions used to deliver safe, top-quality products, at the same time as taking action to ensure the responsible use of our products.

Product safety is also particularly important for our C&M segment, which encompasses our chemicals subsidiary Borealis. When not properly handled, chemical substances, or products containing them, can pose risks to health, safety, and the environment. These risks include potentially negative health effects such as sensitization, irritation, or intoxication; physical hazards such as fires, explosions, or exposure to dust; and environmental hazards such as bioaccumulation or persistence.

Specific Policies and Commitments

Our internal Management of Hazardous Substances standard stipulates measures to ensure regulatory compliance and guarantee that risk assessments are conducted for all products or for hazardous substances contained in products.

REACH Compliance

We have established appropriate processes and workflows to ensure our compliance with EU regulations on the Registration, Evaluation, and Authorization of Chemicals (REACH) and on the Classification, Labelling, and Packaging (CLP) of substances and mixtures, as well as with

the Toxic Substances Control Act in the United States. We are committed to maintaining and updating our mandatory registrations to keep up with relevant regulatory developments. To this end, we closely follow the guidance published by the European Chemicals Agency and participate in the REACH consortia (Concawe, Lower Olefins and Aromatics, Fuel Ethers, Co-processed Refinery Products, Phenol and Derivatives, Melamine, FARM [Fertilizer and Related Materials], Eurogypsum, etc.), as well as in working groups through oil and chemical industry trade associations.

In addition to keeping REACH registrations up to date, Borealis also follows the developments on authorizations and restrictions under REACH, such as the planned restriction with regards to synthetic polymer microparticles (better known as microplastics). The drafted restriction foresees a ban on placing products containing microplastics on the market but derogates the use of plastic pellets on industrial sites. However, there are planned supply chain communication and reporting obligations toward the European Chemicals Agency (ECHA) that will apply for Borealis polyolefin products.

Banned Substances

Borealis has a Banned Substances List that contains more than 220 substances and substance groups that may not be used in our production processes and products. The Banned Substances List can be found on the [Borealis website](#).

Responsible Care®

Borealis is committed to the principles of Responsible Care® and enforces high product stewardship standards to

²² Process Safety Event Rate: number of Tier 1 and Tier 2 PSEs per 1 mn hours worked. Work hours from the corporate functions General Management (OMV)/Executive Office (OMV, OMV Petrom, Borealis), and Corporate Finance (OMV)/Finance Office (OMV, OMV Petrom, Borealis) are excluded.



ensure that its products do not pose a risk at any stage along the value chain.

Management and Due Diligence Processes

Risk Assessments

Borealis has adopted a hazardous chemicals strategy. This follows the precautionary principle of continuously assessing the risk potential of all substances used in Borealis' products to identify critical chemicals no longer permitted to be used or that can be replaced by safer alternatives. This includes all substances that were already classified as substances of very high concern (SVHCs) according to REACH and other comparable legislation outside the EU, or that fulfill the criteria to be considered as SVHCs in the future. The risk evaluation utilizes a tailor-made analysis and assessment tool that ranks the substances according to their overall risk. It considers related HSE risks and regulatory aspects, evolving stakeholder concerns, the technical feasibility of substitution, and the financial consequences of doing so, such as the costs of required innovation, approval, and modifications to technical equipment. Substances with the highest identified risk are further assessed by the Product Stewardship Council. The Council selects the substances to be evaluated using the Borealis Risk Matrix, which is a proprietary ranking tool to evaluate risks in detail. These assessments enable Borealis to identify, mitigate, and manage the risks posed by hazardous chemicals.

Quality Control

All incoming chemicals used in Borealis' products are assessed, rated, and documented to ensure legal compliance before they are approved for use. Local teams then perform additional assessments at each plant to ensure the chemicals meet plant-specific requirements and comply with national or community-related legislation. This process ensures that the procurement organization does not purchase any substance before Group Product Stewardship has reviewed and approved it. Once materials are approved for purchase, they are subject to Borealis' quality control measures to ensure they continue to comply with the agreed material properties. Detailed information is documented for all materials regarding their composition and their hazardous constituents. Proper documentation of the raw materials used is a key element of high-quality Borealis product compliance statements, such as safety data sheets (SDSs) and application-related statements, including those on medical use, food contact, drinking water, and the origin of raw materials.

Safety Data Sheets

Safety data sheets (SDSs) are available on the [OMV](#) and [Borealis](#) websites. These documents are regulated under REACH and include comprehensive informa-

tion on potential health, safety, and environmental issues. In addition, they inform customers and employees about how to handle and use our products safely. Borealis actively follows its suppliers' SDSs and the harmonized classification process to ensure it always has accurate and up-to-date SDS and label information for our products.

2023 Actions

The OMV Group aims to become a global leader in circular economy solutions with a strong focus on increasing the use of sustainable fuels (e.g., Sustainable Aviation Fuel; SAF) and renewable feedstocks.

Borealis' activities regarding the circular economy and exploring sustainable feedstock result in new product safety and compliance aspects to consider and solve. Both existing and planned legal frameworks, for example following the EU Commission's Green Deal, require industry and brand owners to use post-consumer recycled (PCR) materials for their products. Group Product Stewardship is providing support by generating an overview of applicable legislation and available industry standards to produce a risk assessment and analytical testing strategy so we can confirm compliance and the suitability of Borealis' Circular Economy Solutions portfolio.

In 2023, Borealis

- ▶ categorized different types of recycle feedstock for mechanical recycling and defined the required compliance and safety documents and analytical testing for each category;
- ▶ used a newly implemented IT tool to report relevant products to the EU Poison Centres, prior to the deadline for industrial use mixtures with certain human health hazards;
- ▶ prepared registration dossiers for about 50% of the substances imported to Turkey, enabling continued market access for Borealis' product portfolio after the official postponement of the registration deadline from end 2023 to 2026 and beyond;
- ▶ assessed and implemented the new requirements for plastics that come into contact with food in the EU, Switzerland, China, Japan, and the Mercosur region across its food contact product portfolio by providing updated Declaration of Compliance with Food Contact Regulations documents to customers; and
- ▶ confirmed that all substances in Borealis products that come into contact with drinking water are listed in the draft positive list for starting materials, additives, and process chemicals for such materials in the EU.



Outlook

Our Group objective is to drive sustainability by minimizing the potential hazards and risks associated with our portfolio. In 2024, the OMV Group will:

- ▶ generate and provide data to enable the EU authorities to make informed decisions on legislation that is under review, such as the REACH Regulation, the Food Contact Regulation, and the Drinking Water Directive and its national implementation;
- ▶ continue to implement the requirements of new legislation globally, including continued preparation work for registration in Turkey, registration of 100–1,000 t substances in South Korea, and support for customers in Taiwan with the registration of PEC 1 substances; and
- ▶ ensure that REACH registrations for cracker feedstock also cover higher percentages of alternative non-fossil feedstock than currently described by the Concawe consortium.

Security, Emergency, and Crisis Resilience

Material Topic: Security, Emergency, and Crisis Resilience

Protecting people, assets, operations, information, and reputation against any threats, incidents, or crises, thereby ensuring business continuity

Key GRI

- ▶ GRI 410: Security Practices 2016

NaDiVeG

- ▶ Employee and social concerns

Most relevant SDG



The purpose of OMV’s security activities is to protect the OMV Group’s personnel, assets, information, operations, value, and reputation against threats. The Security, Emergency, and Crisis Resilience material topic encompasses two facets: corporate physical security and information security.

OMV’s core commitments to security are laid out in the HSSE Policy. We protect against crime, malicious acts arising from geopolitical threats, and business crime. Furthermore, we develop resilience to respond to and recover from incidents and ensure business continuity.

Governance

Group HSSE is responsible for coordinating physical security and resilience activities across the OMV Group. Group HSSE is led by the VP HSSE, who reports directly to the Chief Executive Officer. In high-risk countries, we have dedicated Country Security Managers and Asset Protection Experts on site to add additional expertise. IT Security is handled by the Group IT & Digital Office led by the Chief Information Officer. The CIO reports directly to the Chief Financial Officer. The Group CIO is

supported by the Group CISO and Group IT/OT Governance team.

Corporate Security

An unstable geopolitical environment in 2023 combined with complex new and ongoing regional conflicts, not only in the Middle East but also in Europe, resulted in Corporate Security continuing to invest significant resources in ensuring resilience and security in areas that we had previously considered low risk, but without losing focus on our employees and assets in the Middle East and North Africa. In addition to the challenges of operating securely in Yemen, Tunisia, and Libya, the enduring threat of terrorist attacks in Europe and elsewhere has not diminished. Political extremism, organized crime, and the increasing convergence of cyber risks with physical threats necessitated the Corporate Security department’s unrelenting focus on a robust yet flexible security strategy to enable OMV to continue operating in dynamic environments with asymmetric threats.



Specific Policies and Commitments

The OMV Group’s internal Security Management Standard lays out a comprehensive range of security regulations, plans, procedures, measures, and systems. The document utilizes the IOGP best practice guidelines, along with other industry best practice (ASIS and UK Security Institute), to enable the OMV Group to more effectively detect, deter, protect against, prevent, record, and investigate threats. Corporate guidelines on Issue Motivated Groups (IMGs) were updated, as was a position paper on Unmanned Aerial Systems (UASs).

Management and Due Diligence Processes

The OMV Group has a unique, agile, and proven security management system that is regularly reviewed, amended, or enhanced as the situation requires.

Risk Assessments

The philosophy of collecting security information and assessing it as a preventive security instrument remains a fundamental principle of the Corporate Security strategy. This concept affords us the ability to anticipate or instantly respond to a broad spectrum of geopolitical events, regional conflicts, and isolated incidents. Effective interaction with government and local security agencies further augments this approach with the reliable corroboration of facts on the ground.

OMV’s security risk assessment platform continues to provide real-time oversight of OMV’s asset risk exposure levels and can be quickly adjusted in response to geopolitical or security events, as well as enabling the dissemination of security-critical information in real time.

Human Rights and Community Engagement

The OMV Group’s human rights policies and actions remain crucial to guaranteeing a secure and harmonious working environment. We provide human rights training to local security employees and third-party contractors. Effective community engagement at a local level remains a powerful security mitigation measure in regions experiencing conflict or instability. In high-risk countries, OMV’s local security and community engagement strategies are tightly integrated, promoting effective policies, mutual respect, and transparency with all local stakeholders. In turn, they contributed directly to OMV’s stable and secure operating environment in 2023. This cooperation encourages a precautionary approach to early detection and resolution of local grievances.

Audits

To ensure the effectiveness and appropriateness of security practices within OMV’s business units, the OMV

Corporate Security function conducts audits every year for those ventures deemed high risk (for 2023 this was Libya, Tunisia, and Yemen). Two other major audits are conducted annually, with business units being chosen based on operational requirements. In 2023, the selected areas were OMV NZ and the OMV DE Burghausen refinery and associated Tank Farms.

Terms of Reference are agreed with the business unit prior to commencing the audit. A thorough review then takes place including site visits, interviews, document analysis, and observations. An audit report is then drafted, shared, agreed, and published. The report will include SMART actions, with the entire process being tracked via OMV’s HSSE tool Synergi.

Resilience

In the OMV Group, the term “resilience” covers incident, emergency, crisis, and business continuity management and, even though the Resilience function sits within the Group Security & Resilience department, the focus is not exclusively on security incidents. It covers all sorts of events involving people, environment, assets, information, and reputation, where the OMV Group has legal, ethical, or community responsibilities, or business interests.

According to the Group-wide Resilience Standard, the OMV Group uses a three-tier approach for the management of incidents, emergencies, and crises by way of dedicated teams at different levels of the organization (Incident Management Teams, Emergency Management Teams, Crisis Management Teams). The key priorities in any such situation are to:

- ▶ Protect and save life through a strong focus on the ability to account for people
- ▶ Minimize damage to the environment
- ▶ Protect assets and information from further damage
- ▶ Minimize business interruptions
- ▶ Minimize financial and legal liability
- ▶ Protect or enhance reputation

In order to maintain a high level of preparedness, the incident, emergency, and crisis management plans and procedures are tested and the respective team members trained and exercised at regular intervals.

2023 Actions

The Corporate Security department continued to deliver operational support to OMV ventures globally, as well as surge capacity during security challenges. In high-risk countries, OMV also utilized dedicated Country Security Managers and Asset Protection Experts on site to enhance



security via additional and, where appropriate, local expertise.

In 2021, the OMV Executive Board took the decision that OMV would join the Voluntary Principles on Security and Human Rights (VPSHR), if feasible. This set of tools provides guidance on risk assessment, public safety and security, human rights abuses, and the interaction between companies and private and public security. OMV is committed to upholding human rights in all of its activities. In 2023, OMV Corporate Security completed its application to VPSHR and attended its annual conference in London. OMV is currently awaiting the results of its application.

Outlook

OMV will continue its engagement with the VPSHR initiative and aims to become a dedicated member.

Information and Cybersecurity

In an increasingly interconnected global environment, information is exposed to a rapidly growing variety of risks, threats, and vulnerabilities. The OMV Group invests in information and cybersecurity to protect technology, assets, critical information, and our reputation, and to avoid any damage or financial loss resulting from unauthorized access to our systems and data. Keeping the OMV Group free of security vulnerabilities and potential security risks is essential for the whole business.

Specific Policies and Commitments

Our internal IT²³/OT²⁴ Security Directive lays out the details of the IT/OT Security Framework, through which topic- or security domain-related security standards and policies are continually aligned and managed. The Security Framework consists of approximately 50 regulatory documents in total and is harmonized with the ISO 27000 series (ISO27k) of recommendations for IT controls and domains. It also covers OMV's commitment to securing the operation of its services in dedicated areas, such as within the filling stations retail business and the related PCI DSS²⁵ requirements.

Management and Due Diligence Processes

We run an Information Security Management System (ISMS), which is based on ISO27k 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 certification period was extended until 2025. One of the basic principles of an ISMS is incorporating a con-

tinuous improvement cycle in order to identify, prevent, mitigate, and remediate potential information security leaks or weaknesses.

Preventive, Technical, Detective, and Reactive Measures

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

Technical housekeeping measures 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 in order to provide consistent hardware and software life cycles.

Detective and reactive measures are designed and executed on an ongoing basis to create transparency around existing risks, security gaps, and vulnerabilities. In order to protect our assets and keep intruders out, we integrate detective and reactive measures to mitigate possible damage and take remediation measures to ensure a fast and total recovery. Examples of such measures include:

- ▶ Permanent vulnerability scans 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 (ISO27k, PCI-DSS NIS, etc.)

Training

We run regular and intensive training sessions to keep 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 dedicated use cases, or even target-group-focused topics, and 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

²³ Information Technology (IT) Security is a set of cybersecurity strategies that prevents unauthorized access to organizational assets, such as computers, networks, and data. It maintains the integrity and confidentiality of sensitive information, blocking the access of sophisticated hackers.

²⁴ OT Security is defined as Operational Technology (OT) hardware and software that detects or causes a change 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.

²⁵ Payment Card Industry Data Security Standard



Incident Reporting and Escalation Processes

OMV operates continuous 24/7 security monitoring. Potential findings are processed via Security Information and Event Management (SIEM) intelligence and supplemented by Level 1, 2, and 3 analysts. Escalation procedures exist to ensure timely remediation of security incidents on a 24/7 basis. OMV's Cyber Defense 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 follow predefined "runbooks" in order to ensure efficient and timely processing. A clear communication plan ensures the proper information is disseminated to all relevant stakeholders.

Business Continuity/Contingency Plans and Incident Response Procedures

OMV tests its business continuity plans and incident response procedures annually through cyber emergency exercises. The cyber emergency exercises, which are run with external experts, focus on specific, realistic threat scenarios in order to test 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. The audience of this scenario usually 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.

2023 Actions

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

0 noteworthy cyber security incidents

A holistic cyber security crisis exercise was conducted covering realistic threat scenarios alongside IT and OT areas.

Approximately **65** different types of awareness measures were conducted (e.g., classroom exercises, online training sessions, and email phishing campaigns).

The **ISO 27000** certification (Information Security Management System) was re-audited and confirmed.

Approximately **400** IT projects were guided by the IT security governance function to ensure defined security requirements are covered, thereby protecting OMV assets according to their protection needs.

Outlook

The OMV Group is dedicated to continuous improvement processes and implementing related measures. The strategic aim is to further increase the IT security maturity level and extend cyber defense capabilities and threat resilience beyond the already established high level. Existing certifications should be renewed or validated in order to ensure external quality checks and assurance. Additional focus remains on the context of the emerging IT and OT areas, especially in light of cyberattacks, to secure critical infrastructure assets and facilities from both functional perspectives.



People

As a signatory to the United Nations Global Compact, OMV is fully committed to the UN Guiding Principles on Business and Human Rights, and aims to contribute to the UN's 2030 Agenda for Sustainable Development by pursuing a social investment strategy that addresses local needs and the UN Sustainable Development Goals (SDGs). We are aware that the energy transition also brings with it social impacts. OMV is committed to contributing to a Just Transition for our employees and communities and addressing the social and economic effects of the transition to an environmentally sustainable economy.

Our operations impact our employees and the communities where we operate. These impacts can be positive, for example employment opportunities, fostering local businesses, and infrastructure, as well as negative, for example competition for land use, dust production, privacy, and community dependence on the Company, among other things. Our social license to operate is based on upholding human and labor rights and developing positive relationships with our employees and communities.

We are committed to building and retaining a talented, sustainable expert team of employees for international and integrated growth to meet today's challenges and adapt for tomorrow. OMV is committed to ensuring fair treatment and equal opportunities for all employees and has zero tolerance for discrimination and harassment of any kind. We embrace our differences and use our diversity of thought and experience as a catalyst for growth and creativity. With our People & Culture (P&C) Strategy, we are ensuring the transformation of the OMV Group will be a success by adapting our current ways to fit with our new aspirations. Building on our capability, we are reinventing how we lead and our way of working, and growing our network of experts, because "People make it happen." In 2023, we introduced our new OMV Group Values "We care | We're curious | We progress," which will guide us on our path to a more sustainable future. Our values underpin our culture and signal what is important to us. Building a corporate culture based on these values will give us a competitive advantage, enable new and enhanced ways of working, and pave the way to becoming a net zero-company by 2050.

The People strategic focus area combines our commitments and actions relating to our employees and communities under one umbrella. Our approach begins with ensuring that the human rights of our employees, contractors and communities are upheld – efforts that are described in the "[Human Rights](#)" material topic. The "[Diversity, Equity, and Inclusion](#)," "[Employees](#)," and "[Communities](#)" material topics then further outline how we ensure those rights are realized, whether economic, social, or cultural.



Considering the impact of everything we do.

We show respect, speak up, and act responsibly toward each other, our customers, and the environment.



Defining tomorrow by welcoming new perspectives today.

We learn by being inclusive, asking questions, sharing our knowledge, and having the courage to try new things.



Overcoming obstacles and finding solutions to deliver high performance.

We take ownership, trusting and empowering each other to make bold decisions to deliver safely and at speed.

Human Rights

Material Topic: Human Rights

Protecting and fulfilling the fundamental rights (e.g., labor rights, freedom of association, and land rights) of OMV Group employees, business partners, and third parties, such as indigenous peoples, in relation to our business activities

Key GRIs

- ▶ GRI 407: Freedom of Association and Collective Bargaining 2016
- ▶ GRI 408: Child Labor 2016
- ▶ GRI 409: Forced or Compulsory Labor 2016
- ▶ GRI 411: Rights of Indigenous Peoples 2016

NaDiVeG

- ▶ Respect for human rights
- ▶ Employee and social concerns

Most relevant SDGs:



Human rights are universal values that guide our conduct in every aspect of our activities. The OMV Group strives to be a fair and responsible employer and recognizes its responsibility to respect, fulfill, and support human rights

in all operations. We are committed to addressing any adverse human rights impacts we are involved in and to implementing adequate measures for their prevention, mitigation, and, where appropriate, remediation.



The OMV Group holds itself responsible for respecting the human rights of our employees, as well as those of people directly impacted by or involved with our business, for example our suppliers and contractors, communities, indigenous peoples, and the society in which we live and operate our business. Our responsibilities in the area of human rights include, and are not limited to, equality and non-discrimination, decent living wages, working hours, employee representation, security, primary health care, labor rights in the supply chain, education, poverty reduction, land rights, and free, prior, and informed consent (FPIC). We specifically concentrate on the impact of our activities on the human rights of individuals and groups that are more likely to be in vulnerable situations, such as indigenous peoples, women, and children.

Specific Policies and Commitments

Our Code of Conduct and the [OMV Group Human Rights Policy Statement](#), which are both approved by the Executive Board, set out our understanding of and responsibility for respecting and realizing human rights in our business environment. Our Human Rights Policy Statement includes detailed descriptions of our specific human rights commitments, e.g., related to workers' rights, vulnerable groups, and security, as well as our commitment to contributing to a Just Transition.²⁶ Borealis and OMV Petrom have developed their Human Rights Policy Statements based on the OMV Group's statement, and both have been approved by the CEO and Executive Board respectively.

The OMV Group respects and supports human rights as described in the Universal Declaration of Human Rights and in internationally recognized treaties, including those of the International Labour Organization (ILO). OMV, OMV Petrom, and Borealis have signed the UN Global Compact and are fully committed to the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. This includes a commitment to upholding labor rights, such as decent living wages, working hours, employee representation, and provisions against forced labor, child labor, and human trafficking. We therefore fully support the aims of the UK Modern Slavery Act 2015 and are committed to operating our business and supply chain free from forced labor, slavery, and human trafficking. The OMV [Statement on Modern Slavery and Human Trafficking](#) explains in detail the countermeasures taken in all parts of the business and supply chain.

In addition to these commitments to international norms, we have further mapped out our human rights responsibilities in a comprehensive Human Rights Matrix, which is designed to serve as the foundation for our activities in this area. The OMV Group Human Rights Matrix covers responsibilities in the areas detailed below. The management of these commitments is further defined in a number

of internal directives and regulations, such as the Community Relations and Community Development handbook available for all CSR focal points within the OMV Group, the Human Rights Management System, and our Community Grievance Procedure.

In 2023, we initiated a thorough revision of our OMV Group Human Rights Management in line with the UN Guiding Principles on Business and Human Rights, as well as any new or upcoming legal requirements, such as the EU Corporate Sustainability Due Diligence Directive (CSDDD), and other regulations related to mandatory human rights due diligence. With the revision of the human rights due diligence steps and the reformulation of roles and responsibilities, we aim to improve the integration of human rights into our overall risk management processes and across all functions.

We have also reviewed in detail our Human Rights Matrix, which forms the heart of the OMV Group Human Rights Management System and describes our concrete human rights responsibilities (for more details, see [Human Rights Matrix](#)).

Equality and Non-Discrimination

This includes the implementation of appropriate guidelines and awareness raising. Read more about our approach to this topic in [Diversity, Equity, and Inclusion](#).

Security

This includes preventive, defensive, and community-oriented approaches to security, clear guidelines, supervision, and training, all in line with the Voluntary Principles on Security and Human Rights. Read more about our approach to this topic in [Corporate Security](#).

Health and Safety

This includes the OMV Group's health and safety management as well as community arrangements. Read more about our approach to this topic in [Health, Safety, and Well-Being](#).

Labor Rights

This includes decent living wages, working hours, employee representation, collective bargaining, and provisions against forced labor, child labor, and human trafficking. We support the "five fundamental principles and rights at work" outlined in the ILO Declaration. We are committed to respecting workers' rights, in line with ILO's fundamental Conventions on rights at work, and we expect our contractors, suppliers, and the joint ventures we participate in to do the same. Where local labor rights standards fall short of the OMV Group's standards, based on international human rights law, the OMV Group is guided by its higher standards unless this is forbidden by law.

²⁶ "Just Transition" refers to addressing the social and economic effects of the transition to an environmentally sustainable economy as stated in the Guidelines of the International Labour Organization (ILO) for a just transition.



The OMV Group strives to be a fair and responsible employer. Upholding and promoting labor rights is essential to achieving legal compliance in a local and international environment. It is also essential to ensuring that our global workforce can develop professionally and fulfill their personal aspirations in line with our business needs.

Working Hours and Flexibility

We are committed to complying with applicable local working time and overtime payment provisions, which is essential for a professional working environment. Part-time work is offered. In general, our part-time employees are entitled to the same benefits as full-time employees, except where benefits are linked to the amount of time worked (e.g., number of home office days per month, with full-time employees being entitled to more home office days than part-time employees). In line with local legal provisions, we offer further flexible work options such as special part-time work for certain age groups and work-from-home options that provide greater time flexibility for our staff. We offer various forms of long- and short-term breaks from work such as sabbaticals and parental and other care leave.

Operational Changes and Minimum Notice Periods

Our personnel policy is based on long-term employment. Both staff and the organization should benefit from long-term working relationships. We are also aware that job security represents a major concern not only for the individual employee, but also for society and the region concerned, and we therefore make every effort to live up to these responsibilities by means of contingency planning. Where business, organizational, or security changes require adaptations in the workplace, or even a termination of employment, we evaluate all the options, engage in constructive dialogue, and respond with the maximum possible care and sensitivity. Almost all of our employees are covered by mandatory notice periods under employment law or collective bargaining agreements in the event of restructuring. In situations where, despite training, transfer, or development programs, staff release becomes unavoidable, we make every effort to consider the economic and social consequences of those affected. We are committed to complying with local legislation regarding minimum notice periods in each country where we operate.

Wages

We are committed to locally applicable decent living wage standards. For almost all of our employees, minimum wages or salaries are fixed by law or agreed by way of collective bargaining.

Right to Education

This includes employee training and support for basic education in the surrounding communities. Read more about

our approach to this topic in [Skills Development and Training](#) and [Community Investments](#).

Property and Standard of Living, Including Land Rights and Poverty Reduction

We adhere to international best practices, which require avoiding involuntary resettlement, or at least keeping it to a minimum. Where resettlement is unavoidable, all people affected should be compensated fully and fairly. We are committed to a fair and transparent procedure for land use and compensation to local communities or authorities. If exploration, development, or production activities have the potential to impact communities, and/or their land, we consult with all relevant stakeholders ahead of time and obtain permission to use the land either temporarily or permanently.

Local Communities and Indigenous Peoples

We are committed to community consultation based on free, prior, and informed consent (FPIC) in accordance with IFC Performance Standard 7 and ILO Convention 169. We are aware of indigenous communities in the proximity of our operations in Māui, Pohokura, and Maari in New Zealand, as well as in the Arma district in Yemen. Read more about our approach to engaging with our communities in [Community Impacts and Grievances](#).

Privacy and Family Life

This includes personal data protection and appropriate living and working conditions. An internal data protection directive is in effect for our employees, and we adhere to a public [data protection policy](#) regarding the processing of personal data. The OMV Group is aware that specific circumstances of operations in the field (remote locations away from family, residence in camps, etc.) potentially impact rights to privacy and to family life. Therefore, we apply the principles of necessity and proportionality regarding our employees' living and working conditions.

Environment and Climate Change

The OMV Group recognizes the right to a clean, healthy, and sustainable environment as a human right that is intrinsically linked to a wide range of other human rights. With our OMV Strategy 2030, we are fully committed to supporting and accelerating the energy transition, acting on responsible resources management, and minimizing the environmental impacts of our operations.

Cognizant of the social impacts that the energy transition entails, the OMV Group is committed to contributing to a Just Transition for our employees and communities, and to addressing the social and economic effects of the transition to an environmentally sustainable economy.



Governance

In 2023, we took major steps to entrench accountability for human rights in our Company leadership. The Corporate Human Rights Experts team has been integrated into the Group Sustainability Team, which reports to the CFO. Our CEO continues to be the key owner of the topic of human rights, with the CFO being a co-owner. We continued our biannual human rights briefings with the CEO and CFO. They are both personally briefed about our main achievements and challenges related to our human rights impact at least twice a year (and whenever critical concerns arise). The main topics of discussion during the 2023 briefing sessions included principal achievements, major gaps and next steps of our human rights management approach, human rights compliance in contractor management, human rights grievances, the annual human rights risk ranking, the Human Rights Self-Assessment (HRSA) at Pak-Arab Refinery Limited (PARCO), the Community Grievance Mechanism (CGM) Assessment at OMV Tunisia, and our results of the Corporate Human Rights Benchmark. At the end of 2022, the OMV Group renewed its commitment to human rights with the formal approval of our revised OMV Group Human Rights Policy Statement by the OMV Executive Board.

Below Board level, accountability for our compliance with human rights lies with the respective countries' business heads. Locally based human rights focal persons conduct due diligence at the operating facilities with the support of five human rights experts at Group level (at OMV, SapuraOMV, OMV Petrom, and Borealis) plus a team of four Social Compliance Experts at Borealis. Action plans and mitigation measures are implemented and reported by the respective functions, depending on which aspect of human rights is in question. Thus, the People & Culture (P&C) department deals with human rights issues related to labor rights, the Procurement department steers the management of human rights issues in supplier relationships, the HSSE department is responsible for health, safety, and security-related human rights issues, and the corporate Community Relations and Development function oversees OMV responsibilities related to the human rights impact on communities and indigenous peoples.

Management and Due Diligence Processes

The human rights due diligence process involves assessing the human rights risk associated with our current and future business activities and taking risk management actions. This ongoing process uses external resources and expertise, which includes external stakeholders, particularly those from impacted groups.

Human Rights Matrix

Since 2008, we have mapped out our human rights responsibilities in a comprehensive Human Rights Matrix designed to serve as the foundation for our activities in this area. We use this tool to assess our human rights challenges and activities, and prioritize our actions as essential, expected, or desirable in defense of human rights. In 2023, we initiated a review of the Human Rights Matrix as a follow-up to our review of the OMV Group Human Rights Policy Statement in the previous year. Keeping the overall structure of our Human Rights Matrix, we aim to improve the alignment of its content and language with international human rights due diligence standards and legislation. The updates will reflect the increasing responsibility of companies and better incorporate the most salient issues.

At all stages of the human rights due diligence process, we use the OMV Group Human Rights Matrix as a common standard, mapping out reality on the ground against the specific responsibilities as defined in the matrix, and identifying any gaps we need to focus on. This approach helps us identify any potential human rights impact of our business activities, whether it relates to non-discrimination and diversity, labor-related issues (e.g., decent living wage standards and adequate break times), indigenous peoples' rights, or human rights in the supply chain.

Risk Assessments

The OMV Group has developed due diligence tools and techniques to assess the risk of human rights violations²⁷ related to our business, even before we launch or acquire business in a new country. Human rights are one of the components considered when making the decision to engage in a new country. The relevant human rights risks are presented to the respective Executive Board member to factor into the decision on whether or not to enter a country. We use these assessments to derive concrete measures to reduce the risk of direct and indirect involvement in potential human rights violations. We also conduct regular assessments of our current operations to determine their exposure to the risk of human rights and labor rights violations.

Due diligence starts with an initial risk ranking at country level: every country we operate in (or plan to operate in) is assessed based on comprehensive human-rights-related data and in consultation with internal experts. The countries are rated as low, medium, and high risk, countries with the greatest manageable risk, and "no-go" countries with unmanageable risk. Based on this rating, we develop our yearly work plan, defining further due diligence actions and human rights training. Internationally recognized third-party experts support the OMV Group in conducting due diligence on the Company's exposure to human rights

²⁷ A human rights violation happens when OMV fails to respect, fulfill, and support the realization of human rights in relation to our business activities, or becomes complicit in human rights abuse as understood under current international law, and as committed to in our OMV Group Human Rights Policy Statement and mapped out in our OMV Human Rights Matrix.



risks in countries with high human rights risks. In 2023, for example, external human rights experts supported our Human Rights Self-Assessment in Libya. We also conducted a country entry check that included assessments of human rights risks related to OMV's potential business activities in the country and proposals on concrete mitigation measures in case of positive entry. Compliance checks of about ten potential suppliers in renewable supply (renewable feedstock, GHG tickets, and renewable products such as SAF (Sustainable Aviation Fuel) were also carried out. The purpose of these compliance checks is to find out if these suppliers have commitments, systems, and processes in place to comply with OMV's human rights commitments.

We additionally conduct dedicated country risk assessments regarding labor rights to determine and monitor the legal situation and future development. As well as monitoring relevant labor rights risks, we work closely with employee representatives depending on the type of risk and potential impacts. With our annual initial risk rating, we also identify countries with elevated risks²⁸ of severe human rights abuse such as forced labor, child labor, or restrictions on the freedom of association. Within our country portfolio, 12 out of 48²⁹ (25%) countries (e.g., Yemen, Libya, and Brazil) show an elevated risk of child labor. Some 18 out of 48 (38%) countries (e.g., Yemen, Libya, and China) have an elevated risk of forced labor. The freedom of association is generally limited in 14 out of 48 (29%) countries (e.g., UAE, China, and Malaysia). We inform the respective General Managers and Human Rights Focal Persons about the elevated risk levels in their countries and recommend specific mitigation measures, for example human rights training for employees and the integration of the mentioned human rights issues in contractor meetings.

Self-Assessments

The Human Rights Self-Assessment is one of the tools we use to evaluate the effectiveness of our human rights due diligence approach. Such assessments create internal awareness, capture our self-perception of our human rights performance, and facilitate the identification of gaps and further actions. Based on the outcomes of these assessments, we offer support such as further capacity building to local experts or encourage peer and business partner initiatives to tackle local challenges. In 2023, we followed up on our Human Rights Self-Assessment at Pak-Arab Refinery Limited (PARCO)³⁰, which we conducted in 2022 with the support of external human rights experts. A detailed report produced by the experts was shared with the PARCO management along with key recommendations, which included:

- ▶ Establishing a human rights management system that supports the identification, integration, tracking, and mitigation of human rights risks.
- ▶ Building the capacity of PARCO's team and establishing functions dedicated to implementing human rights due diligence at PARCO.
- ▶ Developing an operational level grievance mechanism that applies to external stakeholders.
- ▶ Reviewing PARCO's policies and clearly committing to promoting equality in all aspects of the company.
- ▶ Applying a human rights lens across processes and practices that focuses on right holders, including vulnerable groups.
- ▶ Including a human rights clause in policies e.g., Code of Conduct & Ethics, Guiding Principles of PARCO. Developing and implementing procedures to address human rights risks in security, land acquisition, community health and safety, and the supply chain.
- ▶ Leveraging CSR initiatives to engage stakeholders on the human rights impacts of operations.
- ▶ Establishing policies that protect employees from reprisals.

We also conducted a Human Rights Self-Assessment exercise at OMV Libya and a detailed report was provided by the experts, which outlined the following recommendations:

- ▶ Increase understanding of human rights risks related to assets, particularly taking into account workers and local communities.
- ▶ Build the capacity of the in-country team and establish functions dedicated to implementing Human Rights Due Diligence and monitoring progress at OMV Libya and associated assets.
- ▶ Explore ways to gain and exercise leverage with operators and the national oil company (NOC) in mitigating identified human rights impacts to the greatest extent possible.
- ▶ Engage with key local stakeholders, including civil society, on human rights impacts and how best to manage them going forward.
- ▶ Explore ways to engage with communities likely to be impacted by activities linked to assets.
- ▶ Ensure follow-up and proper documentation of all OMV efforts for the above.

Training and Awareness Raising

We pay special attention to training and raising awareness to bring our human rights commitment to life. We provide training on human rights, which helps equip our employees with an understanding of our human rights

²⁸ Elevated risk countries are those identified with a risk level of "high," "greatest manageable," or "no-go" (out of five levels: low risk, medium risk, high risk, greatest manageable risk, no-go) in our initial risk rating.

²⁹ In 2023, Russia was not included in the human rights risk ranking for the OMV Group.

³⁰ Pak-Arab Refinery Limited (PARCO) is a joint venture between the government of Pakistan (60%) and the Emirate of Abu Dhabi (40%), through its Mubadala Investment Company (MIC). OMV holds a 10% stake via MIC in PARCO.



management process and gives them a space to work on concrete operational issues and local challenges. Even though the key concepts of the OMV Group Human Rights Management are the same across all countries in which we operate, the training focal points and discussions vary significantly, ranging from human rights in armed conflict environments and the risk of the OMV Group's complicity to the OMV Group's human rights responsibilities in joint ventures, personal legal liability, and employees' human rights and grievances. In 2023, we launched a Human Rights Learning Path within our OMV Group Sustainability Academy. A total of 170 participants in six instructor-led sessions learned about human rights in general and within the business context, human rights at OMV, human rights of employees (our own as well as those of contractors and suppliers), human rights of external stakeholders, and human rights and security. The provision of additional resources (e.g., links to online webinars and reading materials from renowned external providers, such as ILO, UN, Ipieca, ICRC) allowed colleagues to delve further into specific topics, e.g., diversity and non-discrimination, labor conditions, forced labor, child labor, human trafficking, and other human rights issues.

All employees are strongly encouraged to complete our interactive e-learning course on human rights, which is part of the training curriculum for all our employees worldwide. In 2023, we promoted our newly launched human rights e-learning course, which guides employees through human rights norms and situations. The course provides a basic understanding of human rights in the business context and provides insight into our specific responsibilities, for example related to diversity and non-discrimination, labor rights of our own and contractors' employees, human rights in security setups, and the rights of our communities, as well as severe human rights violations such as child labor, forced labor, and human trafficking. It also provides an insight into our due diligence tools and what to do in the event of observed or alleged human rights abuse. In 2023, Borealis launched a mandatory human rights e-learning course for the entire Borealis workforce in nine languages, covering all relevant human rights aspects and including transparent information and lessons learned related to the PDH Kallo incident in 2022. In addition, the Borealis ethics code of conduct e-learning covers human rights topics including discrimination, harassment, diversity, inclusion, bribery, and corruption. In 2023, 13% of the Borealis workforce³¹ completed the human rights e-learning and 88% completed the ethics code of conduct e-learning. In addition, 100% of the Borealis Executive and Supervisory Boards received in-person ethics training covering human rights.

SapuraOMV has continued raising awareness of human rights among its staff. To ensure everyone who works for SapuraOMV is kept up to date, all new staff, including

interns, are briefed during their induction and are required to complete an online e-learning module on human rights within the first month of their employment. In this module, they are taught the basics and the main principles of human rights, as well as the implications for their own work. A total of 326 employees have completed the one-hour human rights e-learning since its launch in 2022.

We also implement internal awareness-raising campaigns throughout the Group. On the occasion of the UN World Day Against Trafficking in Persons on July 30, 2023, we informed our staff about our policies and activities against human trafficking. During an internal communication initiative, we also explained how everyone can contribute to this in their daily lives by paying attention to the well-being of our own and our contractors' and suppliers' workers, and being alert to any complaints or allegations regarding working conditions. A human rights awareness campaign was also conducted on the occasion of the international Human Rights Day in December. All employees Group-wide were informed about our commitment and the Human Rights Learning Path, and were invited to complete the human rights training modules.

In 2023, we also focused on developing the skills and awareness of our business partners in the context of human rights. Within the Libyan NOC onboarding exchange program, representatives from the NOC and the operating companies participated in a 1.5-hour human rights awareness session. In addition, we developed and implemented an exchange program to further strengthen the human rights skills of PARCO's CSR manager. During a two-week training program, she gained knowledge of corporate responsibilities and reporting concerning human rights and its integration and fulfillment in various corporate functions. The objective was to implement the findings in coordination with the implementation of the recommended actions resulting from the Human Rights Self-Assessment (HRSA) exercise at PARCO. She had individual training sessions with various OMV corporate functions that deal with human rights-related topics, including security, procurement, people and culture, community relations, and development. Additionally, she worked on an assignment to better understand the process behind the development of a human rights policy document for an organization.

Regarding specific labor rights issues, the rights and obligations of our employees are set out in employment contracts. We keep our employees up to date via our various internal channels of communication (e.g., employee intranet, emails, and news feed) in the event of legal changes or new available information. For questions and specific information, we provide local P&C contacts and employee support hotlines.

³¹ Based on Borealis Group head count on December 31, 2023



Employee Representation

Employee representation is a valued and long-standing feature in the Company's strategic orientation. Employee representatives are offered information and consultation rights as legally foreseen. A good and constructive working relationship with employee representation is an overall priority and is seen as being in the best interest of the Group and our staff.

Given the internationality of our Group activities and the various locations where we operate, employee representation at the OMV Group is diverse and depends on the local legal situation and the setup and activities of the local workforce. We cooperate with all official employee representation bodies, and deal responsibly with our staff directly where no employee representation is available.

Grievance Management

According to the UN Guiding Principles, an effective grievance mechanism is a crucial instrument for ensuring compliance with our human rights commitment, and a source of continuous learning for improving Company human rights performance. Particular emphasis is placed on the prevention of human rights violations and the integration of human rights issues into our decision-making processes. This includes registering grievances to ensure a preventive approach.

Our approach to managing community grievances follows the precautionary principle of obtaining local approval of OMV Group operations. This involves identifying and resolving the issues of concern to the local community early on. OMV's localized Community Grievance Mechanism (CGM) procedures stipulate a stringent approach to systematically receiving, documenting, addressing, and resolving grievances in all the countries where we operate. Human rights grievances from community members and suppliers are submitted through the CGM and then analyzed locally and at Group level. For more information about the CGM, see [Community Impacts and Grievances](#).

We offer our employees various channels for bringing issues, concerns, and grievances to our attention. They include the PetrOmbudsman at OMV Petrom, where employees and management can have confidential, off-the-record, informal discussions and address issues related to the workplace. Moreover, employees can bring forward their concerns in direct dialogue with human rights managers, human resources business partners, and works council members. At Borealis, such concerns can also be raised through the Borealis Ethics Hotline, anonymously and confidentially, with Group Ethics & Compliance, Ethics Ambassadors, and other reporting channels. In the event of legal or other changes (e.g., restructuring and pension issues), we offer interactive

communication sessions with employees regarding working conditions. In 2023, internal grievances concerning field rotations and annual leave were raised by seven site employees. All seven cases are closed. At the end of 2023, out of twelve, two grievances had not yet been solved and P&C was still in dialogue with the complainants – in an effort to find a solution acceptable for all stakeholders involved and in line with national law and international human rights standards. The OMV Group's strong human rights management was put to the test in 2022 when we were faced with major human rights violations related to our business activities.

The OMV Group is always seeking ways to improve and is strongly committed to further strengthening its processes and mitigation measures to prevent any maltreatment and disrespect of workers' human rights in the supply chain.

At corporate level, we analyzed the HSSE and Procurement directives for contractor management and prepared a detailed checklist for human rights compliance to be used at site level. The human rights e-learning refers specifically to human rights in business relations, and the new OMV Group Human Rights Policy Statement details our human rights commitment related to labor rights and business partners in line with business best practice and international standards. There was a dedicated instructor-led session within the Sustainability Academy on the Human Rights Learning Path, focused solely on human rights in contractor and supplier management – 25 participants from various functions at OMV Petrom, Borealis, and OMV learned about the most relevant human rights risks and how to identify and address them. Our Code of Conduct is currently under review. It defines our business partners' human rights responsibilities in more detail, including commitments on conducting human rights due diligence. We use our collaboration with business partners to embed salient human rights in their business practices and increase their awareness of ethical and ecological standards. We expect business partners to also pass these requirements, as applicable, on to their respective business partners, thus ensuring the application of the values and principles of our Code of Conduct, including ethical behavior, throughout our full value chain.

At local level, individual monitoring initiatives have been continued to ensure our business partners' compliance with human rights. Among these were spot checks and HSSE walks, the inclusion of human rights in service quality meetings and evaluation criteria with our contractors, the confirmation of contractor employees' employment registrations with local labor offices, detailed checks of framework contracts, and intensified promotion of our human rights training options. Furthermore, all business entities developed short- and mid-term plans to intensify human rights management in contractor relations.



SapuraOMV has followed up on its short- and long-term measures to improve our human rights performance in business relations, covering the topics of contractors'

agreements and work permits, wages, working and break times, working and housing conditions, access to grievance mechanisms, and training.

Update on the Kallo Case

In 2022, Borealis was confronted with reports of alleged human trafficking practices conducted by the main contractor IREM and their subcontractor on a propane dehydrogenation (PDH) plant construction site in Kallo, Belgium. The practices were reported to involve exploitation, inadequate compensation, lack of social security, and poor housing conditions. Belgian media subsequently alleged that Borealis had been informed two months earlier about these large-scale human trafficking practices. Borealis' internal checks have established that in May 2022 a Borealis employee was made aware for the first time of allegations of social malpractice in relation to one IREM worker through a private social media channel, and that this incident had been reported to the Social Inspectorate of Belgium. Since the allegation, Borealis has taken many steps to increase oversight of its Propane Dehydrogenation (PDH) construction site in Kallo, Belgium, and advance its organizational set-up both in terms of competence and governance.

Borealis invested in additional capabilities and capacities to reduce the risk of social misconduct and malpractices, such as setting up and implementing a Global Social Compliance Team, with one social compliance manager across the company and three regional social compliance managers. Borealis also implemented regular alignment meetings with the social inspectorate and work authorities in Belgium and Austria.

Borealis also improved its ability to detect and address any misconduct. Awareness for social compliance was substantially increased and it is now an integral part of the quarterly business review. A social compliance video in 14 languages and "Speak up" cards in 27 languages were produced to promote a speak-up culture within the organization, as well as for supplier onboarding with a focus on social compliance. In addition, Borealis has started to pursue social compliance engagement walks in Austria, Belgium, Finland, and Sweden. In these engagement walks, the external workers are interviewed on social compliance matters while working on our sites. In case of alleged grievances or an increased risk profile, based on a risk evaluation, external audits will be conducted on social compliance matters and in case of concerns, mitigation plans are agreed and closely monitored. The Borealis Ethics Hotline was also opened to external whistleblowers and a process description implemented in the Borealis Management System (BMS), explaining in detail how to handle any such reports.

Borealis has a zero-tolerance policy for social malpractices and misconduct. A management document was implemented in the BMS, stating the company's social compliance ambition, the framework for identifying regulatory and social compliance risks, advice on designing and implementing regulatory and legal compliance processes and controls to mitigate such risks, and how to monitor and report the effectiveness of these controls. Borealis has also implemented stricter access checks at the site gates of its production locations in Austria and Belgium, combined with more frequent and risk-based checks.

Borealis wanted to provide support to workers who were negatively impacted by the Kallo case and has therefore been in contact with the organization mandated by the Belgian authorities to take care of victims of human trafficking in the Flanders region. In August 2022, immediately after the facts of the Kallo case emerged, Borealis offered a donation from the Borealis Social Fund to the organization to ensure that the victims could obtain all the support they needed. The discussions were conducted for several months, and in the end their offer was not accepted.



2023 Actions

- 0 incidents related to child labor
- 0 incidents related to forced labor³²
- 0 violations of indigenous peoples' rights
- 19 human rights grievances, thereof 19 external and 0 internal (0 proven violations)
- 95.3% of employees covered by collective bargaining agreements

In addition to reviewing our OMV Group Human Rights Management System and rolling out the expanded Human Rights Learning Path, our journey in 2023 focused on performing human rights assessments more consistently in existing high-risk assets and new projects.

In February 2023, the Human Rights Policy Statement was approved by the OMV Petrom Executive Board. It sets out OMV Petrom's understanding of and responsibility for human rights in our business environment. It is OMV Petrom's guiding principle for dealing with human rights issues in all aspects of daily business. It was published on www.omvpetrom.com and communicated to suppliers and dealers.

Throughout the year, OMV Petrom conducted three "cross-division" audits, which included human rights aspects, for some of its key contractors (i.e., those with contracts for at least two business divisions, whose activities are of high or medium HSSE risk, and who have long-term business activity with OMV Petrom). Topics like minimum age requirements, collective representation, training, and complaint systems were discussed and documentation provided.

In 2023, 13 human rights audits and assessments were conducted across the OMV Group. The findings of these, both positive and negative, are compiled in reports that are shared with the responsible managers. Our Group human rights experts support local management in developing action plans to address any identified issues or risks and further strengthen the integration of human rights into our business activities and relationships. In regular update meetings we monitor the activities and provide guidance and training to best overcome any challenges in implementing these action plans.

Borealis signed off its Human Rights Policy Statement in October 2023 with formal approval by the CEO. A new Social Compliance team, consisting of a Borealis Social Compliance Manager and three regional Social Compli-

ance Managers, has been recruited and has established and implemented new social compliance processes and procedures to ensure compliant business conduct by Borealis' business partners, particularly relating to the legal and ethical treatment of workers. Borealis has also conducted a human rights assessment at all Borealis locations in Belgium and the Netherlands. The assessment concludes that Borealis staff have a basic awareness of human rights requirements in accordance with applicable law and the Borealis Group's policies related to human rights. Implementation of the human rights e-learning beginning in the fall of 2023 will continue to help raise awareness on human rights in Borealis locations.

In Malaysia, SapuraOMV continued to close any outstanding issues from the 2022 assessment at Jerun Fabrication Yard, e.g., regarding wages and benefits, to ensure everyone who works for the Jerun Offshore Development project is paid above minimum wage, their PPE is provided, and they know how to access the grievance mechanism. An on-site human rights assessment was conducted at the Asia Supply Base (ASB) in Labuan, covering its own staff and those employed under contract. It focused especially on the areas of wages and benefits, child labor, forced labor, working hours, and break times. SapuraOMV also initiated Human Rights Self-Assessments in Jerun, ASB, and B15. The respective managers were briefed about the questionnaire and the process and completed all questionnaires over the subsequent weeks. The analysis and final report including recommendations are expected in 2024.

Outlook

The OMV Group will take the following actions in the coming years to continue to improve our human rights approach:

- ▶ Continue our efforts in 2024, with our ongoing training and an awareness-raising campaign for employees.
- ▶ Finalize and roll out the reviewed Human Rights Management System across the Group and provide training to further enhance internal skills for its implementation and for the strengthened integration of human rights due diligence into existing business processes.
- ▶ We intend to focus on on-site human rights checks, to improve monitoring while at the same time raising awareness of human rights among our own and contractors' staff.
- ▶ We aim to carry out assessments of high-risk non-operating assets to identify and address the human rights impacts of our business practices.
- ▶ Borealis is seeking certification for Social Compliance Standard SA8000 and will further enhance its social compliance procedures, based on experience gained in 2023.

³² Thirty grievances in the context of alleged human trafficking practices by the (sub)contractor at the propane dehydrogenation plant construction site in Kallo, Belgium, are related to exploitation, inadequate compensation, lack of social security, and poor housing conditions of workers. However, at the current point in the investigations there is no evidence of forced labor practices as understood under the ILO Forced Labour Convention, 1930 (No. 29).

**Target 2025:**

- ▶ Train all OMV Group employees in human rights

Target 2030:

- ▶ Conduct human rights assessments and develop action plans for all OMV Group operations with a high level of human rights risks every 5 years³³

Status 2023:

- ▶ 71% of employees have been trained in human rights.³⁴ In 2023, 7,124 employees completed the human rights e-learning course, and 170 employees participated in (virtual) classroom training on human rights.
- ▶ 6 assessments conducted in the last 5 years³⁵

Most relevant SDGs**SDG targets:**

- 4.7** By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development
- 8.7** Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms
- 8.8** Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment
- 16.1** Significantly reduce all forms of violence and related death rates everywhere

Diversity, Equity, and Inclusion

Material Topic: Diversity, Equity, and Inclusion

Actively seeking diversity of thought and experience, ensuring equal opportunities for all, and cultivating an environment of respect and psychological safety to enable all employees to be their full selves

Key GRI

- ▶ GRI 405: Diversity and Equal Opportunity 2016

NaDiVeG

- ▶ Employee and social concerns

Most relevant SDGs

Diversity is an enormous strength that we actively leverage. We strongly believe that diverse teams are more

creative, resourceful, and knowledgeable, and that they generate broader perspectives, ideas, and options.

³³ Human rights assessments for countries with high, highest manageable, or no-go risk

³⁴ This figure includes training sessions of at least 30 minutes run from 2016 to 2023. Compliance and human rights training provided to Borealis employees is not included in the training figures because the human rights section did not last for 30 minutes, so these training sessions are not counted toward target achievement.

³⁵ Data includes human rights assessments in the countries with elevated human rights risks. The number does not include country entry checks and assessments done in medium or low human rights risk countries.



Diversity, Equity, and Inclusion (DEI), therefore, have a strong impact on people and teams, improving engagement and job satisfaction and directly contributing to the Group's profitability and sustainability.

Our DEI Vision states that in order to achieve our transformation, we need to become an organization where our difference(s) are embraced, our diversity of thought and experience should be used as a catalyst for growth and creativity. We will actively remove barriers to provide equitable opportunities for each employee to grow and contribute to the success of our companies. We will build a culture of trust and respect by working together to ensure an inclusive and safe space for everyone to be their whole and authentic self. The OMV Group is therefore expanding its DEI focus to include a broader range of diversity aspects, such as age, nationality, and diversity of ideas. Ultimately, our goal is to encourage and support all forms of diversity in the workforce and create an environment of respect where all employees are valued. This means having an inclusive culture in which the same opportunities and level of psychological safety are in place for all people to feel supported and be successful, regardless of their background (e.g., nationality, gender, age, social, and health).

Specific Policies and Commitments

As stated in our Code of Conduct, employees and job applicants will not be discriminated against because of their age, race, faith or religion, skin color, nationality, ethnic origin, political or other beliefs, gender, sexual orientation, disabilities, or family status. We have also developed a Group-wide People & Culture Ethics Guideline, which gives more details on our clear position regarding non-discrimination in the workplace. In line with this guideline, we aim to provide Group-wide complaint procedures and investigation principles for any misconduct in this regard.

The principle of equal opportunity is strictly observed in recruitment. Furthermore, to encourage gender diversity, our recruitment policy reflects our commitment to promoting equal opportunities; at least one female candidate is included in the shortlist for each position, where possible. Gender is one of the diversity criteria we use when selecting members of the Supervisory Board and the Executive Board. We encourage equal pay at all career stages, for example by setting standardized entry-level salaries that are reviewed each year in line with the local market situation.

Governance

Responsibility for the diversity topic is anchored at the highest level, as the achievement of diversity targets forms part of the ESG targets in the Long-Term Incentive Plan (LTIP) in the Executive Board's remuneration.

The OMV Group's People & Culture (P&C) department is responsible for implementing the Group's Diversity, Equity,

and Inclusion strategy. For more information on P&C, see [Employees](#).

A governance team comprising People & Culture, Communications, and sponsors from Board level across the OMV Group was formed in 2022 to work on our DEI strategy and reach the milestones defined in our roadmap. In addition, during DEI workshops, a volunteer team comprising OMV Group employees was formed and onboarded to provide support in achieving our DEI goals. The volunteer team supports our actions by promoting the initiatives within their teams, creating the voice of the DEI community, and increasing visibility.

Management and Due Diligence Processes

We have embedded diversity targets into our people processes such as recruitment, talent and succession planning, learning, and leadership development to ensure female talent is identified and women are supported throughout their career. To strengthen our pipeline of diverse leaders, we have introduced the following measures:

- ▶ Providing advanced mentoring for women
- ▶ Launching the SHERenergy women's leadership development program
- ▶ Running career aspiration talks across all our divisions in the OMV Group with the goal of giving talented female employees greater visibility and ensuring we better understand their support needs and individual career plans
- ▶ Encouraging leaders to create an inclusive working environment by making it part of our leadership competencies and performance evaluation of leaders
- ▶ Covering unconscious bias in our leadership programs (in its broadest sense, so not only gender but also generational, people with special needs, background, etc.)
- ▶ Offering interview training as part of our new manager training with the goal of teaching behavioral interviewing techniques, such as how to overcome unconscious bias and how to better structure interviews
- ▶ Including internationality in the criteria for assessing candidates when recruiting executives

The growing diversity of employees (e.g., gender, generations, and internationality) in leadership positions at OMV confirms the effectiveness of the dialogue and activities underway.



2023 Actions

59.9% of employees on parental leave in 2023 were male.

40.8% of participants in leadership development programs were female in 2023.³⁶

In 2023, the OMV Group continued its commitment to fostering Diversity, Equity, and Inclusion (DEI) within the organization. Building on the foundation laid in 2022 with the launch of the Group-wide DEI strategy for 2030, the OMV Group took significant steps to further embed these principles in its corporate culture. The following initiatives were carried out in 2023:

- ▶ The OMV Group further strengthened its DEI strategy by establishing a governance framework. The structure includes five volunteer-based workstreams, led by employees across OMV, OMV Petrom, and Borealis. These dedicated workstreams focus on gender, generations, parenting/caregiving, people with disabilities, and LGBTQI+ inclusion, thus ensuring holistic representation. Each of these workstreams has clear targets and their progress is reported to the sponsors (EB members) twice a year. The workstreams are supervised by the People & Culture management and are sponsored by Executive Board (EB) members of OMV, OMV Petrom, and Borealis.
- ▶ The International Women's Week featured two impactful events under the theme #EmbraceEquity, highlighting the distinction between equality and equity. The week started with a keynote speech by an external guest speaker, delving into the concepts of self-value and its contribution to the company's success. Additionally, a virtual gathering with three EB members was organized, fostering dialogue on Embracing Equity in the Workplace and promoting a fair and inclusive work environment.
- ▶ The new parent program that was launched in 2021 continued to provide essential support to expecting parents within the OMV Group. By offering workshops covering various aspects of parenthood, including parental leave planning and returning to work, this program helped both male and female expecting parents navigate this period with confidence. Moreover, the OMV Group was awarded the "Family-Friendly Employer" award, which was presented by the Minister for Women, Integration, Family, and Media, Susanne Raab. This acknowledgment reaffirmed the organization's dedication to promoting work-life balance and accommodating the needs of working parents.

- ▶ We developed a roadmap for people with disabilities. The OMV Group was audited by myAbility, an initiative aimed at evaluating and enhancing workplace accessibility and inclusivity. The audit results were used to create a detailed roadmap for the company. In November, teenagers were welcomed from a special needs school, facilitating a valuable exchange that provided insights into the corporate world while promoting inclusivity. For example, the organization's commitment was further illustrated on December 4, when the OMV Group participated in the International Day of Persons with Disability, hosting a symbolic Purple Light Up event. The panel discussion with external guest speakers focused on the unique perspectives and insights of the world of disability inclusion, shedding light on the possibilities that arise when we embrace diversity in all its forms and what we can do to show our support. Our colleagues from OMV Petrom created a disability brochure that provides a comprehensive introduction to the disability topic that increases the awareness of all our employees. In addition, the Works Council has created a community for colleagues with disabilities and carers of people with a disability to provide practical support and information about benefits and funding options. In doing so, we are fostering awareness, reducing mental barriers toward people with disabilities, and increasing accessibility.
- ▶ With regard to LGBTQI+, the OMV Group promoted allyship and solidarity within the organization during the Ally Week in September. A panel discussion opened by the OMV Group's CFO encouraged open dialogue and understanding among employees, reinforcing the OMV Group's commitment to inclusivity. Community lunches also occurred several times during the year, where members of the community and allies could meet.
- ▶ To enhance communication and knowledge-sharing related to DEI initiatives, the OMV Group created a dedicated DEI SharePoint site. The platform serves as a central hub for employees to access resources, stay informed about ongoing initiatives, and actively participate in fostering an inclusive workplace.

Outlook

Several initiatives that will help achieve the goals set in our People & Culture Strategy 2030 have been planned for 2024. These include:

- ▶ Regular reporting on age distribution to identify gaps and foster intergenerational collaboration
- ▶ Implementing DEI in our Transformational Leadership program
- ▶ Fostering the development of female talent with specific development programs such as SHEnergy, organizing career aspiration talks with board members, and celebrating International Women's Day with impactful events

³⁶ Data excluding DUNATÁR Kőolajterméktároló és Kereskedelmi Kft., SapuraOMV Upstream, and OMV Russia Upstream

- ▶ Continuing our family-friendly working culture and increasing the number of information exchange possibilities, while expanding the New Parent program at a Group-wide level
- ▶ Embedding our Ethics policy by establishing a centralized grievance process as part of the OMV Group's Ethics and Integrity Principles
- ▶ Continuing working on awareness raising, community building, and promoting events related to the LGBTQI+ stream
- ▶ Implementing new measures and actions within the "Disability" workstream based on the results of the audit conducted by external consultants
- ▶ Strengthening our DEI volunteering network at a global level by growing our DEI sponsorship and ambassador network
- ▶ We are also committed to continuously monitoring gender, age, employee background, seniority, and salary equality to ensure fair treatment and equal opportunities at all career levels. In 2024, we will again assess our gender pay gap across the OMV Group.



Targets 2025

- ▶ Increase share of women at management level³⁷ to 25%
- ▶ Maintain high share of executives with international experience³⁸ at min. 75%

Targets 2030

- ▶ Increase share of women at management level to 30%
- ▶ Min. 20% female Executive Board members³⁹ (stretch target: 30%)
- ▶ Increase share of international management⁴⁰ to 65%
- ▶ Maintain share of executives with international experience at min. 75%
- ▶ Increase support for employees with special needs at our main locations

Status 2023

- ▶ Women at management level: 24.4%
- ▶ Female Executive Board members: 26.8%⁴¹
- ▶ International management: 59.2%
- ▶ Executives with international experience: 71.4%
- ▶ Detailed actions for our roadmap until 2030 were implemented, with further initiatives planned for 2024

Most relevant SDGs



SDG targets:

5.1 End all forms of discrimination against women and girls everywhere

5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life

8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

10.2 By 2030, empower and promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion, or economic or other status

³⁷ Management level: executives and advanced career level

³⁸ International experience: equal to or greater than three years of living and working abroad. Executives are defined as Senior Vice Presidents.

³⁹ Members of OMV, OMV Petrom, and Borealis Executive Boards considered

⁴⁰ International is defined as non-Austrian citizens.

⁴¹ Data as of December 31, 2023. The data is for the OMV, OMV Petrom and Borealis Executive Boards combined. In February 2023, OMV gained a female board member in Daniela Vlad. Thus, as of the date of publication of this report, the percentage was again 26.8%.



Employees

Material Topic: Employees

Creating stable jobs and good working conditions, especially by enabling skills development

Key GRIs

- ▶ GRI 401: Employment 2016
- ▶ GRI 404: Training and Education 2016

NaDiVeG

- ▶ Employee and social concerns

Most relevant SDGs



Following the announcement of the OMV Group’s Strategy 2030, all Human Resources (HR) functions Group-wide were renamed People & Culture (P&C). The aim of this department is to fully support the OMV Group’s Strategy 2030 by prioritizing key aspects that enable us to unlock our organization’s full potential. The new name points to the department’s aim and purpose and emphasizes that people and culture are central to achieving the targets defined in our strategy.

We developed a new People & Culture Strategy in 2022, which fully supports the transformation of OMV and is focused around “People make it happen.” The core of the new People & Culture Strategy is our purpose, i.e., “Re-inventing essentials for sustainable living.” We have developed four strategic drivers: Employee Experience, Growing Talent, Organizational Evolution, and New Ways of Working. These are all powered by a solid foundation of Transformational Leadership, driven by our leaders. As such, the statement “People make it happen” not only creates the right working environment in which our employees can thrive, but also ensures that they can further develop their skill sets to meet the demands of our dynamic business. The various initiatives connected to the People & Culture Strategy, like the launch of our new OMV Group Values, created a big impact.

Building and retaining a talented and skilled team of employees 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. OMV’s core commitments to its employees are detailed in the Code of Conduct. These include promoting learning and development and creating an environment where people can develop professionally and

fulfil their personal aspirations in line with our business needs.

Governance

The OMV Group’s P&C department covers the following topics:

- ▶ Talent acquisition
- ▶ People development, including strategic competency development, talent and learning management
- ▶ People relations, comprising payroll and employee administration and employment law and contracts
- ▶ Rewards and global mobility
- ▶ Coordination by People & Culture representatives of the activities of various units and countries in which we operate

The organizational setup of the local P&C departments in the various countries is aligned with the principles of being fit for purpose, operating as efficiently as possible, and generating the broadest possible synergies. We promote the strategic exchange of talent between OMV and Borealis to offer employees additional job opportunities and support the development of new skill sets.

The OMV Group P&C leadership team reports directly to the OMV Group Senior Vice President (SVP) of P&C. The VPs of the P&C departments at Borealis and OMV Petrom functionally report to the SVP of P&C of the OMV Group. The SVP reports directly to the CEO.



Talent Attraction and Retention

The OMV Group is committed to building and retaining talent for international growth. Effective succession planning contributes to the management of business continuity risk by ensuring the preservation of human capital – OMV’s most valued asset. As described in our Code of Conduct, OMV strives to build long-lasting employment relationships and to employ people from the countries where we operate.

Management and Due Diligence Processes

Talent Acquisition

Our employees are selected exclusively based on their qualifications, suitability, and professional experience. Internally, we focus on job rotation, promotions, and upskilling to tackle challenges (e.g., transitioning to a low-carbon business) and develop innovative solutions to enhance our workforce. In the OMV Group, we use joint internal job boards to offer a wide range of internal job opportunities to our employees.

Externally, we concentrate on building robust talent pipelines through cooperation with key universities in our locations. In addition, we aim to build a talent pool by providing apprenticeship programs and internships, which are mainly focused on the technical and commercial aspects of our business. For instance, in Romania, approximately 100 students received scholarships to join the Petrochemical School program in 2023. The Petrochemical School is a dual-system program supported by OMV Petrom. The future petrochemists benefit from professional training in the field of petrochemicals and internships at the Petrobrazi refinery. The students receive monthly scholarships of up to RON 700 from OMV Petrom, plus RON 200 from the Romanian government. Upon completion of the three years of vocational education (petrochemical operators’ qualification), students will acquire a recognized professional qualification and will have employment opportunities within our Company. The Petrochemical School program is a pilot project with the aim of assuring a constant and sustainable flow of high-quality blue-collar workers.

To dispel the negative perceptions of the oil, gas, and plastics industries, it is important to proactively inform the public and our target groups (such as current and potential future employees) about the benefits of the products we produce, as well as the sustainability challenges and how we are addressing them. Being visible on social media platforms such as YouTube, Instagram, Facebook, and LinkedIn enables us to show potential candidates the inner workings of the OMV Group, including what it is like to work for our Company and that joining us means being part of a solution for a more sustainable future.

Performance Management and Career Development

OMV strives to maintain a uniform organizational structure that provides clarity and transparency in relation to responsibilities and the hierarchical classification of positions. We have developed Company-wide career paths that outline the experience and skills required for a position.

OMV has an annual review process in place to support our employees and managers through structured, systematic planning of performance and personal development within the Company. Employees and their managers work together to set performance and development goals, review progress, and evaluate achievements, with employees ultimately being rewarded and recognized annually.

“Personal Impact x Potential” is used as an evaluation tool to provide structured 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 so they can improve the skills needed for their future role.

Rewards

To promote and support OMV’s strategy optimally, OMV aims to ensure competitive compensation and benefits packages within relevant labor markets in the oil, gas, and chemical industry. Annual remuneration reviews are conducted for this purpose.

OMV continuously monitors market trends and international best practices in order to attract, motivate, and retain the best-qualified talent from around the world. Base salaries are set in accordance with internationally accepted methods for determining market levels of remuneration, and comply with the relevant legal regulations, for example collective agreements. Base salaries are market oriented, fair, and tailored to the position and expertise of the employee. OMV encourages equal pay at all career stages, for instance by setting standardized entry-level salaries that are reviewed each year in line with the local market situation.

OMV strives for long-lasting employment relationships. We ensure the fair and objective evaluation of positions consistently across all divisions and countries by applying a clearly defined methodology and process, validated by external consultants for specific roles. The outcome of the evaluation forms the basis of the remuneration decisions for every employee. The remuneration includes a balanced and transparent mix of fixed and variable monetary and non-monetary components.

As part of the annual performance review process, Company goals, including the achievement of sustainability goals (e.g.,



HSSE, GHG emission reductions, diversity), are cascaded down to employees in the relevant departments and form part of the annual evaluation and subsequent bonus awarded. Individual monetary and non-monetary rewards are granted on top of this for extraordinary achievements.

The portfolio of benefits is further customized for each of the countries in which OMV operates to meet the needs of the local employees. Depending on local circumstances, additional incentives may include the following: retirement plans, subsidized cafeteria, health centers, kindergartens (childcare facilities), summer kids camp, and anniversary payments.

Leadership Development

To ensure the transformation of OMV will be a success, we need to adapt our current methods to fit our new aspirations. By building on our capability, we are reinventing how we lead as well as our way of working. Therefore, linked to our Purpose and Values, we implemented Group-wide Transformational Leadership Competencies (TLCs). Our TLCs define our expectations of our leaders and complete our transformational framework to successfully drive the implementation of our strategy. The four TLCs for all leaders across the Group are “Lead self;” “Grow people;” “Drive change;” and “Deliver impact.”



The new TLCs are being integrated into the respective P&C processes, such as leadership assessment and development, our talent programs, talent acquisition, and performance processes.

Talent Retention

To keep and retain talent, we have leadership programs in place that are designed to support all employees who take on new management roles as well as current leaders who want to upgrade their basic knowledge of leadership. The OMV Group Leading Ahead program launched last year together with Borealis and OMV Petrom to offer the Group’s top talent a broad leadership development journey and a broad career platform. In 2023, the first participants graduated, and nominations continue for the next program runs.

As part of our ongoing transformation, are committed to ensure that no one is left behind. To facilitate this, we offer low-carbon training solutions and are continuing to expand our efforts to upskill our workforce. The aim is to keep skills up to date, recognizing that existing skills can be transferred to new energy solutions. We also launched the Sustainability Academy, a SharePoint-based platform for all employees, to expand their knowledge on ESG topics. Through initiatives like these, we are fostering a culture of continuous learning and development, empowering our team to thrive in the evolving landscape of sustainable energy solutions.

Employee Engagement

We actively involve our employees in our transformation and in key P&C initiatives such as Diversity, Equity, and

Inclusion actions, developing our Values and implementing our 2030 Strategy (see [actions 2023](#)).

The Pulse Check is one of our most important tools for measuring the engagement of our employees and it is an essential part of our new People & Culture Strategy relating to Employee Experience. It is also a chance for our employees to have their say and an opportunity to share their thoughts and ideas. The Pulse Check assesses several key indices, including Safety, Innovation, Line Manager, Employee Development, Strategy, Empowerment/Involvement, Well-being, Values, Sustainability, and Culture.

In 2023, for the first time, we incorporated a question related to Sustainability into the Pulse Check. The statement “I believe that our organization is committed to sustainability (e.g., reducing its carbon footprint, promoting diversity, protecting human rights)” received a 70% positive perception rate. Each line manager is tasked with sharing the results and engaging in dialogue with their team and collaboratively identifying actions aimed at enhancing the current work environment to foster a stronger, more united team.

In the Pulse Check 2023, we achieved a very high response rate of 82% at Group level. Compared to 2022, 5% of employees in the OMV Group (OMV 7%) moved from actively disengaged/passive to moderately/highly engaged, meaning a 5% increase in the overall engagement score for the OMV Group. This positive trend can be seen across both gender groups. Since 2022, key indices have consistently improved in all dimensions, demonstrating the visible positive impact in our focus areas. As we maintain this momentum, our aim is to close gaps to global and industry-relevant benchmarks. Looking ahead to 2024, factoring in the



importance, effectiveness, and likelihood of positive changes in each dimension, focus should be placed on improving employee development, strategy, and innovation indices.

2023 Actions

CEO-to-median-employee pay ratio: **78:1**⁴²

13,868 performance reviews⁴³

70 OMV senior leaders at Board, executive, and advanced levels provided mentoring services to **79** emerging, rising, and top talents across OMV and to **56** first-time leaders

919 employees participated in one of our Group-wide leadership programs.

In September 2022, our shared P&C Strategy was launched across the Group at OMV, OMV Petrom, and Borealis. The core of the new P&C Strategy is our purpose: “Re-inventing essentials for sustainable living.” Four strategic drivers were developed for this strategy: Employee Experience, Growing Talent, Organizational Evolution, and New Ways of Working, supported by Transformational Leadership. Some of the initiatives to support these strategic drivers in 2023 included:

- ▶ In May 2023, we launched our new OMV Group Values “We care | We’re curious | We progress.” Our Values were defined based on the contributions of more than 13,000 employees and leaders from across OMV, OMV Petrom, and Borealis during a series of interactions, including the Pulse Check survey, leadership interviews, mass focus groups, and workshops, where a feedback tool based on artificial intelligence was used.
- ▶ Ahead of the launch of our new Values, more than 120 leaders from across OMV, OMV Petrom, and Borealis came together to embark on a shared Leadership Experimentation Journey of discovery, to experiment with our new Values, and experience first-hand the power they can have to transform our way of working and overcome daily business challenges. The result was the creation of individual Values Experiments, which leaders could implement in their teams to resolve their challenges. While the Values Experiments were underway, leaders from all three entities, departments, and functions convened in virtual mixed cohorts, discussing their progress, refining their experiments, and sharing their insights and successes across the OMV Group. This collaborative approach allowed leaders to leverage the company’s values to overcome challenges and foster growth.
- ▶ In addition to the Leadership Experimentation Journey, each leader was encouraged to organize a town hall meeting on our Values or, depending on the country, prepare a launch in their location accompanied by a team reflection session. During these sessions, leaders shared their personal stories, gathered initial feedback on the company’s Values from their team, and engaged in thoughtful discussions about which behavior to strengthen or weaken. These initiatives were designed to bring the Values to life and foster a meaningful dialogue among teams.
- ▶ We implemented a Purpose & Values Playbook as a guiding resource for leaders on their journey to give meaning and significance to the company’s purpose and new Values. Moreover, we introduced a Values Activation Toolkit that offers diverse resources for leaders and their teams to continue the dialogue on the Values. This toolkit is designed to help seamlessly integrate our Values into their day-to-day business activities, promoting a meaningful connection and enabling them to create impact.
- ▶ We also launched a Values SharePoint page accessible to all OMV Group employees, providing a platform to explore and share their personal Values Stories. Employees can also create their own Values Posters to visually express what the Values mean to them, fostering a collective understanding and appreciation of our shared Values.
- ▶ In September 2023, we ran our annual Group-wide Pulse Check survey for the second time. Achieving an impressive 82% participation rate, a 12% increase from 2022, reflects the trust our employees place in our leaders to enact and deliver meaningful change. The results showed an increase in all dimensions with visible positive impact in key focus areas, including 69% on the understanding of our new Values. Conclusions and subsequent actions were agreed within business units by year-end and Q1 in 2024 for implementation in 2024.
- ▶ We have introduced a Change Management Toolkit to provide our teams with overall change management guidance and supporting interventions as they navigate various change processes. This toolkit equips our teams with the necessary resources and strategies to effectively navigate and lead organizational transformations, ensuring a smooth and successful transition for our employees and stakeholders.
- ▶ In response to the reorganization that was implemented in January 2023, Team Effectiveness Training has become a critical component. This training is designed to equip teams with the necessary skills and tools to navigate and thrive in the evolving structure, ensuring a seamless transition and fostering a more cohesive and effective working environment.

⁴² Excluding DUNATÁR Kft., OMV International Oil & Gas GmbH, and SapuraOMV Upstream

⁴³ Data excluding blue-collar workers at OMV Petrom. Performance management/review was done for all Borealis employees in 2022 (cycle ending in March 2023). Excluded entities are those that do not share SAP SuccessFactors: mtrn, Ecoplast, DYM, Renasci, and Rialti.



- ▶ Based on the Pulse Check results from 2022, a key focus was on enhancing transparency, accessibility, and collaboration within our organization. By promoting an environment of open communication and teamwork, we strive to break down silos and ensure that information flows freely. In order to achieve that, all leaders were asked to conduct Strategy Refresh Sessions within their teams to further explain the OMV Strategy 2030 and encourage dialogue.
- ▶ Our commitment to learning and development continued, as we were able to expand our learning opportunities through initiatives such as LCB training and the Sustainability Academy. Read more about this in the [Skills Development and Training](#) chapter.

Outlook

In line with our new People & Culture Strategy the coming years will see us focus on:

- ▶ In 2024, we plan to introduce our new Employer Value Proposition (EVP). This will serve as a statement or framework that outlines what OMV stands for as an employer. It will highlight the unique qualities and benefits that we offer to our employees. Moreover, it will help us attract and engage potential candidates who align with our new purpose and our OMV Group Values, and the opportunities we provide. Essentially, it's a way for us to communicate why our company is a great place to work and why people should consider joining our team.
- ▶ Following the rollout of our leadership competencies in 2023, a transformation leadership program will be offered, reflecting our new Values and enabling leaders to develop their leadership style. For more information please also see the Skills Development and Training section.
- ▶ For all of our employees, we will be assessing what information and skills they need to support the transformation. Together with our network of experts, we plan to develop an interactive Campus that will support our employees in learning more about our purpose, strategy, and values and provide development sessions to help upskill them for the future.
- ▶ To further support our employees in their development, we are starting to develop a competence framework based on Job Families with corresponding core competencies. This will help employees navigate their career and build their competencies through the different Job Families.

Skills Development and Training

Providing a culture where our employees can learn and continuously improve their knowledge, competencies, and

performance to meet our business objectives and to develop necessary skills for the future is extremely important to the OMV Group.

As part of our P&C Strategy and our ongoing transformation, developing our employees has become top priority. We need to find and integrate employees with a wider range of skills. We need to balance the reskilling of employees to develop new energy solutions with retaining and training employees with the skills necessary to support our legacy business.

Management and Due Diligence Processes

Needs Assessment

Training is planned and delivered annually in line with our workforce requirements. It is planned by the business units according to business needs.

In 2023, we assessed specific learning needs. One aim of this was to increase knowledge of our Low Carbon Business in the Energy segment and strengthen the associated skills. We also wanted to expand know-how in our assets relating to operational management and refine awareness of our Sustainability Strategy among employees (see more below).

Each employee identifies their learning needs through a combination 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 we encourage our employees to further develop are functional and technical skills, business skills related to effective work at the OMV Group, personal skills, and leadership skills.

All learning activities should be linked to clearly defined learning and development objectives and agreed with line managers. There are different ways to learn: 70% of what we learn is through on-the-job tasks, 20% involves learning from others through coaching or mentoring, and 10% is from courses. Courses are developed and offered whenever a structured foundation for skills and knowledge is needed.

Reskilling and Upskilling Employees

To develop our employees' skill sets to meet the demands of our dynamic business and to pave the path to become a net-zero company by 2050, we are focusing on the following key areas:

- ▶ Upskilling our leaders on the newly implemented Transformational Leadership Competencies to enable them to drive the implementation of our strategy.



- ▶ To boost the knowledge of and upskill our employees on the topic of Sustainability in particular, the OMV Group offers a wide selection of online material. Learning Journeys are regularly added to better prepare employees for the evolution of our business.
- ▶ Specific initiatives to upskill employees in technical areas are being continued, e.g., focusing on transitioning to a low-carbon business.
- ▶ Initiatives to develop managers in our assets of our legacy business to drive operational excellence.
- ▶ With several initiatives in the area of data science (e.g., data camp) and digital development we provide our employees with the opportunity develop practical skills and excel in the rapidly growing field of digitalization.

Types of Training

OMV provides mandatory training for all employees in areas such as business ethics, cybersecurity, and data protection, as well as mandatory training depending on the job, for instance within HSSE. In addition, we offer a wide range of optional training for all employees, ranging from technical training (e.g., low-carbon initiatives and sales training) to personal skills training such as managing change or effective communication.

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 for our offices globally. We also highly encourage employees to pursue further education to enhance their various skills.

Evaluation of Training Programs

Training processes include structured requests for feedback, which are conducted after training events in order to monitor and evaluate the effectiveness and success of training measures, and to implement improvement measures. In addition, our overall training metrics (participation, costs, training hours, training topics, etc.) are reported in a training dashboard at a global level every quarter.

2023 Actions

20,549 training participants

EUR 12.3 mn spent on training

More than **590,000** hours of training in total

- ▶ In 2023, there was a focus on mandatory, legally binding, and business-critical courses for self-learning. Several Group-wide e-learning modules were launched, covering topics such as business ethics, human rights, and data and information security. With the rollout of the HSSE Basics e-learning, Life-Saving Rules e-learning, and g-learning for all employees, the HSSE offer was also expanded.
- ▶ In 2023, we updated our leadership programs with our new Values and Transformational Leadership Competencies that were designed to support both those employees who take on new management roles as well as current leaders who want to upgrade their basic knowledge of leadership. For identified talents at executive level, our dedicated Leading Ahead top talent program focusing on enhancing executive leadership skills was continued, as was our program for women in leadership positions.
- ▶ In terms of graduate development, we offered the second tailored graduate program in Fuels & Feedstock and continued with our long-standing Integrated Graduate Development (IGD) Program in the Energy segment.
- ▶ To support the development of future skills, we rolled out a global data science education platform. Its intuitive and user-friendly interface ensures that learners can develop practical skills and excel in the fast-growing field of data science.
- ▶ The Sustainability Academy was launched and offered our employees an ever-growing selection of curated learning material about sustainability-related topics. This supports our employees in expanding their knowledge on ESG topics and provides them with a foundation that is needed to understand their role in our journey to net zero. Focus topics for 2023 were ESG, Climate Change, Circular Economy, Sustainable Products, and Human Rights.
- ▶ To support the upskilling of technical employees, we offered specific training initiatives, for example training on low-carbon energy, geothermal, decision quality, and data science.
- ▶ With our Personal Skills Summer Challenge, we playfully encouraged our employees to continue developing their personal skills. At team level, we had a strong increase in team effectiveness training, which supported leaders and their teams in managing the transformation phase.

Outlook

Various ongoing projects started in 2023 will be ready for launch in the course of 2024. This will positively impact the overall user journey for learners, not only by expanding the content of the learning offer (rollout of specific learning



paths) but also by providing a cohesive design and structure of learning touchpoints and improved tools for accessing learning.

- ▶ Besides focusing on mandatory, legally binding, business-critical, and HSSE training, we will continue to offer specific training initiatives to support the upskilling of our employees in our strategic focus areas, like training on low-carbon energy, geothermal, decision quality, and data science. The Sustainability Academy will continue to grow in 2024 with additional Learning Paths and focus topics.
- ▶ To help our leaders develop their leadership style so they can inspire, support, and empower others to thrive through continuous change and deliver our strategy, we will be launching the Transformational Leadership Program. Over the next three years, we want to equip our leaders with the necessary mindset, knowledge, and skills to lead with purpose and transform our company.

- ▶ To enable our employees to support the transformation, we plan to develop an interactive Campus. We will offer an engaging collection of learning material including e-learning modules, keynote lectures, microlearning, and other learning offers that leverage the expertise and knowledge of our network of experts.

Through initiatives like these, we are fostering a culture of continuous learning and development, empowering our teams to thrive in the evolving landscape of sustainable energy solutions.



Target 2030

- ▶ Increase average number of annual learning hours to at least 30 hours per employee

Status 2023

- ▶ Average number of annual learning hours: 30

Most relevant SDGs



SDG targets:

4.4 By 2030, substantially increase the number of young people and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship

8.2 Achieve higher levels of economic productivity through diversification, technological upgrading, and innovation, including through a focus on high value added and labor-intensive sectors

Communities

Material Topic: Communities

Managing impacts of activities on local communities (e.g., local employment and skills development, infrastructure impacts, environmental, health, and well-being impacts), including through targeted social investments

Key GRI

- ▶ GRI 413: Local Communities 2016

NaDiVeG

- ▶ Respect for Human Rights
- ▶ Employee and social concerns

Most relevant SDGs



For OMV, transparency, trust, and partnership-based relationships with local communities are key to ensuring we are a responsible and welcomed neighbor wherever we operate. Adding value to the communities where we operate is essential for safeguarding our operations for the future. In the interest of being a responsible international company, we contribute positively to the fulfillment of human rights in our immediate surroundings through a number of projects and initiatives. Investments in community relations and development respond specifically to identified community needs. They are designed to mitigate social risks that could result from company operations and initiate positive change in neighboring communities.

Our commitments to our communities are laid out in our Human Rights Policy Statement. Our Sustainability Directive documents processes and accountability internally, and covers social responsibility, which comprises community relations, development and social investments, human rights, volunteering, and NGO relations for the OMV Group. A special Community Relations and Development handbook is available for all of the OMV Group's community relations managers.

Governance

The Community Relations and Development function within Group Sustainability governs and steers community relations at Group level and implements development activities in the countries in which we operate. It also receives regular reporting and feedback from social responsibility teams and local teams, and monitors and ensures adherence to the Group's guidelines on community relations and development. We hold regular structured alignment meetings with our local community rela-

tions managers to monitor and steer local implementation of our site-specific global community relations and development commitments. We also organize regular exchanges between all countries in order to share challenges and best-practice experiences as a supplement to the guidance provided. According to our Sustainability Directive, each business area and all subsidiaries can act as initiators of community development investments and social investments within the framework of the OMV Group's Sustainability Strategy processes.

Steering ensures that the OMV Executive Board is informed in an adequate and timely manner about the entire community and social investments portfolio, plans, and performance KPIs. For example, the Group's community relations managers submitted the total budget for community and social investments in 2023 and provided information on the major social or community investments planned.

Borealis Social Fund

In 2008, Borealis launched the Borealis Social Fund. Each year, a portion of Borealis net profit is donated to the Fund, based on clearly defined allocation rules. Any external or internal stakeholder can submit a project proposal to the Borealis Sustainability Team, which then validates the proposal and makes recommendations to the CEO, who has responsibility for the Fund and selects and approves all projects. Sponsorship above EUR 0.5 mn per project per year also needs the approval of the Chairman or Deputy Chairperson of the Supervisory Board.



OMV Petrom Foundation

Launched in 2022, the OMV Petrom Foundation develops programs that support long-term investments in disadvantaged communities in Romania in three key areas: health, education, and environment. The Foundation provides resources and solutions and builds strategic long-term partnerships with other non-governmental organizations and central or local public authorities, with the aim of reducing infant mortality, supporting early education, and promoting biodiversity. Through the OMV Petrom Foundation, OMV Petrom extends its support to early health and education and environmental initiatives that are highlighted in the [Social Investment](#) chapter.

Community Impacts and Grievances

We acknowledge that the presence of OMV's business has direct and indirect impacts on local communities. We aim to steer the impacts of our business activities in a positive direction by building and maintaining mutual trust and pursuing respectful community relations, investing in local development, safeguarding human rights, and ensuring that the local suppliers who work with OMV follow sustainable practices. Transparent and prompt communication with local communities that ensures their voices and concerns are heard and addressed helps OMV establish good relations with those impacted by our business operations and supports us in creating a conducive operating environment for the business.

Management and Due Diligence Processes

Community Consultation and Social Impact Assessments

Our community relations and development management process is based on centralized policies and targets, and is implemented by locally responsible persons using local resources. In line with our community relations and development procedure, which is in effect for all countries in which we are active, we engage with local communities through tailored programs. For instance, all projects from OMV's Energy segment require community consultation in the development phase. In 2023, 5 out of 13 development projects were in the process of community consultation.

We start by conducting a Social Impact Assessment (SIA), which includes the free, prior, and informed consent (FPIC) of local stakeholders. Sometimes, an SIA is integrated into an Environmental and Social Impact Assessment (ESIA) to foster synergies and efficiencies. The purpose of an SIA is to ensure that the views of the local communities, especially of indigenous peoples, are incorporated into and addressed throughout all phases of the project life cycle: commissioning, operation, and decommissioning or abandonment. We also pay particular attention to any possible impact on human rights.

Based on the internal guidelines for conducting SIAs, we include a baseline study, community needs assessments, stakeholder analyses, and a study of social risks associated with the project. Where possible, SIAs are conducted in a participatory manner by directly consulting with potentially affected communities. Our standards require the outcomes of the SIA to be communicated to affected stakeholders. Based on the outcome of the SIA, site-specific strategies for community relations and development, stakeholder engagement plans, and Community Grievance Mechanisms are developed and implemented.

Community Engagement

We maintain regular communication with the communities that live where we operate and strive to inform them in advance of any planned business activities that may affect them. For example, in the vicinity of our refineries, stakeholders such as local authorities and neighbors are proactively informed in advance of any work that may cause a disturbance (e.g., noise from turnarounds) by way of stakeholder meetings, social media, leaflets, and other channels as appropriate. An example of this in action is the "green phone" at the Schwechat refinery, which has ensured 24/7 direct contact for all neighbors for several years now. Every call is answered by the shift supervisor in charge, and in cases of perceived noises or odors, the shift supervisor checks immediately for potential sources in the refinery so that the issue can be resolved as quickly as possible.

When plants are decommissioned or we exit a location, our community relations team ensures that potential social impacts are addressed by drawing up targeted community engagement plans, social impact assessment and management plans, and exit strategies for ongoing community development projects.

Community Grievance Mechanisms

Our approach to managing community grievances follows the precautionary principle of obtaining local approval of OMV operations. This involves identifying and resolving the issues of concern to the local community early on. We strive to conduct our operations in a way that reduces any disruption to our neighboring communities to a minimum; however, grievances can still arise. We manage these grievances through localized Community Grievance Mechanisms (CGMs). The CGMs help OMV and those potentially impacted by its operations resolve issues in a non-judicial manner and, depending on the case, offer access to a solution.

The CGMs are fully operational in all operated E&P assets, in all three OMV refineries (Schwechat in Austria, Burghausen in Germany, and Petrobrazi in Romania), and at one power plant (Brazi in Romania). A Community Feedback Mechanism (CFM) is in place at SapuraOMV. Borealis



has a hotline system where grievances can be reported by both internal and external stakeholders.

At OMV, a CGM is a key tool for preventing and managing our potential impacts on local communities and any associated social risks. Our management of community grievances aims to be fully aligned with the Ipieca best practice guidelines and with the Effectiveness Criteria of the UN Guiding Principles on Business and Human Rights. The Effectiveness Criteria require a grievance mechanism to be legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning, and based on engagement and dialogue. OMV has set a target to assess the CGMs at all sites against the UN Effectiveness Criteria for Non-Judicial Grievance Mechanisms by 2025. The CGM assessments review the existing processes and practices in place, and identify practical improvement measures. During these assessments, internal and external stakeholders are consulted, including via interviews, on the current performance of CGMs and design improvements that may be necessary. The main findings (e.g., key strengths, improvement areas, and proposed actions) are included in the CGM Assessment Report. The action plans are implemented by local management and monitored by the Group Community Relations and Development function.

CGM assessments have so far been completed in OMV's Energy segment in Austria, Romania, Tunisia, New Zealand, and Malaysia, as well as at the Schwechat, Burghausen and the Petrobrazi refineries. Follow-up actions are currently being implemented in accordance with the findings. The sites already assessed account for 93% of all registered grievances at OMV in 2023.

The CGMs stipulate a stringent approach to systematically receiving, investigating, documenting, addressing, and resolving grievances in all the countries where we operate in a timely, fair, and consistent manner, thereby laying the foundation for our social license to operate. We define a grievance as an expression of dissatisfaction stemming from a real or perceived impact of the Company's business activities. Grievances can be communicated verbally or in writing and can also be expressed in local languages. They can be lodged by email, phone, through our community relations staff working locally and other locally dedicated channels, as well as at a corporate level. The grievances can be expressed anonymously, as well as on behalf of another individual. OMV does not seek retaliation against any community members who lodge a grievance.

Our grievance management system is based on dialogue with our stakeholders first and foremost and is designed to prevent any risk of retaliation. The CGMs help OMV and those potentially impacted by its operations resolve issues without resorting to the legal system. However, OMV's CGMs do not hinder or prevent affected stakeholders, including

local communities, from accessing judicial solutions or other remedies for their complaints or grievances. What they do offer is a channel for resolving grievances out of court and, depending on the case, a remedy for community members. For more information on our community grievance mechanism process, see the [OMV website](#).

2023 Actions

732 total external grievances in 2023:

475 grievances related to our impact on society⁴⁴ received (413 resolved⁴⁵)

238 grievances concerning an impact on the environment⁴⁶ received (178 resolved)

19 human rights grievances⁴⁷ received from externals (19 resolved)

In 2023, the following key improvements were made to our community relations approach:

- ▶ OMV Tunisia completed its CGM Assessment against the UN Effectiveness Criteria. The assessment was conducted to evaluate how OMV Tunisia is implementing the CGM. It highlighted strengths, identified issues and risks, and spotted areas for improvement. Among the key strengths identified was the fact that the mechanism is fully functioning in a highly complex environment and consistently being used to receive and resolve grievances, including legacy grievances, and there is continuous engagement and dialogue with claimants. Recommendations to improve the CGM, such as further improving accessibility, transparency, and documentation, were determined and an action plan was developed and is currently being implemented.
- ▶ The majority of grievances received through OMV's CGMs were registered in OMV Petrom's E&P division. In 2023, we conducted several evaluations and analyses focusing on managing recurrent grievances, especially regarding historically polluted sites. We are working to resolve issues related to the root causes of recurring grievances, such as handling claims related to land rentals and environmental compensation more efficiently. Our proactive efforts to resolve the grievances resulted in a decrease in the number of registered complaints at OMV Petrom E&P of 8% in 2023 compared to 2022.

⁴⁴ Society category grievances include noise, dust, land acquisition, access to project benefits, or other disturbances relating to OMV activities.

⁴⁵ A grievance is considered "resolved" when the proposed resolution by the Company is accepted by the complainant. It remains categorized as "addressed" if the proposed resolution is not accepted by the complainant.

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

⁴⁷ Human rights category grievances include just and favorable working conditions at contractors, child and forced labor, indigenous rights, etc. For more information, see [Human Rights](#).



- ▶ The Petrobrazi refinery has a 24/7 call center service that facilitates communication between the Petrobrazi refinery and all stakeholders wanting to submit complaints or request information. In 2023, the call center was promoted online in the Prahova community. The call center’s workflow was also reviewed and the procedure was updated to improve the process.
- ▶ In the first years of the implementation of the Community Feedback Mechanisms (CFMs) in Malaysia, a key finding was that contractors need to frequently be reminded about the availability of the mechanism due to high turnover. In 2023, posters on the availability of the CFM and how to access it were put up in all site offices in several languages.

Outlook

We will take the following actions in the coming years to continue to improve our community relations approach:

- ▶ OMV Petrom will begin a social and human rights impact assessment (SHIA) for the Neptun Deep project. The Neptun Deep project is the largest natural gas project in the Romanian Black Sea, located about 160 km away from the shoreline in Constanța. The goal of the SHIA is to establish a community baseline study and analysis of the current and potential social and human rights issues affecting the communities near Tuzla and Costinești, and prepare a community engagement strategy, community investment plan, and human rights risk management and due diligence plans in the area.

- ▶ At the Petrobrazi refinery, the new working procedure for the call center will be implemented and the call center will continue to be promoted.
- ▶ In OMV Petrom’s E&P segment, we intend to continue to investigate root causes and expand on the site investigation and evaluation studies for each historical and recurrent grievance. We will enhance data linkages and management between the Land Management System database and ServiceNow (which houses the grievance management database dedicated to tracking and managing grievances, including the details of the grievances, their status, resolutions, communication records, and any other relevant information related to handling complaints and issues).
- ▶ SapuraOMV will carry out stakeholder engagement activities with fishing communities in the vicinity of its operations and proactively inform them about the availability of the Community Feedback Mechanism.



Target 2025

- ▶ Assess Community Grievance Mechanism at all sites against UN Effectiveness Criteria⁴⁸

Status 2023

- ▶ 8 out of 9 sites in scope assessed

Most relevant SDG



SDG targets:

- 16.6 Develop effective, accountable, and transparent institutions at all levels
- 16.7 Ensure responsive, inclusive, participatory, and representative decision-making at all levels

⁴⁸ Nine defined assets on a 100% operator/majority-owned basis from the OMV Energy, Refining, and Power business segments are currently in scope (scope liable to change based on operatorship/divestments). The scope is currently: E&P assets within the Energy segment in Austria, E&P Romania, E&P Tunisia, E&P Yemen, E&P New Zealand, E&P Malaysia, the Schwechat refinery, the Burghausen refinery, the Petrobrazi refinery.



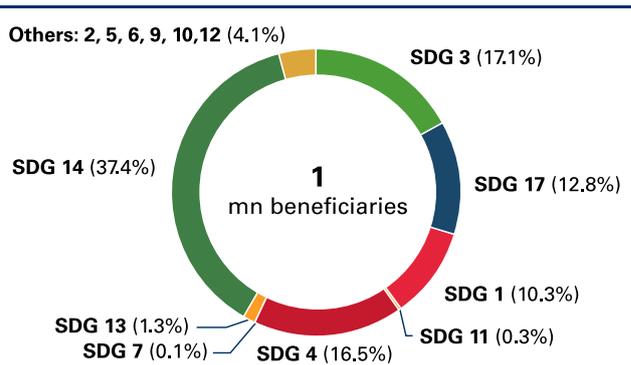
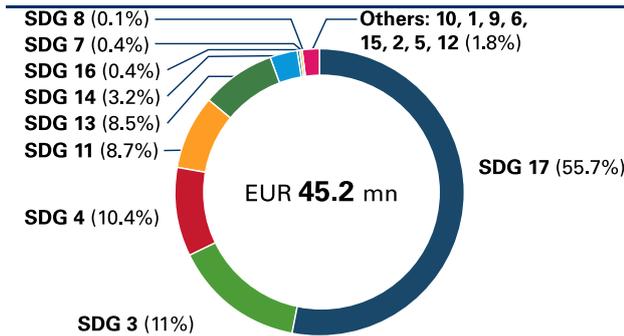
Social Investments

OMV has defined an umbrella term for its social investments. These include any activities that encompass monetary or non-monetary support and activities beyond core business that aim to contribute to the social welfare and progress of society in general. Our social investments (includes community development projects) aim to create long-term societal value for local communities impacted

by our business and add value to the societies in which we operate.

Our community relations processes and projects help us develop mutual trust and respect between OMV and nearby communities, thus helping us maintain our social license to operate and create win-win situations for all.

2023 Investments by Main SDGs and by Beneficiaries



- SDG 1: No Poverty
- SDG 3: Good Health and Well-Being
- SDG 4: Quality Education
- SDG 7: Affordable and Clean Energy
- SDG 8: Decent Work and Economic Growth
- SDG 10: Reduced Inequalities
- SDG 11: Sustainable Cities and Communities

- SDG 12: Responsible Consumption and Production
 - SDG 13: Climate Action
 - SDG 14: Life Below Water
 - SDG 16: Peace, Justice & Strong Institutions
 - SDG 17: Partnerships for the Goals
- Other SDGs supported to a smaller degree
- -
 -
 -
 -

Management and Due Diligence Processes

Needs Assessments

Community development investments are always aligned with identified local needs and made following consultation with local stakeholders, as well as following consideration of country-specific priorities in relation to the Sustainable Development Goals (SDGs). We prioritize projects with the potential for generating long-term societal value and making a lasting change to beneficiaries' lives. Community and social investments are aligned with the SDGs and the community needs identified during Social Impact Assessments (SIAs), or with broader societal priorities (e.g., by consulting the Social Progress Index⁴⁹).

We aim to implement our projects in partnership with locally active stakeholders or non-governmental organizations to ensure a maximum social return on our investment. We implement our community development projects as investments, and thus expect each project to generate a return for our communities, or society more

broadly. These initiatives often also include knowledge transfer initiatives aimed at building the local technical capacity of potential workforce or supply chain partners.

Prioritization

Consistent communication ensures a single strategic approach and supports OMV's social responsibility objectives. OMV has therefore defined three key focus areas for our community and social investments:

- ▶ Access to basic services:
- ▶ Education, entrepreneurship, and employment:
- ▶ Climate action and circular resource management:

In addition to the priorities defined by the Group, individual countries or subsidiaries also identify priorities that are specific to them. For instance, the Borealis Social Fund

⁴⁹ The Social Progress Index, developed by the Social Progress Imperative, is a comprehensive measure of real quality of life, independent of economic indicators across countries. More details can be found at: www.socialprogress.org



has defined three areas of social engagement that contribute to SDGs 14, 6, 7, and 4.

Corporate Volunteering

OMV Group employees are encouraged to personally play an active part in sustainability initiatives, including through volunteering. We offer OMV employees the opportunity to actively engage in encouraging responsible and sustainable behavior and facilitate employee involvement with charitable partners. Group-wide volunteering activities in line with specific targets are part of our community and social investments.

In 2023, we conducted a volunteering action of 18 participants with the Tafel Austria organization, which currently saves up to four tons of food from being destroyed every day and supplies it to around 28,000 people affected by poverty. OMV has been supporting Tafel Austria at various levels for many years. The aim of the cooperation with Tafel Austria is to raise awareness of the issue of poverty and food waste both among our colleagues in the company and in society, and also to provide a better life for people in Austria who are affected by poverty.

We also continued our tree planting activities in Romania and New Zealand. Over the course of the four-year Romania Plants for Tomorrow campaign, 22,000 volunteers contributed to the planting of 2.8 mn seedlings over an area of 550 hectares. As part of New Zealand's Project Crimson, almost 70,000 native plants have been planted since 2020 and 11 volunteers participated in 2023.

Every year, tons of rubbish float ashore along the coast of Stavanger and along the entire coast of Norway. Clean Shores is a global non-profit organization that works to keep the world's coastlines clean and free of litter. OMV (Norge) AS is the main sponsor of Clean Shores Global and through this, we support the local community, act as good neighbors, and show that we care. In turn, OMV highlights Clean Shores Global as a partner in its Corporate Social Responsibility profile, and encourages employees of OMV (Norge) AS to participate in volunteer beach cleaning operations. These are organized spontaneously by groups of employees or departments. Around five to ten cleaning sessions take place each year with five to ten participants on average.

Environment Days at OMV Tunisia

As part of an international campaign to #BeatPlasticPollution, around 100 employees from OMV Tunisia spent two days volunteering to collect plastic waste either on the beach of Gabès or in the desert of Tataouine. To celebrate World Environment Day (WED), which takes place annually on June 5, 25 people from corporate volunteering, including members of the OMV Tunisia leadership team,

were present at the beach in Gabès to participate in the "Run and Plog" activities jointly organized by OMV and other public sector institutions and local non-government organizations. Participants engaged in a plastic waste collection rally. The Gabès coastline is home to a vulnerable ecosystem in the Mediterranean with increased interest in preserving marine biodiversity (e.g., endangered turtle species). From Gabès, we moved to our sites in the desert of Tataouine. Another cleaning campaign was held in the heart of the desert, where the Waha CPF and Nawara CPF field teams and contractors gathered to pick up littered plastic. Two permanent waste containers were also placed on the road to allow travelers to dispose of plastic bottles in an adequate way.

5,000 Therapy Minutes Donated by OMV Employees

We also consider OMV employees' participation in fundraising campaigns as part of our volunteer work. During the CAPE 10 Christmas campaign, OMV employees supported the CAPE 10 Foundation in financing urgently needed therapy hours, especially psychotherapy, for children and young people in Austria in 2024. The donated sum of EUR 4,260 was doubled by OMV and four children and young people at risk of poverty will be able to receive the therapy they need in 2024.

2023 Actions

EUR **45.2** mn in community and social investments⁵⁰

293 community and social investments in 24 countries

1 mn beneficiaries reached

2,471 employee volunteers

Impact Snapshot: Access to Basic Services

In 2023, we continued our plans to invest in infrastructure to improve access to basic services such as health care and water. Our investments have focused on supporting underserved communities or areas with limited access to basic services in countries where we operate, in line with our commitment to respecting human rights. Nevertheless, unforeseen events and disasters can happen at any time. OMV responds immediately to acute problems, e.g., disaster or humanitarian aid, and consistent communication ensures a single strategic approach and support of OMV's social responsibility objectives.

⁵⁰ Includes contributions in cash, contributions in kind, and donations; excludes sports and cultural sponsoring and other related management overheads.



Humanitarian Aid

In 2023, the Borealis Social Fund partnered with the Austrian Red Cross to launch the Borealis Immediate Aid Fund (Borealis ISH Fonds) to provide fast and unbureaucratic financial aid to help people in Austria in financial emergencies. Based on a needs analysis, the fund focuses on helping young families and elderly people in emergency situations where no other support is available. In addition to receiving financial aid, recipients benefit from a consultation with the Austrian Red Cross to help them avoid similar situations in the future.

Victims of the Earthquake in Turkey and Syria

The devastating earthquake in Turkey and Syria in 2023 was impossible to ignore or forget. The OMV Group put several immediate measures in place and committed to providing substantial support for the Austrian national rescue and emergency teams on the ground in the amount of EUR 0.5 mn.

The Borealis Social Fund supported those affected by the Turkey and Syria earthquake by contributing to a container city in Adana, Turkey, which was set up temporarily to house families while the area was being rebuilt. Borealis contributed to 34 out of 200 containers and this aided 152 people.

OMV's Response to Catastrophic Flooding in Libya

Heavy rainfall caused by Storm Daniel resulted in severe flooding in several areas in eastern Libya in September 2023. The worst affected was Derna, where a part of the Wadi Derna dam was washed away and large sections of the city were rendered uninhabitable by the floods. Two dams upstream of the city burst one after the other, releasing huge volumes of water that rushed down the valley and flooded the area, destroying roads, bridges, and buildings and killing thousands of people.

OMV's employees and assets in Libya were not affected. OMV Libya was actively involved with the NOC (National Oil Corporation) Emergency Management Committee, and together with other international companies operating in Libya, immediately offered support to meet the urgent humanitarian needs in the eastern region of Libya. OMV demonstrated one of the fastest responses to this devastating event by delivering two urgently needed 1 MW generator sets to support the affected areas within three days.

Together from Day One, Romania

Through the OMV Petrom Foundation, OMV Petrom extended its support for early health initiatives. Under the Together from the First Day program, OMV Petrom invested EUR 1 mn to equip 45 maternity wards and neonatal units in 28 counties. This resulted in improved

neonatal care for over 20,000 newborns, contributing to a reduction in infant mortality. Furthermore, the First Step to Health project aimed to equip 39 family practitioners' offices to improve prenatal care by providing essential support for 7,000 pregnant women and young children. Finally, the Baby Box program received financing of EUR 1.58 mn to provide vital assistance and health information to 2,713 mothers and newborns in vulnerable circumstances. More Information can be found on the [OMV Petrom website](#).

WISE Charitable Trust for Healthy Homes in Taranaki, New Zealand

Support for the WISE insulation program for healthy homes enabled 264 homes in the Taranaki region to be insulated in 2023. Through OMV New Zealand's support of the Bellyful program, 1,942 meals were provided to 269 mothers with young babies in need.

Water and Energy: Water for the World Program

Access to water and energy are fundamental as they affect the ability of poor families to obtain sufficient food and protect their health, as well as limiting the livelihoods and educational opportunities available to them. Since 2007, Borealis and Borouge have provided solutions through Water for the World, a joint program to address the global water and energy challenge in rural and urban communities, with a focus on South-East Asia and Africa. The program cooperates with a range of non-profit organizations and supports numerous projects across Asia and Africa, including in China, Ethiopia, India, Kenya, Nepal, Morocco, Myanmar, and Pakistan, benefiting over one million people since its inception.

Water for the World celebrated its 15-year anniversary in 2023. Based on a joint vision and global concept, the two companies followed different local implementation strategies tailored to the companies' organization and local needs. The two approaches complement each other: With activities in Asia and the Middle East and in regions with water scarcity or the need to extend water infrastructure to remote regions, Borouge implemented a variety of projects in a number of countries in that region, each with a respective local/national NGO and supported by the respective Borealis employee in charge of Borouge's activities in that country.

With the majority of its activities in Europe where the challenge is mostly related to old infrastructure leading to water leaks, Borealis focused on supporting awareness raising, for example through water roadshows/exhibitions and supporting the Stockholm Water Prize, improving knowledge on topics such as preventing water leaks caused by aging water infrastructure, efficient water use in agriculture/sustainable water practices in agriculture, and



calculating the world's first water footprint for plastics. In addition, since 2007, Borealis has worked in partnership with Water and Sanitation for the Urban Poor to provide funding and in-kind materials to support their activities on the African continent.

The program was expanded in 2017, and in addition to water infrastructure, renewable infrastructure projects were also implemented. The first project was launched in Myanmar with the installation of photovoltaic modules in a hospital in Kanni, which was followed by a project in Uganda.

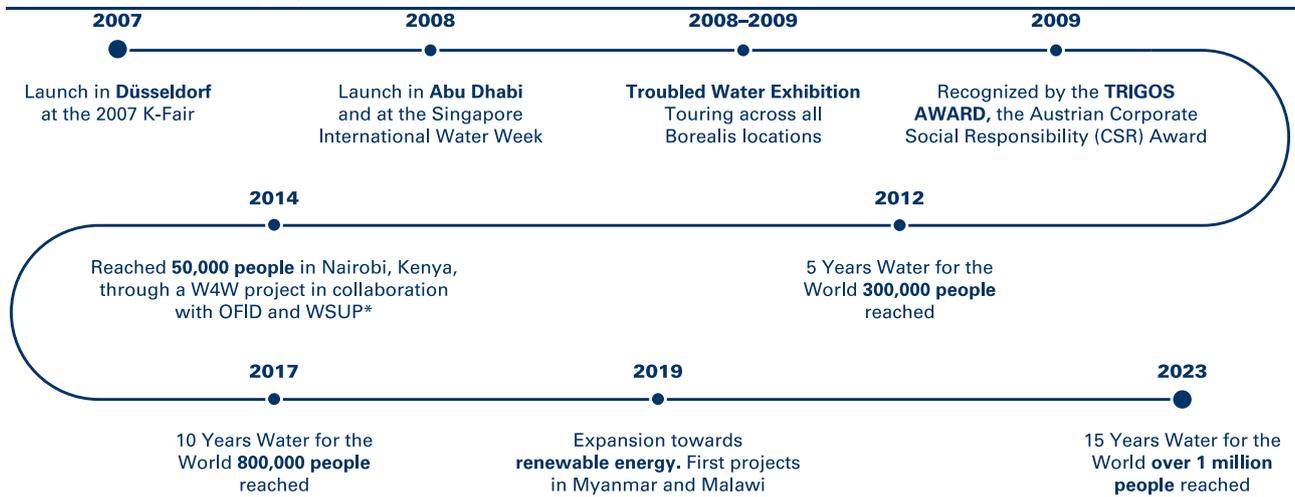
Over the last 15 years, the water challenges faced by the world have changed and today include the consequences

of climate change, such as increased natural disasters, floods, and droughts. Therefore, during 2024, the program will be reviewed and the conceptual approach and project portfolio adapted to meet the societal needs of today and the future.

Status 2023

▶ Since it began in 2007, Water for the World has reached more than 1 mn people and implemented over 20 projects in more than 20 countries.

Water for the World Highlights



WSUP: Water and Sanitation for the Urban Poor; OFID: OPEC Fund

Additional projects contributing to SDGs 1, 2, 3, 6, and 7 can be found on the [OMV website](#).

Impact Snapshot: Education, Entrepreneurship, Inclusion, and Employment

In 2023, we continued to develop community projects that promote self-sufficiency, job growth, and economic development within communities impacted by our business operations. Education, entrepreneurship, and employment are key factors in socioeconomic development and positively contribute to numerous other SDGs. OMV has been involved in community and social investments focused on education, entrepreneurship, and employment for many years now. We invest in vocational training, microlending, scholarships, and building supplier capacity. Some of the key initiatives that the OMV Group has been actively involved in include:

Tasharok: Empowering Communities in Tunisia

OMV Tunisia completed the Tasharok project in Gabès, which was celebrated with the community in the presence of regional officials and OMV partners. The aim of this project was to bring about a positive change in Basboussa and Bouchemma, two communities in the vicinity of the Nawara Gas Treatment Plant (GTP), by: enhancing the city's waste management services in collaboration with the municipality, and equipping it with the necessary materials and equipment; collaborating with a local micro-grant program for the benefit of Basboussa community members so they can create small-scale economic activities to improve their financial situation and support their families; and bringing people together to organize and support each other in resolving community issues through the creation of a community-based organization, and acting as a representative for the Basboussa neighborhood.



Southlabs is a start-up support initiative aiming to drive innovation in south Tunisia, namely Tataouine and Gabès. Twenty beneficiaries from both regions have been selected to benefit from a coaching program that allows them to apply for the start-up initiative run by the state. The program provides business plan improvement, communication, marketing, and fundraising training. Having applied for and received the start-up label, beneficiaries will benefit from early-stage funding of up to EUR 100,000.

Early Childhood Education and Care in Romania

In Romania, the participation rate in early education has decreased in recent years and is among the lowest in Europe. Through the OMV Petrom Foundation, OMV Petrom has been able to support early education projects. The Start in Education project targets 60,000 preschool children (age 3–6) from underprivileged communities, with the aim of enhancing their school readiness. The educational project addresses the immediate needs of the most vulnerable preschool children, mostly from rural areas, and aims to facilitate their access to educational resources, with early learning experiences managed by parents at home. This has resulted in increased enrolment in the kindergarten.

In the 2023–2024 school year, ABC Kindergarten teaching kits will continue to be provided for 1,500 kindergartens, and training programs in the field of interactive education and parenting will be organized for 3,500 educators. The project will also support another 60,000 preschool children and 10,000 parents in 41 counties with educational resources and parenting workshops. Thanks to this, the number of children benefiting from the Future in a Schoolbag educational kit has reached 120,000, and the number of parents participating in the School of Parents workshop reached 23,000. Also, the “Let’s be friends – no bullying in kindergartens” project trained 600 specialists from 60 kindergartens to work during the 2023-2024 school year with over 8,000 children on the “Let’s be friends” methodology, which is based on the philosophy that a strong sense of community and positive relationships between children prevent exclusion and bullying. Besides training, the 60 kindergartens also received the package of educational resources to be used by the educators and integrated into their daily routine of activities with children and parents.

Vocational School

OMV Petrom continued to support dual education in Romania with donations of around EUR 300,000 in 2023. The Petrochemical School is a dual-system program supported by OMV Petrom. The future petrochemists benefit from professional training in the field of petrochemicals and internships at the Petrobrazi refinery. Approximately 100 students received scholarships worth up to EUR 130 during their studies. We have almost 100 students in the four dual education classes, and three classes with around

75 students graduated in 2023. Upon completion of the three years of vocational education (petrochemical operators’ qualification), students will acquire a recognized professional qualification and will have employment opportunities within our Company. The Petrochemical School program is a pilot project with the aim of assuring a constant and sustainable flow of a high-quality blue-collar workers.

SapuraOMV Upgrades Water Gravity Pipes and a School Library

Since 2023, SapuraOMV has collaborated with the Kuching Resident Office as part of their Village Transformation program. One project involved partly upgrading an existing water gravity pipe network that links fresh clean water from the waterfall dam to the nearby village (Kampung Seboboq), which currently has 119 households and over 700 residents in the B40 category. By upgrading the water gravity pipes, the villagers will have access to fresh clean water with no disruption.

The second project with the Kuching Resident Office’s Village Transformation program is to upgrade the existing library at Tringgus Elementary School. It has been 20 years since the school’s wooden library received any upgrades. The donation will go toward purchasing new tables and chairs plus reference and reading materials for both teachers and schoolchildren. In addition to that, SapuraOMV will also be running a donation drive to collect used story books for the library.

House of Science, New Zealand

In partnership with House of Science, 418 science resource kits have been delivered to 37 local Taranaki schools in New Zealand. This enables children to further explore the subject of science in primary schools.

Cultural Treasures for Our Youth

As part of OMV’s sponsoring partnerships, we provide targeted support for educational and youth activities in all our projects and give young people access to art and culture. For many years, we have invited children and young people from Max & Lara from our partner CAPE 10 to experience and learn from cultural events organized by our sponsoring partners. In 2023, over 100 children and their parents attended such events organized by OMV sponsoring partners. This doesn’t just provide opportunities to learn and experience art, but also to experience and participate in cultural life in our society. We therefore consider these opportunities as a contribution to our social responsibility.

CODY21: Digital Education Program in Austria

As digitalization is becoming more and more important to the youngest members of society, we are offering virtual



education in elementary schools in Lower Austria through interactive video units on basic digital education. OMV finances the CODY21 platform and thus makes an important social contribution to education and equal opportunities for a total of 3,200 school children in OMV's partner communities. In 2023, we also donated 400 laptops to partnering schools with the aim of providing more possibilities for pupils and teachers in regard to digitalization.

WELCOME TO THE FUTURE! Exhibition

Borealis has been one of the main sponsors of the ZOOM Children's Museum in Vienna, Austria, since 2013. The ZOOM Children's Museum and Borealis share the common goal of helping to make complex sustainability issues understandable for the younger generation, getting them excited about science and research, and sharpening their skills for future challenges. In 2023, the Borealis Social Fund and the ZOOM Children's Museum in Vienna celebrated the opening of a new hands-on exhibition, WELCOME TO THE FUTURE!, which deals with the sustainability challenges of tomorrow's world. For this purpose, ZOOM has transformed the exhibition hall into a Future Lab where artists, scientists, and experts from a wide variety of areas contributed their ideas for our future. The ZOOM Children's Museum welcomes children to ask questions, to touch and to feel, to examine and to play to their heart's content. In their own individual way, they zoom in on objects and situations and, in doing so, find out about themselves and discover their own skills, abilities, and creativity.

Ecopost for Fair and Regular Income Generation

Borealis and Ecopost formed a collaboration where Borealis will fund Ecopost's activities to boost waste recycling in Kenya and to promote a circular economy in line with the UN Sustainable Development Goals. Borealis will specifically support capacity building, training, and engaging more waste collectors, as well as formalization of their work by funding entrepreneurial start-up kits for the youth and women's groups.

Additional projects contributing to SDGs 4, 5, 8, and 10 can be found on the [OMV website](#).

Impact Snapshot: Climate, Energy, and Circular Resource Management

Climate and environmental changes inevitably affect communities around the world and their livelihoods, health, and opportunities. We can no longer afford to tackle the social challenges the world faces without recognizing the extent of the effects environmental changes can have on people and their health and well-being. Climate change, access to sustainable energy, and environmental protection are key priorities in our community and social development efforts.

Environmental initiatives supported by the Petrom Foundation

Part of the environmental initiatives of the Petrom Foundation is the Green for Future program, which invested EUR 1 mn in Vânători-Neamt Natural Park. The focus is on enhancing the biodiversity conservation, wildlife management, and community development. Furthermore, the Green for the Alpha Generation program developed students' skills in addressing climate change in their communities and benefited 147 teachers and 2,900 pupils across 26 counties through curricula and projects aimed at combating climate change.

RoEficientă: Energy Efficiency in Romania

România Eficientă is a unique initiative in Romania that aims to create a culture of energy efficiency in the building sector. There are two main components and goals that drive this project: firstly, information, education, and public awareness, and secondly, carrying out major renovations based on NZEB (Nearly Zero-Energy Buildings) standards at a couple of the public schools in Romanian counties, including building a pilot school in Ploiești. This initiative is strongly backed by the energy and climate policies in the European Union and is largely centered around the principle of energy efficiency.

The project becomes all the more important in the context of the European Green Deal, which places great emphasis on energy efficiency, one of the main pillars of the new European policies, and on building renovation. In 2023, we decided to launch a new concept, more applicable to the current educational needs, in addition to what we are already doing. In order to show and explain the impact of school renovation and the multiple benefits of modern energy-efficient buildings, this new educational concept is based on direct learning from specialists. Therefore, through visits to school and universities, we will focus on educating the children and young people, creating educational materials (which can be accessed anywhere and anytime from the official platform <https://www.romania-eficienta.ro/>), educating teachers to promote energy efficiency measures to the younger generation, and educating the general public through practical experiences/models (school renovations, Doza de Energie/Energy Dose video productions and influencers).

The Liliești High School was the largest private investment for the energy renovation of an educational establishment in Romania (worth up to EUR 1.6 mn). By renovating to NZEB standard, the school will have less impact on the environment and will also be more resilient to the impact of climate change. The refurbishment works at Liliești High School will result in an annual reduction of around 60% in the energy consumption for heating the building. The five-pump heat system contributes to this result. In addition,



the school will benefit from “green” electricity, obtained from its own sources, through a system of 30 photovoltaic panels with an installed power of 550W each. Its inauguration took place on March 20, 2023.

România Eficientă has reached its fourth phase, which means renovation works at the Zig-Zag Kindergarten in Ovidiu (Constanța) are in full swing, with completion estimated for March 2024. The kindergarten has undergone an extensive renovation process, including works to increase energy performance to bring it up to NZEB requirements and consolidation and capacity expansion works. The building will be upgraded from energy efficiency class E (lowest limit class G) to the highest energy class (A). Total annual energy consumption will be reduced by more than 60% and carbon emissions by about six times. The building will be equipped with renewable energy systems, i.e., photovoltaic panels and heat pumps. In parallel, we have also started preparing the documentation for a school in Șimian (Mehedinți).

OMV Petrom Supports Circular Economy Projects with Social Impact

In 2023, OMV Petrom continued several initiatives to raise awareness about the circular economy and foster the transition to a circular economy in Romania. For instance, circular economy initiatives with social impact include the “Let’s Click on Romania” project, a collaboration between private companies and the NGO Ateliere fără Frontiere. In this project, 4,000 computers were refurbished and donated by private companies to over 200 institutions such as schools, NGOs and kindergartens, reducing CO₂ emissions by around 500 t. The project also proposes a model of good practice at the national level regarding the circular economy, and through this example provides access for young people from marginalized rural and urban environments to a better education. This includes resources related to the transition to a green economy, an area still undeveloped in rural areas even though it is a necessary one for the evolution of human society as a whole. The project endeavors to have a positive impact on the environment by reusing and donating electronic waste to equip the school’s computer labs and classrooms, thus extending their life cycle. NGOs have also managed to incorporate some very rarely mentioned subjects into school life: circular economy, reusing materials, and sustainability.

OMV Petrom supports a circular project by giving furniture a new life in 18 communities in Romania. In 2023, it redirected over 4,400 pieces of furniture to communities in Constanța, Prahova, Dâmbovița, Olt, Dolj, Arges, Brasov Buzau, Bucuresti, and Iași counties.

Waste and Resource Efficiency: Project STOP

Environmental pollution caused by littering is a global challenge. Millions of tons of plastic waste leak into the environment and oceans every year. Mismanaged waste is adversely affecting the region’s ocean ecosystems, livelihoods, human health, and sustainable development more broadly. An important solution is to accelerate the transformation toward a circular economy. A key enabler for this is stopping waste leakage at the source by establishing low-cost, efficient, and circular waste management systems.

Project STOP Highlights 2023

Co-founded by Borealis and Systemiq, with broad support from national and regional governments, international institutions, academia, and the private sector, Project STOP focuses on delivering measurable impact on the ground. Since its inception in 2017, it has steadily extended from the first city of Muncar to two more cities, Pasuruan and Jembrana. To ensure the system continues to function effectively after formal handover, a comprehensive education program was developed in the three cities to train municipal employees, and the Project STOP team will remain available for support and advice. Read more about Project STOP in the [Borealis Annual Report](#).

A key highlight in 2023 was the inauguration of a new material recovery facility (MRF) in Songgon Municipality, Banyuwangi, East Java, representing a key milestone on the path to building Indonesia’s first regency-led circular waste management system as part of the Project STOP Banyuwangi Hijau expansion plan. One of the largest of its kind in Indonesia to date, the new MRF will manage waste collection and sorting from households in the region, including materials to be recycled, with a daily capacity to process up to 84 t of waste. The MRF will collect all waste, including 3,300 t of plastic waste per year, at full scale by 2025. This expansion program consists of three consecutive phases and was kicked off in early 2023, with completion scheduled for the end of 2025. By that time, Project STOP aims to positively impact the lives of up to 2 mn residents, create 1,000 full-time jobs, and annually collect 230,000 t of waste, including the 25,000 t of plastic that has been collected since the inception of Project STOP in 2017.



Status 2023

391 new full-time jobs created in waste collection, sorting, organic processing, and management and administration

393,280 people provided with waste collection services for the first time in their lives

61,770 t of waste (including 8,755 metric tons of plastic) collected, sorted, and further processed

Waste management systems in the cities of Pasuruan and Jembrana handed over to the local municipalities

Groundbreaking ceremony in September 2023 of a material recovery facility that will manage 23,000 t of waste, of which 3,300 t of plastic per year, once at full scale by 2025

Additional projects contributing to SDGs 7, 11, 12, 13, 14, and 15 can be found on the [OMV website](#).

Outlook

We will continue supporting the UN Sustainable Development Goals through a number of community relations and

social investment projects worldwide, working closely with communities in the vicinity of our operations. To gain a better overview of all our projects we promote communication on our media channels. Consistent communication ensures a single strategic approach and supports OMV's social responsibility objectives and its reputation.

In 2024, we will review our prioritization of focus areas in line with our sustainability strategy and define common Group-wide areas that take into consideration the ongoing energy transition and climate change. We will also continue our ongoing social projects to meet the needs of people in the communities where we do business.

To emphasize the importance of social investments in all countries where we conduct business or operate, also including in times of crisis, a target has been clearly defined in the Strategy 2030. Based on this, we want to implement a social fund so we can act immediately and in a straightforward way, especially in the event of acute problems such as disasters or humanitarian crises, and provide long-term perspectives for our project partners. Furthermore, we want to provide consistent communication about our programs. OMV fully benefits from the high impact and visibility of relevant projects and initiatives.



Target 2030

- ▶ Direct at least 1% of Group investments per year toward social goals (based on previous year's reported net income attributable to stockholders of the parent)

Status 2023

- ▶ 1.2%⁵¹

Most relevant SDGs



SDG targets:

1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology, and financial services, including microfinance

8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity, and innovation, and encourage the formalization and growth of micro-, small-, and medium-sized enterprises, including through access to financial services

⁵¹ In 2023, OMV's reported net income attributable to stockholders of the parent was EUR 3,634 mn. Our social expenditures in 2023 were particularly high because of donations for humanitarian causes in Turkey and Libya. At OMV Petrom, EUR 23 mn 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, toward sponsorship, patronage, or the granting of private scholarships.



Ethical Business Practices

OMV generates direct economic value (e.g., through taxes) and indirect economic value (e.g., through local procurement that fosters local job creation) in numerous countries worldwide. It is therefore imperative that we act in accordance with the highest ethical standards on an international level, everywhere we operate, and enforce these standards throughout our supply chain. Unethical behavior, such as corruption, hinders economic and sustainable development.

OMV is a signatory to the United Nations (UN) Global Compact, and we believe that sustainability starts with our value system and a principles-based approach to doing business. Our business partners are also expected to share the same understanding of and commitment to ethical standards. The Ethical Business Practices strategic focus area brings together our commitments and actions relating to the integrity of our employees and business partners. Establishing a culture of integrity is the baseline for the further adoption of the UN Agenda for Sustainable Development, whether that is achieved by promoting local economic development through local procurement, or ensuring that our public policy engagement and work with suppliers is in line with OMV's climate commitments.

Economic Impacts and Business Principles

Material Topic: Economic Impacts and Business Principles

Creation of direct and indirect economic value through OMV business activities, as well as compliance with anti-corruption and other legal requirements

Key GRIs

- ▶ GRI 201: Economic Performance 2016
- ▶ GRI 205: Anti-corruption 2016
- ▶ GRI 206: Anti-competitive Behavior 2016
- ▶ GRI 415: Public Policy 2016
- ▶ GRI 419: Socioeconomic Compliance 2016

NaDiVeG

- ▶ Corruption prevention

Most relevant SDG



OMV is defined by the way our people behave. Conducting business sustainably and ethically is crucial for OMV in creating and protecting value in the long term, in building trusting partnerships, and in attracting customers and the best suppliers, investors, and employees. We strive to comply with the most stringent legal requirements in areas such as anti-corruption and tax law, and to be transparent and implement sound corporate governance to ensure ethical behavior. The principles of corporate governance are a key element for the sustainable growth of the business, for enhancing long-term value for shareholders, and for strengthening stakeholder confidence.⁵²

OMV's Code of Conduct and Code of Business Ethics publicly lay out our commitments to responsible and ethical business conduct. OMV's Code of Business Ethics sets out a zero-tolerance policy on bribery, fraud, theft, and other forms of corruption, as well as money laundering, and prohibits any support of political parties or donations to them. This Code applies to all employees. It is designed to comply with the standards set by both national and international anti-corruption legislation (mainly the OECD Anti-Bribery Convention and the UK Bribery Act). OMV is a signatory to the UN Global Compact and adheres to the OECD Guidelines for Multinational Enterprises. These Guidelines reflect the government expectations of responsible conduct by businesses. They cover all key areas of business responsibility, including bribery, competition, and taxation. OMV has also published a separate Tax Policy.

Governance

Ultimate responsibility for ensuring the ethical conduct of OMV while generating economic value lies with the Executive and Supervisory Boards. Responsibility for economic impacts and business principles is not centralized in one department, but rather distributed across various departments. For instance, the OMV Compliance Management System is implemented Group-wide through collaboration between central management units and local compliance officers in all countries in which OMV operates.

The Group's approach to tax and the risks related to it are monitored by the tax function (as part of Group Finance) and overseen by the CFO and the Supervisory Board. Tax compliance is generally dealt with by finance managers, and at legal entity level by local tax managers, shared service centers, or external tax advisors. OMV's Tax Compliance functions and departments report to OMV's CFO.

The Public Affairs and International Relations team is the OMV Group's interface with the relevant political and public administration decision-makers. It informs stakeholders in Austria as well as at EU and international level about OMV's business, so that they understand how the oil, gas, and chemical industry works, the challenges it faces today, and the contribution it will make in the future. Relationships with stakeholders are sustainable and based on transparency and mutual trust. Public Affairs and International Relations reports to OMV's CEO.

⁵² Read more in our separate [Corporate Governance Report](#)



The Company's management is committed to establishing and maintaining an ethical standard of trust and integrity in our day-to-day business. Our senior management signs a Compliance Declaration to confirm that their conduct is in line with the Code of Business Ethics. New members of senior management also receive personal onboarding conducted by Compliance to introduce OMV's integrity standards. In addition, once a year, all managers and employees in particularly exposed positions must sign a conflict of interest and business ethics conformity declaration.

Each member of the Executive board (EB) and the Supervisory Board (SB) is personally trained by Compliance in all relevant compliance areas. In addition, there are regular Jour fixes and ad hoc meetings with the entire EB and with each individual member of the EB, regular Audit Committee meetings with the SB, and Jour fixes with the chairman of the SB, where compliance-related matters are reported and discussed.

Business Ethics and Anti-Corruption

The OMV Group is a signatory to the UN Global Compact. Although we are headquartered in Austria, a country with high standards of business ethics, we operate in several countries in the Middle East, North Africa, Asia-Pacific, the Americas, and Europe that are defined as high risk by the Transparency International Corruption Perceptions Index. We strive to avoid the risks of bribery and corruption that are specific to our sector. We also highly value our reputation. Therefore, our highest priority is ensuring uniform compliance with our business ethics standards wherever we operate.

Compliance with ethical standards is a non-negotiable value that supersedes any business interest. Absolute commitment to this objective is embedded at all levels of the OMV Group, from top management to every employee. Our business partners are also expected to share the same understanding of and commitment to ethical standards. Every company activity, from planning business strategy to daily operations, is assessed for compliance with ethical standards such as the [Code of Conduct](#) and [Code of Business Ethics](#).

Specific Policies and Commitments

The OMV Group follows a zero-tolerance policy regarding bribery, fraud, theft, and other forms of corruption, as well as money laundering. Based on this policy, the OMV Group is committed to detecting any potential policy violations at the earliest stage, thoroughly investigating any such incidents of non-compliance, and determining appropriate organizational measures or sanctions for the individuals involved. The integrity of our employees is the

foundation of the trust placed in our Company by our customers, suppliers, and other stakeholders.

To ensure that OMV's commitment to business integrity is clear, OMV has introduced a Code of Conduct⁵³, which reflects both the required standards and the high expectations of our shareholders. The Code of Conduct expresses OMV's values and defines OMV's mindset in conducting business responsibly, with the focus on ethical and legal standards, among other things.

The Code of Conduct applies to all OMV Group employees. All suppliers and business partners are required to share OMV's values and comply with the defined ethical and legal standards. A separate Code of Business Ethics further describes how OMV fulfills ethical and legal responsibilities internally. It defines the rules and procedures for conflicts of interest, gifts and invitations, donations and sponsorships, intermediaries and lobbyists, as well as for other areas of law such as trade sanctions, money laundering, and fair competition. OMV has also implemented regulations for compliance with capital markets law, including the prevention of insider trading. These regulations are included in a separate guideline: the Issuer Compliance Standard.

Both the Code of Conduct and the Code of Business Ethics are signed by the OMV Executive Board and apply in all countries where OMV does business. The procedures established by these documents are implemented at every fully consolidated subsidiary of OMV and apply to everyone who works for OMV or on behalf of OMV. We require compliance with international business principles from all parties with whom we enter into partnership agreements, such as joint ventures. Companies performing services for OMV (i.e., suppliers) must follow anti-bribery and anti-corruption procedures that are consistent with the principles of OMV's Code of Business Ethics and with OMV's business ethics standards, as defined in the Code of Conduct (for more details, see [Supply Chain](#)).

The internal Whistleblowing Directive lays out how employees and external stakeholders can confidentially and anonymously make a whistleblowing report, particularly regarding corruption and bribes, conflicts of interest, competition law, and capital markets law. The Directive also specifies how cases are handled and defines special protection for whistleblowers against any form of retaliation, which comprises all actions or omissions in a work-related context such as dismissal, demotion, denial of promotion, negative performance appraisal, or disciplinary measures.

⁵³ Borealis' Ethics Policy is in line with the OMV Code of Conduct and Code of Business Ethics. For the workforce and business partners of the Borealis Group, the Borealis Ethics Policy remains applicable as the relevant work instruction for ethical behavior and business conduct.



Management and Due Diligence Processes

OMV has set up a comprehensive Compliance Management System based on the requirements of IDW PS 980⁵⁴, including policies, audits, and training. The system aims to anchor OMV's business ethics policies throughout the organization and to ensure their correct implementation.

The design and implementation of OMV's Compliance Management System have repeatedly been externally audited for adequacy and effectiveness. The result of each audit was that OMV's system is appropriately designed and effectively implemented in order to prevent, detect, and respond to systematic misconduct in the legal areas of business ethics/anti-corruption, capital market law, competition law, and trade sanctions.

Risk Assessments and Audits

Both external and internal risk factors, in particular changes to the regulatory framework, as well as recent developments or incidents, are monitored on an ongoing basis to evaluate their possible impact on OMV's current risk exposure. This ongoing risk analysis also includes an institutionalized semi-annual risk analysis, which is part of OMV's Enterprise-Wide Risk Management (EWRM). If new risks are identified, OMV undertakes measures to address them.

Before we launch activities in a new country, we perform a thorough analysis of business ethics and sanction law issues in that country. The Business Ethics Entry Assessment includes an analysis of the Corruption Perceptions Index assigned by Transparency International to a given country. Based on the outcome of the assessment, corporate governance in local operations is adapted to assure compliance with OMV's ethical standards. OMV has implemented a process for screening both potential new and existing business partners using EU and US sanction lists. In addition to those sanction checks, more exhaustive due diligence assessments are conducted prior to engagement with a business partner or during the business relationship as needed.

Critically, counterparties in M&A transactions, strategic partnerships, or business partners that have been in the media spotlight in the context of illegal conduct are assessed in greater depth. Such an assessment involves the potential business partner, their direct and indirect shareholders, other investors, and the ultimate beneficiaries of directly or indirectly involved legal entities. To that end, OMV uses its standardized know-your-customer (KYC) questionnaire to request information from counterparties so they can assess corruption, money laundering, sanctions, and other illicit conduct risks.

Key red flags are connections to government officials, other individuals, and companies referred to in high-attention media reports related to political and corruption cases, sanctioned entities, or any other suspected involvement in illegal conduct. In cases where intermediaries, lobbyists, or consultants are engaged, we use a third-party service provider to do comprehensive research, including source inquiries. Furthermore, vendor assessments are conducted by the OMV Procurement department.

In 2022, Borealis was certified according to ISO 37301 (Compliance Management) and ISO 37001 (Anti-Bribery Management Systems) by Austrian Standards following a two-phase audit process conducted by Taylor Wessing.

Whistleblowing

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

Besides employees, other stakeholders also represent a valuable source of information, and can help identify breaches of ethical standards. To this end, the OMV Group has introduced a whistleblower mechanism – the Integrity Platform. Anyone can access it online (omv-group.integrityplatform.org) and confidentially report an issue, be it related to topics such as corruption, bribes, conflicts of interest, antitrust law, or capital markets law. The report can be filed anonymously, if desired. In addition, Borealis has an Ethics Hotline that is available in 24 languages and allows employees and external stakeholders to raise concerns anonymously.

Special protection is given to employees in their capacity as whistleblowers when information is provided in good faith. Notifications will not lead to any disadvantages at any time. Any whistleblowing report is treated with the strictest confidence, carefully checked in all regards, and further handled by the Whistleblowing Committee, which includes members of senior management.

Training

It is of strategic importance for us to make sure that every single employee is fully aware of our ethical values and principles. Business ethics training includes training employees on dealing with invitations, gifts, and potential conflicts of interest. In addition, employees are trained in the topics of donations and sponsorships, as well as the

⁵⁴ IDW PS 980 is an (auditing) standard published by the Institute of German Certified Public Accountants (IDW) in 2011 that contains specific requirements for the design of a compliance system in a company.



requirements for dealing with intermediaries and lobbyists.

The online training module in business ethics, which is rolled out biannually, is aimed at all employees of the OMV Group, while participants in classroom training courses are selected according to risk-specific criteria, such as working in the Sales or Procurement departments. The training on antitrust law that we provide focuses on the rules for dealing with competitors, customers, and suppliers. Participants in online and face-to-face training sessions are selected and invited to attend a regular training cycle according to risk-specific criteria. All target groups are defined at the beginning of the training cycle based on the existing organization. Organizational and personnel changes during a training cycle are continuously taken into account.

Raising Awareness

OMV has launched a compliance app that employees can use on their cell phones, providing easily accessible resources and related tools for all compliance-related matters. Employees can submit inquiries on all ethics topics, for instance gifts, invitations, or conflicts of interest, have their sponsorships or donations checked and registered, have new business partners checked against trade sanction and embargo lists, learn how to deal with inside information and file for trading approval, submit inquiries with regards to antitrust matters and obtain guidance, retrieve useful guidance on all ethics topics, and submit reports on ethical misconduct via the secure Integrity Platform messaging service.

2023 Actions

26 whistleblowing cases in the OMV Group

0 incidents of corruption, **0** incidents when contracts with business partners or employees were terminated or not renewed due to violations related to corruption

0 public legal cases involving corruption brought against the organization or its employees during the reporting period

3 legal actions pending during the reporting period with regard to anti-corruption activities and violations of antitrust and monopoly legislation, in which the organization has been identified as a participant⁵⁵

In 2023, OMV's Compliance Management System was audited by Ernst & Young (EY) in accordance with the Auditing Standard (PS) 980 of the Institute of Public Auditors in Germany (IDW) in the areas of business ethics/anti-corruption, antitrust law, capital market law, and trade sanctions. The aim of the audit was to reevaluate the Compliance Management System for the aforementioned compliance areas in order to make any necessary adjustments and align with new trends. In its audit report, EY confirmed that OMV operates an ambitious, well-established, and mature compliance program. OMV's Compliance Management System is appropriately designed for all compliance areas and is effectively implemented across the OMV Group.

In addition, OMV introduced a new Ethics & Integrity Policy that defines the principles of what it means to act ethically and with integrity. This policy should guide the way that business is conducted within OMV, what is considered acceptable or desirable behavior, above and beyond compliance with laws and regulations. The Ethics & Integrity Policy forms a part of OMV's values and underpins OMV's value "we care." The Ethics & Integrity Policy is supported by a newly established Ethics & Integrity Committee, which shall provide reassurance that the organization is living up to its ethical values and commitments.

In 2023, Borealis received recertifications for ISO 37301 and ISO 37001. It also implemented new policies and processes to manage social compliance and external whistleblowing, including an improved due diligence, monitoring, auditing, and escalation procedure for business partners. The outcome was an updated Ethics Policy for Business Partners, which includes new compliance requirements for supplier contracts.

Outlook

In 2024, the Ethics & Integrity Policy will be consistently implemented through various communications initiatives and engagement measures in local branch offices. At an entity level, Borealis will seek certification for Social Compliance Standard SA8000 and recertifications for ISO 37301 and ISO 37001.

⁵⁵ On January 19, 2021, the Competition Council in Moldova initiated an investigation into several oil companies, including Petrom Moldova SRL, in relation to the manner of determining sale prices of main petroleum products and LPG. On April 12, 2021, Petrom Moldova SRL received a statement of objections from the Competition Council regarding an alleged price fixing practice. Petrom Moldova SRL submitted its observations to the statement of objections in July 2021 and denied any wrongdoing. The hearing of the parties took place on April 5, 2022. On October 6, 2020, the Polish Competition Authority UOKiK issued a decision with respect to OMV's financing of the Nord Stream 2 natural gas pipeline. In this decision, UOKiK concluded that this financing arrangement breaches Polish merger control rules and imposed a fine of EUR 19.571 mn on OMV. OMV appealed that decision. On November 21, 2022, the Polish Competition Court annulled in its entirety the decision of UOKiK. On October 16, 2023, the Polish Court of Appeals dismissed UOKiK's appeal against that judgment. As a result, UOKiK's decision to fine OMV was canceled by the Polish courts. In September 2023, the Antimonopoly Committee of Ukraine started an investigation into OMV Gas Marketing Trading & Finance BV for allegedly performing a "concerted action" by entering into the Nord Stream 2 financing agreements. OMV contested the allegations on October 31, 2023.



Target 2025

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

Status 2023

- ▶ 9,285 OMV employees were trained in business ethics in 2023. This number consists of 642 OMV employees who were trained in person and 8,643 employees who completed the online training on business ethics. In addition, 216 OMV employees were trained in competition law in 2023. 303 employees at Borealis received tailored classroom/virtual training sessions on Ethics & Compliance.

Most relevant SDG



SDG target:

16.5 Substantially reduce corruption and bribery in all their forms

Tax Transparency

Our business activities generate a substantial amount and variety of taxes. We pay corporate income taxes, royalties, production taxes, stamp duties, as well as employment and other taxes. In addition, we collect and pay payroll taxes, and indirect taxes such as excise duties and VAT. The taxes we collect and pay represent a significant part of our economic contribution to the countries in which we operate.

Specific Policies and Commitments

At OMV, we are committed to complying with tax laws in a responsible manner and to having open and constructive relationships with tax authorities, which is also reflected in OMV's public [Tax Strategy](#). Our tax planning supports OMV's business and reflects our commercial and economic activity. OMV does not engage in aggressive tax planning, which consists of artificial structures put in place merely to save taxes or of transactions lacking economic substance aimed at obtaining undue tax advantages. We comply with applicable tax laws and seek to limit the risk of uncertainty or disputes. We perform transactions between OMV Group companies on an arm's length basis and in accordance with the OECD principles currently in force.

OMV Group companies are established in suitable jurisdictions, giving consideration to our business activities and the prevailing regulatory environment. OMV does not establish its subsidiaries in countries that do not follow international

standards of transparency and exchange of information on tax matters, unless justified by operational requirements in line with OMV's Code of Business Ethics and our Code of Conduct. The Global Tax Directive is the key internal guidance document governing taxes within the OMV Group.

Management and Due Diligence Processes

Risk Assessments

We continuously carry out risk reviews, which incorporate tax risks, in order to assess our current and future financial and non-financial risks, assess how these trends will impact OMV, and then develop appropriate responses. We report key risks internally at least twice a year to the Supervisory Board through a very clearly defined process. The Executive Board drives OMV's commitment to the risk management program and sets the tone for a strong culture of risk awareness across the organization.

We follow OMV's risk management system as part of our internal control processes. We identify, assess, and manage tax risks by implementing risk management measures at the operational level with a robust and complex set of controls and procedures. These guarantee that the correctness of data included in the relevant tax returns, tax payments, and communications with tax authorities is verified in a timely manner. The effectiveness and relevance of these controls and procedures is periodically



assessed in order to promptly undertake any necessary mitigation and modifications.

Disclosure

Since 2016, OMV has been providing mandatory disclosures under the Payment to Governments Directive (in accordance with Section 267c of the Austrian Commercial Code) and publishes any payments made to governments in connection with exploration and extraction activities, such as production entitlements, taxes, or royalties, in its consolidated financial statements (for more details, see the Consolidated Report on the Payments Made to Governments in the [Annual Report](#)). In addition, OMV reports payments made to public authorities, such as taxes or royalties in connection with exploration and extraction activities, in countries that are members of the Extractive Industries Transparency Initiative (EITI). We also file a country-by-country report (CbCR) for the OMV Group with the Austrian tax authorities. This is carried out in accordance with Action 13 of the OECD's Base Erosion and Profit Shifting (BEPS) Action Plan. The CbCR is an annual tax return that breaks down key elements of the financial statements by tax jurisdiction. OMV will publish a public country-by-country report in accordance with the requirements of the relevant EU Directive (for more details with respect to the public country-by-country report and reporting deadlines, please refer to the [Outlook](#) section below).

2023 Actions

- ▶ In September 2022, the Council of the European Union agreed on a framework for an EU-wide windfall tax on profits for fossil fuel companies. The Council Regulation (EU) 2022/1854 introduced a solidarity contribution that was transposed into the local legislation of the Member States by the end of 2022 and applies to 2022 and/or 2023. It represents a contribution of surplus profits of companies operating in the crude petroleum, natural gas, coal, and refinery sectors and is intended to fund relief measures for households and businesses facing high energy prices.
- ▶ With the eco-social tax reform having been adopted in Austria, a national CO₂ emissions price was implemented in October 2022. The national CO₂ emissions price applies to defined energy carriers according to defined emissions factors. As an energy provider, OMV will be charged a fixed CO₂ emissions price that will be increased annually until 2026, before a market-based system is put in place. Generally, OMV supports the creation of such economic and socio-political incentives for more climate-friendly behavior; however, we favor the creation of a harmonized, EU-wide system.

Outlook

Taxation as a key steering instrument toward an eco-friendly, green economy is playing a major role in the current initiatives of the EU, OECD member states, and the Austrian government.

- ▶ In 2021, the members of the OECD/G20 Inclusive Framework agreed to reform international tax rules by implementing new rules for profit allocation (Pillar One) and establishing a global minimum taxation regime (Pillar Two). In December 2022, the Council of the European Union reached a unanimous agreement to implement the EU Minimum Tax Directive. This Directive (2022/2523) aims to ensure that large groups operating in the EU are taxed at a minimum global effective tax rate of 15% in each country in which those groups have business activities. Member States were obligated to transpose these rules into domestic law by December 31, 2023, and the rules are effective from January 1, 2024.
- ▶ In 2021, the European Council, European Parliament, and European Commission reached an agreement on the proposed Public Country-by-Country reporting (CbCR) Directive. Member States were obligated to transpose the Directive into national law by June 2023 and the first reportable year is 2025, with a reporting deadline of the end of 2026.
- ▶ In December 2022, the European Commission proposed the VAT in the Digital Age (ViDA) reforms to amend the European Union (EU) Value Added Tax (VAT) system in response to the challenges of digitalization. The mandatory e-invoicing, which should be implemented by January 2028, should help to close the VAT gap. Many other states (e.g., Germany, Romania, etc.) are currently planning to introduce or have already introduced local e-invoicing/reporting requirements that should also strengthen the VAT base and make tax a driver for innovation and growth due to the elimination of manual tasks and automation of invoice processing.
- ▶ Currently, only some countries in the EU have adopted a national CO₂ emissions price for transport and buildings. In 2023, a new emissions trading system was created by the European Commission. The EU-wide Emissions Trading System 2 (ETS 2), covering fuel combustion in buildings, road transport, and additional sectors, is a crucial part of the EU's Fit for 55 package. It will put an absolute cap on emissions, which will decrease in line with a linear reduction factor. Allowances will be distributed exclusively via auctioning. The ETS 2 will be launched by 2027 or 2028, with monitoring and reporting obligations already starting in 2025.



- ▶ The fourth quarter of 2023 was the first period when the Carbon Border Adjustment Mechanism (CBAM), the world's first carbon border tax, entered into force in the European Union. The transitional phase started on October 1, 2023, and applies initially to imports of cement, iron and steel, aluminum, fertilizers, electricity, and hydrogen. The CBAM was designed to level the playing field between EU and third-country producers by putting a carbon price on certain imported products, while phasing out free allocation of emissions allowances to European industry. In the first phase, the CBAM is only about reporting but not yet about paying a CO₂ price.⁵⁶

Public Policy

OMV's public policy engagement is fully committed to the Business Strategy 2030, which is based on the Paris Agreement and aim to reach a net zero target in all three scopes by 2050 at the latest. We recognize that the regulatory framework can help achieve progress on issues such as resource efficiency, which includes reducing waste and marine litter thanks to the implementation of a circular economy, climate change, safety improvements, and fair trade. Interaction with governments and regulators takes place at international, European, national, and local levels. Regulators, political stakeholders, and non-governmental organizations (NGOs) can all shape the regulatory framework that affects the Group's business. Therefore, the OMV Group needs to understand the policy, regulatory, and NGO environment and ensure that it can contribute its knowledge and insight to discussions regarding the future of the regulatory framework.

The OMV Group is a member of industry associations that support the understanding of issues, share knowledge, help develop standards, and provide input to regulatory authorities on behalf of the sector. OMV's association activities make an important contribution to the broader debate on a sustainable, affordable, and secure energy future, as well as sustainable chemicals and materials. Both the energy transition and the transformation from a linear to a circular economy can only succeed if all stakeholders, including legislators, businesses, and society, engage in productive debates. As a voice from the world 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

The OMV Group is active in economic policy but does not support political parties – neither financially nor in any other way. Donations to political parties are not permitted as per the Code of Business Ethics. Activities organized by

political parties are not allowed on the premises of the OMV Group. There are no restrictions for individual OMV employees on engaging in political or public functions or engaging with special interest groups within the framework of legitimate secondary employment. However, it is not permitted to associate the OMV Group with such activities. As with other secondary employment, employees must conclude an agreement with OMV that regulates the details of such activities. Employees must disclose a conflict of interest between the exercising of political or other public functions and their employment with the OMV Group to their line manager and to Compliance.

Indirect Political Engagement

The OMV Group exchanges views on regulatory issues with the responsible political decision-maker(s) and actively participates in EU and national public consultations on legislative initiatives that are relevant to the Group's business. It is an active member of industry associations and standardization groups at international, EU, and national levels to stay at the forefront of regulatory and public requirements. The OMV Group representatives make OMV's position clear on the issues tackled by the associations of which we are members. It aims to inform EU policies by engaging with major industry associations such as Fuels Europe, the European Chemical Industry Council (Cefic), Plastics Europe, and the Polyolefin Circular Economy Platform (PCEP).

Transparency

Our practices are fully in line with all reporting obligations at national and EU levels, and we are fully compliant with all transparency requirements. Interaction with governments and regulators takes place at international, European, national, and local levels.

Monitoring Participation in Industry Associations

Associations aim to adopt positions that reflect a consensus view among members, and thus may not always reflect the view of each individual member. We continuously monitor our membership of associations and their positions on issues so we can consider whether our memberships remain appropriate. As part of our commitment to transparency on climate action, we report not only on our own position and action on climate change, but also on the position of the key industry associations of which we are a member. The OMV Group also regularly reports on the alignment between the industry associations of which we are a member, including OMV's position on climate change policies. Read our latest review [here](#).

In cases of misalignment, particularly partial misalignment, we will first advocate for changes to the association's position. Where OMV and an association's position

⁵⁶ [Carbon Border Adjustment Mechanism – FuelsEurope](#)



continues to fail to align, especially in cases of complete misalignment, we will reassess our membership. The OMV Group plans to regularly publish an update on its industry associations review and to expand the scope of review further.

2023 Actions

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

- ▶ In 2023, the finalization of the Fit for 55 package and REPowerEU were among the most relevant regulatory issues for the OMV Group in the EU. The former included dossiers like the Renewable Energy Directive III, the EU Emissions Trading System, the Carbon Border Adjustment Mechanism, the Energy Efficiency Directive, and the ReFuelEU Aviation Regulation. The OMV Group monitored the legal development and contributed to the positioning of the industry associations. A new topic that came up in 2023 was the Green Deal Industrial Plan. The OMV Group focused particularly on the Net-Zero Industry Act in the context of this package.
- ▶ The hydrogen and decarbonized gas market package and the methane emissions regulation are currently being discussed and were due to be finalized by the end of 2023. The REMIT II Regulation came up as a new topic and is also under review. With regards to the security of gas supply, the Austrian preventive action plan was updated in the reporting year and the EU Energy Platform (AggregateEU) was still an ongoing project with participation from OMV's side.
- ▶ The OMV Group also monitored the development and contributed to industry association positions on several ongoing negotiations in the area of implementing the Circular Economy Action Plan. Negotiations are ongoing as regards several key files, including the Packaging and Packaging Waste Regulation, the End-of-Life Vehicles Regulation, the Waste Shipment Regulation, and discussions on a global instrument to end plastic pollution.
- ▶ Sustainable finance legislation, including the EU taxonomy, was also on the agenda and the OMV Group participated in the relevant working groups at industry associations.

- ▶ In 2023, the European Chemicals Agency put forward a proposal to restrict the use of per- and poly-fluoroalkyl substances (PFAS) in the EU. The OMV Group supported the detailed analyses conducted by associations in this regard.
- ▶ Among the associations' governing boards and task forces, OMV Petrom continued to promote and advocate for a stronger and express commitment and similar initiatives to the targets of the Paris Agreement. Consequently, FIC and ARPEE have elaborated a dedicated stance on the matter. Alongside these endeavors, OMV Petrom committed its expertise and resources to extending the scope of activity of FPPG, with the aim of promoting green technologies (geothermal energy, carbon capture, transport and storage, hydrogen, photovoltaics, biofuels, and biomethane) and ensuring their successful deployment in Romania by shaping a common vision of their demand and benefits. OMV Petrom is thereby contributing to the understanding of the economic and environmental reasoning and implications and raising awareness of the existing bottlenecks among all concerned stakeholders.

Outlook

In 2024, the European Green Deal, the 2040 climate targets, and initiatives regarding the circular economy will be the most relevant regulatory packages for the OMV Group in the EU. The OMV Group will also follow any developments with regards to the European Carbon Management Strategy, and the upcoming European elections in 2024. Likewise, the OMV Group will closely monitor upcoming public consultations.

The war between Russia and Ukraine and current developments in the Middle East might continue to trigger unpredictable developments, which will require flexible solutions. As an important pillar for more sustainable energy, the OMV Group will continuously analyze and engage in projects that contribute to accelerating the clean energy transition and circular economy – as well as the regulatory framework of such projects. With regards to the security of gas supply, the focus will remain on the Austrian preventive action plan and the EU Energy Platform (AggregateEU).



Supply Chain

Material Topic: Supply Chain

Considering social and environmental factors (e.g., business ethics, human rights, safety, and carbon footprint of suppliers) in supply chain management

Key GRIs

- ▶ GRI 204: Procurement Practices 2016
- ▶ GRI 308: Supplier Environmental Assessment 2016
- ▶ GRI 414: Supplier Social Assessment 2016

NaDiVeG

- ▶ Respect for human rights
- ▶ Employee and social concerns
- ▶ Corruption Prevention
- ▶ Environmental Concerns

Most relevant SDG



Implementing sustainable procurement means caring about the environmental, social, and economic impacts of the goods and services the Company intends to purchase. At OMV, 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 be fully compliant 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 disturbance due to delays in payment. Our purchased goods and services are for all our business areas (Chemicals & Materials, Energy, and Fuels & Feedstock) and include, among others, those related to raw materials, wells, IT, consultancy, engineering, logistics, and retail.

Specific Policies and Commitments

To mitigate supply chain risks, including forced labor, slavery, human trafficking, and corruption, the OMV Group imposes the legal requirements and internal rules and standards applicable to OMV on its suppliers. Our suppliers are obligated to fully comply with the content of the OMV Code of Conduct, and our supply chain partners are

required to sign the OMV Code of Conduct. In addition, our suppliers must accept the OMV General Conditions of Purchase, which further detail our business standards (e.g., labor rights), as an integral part of our contractual agreements. OMV reserves the right to terminate relationships with suppliers if non-compliance with applicable policies is discovered or if non-compliance is not addressed in a timely manner.

OMV'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. To ensure we have a standardized approach to payment conditions for our suppliers and contractors, we have 60-day standard payment terms stipulated in the Corporate Procurement Directive.

Governance

OMV Procurement is organized as an integrated function and covers day-to-day procurement activities across the entire OMV Group (including OMV Petrom and Borealis). OMV Procurement is led by the Chief Procurement Officer, who reports to the Chief Financial Officer. From an organizational perspective, OMV Procurement is split into several Procurement Units that cover aspects such as Operations & Materials, Raw Materials & Packaging, and Retail & Business Services. A dedicated Sustainable Procurement & Supplier Innovation department established in April 2022 continued to work toward meeting the sustainable procurement ambitions and targets for 2025 and 2030.



Management and Due Diligence Processes

Supplier Relationship Management (SRM)

A new 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.

Prequalification

Supplier prequalification is part of precontractual activities, during which OMV collects information from a potential supplier with the purpose of evaluating compliance with our HSSE and sustainability requirements. The goal of the prequalification process is to screen potential suppliers before bringing them on board to ensure that only those suppliers that meet our HSSE and sustainability standards can be considered for future collaboration.

The prequalification is based on a standardized list of elements and objectives that aligns with the OMV Group'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). At Borealis, especially for raw materials and packaging, suppliers located in a so-called "high-risk" country are asked to submit a positive Together for Sustainability (TfS) Audit and Assessment report. We categorize high-risk countries by considering human rights, environmental, and ethical aspects.

Supplier Selection

Following prequalification, Procurement and business representatives select the best suppliers based on a pre-defined set of commercial and technical criteria during a tender process. To support the overall OMV Group Sustainability Targets 2030 and the Sustainable Procurement ambition to give sustainability a "value" in sourcing, the Procurement department included two criteria to assess the sustainability performance of the bidders in their commercial evaluation: the EcoVadis score and participation in the CDP Supply Chain.

Risk Assessments

Understanding a supplier's risk is an important factor in deciding whether and how we conduct business with the supplier. Since 2019, we have been receiving daily alerts about our registered suppliers through SAP Ariba. These enable us to monitor their risks in four categories: Environmental and Social, Finance, Regulatory and Legal, and Operations. These risk alerts help us apply a preventive risk management process. Furthermore, OMV has a screening process in place to ensure that parties sanctioned by the EU or international organizations, such as the United Nations, are not accepted as procurement partners.

Audits

OMV conducts two types of audits of its suppliers and contractors: on-site Together for Sustainability audits 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 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 requirements. During the full-scope audits, we pay special attention to the financial stability of our suppliers, their strategy and organization, supply chain, sustainability (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, 22 audits resulted in follow-up measures.

Together for Sustainability (TfS)

Since 2021, OMV has been a member of Together for Sustainability (TfS). As a joint initiative and global network of 50 companies, TfS sets the de facto global standard for the environmental, social, and governance performance of chemical supply chains. The TfS program is based on the principles of the UN Global Compact and Responsible Care®. Being a TfS member helps OMV further embed sustainability into its day-to-day business operations and further cascade sustainability requirements within our supply chain.

The OMV Procurement department has defined TfS-related targets for 2025 and 2030:



- ▶ By 2025, we aim to run sustainability evaluations (TfS Audits⁵⁷ and TfS Assessments⁵⁸) for all suppliers covering >80% of the Procurement spend.
- ▶ By 2030, we aim to extend sustainability evaluations (i.e., TfS Audits and TfS Assessments) to all suppliers covering 90% of the Procurement spend.

Supply Chain Carbon Transparency

We aim to continuously manage and decrease the carbon volume of our purchased goods and services. OMV is fully committed to climate change mitigation and responsible resource management. Only by working together with our suppliers will we be able to define joint low-carbon initiatives to continuously decrease the carbon emissions in the supply chain and meet our Paris Agreement commitments.

As part of its CDP Supply Chain membership, in 2023 OMV invited 394 suppliers to respond to the CDP climate change questionnaire. Suppliers were selected based on spend, 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.

Supplier Capacity Building

OMV works together with its suppliers to improve overall sustainability performance. For instance, 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. Additionally, the topics of sustainable and low-carbon procurement were also included in the agenda of our annual strategic supplier meetings (e.g., Innovation – How can we create sustainable value through innovation? 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?).

Local Content

We aim to support the local communities in the locations where we operate by fostering economic development. Local procurement strengthens the local economy and meets the local procurement expectations of neighboring communities. Increased local procurement has had the added benefit of reducing business disruption in recent years, as well as the potential for a lower carbon footprint from the reduced transportation distance of the goods purchased. The spend with local suppliers in 2023 at Group level was 71.2%.

2023 Actions

- 40** remote full-scope audits performed by OMV Procurement with an external auditor
- 224** TfS (Re)Assessments performed by EcoVadis
- 303** suppliers with a valid EcoVadis score (no more than 3 years old)
- 57%** of suppliers with improved EcoVadis score
- 8** TfS Audits performed in 2023
- 73** OMV suppliers have completed at least one sustainability training on the EcoVadis platform
- 394** suppliers invited to respond to the CDP climate change questionnaire (vs. **231** in 2022)
- 205** buyers across all locations attended awareness sessions on sustainable procurement (**76%** of buyers)
- 1,022** new suppliers screened for social criteria (e.g., child labor, forced labor, and collective bargaining) and environmental criteria
- 71.2%** local spend value across the OMV Group (**89.6%** local spend value in Austria, **81.4%** in Belgium, **99.1%** in Romania)

In 2023, we actively engaged not only with our suppliers, but also with buyers on sustainable procurement and supplier innovation practices. 205 buyers from OMV, OMV Petrom, and Borealis participated in several awareness sessions throughout the year. The focus was on engaging buyers on sustainable procurement, supplier relationship management, and supplier innovation.

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 OMV Group CFO, CEO of OMV Petrom, CEO of Borealis, OMV Group SVP of Innovation & Technology, and OMV Group SVP of Procurement.

⁵⁷ TfS Audits are conducted by an approved external auditor and can be on site, remote, or a hybrid of the two. They cover a single or combined business location such as a production site or warehouse. Sustainability performance is verified against a defined set of audit criteria.

⁵⁸ TfS Assessments are conducted by TfS partner and service provider EcoVadis, a global leader in CSR assessments, via a secure online platform. The assessment questionnaire is adapted to the size, country of origin, and business sector of the company being assessed and results in a score at the end (the EcoVadis score).

Outlook

OMV Procurement is constantly striving to improve in various areas, and in the coming years, sustainable procurement will take high priority. Our three focus areas for the future will be:

- ▶ Sustainable suppliers (e.g., only suppliers who meet OMV's sustainability requirements will be eligible to participate in tenders)

- ▶ Sustainable sourcing (e.g., we will aim to integrate sustainability criteria into award decisions, such as CO₂ emissions per kg product)
- ▶ Low-carbon procurement (e.g., we will aim to continuously manage and decrease the carbon volume of purchased goods and services)



Targets 2025

- ▶ Be an active member of TfS and conduct sustainability evaluations of all suppliers covering >80% of Procurement spend⁵⁹
- ▶ Engage with suppliers covering 80% of Procurement spend and assess their carbon footprint as a foundation from which to define and run joint low-carbon initiatives

Targets 2030

- ▶ Extend sustainability evaluations to suppliers covering 90% of Procurement spend
- ▶ All suppliers covering >80% of Procurement spend to have carbon reduction targets in place

Status 2023

- ▶ 40.6% of A suppliers (suppliers covering >80% of Procurement spend) assessed
- ▶ 394 suppliers engaged with via CDP (vs. 231 in 2022)
- ▶ 71% of responding suppliers have a climate target in place (vs. 75% in 2022)⁶⁰

Most relevant SDGs



SDG targets:

8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity, and innovation, and encourage the formalization and growth of micro-, small-, and medium-sized enterprises, including through access to financial services

8.7 Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking, and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms

8.8 Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

16.5 Substantially reduce corruption and bribery in all their forms

⁵⁹ Suppliers covering 80% of Procurement spend are classed by OMV as A suppliers. We plan to increase the number of A suppliers engaged annually to 100% by 2025.

⁶⁰ The number of suppliers with climate change targets in place is slightly lower compared to the previous year due to the fact that in 2023 we engaged more companies that are small- and medium-size enterprises and are only at the beginning of their sustainability journey.