# Sustainability at OMV

## IN THIS CHAPTER

# Foreword

## CEO Statement

### A conversation with Alfred Stern, Chairman of the Executive Board and CEO of OMV

More information is available in the video by Alfred Stern in our online report

**Mr. Stern, you have always emphasized that systematic change cannot happen in isolation. What did you mean by that?**

The European Union (EU) Green Deal recognizes that there is no single solution to addressing climate change. To achieve climate neutrality by 2050, a substantial collective effort will be required from every sector. Our strategy acknowledges this interconnectedness and interdependency. We therefore aim to re-invent essentials for sustainable living, not only in a way that aligns with our targets, but also that delivers comparable benefits to our stakeholders. This is the systematic change I was referring to – we all have our role to play on this journey. For transformative change to occur in our society, collaboration, technology, and innovation will be crucial.

In 2023, OMV continued to form strategic partnerships and alliances. For instance, we partnered with Interzero to build one of Europe's largest waste sorting plants. It will provide circular and sustainable feedstock for chemical recycling using our patented ReOil® technology. The feedstock produced will then be transformed into a high-quality raw material that is certified according to the International Sustainability & Carbon Certification, or ISCC. Customers who utilize this raw material as feedstock for sustainable plastic production will gain improved insights into the carbon footprint of the products they make. To ensure that our patented technology also benefits other stakeholders, we signed a mutually exclusive collaboration agreement with Wood for its commercial licensing on a global scale. The licensees will also benefit from full asset life cycle support.

**Can you comment on some of the measures OMV is implementing to actively reduce its direct and indirect emissions, especially the challenging Scope 3 emissions?**

To actively reduce our direct emissions at ongoing operations in Austria and Romania, we have started using renewable energy generated by our solar parks. For instance, the PV plants located at the Lobau tank farm and Schönkirchen together generated more than 20 GWh of renewable energy in 2023, which was used for our ongoing operations.

To reduce our Scope 2 emissions, we signed several power purchase agreements (PPAs) to secure renewable energy supply for many years to come. As an example, the clean wind energy acquired through the PPA with WEB Windenergie AG will be used to produce green hydrogen at the Schwechat refinery. Through the projects we have implemented, we have been able to reduce our absolute Scope 1 and 2 emissions by 25% and the carbon intensity of our operations by 20% compared with the base year 2019.

"Prioritizing the health, safety, and well-being of our employees and stakeholders will always be paramount for us."

Reducing Scope 3 emissions is a key challenge for many sectors, underscoring the need for holistic solutions. For instance, to address Scope 3.11 emissions linked to the sustainable feedstock we supply, we have initiated Life Cycle Assessments (LCAs). LCAs offer insights into a product's $CO_2$ emissions and guide optimization measures to achieve further reductions. For example, the LCA we commissioned for our ReOil® technology demonstrated

the substantial advantages of the circular economy – by 2030, 34% of $CO_2e$ emissions could be saved if waste streams currently destined for incineration are chemically recycled using the ReOil® technology.

These are only a few examples of the projects have been implemented. Individually, the annual $CO_2$ savings they achieve may not seem significant at first glance, but when combined, they present a different picture. We have also made significant investments to reduce the carbon footprint of our portfolio. In 2023, OMV and Wien Energie formed a joint venture called "deeep" to work on decarbonizing district heating in Vienna by providing geothermal energy as an alternative. In Romania, OMV Petrom and Complexul Energetic Oltenia joined forces to build four PV parks with a combined capacity of 450 MW. They will supply electricity to the national grid from 2025. In Norway, with our partner Aker BP, we completed the acquisition of a 3D seismic survey of the Poseidon CCS license area. Our collaborations with start-ups, universities, and technology leaders around the world thrived, emphasizing our pursuit of innovative solutions to reduce emissions and advance sustainable energy development.

### In 2021, OMV made a commitment to the Just Transition. What progress has been made so far?

Integrating climate change and the Just Transition into our Group's Human Rights Policy Statement was the first essential step. We simultaneously prioritized training for our employees, ensuring they are well-prepared for future job roles that emerge as a result of our strategy. To enable our workforce to cultivate a mindset aligned with our journey to net zero, we also introduced the Sustainability Academy. It provides an essential foundation for various Environmental, Social, and Governance (ESG) topics, the circular economy, low-carbon technologies, and others. More specialized training was offered to employees already involved in implementing our strategy. For instance, employees that were previously working in the exploration department in our Energy segment were upskilled to equip them with the specific skill set necessary for developing geothermal reservoirs.

In 2023, we spent more than EUR 12 mn on training employees and I am proud to say that we have already achieved our 2030 target of increasing the average number of annual learning hours to at least 30 hours per employee.

### Health & Safety has always been an important topic for you. Unfortunately, the incidents and injuries reported have seen a rise over the past two years.

It is always disheartening to witness a reversing trend. No matter how many impressive results we achieve, if it is at the expense of our employee and contractors' well-being, this can only imply a collective failure to meet our HSSE Vision of being "Committed to Zero Harm – Protect People, Environment, and Assets."

Prioritizing the health, safety, and well-being of our employees and stakeholders will always be paramount for us. We are actively reassessing our safety measures and have a renewed commitment to implementing effective strategies to slow and reverse this trend. Initiatives like "We CARE," "BACK to BASICS," and "B-SAFE" across different parts of the Group have begun to yield positive results. With our updated HSSE strategy and a strong focus on safety culture, leadership, and contractor engagement, I am convinced that we will successfully resume our journey toward becoming an industry leader in safety.

### Mr. Stern, this is a very special edition of OMV's Sustainability Report. How would you describe OMV's sustainability journey over the past few years and what are your thoughts on the new reporting framework?

Yes, this truly is a momentous occasion because it is the last stand-alone edition of our Sustainability Report. In recent years, our sustainability journey has demonstrated continuous improvement. In the last two years alone, we pinpointed numerous data and reporting gaps, achieving an impressive 25% improvement in disclosed data points between 2021 and 2022. This not only underscores our commitment to comprehensive and transparent reporting practices but also signifies the positioning of sustainability at the heart of our strategy.

Our Sustainability Report has always catered to numerous stakeholder groups and provided substantial information that goes beyond what is typically included in the financial statement. The key challenge in the coming years will be to ensure that we strike a healthy balance between financial and non-financial reporting. The combined report should not merely become a reporting exercise but rather a tool that aids the assessment for positive transformation and to drive continuous improvement. Finally, the combined report will provide an excellent framework to balance our social responsibility on the one hand, and maintain our focus on delivering excellent financial performance on the other.

The Corporate Sustainability Reporting Directive, and by extension the European Sustainability Reporting Standards, elevate sustainability to a level of prominence that has traditionally been reserved for finance. The clear emphasis is on a dual imperative – while businesses must pursue profitability, they are equally obligated to ensure that the adopted business practices reflect their social responsibilities as well. This highlights a paradigm shift toward a more balanced and responsible approach to OMV's success. I firmly believe that transformation and growth can only be achieved by embracing change and am looking forward to the further integration of sustainability into our business.

# Highlights

**30**

average number of annual learning hours

**71%**

OMV Group employees trained in human rights

**74%**

waste recovery or recycling rate

**195.9 kta**

production capacity established

**EUR 12.3 mn**

spent on training

**71%**

responding suppliers with a climate target in place

**9,285**

employees in the OMV Group trained in business ethics in 2023

**13,868**

performance reviews

**-25%**

reduced Scope 1 and 2 emissions vs. 2019

# OMV at a Glance

OMV produces and markets oil and gas as well as chemical products and solutions in a responsible way, and develops innovative solutions with a special focus on the circular economy. In 2023, Group sales amounted to EUR 39 bn. With a year-end market capitalization of around EUR 13 bn, OMV is one of Austria's largest listed industrial companies. The majority of its roughly 20,600 employees work at its integrated European sites.

## Our Purpose and Values

OMV's purpose, "Re-inventing essentials for sustainable living," is a fundamental part of our strategy for becoming a leading company in sustainable fuels, chemicals, and materials. It guides the Company like a North Star toward its goal of becoming a net-zero emissions company. To ensure this purpose is fully embraced, we have designed new values and behaviors that align with our new direction. Our new OMV Group values "We care | We're curious | We progress" were introduced in 2023 and will guide us on our path to a more sustainable future.

## Our Business Segments

In Chemicals & Materials, OMV is one of the world's leading providers of advanced and circular polyolefin solutions, with total polyolefin sales of 5.7 mn t in 2023 (2022: 5.7 mn t). It is also a European market leader in base chemicals and plastics recycling. The Company supplies services and products to customers worldwide through OMV and Borealis[2], and its two joint ventures: Borouge (with ADNOC, based in the UAE and Singapore) and Baystar™ (with TotalEnergies, based in the US).

In Fuels & Feedstock, OMV operates three refineries in Europe: Schwechat (Austria) and Burghausen (Germany), both of which feature integrated petrochemical production, and the Petrobrazi refinery (Romania). In addition, OMV holds a 15% share in ADNOC Refining and in ADNOC Global Trading in the UAE. OMV's total global processing capacity amounts to around 500 kbbl/d. Fuels and other sales volumes in Europe were 16.3 mn t in 2023 (2022: 15.5 mn t) and the retail network consisted at the end of 2023 of 1,666 filling stations (2022: 1,803) in eight European countries.

In Energy, OMV explores, develops, and produces crude oil and natural gas in its three core regions of Central and Eastern Europe, the Middle East and Africa, and the North Sea. OMV is currently in the process of divesting its E&P assets in the Asia-Pacific region.[3] Its activities also include the low carbon business and the entire gas business. Daily hydrocarbon production was 364 kboe/d in 2023 (2022: 392 kboe/d), with a nearly equal share of liquids and natural gas production. In the Gas Marketing & Power business, OMV markets and trades natural gas and power in several European countries, which also includes its LNG business. It holds a 65% stake in the Central European Gas Hub (CEGH) and operates natural gas storage facilities with a capacity of around 30 TWh in Austria and Germany, and a gas-fired power plant in Romania.

[2] OMV announced in July 2023 that it had decided to pursue negotiations with ADNOC on a potential cooperation regarding their polyolefins businesses. Such cooperation would include a potential combination of the Borealis and Borouge businesses as equal partners under a jointly controlled, listed platform for potential growth acquisitions to create a global polyolefins company with a material presence in key markets.

[3] On January 31, 2024, OMV signed an agreement to divest its 50% shareholding in Malaysia's SapuraOMV Upstream Sdn. Bhd. to TotalEnergies for an overall cash consideration of USD 903 mn. The divestment is anticipated to close around the end of the first half of 2024, and is in particular subject to regulatory approvals. The sales process for 100% of the shares in OMV New Zealand will continue separately.

# Our value chain

## 05 Refining

OMV operates three refineries in Europe and holds a 15% share in ADNOC Refining in the UAE, where it processes sustainable and fossil-based feedstocks into a wide range of refined products.

## 07 Base Chemicals

Base chemicals are produced at five major sites in Europe and at the joint ventures of Borealis, Borouge and Baystar. Most of the base chemicals are processed internally into polyolefins.

## 09 Mechanical Recycling

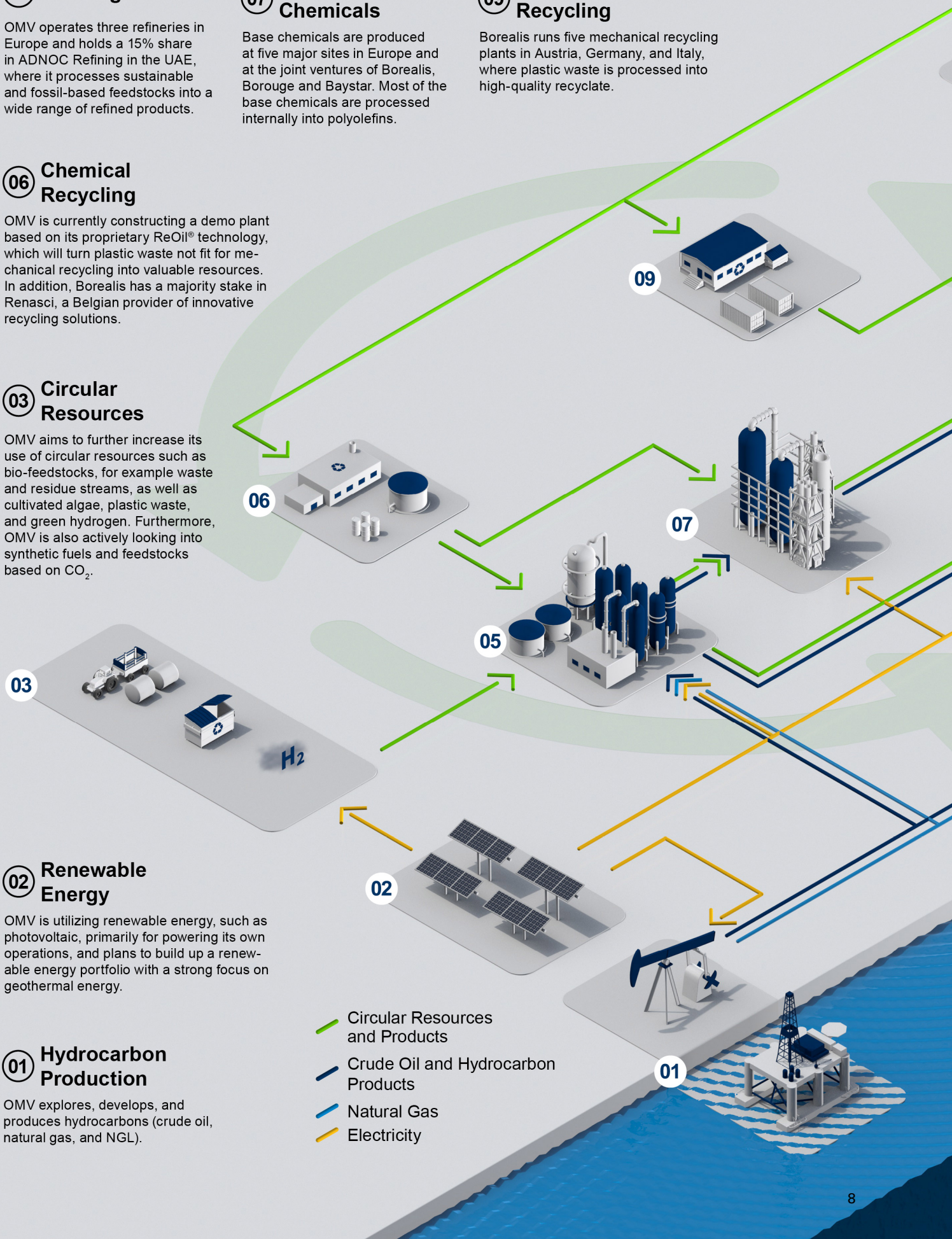
Borealis runs five mechanical recycling plants in Austria, Germany, and Italy, where plastic waste is processed into high-quality recyclate.

## 06 Chemical Recycling

OMV is currently constructing a demo plant based on its proprietary ReOil® technology, which will turn plastic waste not fit for mechanical recycling into valuable resources. In addition, Borealis has a majority stake in Renasci, a Belgian provider of innovative recycling solutions.

## 03 Circular Resources

OMV aims to further increase its use of circular resources such as bio-feedstocks, for example waste and residue streams, as well as cultivated algae, plastic waste, and green hydrogen. Furthermore, OMV is also actively looking into synthetic fuels and feedstocks based on $CO_2$.




## 02 Renewable Energy

OMV is utilizing renewable energy, such as photovoltaic, primarily for powering its own operations, and plans to build up a renewable energy portfolio with a strong focus on geothermal energy.

## 01 Hydrocarbon Production

OMV explores, develops, and produces hydrocarbons (crude oil, natural gas, and NGL).

## 16 Industries

Through Borealis, OMV provides innovative and value-creating plastics solutions to five end-use industries:

- (a) Consumer Products
- (b) Energy
- (c) Healthcare
- (d) Infrastructure
- (e) Mobility

## 15 Fuels & Others

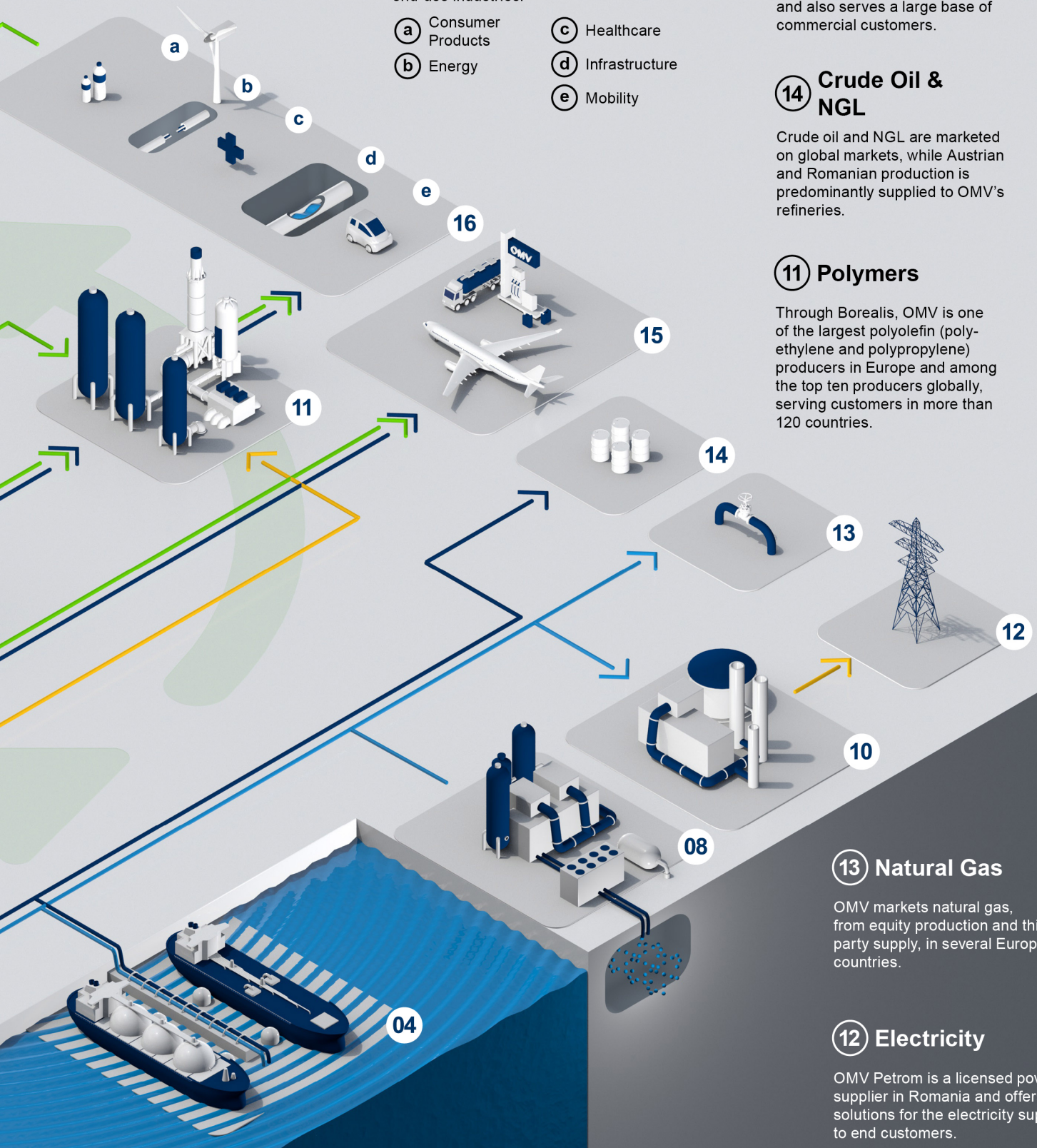
OMV sells its refined products via several retail filling station brands and also serves a large base of commercial customers.

## 14 Crude Oil & NGL

Crude oil and NGL are marketed on global markets, while Austrian and Romanian production is predominantly supplied to OMV's refineries.

## 11 Polymers

Through Borealis, OMV is one of the largest polyolefin (polyethylene and polypropylene) producers in Europe and among the top ten producers globally, serving customers in more than 120 countries.




## 13 Natural Gas

OMV markets natural gas, from equity production and third-party supply, in several European countries.

## 12 Electricity

OMV Petrom is a licensed power supplier in Romania and offers solutions for the electricity supply to end customers.

## 10 Gas-Fired Power Plant

In Romania, OMV Petrom produces electricity in a gas-fired combined-cycle power plant.

## 08 Natural Gas Storage

OMV runs natural gas storage facilities, which are well connected to the pipeline grid and in the vicinity of important urban areas of consumption.

## 04 Supply & Trading

OMV markets and trades crude oil, natural gas, and refined products on global markets, with a focus on securing supply and generating value.

# EU Taxonomy Reporting

As part of the European Commission's Action Plan on Financing Sustainable Growth, Regulation (EU) 2020/852 established an EU classification system for environmentally sustainable economic activities (EU taxonomy) and came into force in 2020.

The EU taxonomy is a key instrument for the European Union to redirect capital flows toward sustainable investments and to create market transparency. It encourages increased channeling of investments by companies, investors, and policymakers to where they are most needed for sustainable development. Therefore, the EU Taxonomy Regulation will play an important role in scaling up sustainable investments and implementing the European Green Deal.

OMV has been a member of the Platform on Sustainable Finance, the permanent expert group of the European Commission that was established under Article 20 of the EU Taxonomy Regulation, since October 2022 and has assisted the Commission in developing its sustainable finance policies, notably the further development of the EU taxonomy.

For the OMV Group, the EU taxonomy provides a means to assess which of our current and future economic activities can be classed as environmentally sustainable. According to the Taxonomy Regulation, any activity identified in this category must make a substantial contribution to at least one of the EU's environmental objectives, in addition to not significantly harming any of the objectives and meeting the defined minimum social safeguards. The six relevant environmental objectives of the Taxonomy Regulation are:

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

In June 2021, the Commission formally adopted the Climate Delegated Act, establishing the criteria that define which activities substantially contribute to climate change mitigation and adaptation, the first two out of the six environmental objectives. The disclosure requirements were effective for reports published since January 1, 2022, in relation to the aforementioned climate change objectives. In 2022, the Complementary Climate Delegated Act was released, which extends the EU taxonomy framework to permit certain economic activities involving gas and nuclear energy to be classified as "environmentally sustainable" and came into effect on January 1, 2023. The EU taxonomy for the four remaining environmental objectives and the amendments to the Annexes of the Disclosures Delegated Act were published in June 2023 by the European Commission.

## OMV's Process for Identifying and Assessing EU Taxonomy Activities

### EU Taxonomy Eligibility Assessment

An economic activity is considered to be taxonomy-eligible if it matches the description of the activity given in the EU taxonomy. In order to identify eligible activities/products at OMV, we performed a screening of the full portfolio of OMV activities and compared our activities to the description of the economic activities/products listed in Annex I or II of the EU Taxonomy Climate Delegated Act and Annex I–IV of the EU Taxonomy Environmental Delegated Act.

The assessment of eligible activities and products at OMV is carried out by an interdisciplinary project team, using both a bottom-up and a top-down approach. A series of internal meetings and training sessions with management and experts was held in order to give OMV businesses an introduction to the new EU taxonomy and disclosure requirements. A further series of workshops was held with all business segments and corporate entities to ensure the bottom-up identification of eligible activities, assets, processes, and related eligible CAPEX/OPEX/turnover. OMV's identified EU taxonomy-eligible economic activities are mainly related to the environmental objective of climate change mitigation, and one activity is related to the environmental objective of the transition to a circular economy. Analysis of all our economic activities is done on an annual basis and includes an update of the previous year's assessment.

### EU Taxonomy Alignment Assessment

In 2022, OMV carried out an alignment assessment based on the EU taxonomy criteria and this was updated over the course of 2023. The assessment had the purpose of identifying whether any newly identified eligible activities fulfilled the criteria for substantial contribution to the climate mitigation objective or climate adaption environmental objective, the do no significant harm (DNSH) criteria of the other environmental objectives, and the minimum social safeguards criteria. Note that no comparison figures are available for the four additional environmental goals for the reporting year 2022. The economic activities that OMV identified as aligning with the EU taxonomy are all related to the environmental objective of climate change mitigation. The alignment assessment of OMV's eligible activities according to the EU Taxonomy Environmental Delegated

Act will be done in line with the legal requirements as of next year.

Responsibility for the alignment checks and evidence gathering was clearly defined in the OMV Group's EU Taxonomy Guidance. The project/asset managers for the respective eligible project/activity were responsible for assessing compliance with the criteria for substantial contribution and the respective DNSH criteria. Support was provided by the OMV Group Sustainability team and sustainability experts from OMV Petrom and Borealis. The required physical climate risk and vulnerability assessments to comply with the DNSH climate change adaptation criteria were performed centrally by OMV Group Sustainability in conjunction with Corporate Risk Management, and with the support of an external provider in line with the OMV Group's Enterprise-Wide Risk Management approach.

In general, the main taxonomy-eligible business activities for OMV relate to activity "3.14 Manufacture of organic basic chemicals", activity "3.17 Manufacture of plastics in primary form," and activity "4.13 Manufacture of biogas and biofuels for use in transport and of bioliquids". More detailed information can be found in the respective KPI section (Turnover, CAPEX, OPEX).

The assessment of compliance with the minimum social safeguards and governance criteria was performed by OMV Group Sustainability by assessing whether the clauses in relevant OMV policies (Human Rights Policy, Code of Conduct, Code of Business Ethics, Tax Strategy) are in line with the international standards referred to in the EU taxonomy. It was further assessed whether OMV's human rights management system and its related processes (e.g., grievance mechanisms, community consultation) are established in line with these international standards. The detailed assessment showed no gaps between the OMV Group's approach to human rights policies, addressing of impacts, due diligence and risk assessment procedures, communication, grievance mechanisms, consumer interests, anti-corruption, competition, or taxation and the social safeguard requirements laid out in the EU taxonomy. For more details on the unadjusted gender pay gap and the Board gender diversity, please refer to the Diversity, Equity, and Inclusion chapter, and Workforce Data.

No relevant final liability regarding breaches of the minimum safeguards have been identified at OMV in recent years, including breach of labor law or human rights, breach of corruption or competition laws, or breach of tax laws.

## Definition of Financial KPIs

OMV's values for the KPIs are derived from the figures reported in the Group's consolidated IFRS financial statements.

The KPIs are calculated based on the sales revenues, CAPEX, and OPEX of all fully consolidated subsidiaries of the OMV Group. Subsidiaries that are not consolidated, associated companies, and joint ventures were excluded from the calculation of KPIs as per the reporting requirements of the EU Taxonomy Regulation.

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

The denominators for the financial KPIs were defined and can be reconciled with the IFRS Group financial statements as follows:

- The denominator of the turnover KPI is based on OMV's consolidated sales revenues (OMV Consolidated Financial Statements 2023, Note 6 ). For further details on our accounting policies regarding consolidated sales revenues, see OMV Consolidated Financial Statements 2023, Note 3.2b.
- The denominator for the CAPEX KPI consists of additions to intangible assets (including oil and gas properties with unproved reserves), tangible assets, and IFRS 16 right-of-use assets (see OMV Consolidated Financial Statements 2022, Notes 16 and 17). Additions from business combinations are included in the denominator, except for additions to goodwill. Decommissioning assets are not included in the denominator. Additions included in the denominator deviate from additions according to the IFRS Group financial statements because government grants are not considered in the denominator while the net presentation option is applied for the IFRS Group financial statements. For further details on our accounting policies regarding the relevant assets, see OMV Consolidated Financial Statements 2023, Notes 3.2g, h, and p.

- Total OPEX consists of R&D expenses, maintenance and repair costs, other direct expenditure related to day-to-day servicing of assets, and short-term leases. R&D expenses include the research and development expenses recognized according to IAS 38 and reported in the line "Other operating expenses" in the income statement (see OMV Consolidated Financial Statements 2023, Note 10 ). Maintenance and repair costs and other direct expenditure related to day-to-day servicing of assets mainly include costs for external services, personnel expenses, and material costs related to regular and unplanned maintenance, repairs, and servicing measures. The related cost items can be found in the line items "Production and operating expenses" and "Selling, distribution, and administrative expenses" in the income statement. Expenses for short-term leases have been determined and included in line with IFRS 16. Direct costs for training and other human resources improvement needs are immaterial and therefore excluded from the denominator and the numerator.

For most of the activities, sales revenues, CAPEX, and OPEX for aligned and eligible activities could be allocated directly to individual activities listed in the taxonomy based on data available in the Group entities' ERP systems. This ensured that there was no double counting of aligned or eligible sales revenues, CAPEX, and OPEX. In the refineries, CAPEX for assets used for the joint production of organic basic chemicals and fuels has been allocated to the taxonomy-eligible activity "3.14 Manufacture of organic basic chemicals." Also, this has been allocated to non-eligible activities using an allocation key reflecting the yield, size, and complexity of the different refinery plants used for this purpose. The same approach was used for repair and maintenance expenses for cost centers, which are involved in the production of organic basic chemicals and fuels.

The method of calculating the KPIs was changed in 2023 to fully implement the guidance published by the European Commission in the form of Frequently Asked Questions (FAQs).[4] Grants deducted from CAPEX in the financial statements are now excluded from the CAPEX KPI in the numerator and denominator. In addition, turnover, CAPEX, and OPEX from assets held for sale (IFRS 5) have been included since January 1, 2023, in the calculation of all three KPIs. Prior-year KPIs were not adjusted. The impact of these changes would have been immaterial. Total government grants related to assets and deducted from CAPEX in 2022 amounted to EUR 5.4 mn. Total sales revenues related to IFRS 5 disposal groups amounted to EUR 3,838.1 mn in 2022 and were mainly associated with the nitrogen division at Borealis and the retail business in Slovenia. Total CAPEX related to IFRS 5 disposal groups amounted to EUR 5.9 mn.

| | 2023 | | | | | |
|---|---|---|---|---|---|---|
| | Turnover | | CAPEX | | OPEX | |
| | EUR mn | % | EUR mn | % | EUR mn | % |
| Environmentally sustainable (taxonomy-aligned) activities | 69 | 0.2 | 415 | 10.5 | 3 | 0.3 |
| Taxonomy-eligible, but not taxonomy-aligned activities | 7,135 | 18.1 | 1,096 | 27.7 | 347 | 42.1 |
| Taxonomy-non-eligible activities | 32,259 | 81.7 | 2,441 | 61.8 | 474 | 57.5 |
| **Total** | **39,463** | | **3,952** | | **824** | |

| | 2022 | | | | | |
|---|---|---|---|---|---|---|
| | Turnover | | CAPEX | | OPEX | |
| | EUR mn | % | EUR mn | % | EUR mn | % |
| Environmentally sustainable (taxonomy-aligned) activities | 37 | 0.1 | 347 | 9.5 | 0 | 0.0 |
| Taxonomy-eligible, but not taxonomy-aligned activities | 10,398 | 17.8 | 1,252 | 34.2 | 321 | 41.1 |
| Taxonomy-non-eligible activities | 48,025 | 82.1 | 2,060 | 56.3 | 458 | 58.8 |
| **Total** | **58,460** | | **3,659** | | **779** | |

## Taxonomy-Eligible and Taxonomy-Aligned Turnover

In 2023, 18.1% (2022: 17.8%) of OMV's total turnover was classified as taxonomy-eligible (non-aligned), while 0.2% (2022: 0.1%) of OMV's total turnover was classified as taxonomy-aligned. In 2023, all taxonomy-eligible/aligned turnover was related to the objective of climate change mitigation.

### Taxonomy-Eligible Turnover 2023

The eligible turnover arose from activities "3.17 Manufacture of plastics in primary form," which reflects the activities of our C&M segment (e.g., production of polyolefins), and "3.14 Manufacture of organic basic chemicals," also coming from the C&M segment (e.g., production of ethylene and propylene), as well as activity

[4] EU Commission: Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation on the reporting of taxonomy-eligible and taxonomy-aligned economic activities and assets (second Commission Notice), C/2023/305, October 20, 2023

"4.29 Electricity generation from fossil gaseous fuels," mainly from power sales from the Brazi gas-fired power plant in Romania. Furthermore, the activities "4.30 High-efficiency co-generation of heat/cool and power from fossil gaseous fuels" and "5.9 Material recovery from non-hazardous waste" contributed to the taxonomy-eligible turnover.

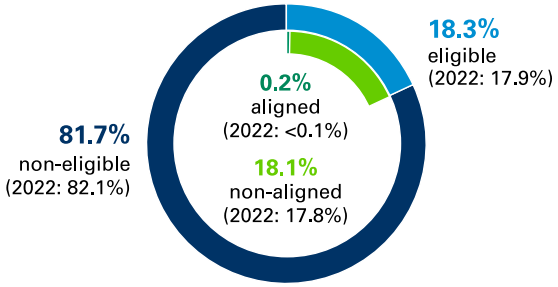
The majority of aligned turnover in 2023 was derived from the activity "4.25 Production of heat/cool using waste heat," which reflects the waste heat supplies from the Schwechat refinery. Another contribution arose from activity "3.17 Manufacture of plastics in primary form," with Ecoplast Kunststoffrecycling GmbH processing post-consumer plastics and turning them into high-quality LDPE recyclates. Further minor contributions to aligned turnover resulted from the activity "4.13 Manufacture of biogas and biofuels for use in transport and of bioliquids," which covers the sales of sustainable aviation fuels, as well as from the activity "6.15 Infrastructure enabling low-carbon road transport and public transport," which covers hydrogen sales for mobility purposes.

Electricity produced from renewables, such as the generation of electricity using solar photovoltaic technology and wind power, is used for internal consumption only.

The split of aligned and eligible turnover between revenue from contracts with customers and revenue within the scope of IFRS 9 is included in the following table. Eligible revenue from transactions within the scope of IFRS 9 includes power sales from the gas-fired power plant in Romania.

### Taxonomy-Aligned Turnover 2023

In EUR mn




| Aligned | 2023 | 2022 |
|---|---|---|
| Manufacture of plastics in primary form | 24 | - |
| Manufacture of biogas and biofuels for transport | 7 | 3 |
| Production of heat/cool using waste heat | 37 | 34 |
| Infrastructure for low-carbon road transport | 0 | 0 |
| **Total Aligned Turnover** | **69** | **37** |

| Non-Aligned | | |
|---|---|---|
| Other eligible activities | 7,135 | 10,398 |
| Non-eligible activities | 32,259 | 48,025 |
| **Total Non-Aligned Turnover** | **39,394** | **58,423** |

See EU Taxonomy Data for details.

| | 2023 | | 2022 | |
|---|---|---|---|---|
| | Aligned turnover EUR mn | Eligible (non-aligned) turnover EUR mn | Aligned turnover EUR mn | Eligible (non-aligned) turnover EUR mn |
| Revenue from contracts with customers (IFRS 15) | 69 | 6,624 | 37 | 8,289 |
| Revenue from transactions within the scope of IFRS 9 | – | 511 | – | 2,109 |
| **Total** | **69** | **7,135** | **37** | **10,398** |

### Taxonomy-Eligible and Taxonomy-Aligned CAPEX

In 2023, 27.7% (2022: 34.2%) of OMV's total CAPEX was classified as taxonomy-eligible (non-aligned). 10.5% (2022: 9.5%) of OMV's total CAPEX was classified as taxonomy-aligned. Lower taxonomy-eligible (non-aligned) CAPEX in 2023 compared to 2022 was related to a decrease in activity "3.14 Manufacture of organic base chemicals," which was partially offset by higher CAPEX in activity "3.17 Manufacture of plastics in primary form." In 2023, the majority of taxonomy-eligible/aligned CAPEX was related to the objective of climate change mitigation, with only a minor part of eligible CAPEX being related to the environmental objective of the transition to a circular economy.

#### Taxonomy-Eligible CAPEX 2023

The majority of eligible CAPEX was derived from the activities "3.17 Manufacture of plastics in primary form" and "3.14 Manufacture of organic basic chemicals," both reflecting the activities of our C&M segment. Other contributors were the activities "3.10 Manufacture of hydrogen" and "9.1 Close to market research, development, and innovation" (e.g., R&D into chemical recycling, e-fuels, geothermal projects), activities in Section 6 Trans-

port (e.g., railway transportation and infrastructure), various activities in Section 4 Energy (e.g., production of heat/cool from geothermal energy, electricity generation from fossil gaseous fuels, manufacture of biogas and biofuels for use in transport and public transport, transmission and distribution of electricity, etc.), and activities in Section 7 such as "7.2 Renovation of existing buildings" (mainly filling station buildings) and "7.3. Installation, maintenance, and repair of energy efficiency equipment." Under the circular economy objective, the activity "2.7 Sorting and material recovery of non-hazardous waste" can be reported, reflecting OMV's joint venture with Interzero to build and operate Europe's largest sorting facility for chemical recycling. In 2023, CAPEX of EUR 107.4 mn was related to business combinations (2022: nil), of which EUR 28.1 mn was related to intangible assets and EUR 79.3 mn to tangible assets.

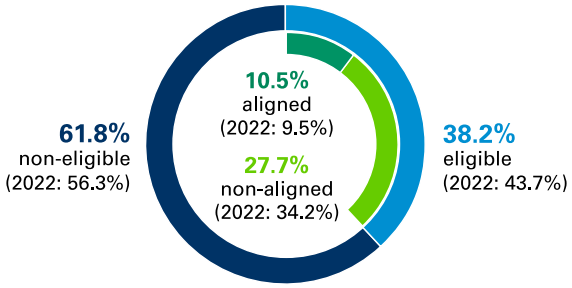
The largest contributors to aligned CAPEX were activities "3.14 Manufacture of organic basic chemicals," which reflects our investment in Borealis' propane dehydrogenation unit 2 (PDH2) in Kallo, and "9.1 Close to market research, development, and innovation," which stems from the investment in the ReOil® 2000 chemical recycling demonstration plant at the Schwechat refinery. Other contributors to taxonomy-aligned CAPEX were the following activities: "3.10 Manufacture of hydrogen" (e.g., UpHy project), "4.1 Electricity generation using solar photovoltaic technology" (e.g., PV plant in Arbesthal, PV plant in Würmlach), "4.3 Electricity generation from wind power" (e.g., Gullfaks Hywind Tampen project), "4.9 Transmission and distribution of electricity" (e.g., renewable electricity transmission line to Edvard Grieg field), "4.13 Manufacture of biogas and biofuels for use in transport and of bioliquids" (e.g., production facilities for sustainable aviation fuels and Glycerin to Propanol activities at the Schwechat refinery), "4.25 Production of heat/cool using waste heat" (e.g., district heating hub at the Schwechat refinery), "6.15 Infrastructure enabling low-carbon road transport and public transport" (e.g., hydrogen filling stations, electric charging points), and "7.6 Installation, maintenance, and repair of renewable energy technologies" (e.g., installation of PV panels and heat pumps).

The rise in total aligned CAPEX in 2023 in comparison to 2022 is mainly due to the turnaround of the Petrobrazi refinery, the new aromatic complex project being executed and shown under the activities "3.14 Manufacture of organic basic chemicals" and "6.15 Infrastructure enabling low-carbon road transport and public transport," mainly reflecting electric vehicle (EV) charging station projects at various locations.

Aligned and eligible CAPEX can be disaggregated into additions to the different asset classes in the table below. Additions to right-of-use assets are included in additions to property, plant, and equipment.

## Taxonomy-Aligned CAPEX 2023

In EUR mn




| Aligned | 2023 | 2022 |
|---|---|---|
| Manufacture of hydrogen | 4 | 3 |
| Manufacture of organic basic chemicals | 278 | 211 |
| Manufacture of plastics in primary form | 1 | - |
| Electricity generation using solar photovoltaic technology | 2 | 7 |
| Electricity generation from wind power | 8 | 22 |
| Transmission and distribution of electricity | 2 | 10 |
| Manufacture of biogas and biofuels for transport | 18 | 11 |
| Production of heat/cool using waste heat | 2 | 6 |
| Infrastructure for low-carbon road transport | 27 | 3 |
| Installation, maintenance, and repair of energy efficiency equipment | 2 | - |
| Installation, maintenance, and repair of renewable energy technologies | 9 | 6 |
| Close to market research, development, and innovation | 63 | 68 |
| **Total Aligned CAPEX** | **415** | **347** |

| Non-Aligned | | |
|---|---|---|
| Other eligible activities | 1,096 | 1,252 |
| Non-eligible activities | 2,441 | 2,060 |
| **Total Non-Aligned CAPEX** | **3,537** | **3,312** |

See EU Taxonomy Data for details

| | 2023 | | 2022 | |
|---|---|---|---|---|
| | Aligned CAPEX EUR mn | Eligible (non-aligned) CAPEX EUR mn | Aligned CAPEX EUR mn | Eligible (non-aligned) CAPEX EUR mn |
| Additions to property, plant, and equipment | 338 | 1,031 | 279 | 1,243 |
| Additions to capitalized development costs | 75 | 19 | 68 | 8 |
| Additions to other intangible assets | 2 | 46 | 0 | 0 |
| **Total** | **415** | **1,096** | **347** | **1,252** |

### Five-Year CAPEX Plan

The EU taxonomy CAPEX plan includes the list of economic activities for which taxonomy-aligned investments in 2022 and 2023 have already been made and provides information on the planned CAPEX to overall expand these activities. The CAPEX plan intended to expand taxonomy-aligned activities is based on the latest Supervisory Board-approved business plan, whereas the time horizon reflects the maximum five-year period for a CAPEX plan mentioned in annexes 1–5 to the Commission Delegated Regulation (EU) 2020/852. The planned CAPEX is subject to reviews and changes. The EU taxonomy CAPEX plan does not include planned CAPEX for taxonomy-eligible activities that were not claimed as taxonomy-aligned in 2022 or in 2023 but are likely to be taxonomy-aligned in the future, such as geothermal activities and CCS activities.

| Environmental objective | Activity code | Activity | EU taxonomy-aligned CAPEX 2023 in EUR mn | Planned CAPEX 2024–2028 in EUR mn |
|---|---|---|---|---|
| Climate change mitigation | 3.10 | Manufacture of hydrogen | 4 | 396 |
| | 3.14 | Manufacture of organic basic chemicals | 278 | 882 |
| | 3.17 | Manufacture of plastics in primary form | 3 | 2,205 |
| | 4.1 | Electricity generation using solar photovoltaic technology | 2 | 493 |
| | 4.3 | Electricty generation from wind power | 8 | 0 |
| | 4.9 | Transmission and distribution of electricity | 2 | 582 |
| | 4.13 | Manufacture of biogas and biofuels for use in transport and of bioliquids | 18 | 1,340 |
| | 4.25 | Production of heat/cool using waste heat | 2 | 0 |
| | 6.15 | Infrastructure enabling low-carbon road transport and public transport | 27 | 145 |
| | 7.3 | Installation, maintenance, and repair of energy efficiency equipment | 2 | 0 |
| | 7.6 | Installation, maintenance, and repair of renewable energy technologies | 9 | 0 |
| | 9.1 | Close to market research, development, and innovation | 63 | 28 |

Comments:

The activity code list contains all activities that have been declared aligned in 2022 and 2023.

The CAPEX plan contains Sustainability CAPEX from MTP for the expansion of the activities already declared as aligned in 2022 and 2023.

For the EU taxonomy CAPEX plan, government grants are not deducted from CAPEX (gross approach) (see also point 4.1.2 from the EU Taxonomy Guidance).

Eligible activites that are not yet aligned in 2023 but are likely to be aligned at a later stage are not included.

## Taxonomy-Eligible and Taxonomy-Aligned OPEX

In 2023, 42.1% (2022: 41.1%) of OMV's total OPEX was classified as taxonomy-eligible (non-aligned). 0.3% (2022: <0.1%) of OMV's total OPEX was classified as taxonomy-aligned. In 2023, all taxonomy-eligible/aligned OPEX was related to the objective of climate change mitigation.

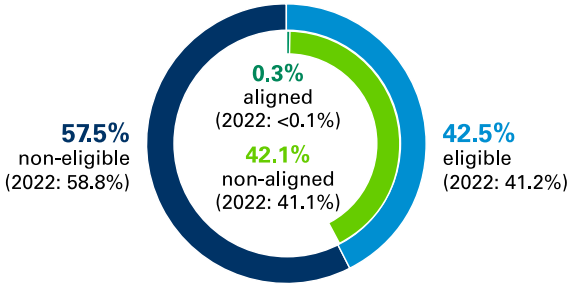
### Taxonomy-Eligible OPEX 2023

The largest contributors to eligible OPEX were the activities "3.17 Manufacture of plastics in primary form" and "3.14 Manufacture of organic basic chemicals," both reflecting the activities of our C&M segment, as well as the activity "4.29 Electricity generation from fossil gaseous fuels." Other contributors were the activity "9.1 Close to market research, development, and innovation" (e.g., R&D into ReOil®), along with various activities from Section 6 Transport (e.g., infrastructure for rail transportation). Furthermore, eligible OPEX resulted from the activities "5.12 Underground permanent geological storage of $CO_2$" (e.g., CCS activity offshore to the south of Norway) and "7.2 Renovation of existing buildings."

Aligned OPEX was mainly derived from the activities "3.17 Manufacture of plastics in primary form" (Ecoplast), "4.1 Electricity generation using solar photovoltaic technology" (PV plants, e.g., Lobau, Schönkirchen, Arbesthal), and "4.25 Production of heat/cool using waste heat" (district heating hub at the Schwechat refinery).

### Taxonomy-Aligned OPEX 2023

In EUR mn




| Aligned | 2023 | 2022 |
|---|---|---|
| Manufacture of plastics in primary form | 2 | - |
| Electricity generation using solar photovoltaic technology | 0 | 0 |
| Production of heat/cool using waste heat | 1 | 0 |
| **Total Aligned OPEX** | **3** | **0** |

| Non-Aligned | | |
|---|---|---|
| Other eligible activities | 347 | 321 |
| Non-eligible activities | 474 | 458 |
| **Total Non-Aligned OPEX** | **821** | **779** |

See EU Taxonomy Data for details.

| | 2023 | | 2022 | |
|---|---|---|---|---|
| | Aligned OPEX EUR mn | Eligible (non-aligned) OPEX EUR mn | Aligned OPEX EUR mn | Eligible (non-aligned) OPEX EUR mn |
| Research and development expenses | – | 43 | – | 29 |
| Expenses for maintenance and repairs | 3 | 299 | 0 | 280 |
| Short-term lease expenses | – | 5 | – | 12 |
| **Total** | **3** | **347** | **0** | **321** |

## Outlook

OMV has a clear commitment to becoming a net-zero company by 2050 and has set ambitious GHG reduction targets for 2030 and 2040 across all GHG scopes. In order to achieve those targets, a significant amount of CAPEX will be allocated to low-carbon business projects and activities between now and 2030. Organic CAPEX growth will be driven by investments in sustainable and low-carbon projects in all three business segments of OMV. For the period 2022–2030, around 40% of the average annual organic CAPEX of around EUR 3.5 bn will be low-carbon CAPEX. In total, OMV will invest EUR 13 bn in low-carbon business solutions between 2022 and 2030.

## Stakeholder Engagement

OMV is committed to stakeholder engagement and convinced that mutual respect, transparent behavior, and open dialogue are the best foundations for a good relationship with the various stakeholders we interact with. In our stakeholder engagement approach, we identify and manage relationships with persons, groups, or organizations who might be affected by our activities, or who might have an impact on our business.

| Stakeholder Groups | Examples of OMV Engagement | Examples of Key Topics and Concerns Raised by Stakeholders |
|---|---|---|
| **Capital market participants** | ▸ Regular reports and presentations, roadshows, Annual General Meetings, conferences<br>▸ Socially responsible investor (SRI) meetings | ▸ Share price and overall Company performance<br>▸ Creditworthiness<br>▸ Valuation compared to peers<br>▸ Climate strategy<br>▸ Significant ESG-related controversies |
| **Customers** | ▸ Advertising<br>▸ Events<br>▸ Customer surveys | ▸ Price and quality of products and services<br>▸ Customer service |
| **Employees** | ▸ Town hall events, small update events with an Executive Board member<br>▸ Internal newsletters, info screens, intranet, internal blog<br>▸ Employee surveys | ▸ Career and development opportunities<br>▸ Transparent communication and information<br>▸ Supportive management |
| **Government authorities** | ▸ Information exchange<br>▸ Relationship management<br>▸ Regular reporting (as required by law) | ▸ Regulatory framework<br>▸ Business environment<br>▸ Security of (energy) supply |
| **Industry associations** | ▸ Information exchange and regular contact | ▸ Regulatory framework<br>▸ Business environment |
| **Local communities** | ▸ Sustainability projects, sponsorships, and donations<br>▸ Grievance mechanisms | ▸ Social and environmental standards and impacts<br>▸ Engagement with local community |
| **Media** | ▸ Press releases and conferences<br>▸ Interviews | ▸ Overall Company strategy, performance, and results |
| **NGOs/NPOs** | ▸ Social projects, sponsorships, and donations<br>▸ Stakeholder dialogue and grievance mechanisms<br>▸ Meetings between OMV CEO and key NGOs | ▸ Environmental, social, and climate performance and risks<br>▸ Long-term OMV strategy |
| **Peer companies, competitors, JVs, and other business partners** | ▸ Industry meetings<br>▸ Contracts<br>▸ Participation in working groups such as Ipieca, IOGP | ▸ Industry-wide standards for sustainability topics<br>▸ Good practice in exploration, development, and production activities |
| **Scientific and research institutions** | ▸ Joint projects with industry partners, scientific organizations, and universities<br>▸ Conferences and lectures | ▸ Information on and best practice for new technologies |
| **Suppliers and contractors** | ▸ Negotiations and contracts<br>▸ Supplier audits and assessments<br>▸ Supplier events | ▸ Fair contracts<br>▸ On-time payment<br>▸ Decent working conditions |

## Key Memberships

OMV is an active member of and holds leadership positions in numerous national, regional, European, and international associations and organizations. Industry associations, consortia, and organizations play an important role in developing and implementing industry standards and best practices in areas such as safety, environmental protection, and social responsibility. They also provide a valuable platform for engagement with governments, regulators, and communities on topics such as energy, climate action, circular economy, and trade. OMV participates in industry associations and consortia to support our understanding of issues, share knowledge, help develop standards, and provide input to regulatory authorities on behalf of the sector. Some of the key associations and consortia that the OMV Group participates in, including through subsidiaries such as OMV Petrom and Borealis, are:

- AEA – Austrian Energy Agency
- ARPEE – Romanian Association for Promoting Energy Efficiency
- BusinessEurope
- Cefic – European Chemical Industry Council
- CEFLEX – A Circular Economy for Flexible Packaging
- CEP – Clean Energy Partnership
- Concawe – Conservation of Clean Air and Water in Europe
- EFET – European Federation of Energy Traders
- en2x – Wirtschaftsverband Fuels und Energie
- EUROPEN – European Organisation for Packaging and the Environment
- FGW – Association of Gas and District Heating Supply Companies
- FIC – Foreign Investors Council
- FPPG – Oil and Gas Employers' Federation
- FuelsEurope
- FVMI – Fachverband der Mineralölindustrie
- Hydrogen Europe
- IOGP – International Association of Oil & Gas Producers
- Ipieca
- IV – Federation of Austrian Industries
- OCIMF – Oil Companies International Marine Forum
- PCEP – Polyolefins Circular Economy Platform
- PE100+ Association
- Petrochemicals Europe
- Plastics Europe
- PRE – Plastics Recyclers Europe
- resPACT
- Solomon Associates
- UN Global Compact
- WEF – World Economic Forum
- WKO – Austrian Economic Chambers
- WPC – World Plastics Council

# Sustainability Framework

We are committed to building a sustainable world worth living in – for everyone. Sustainability and circularity lie at the center of our Group strategy. We aim to become a net-zero business by 2050, accelerate the energy transition, and proactively expedite the transition from a linear to a circular economy. We build positive relationships with our employees, communities, suppliers, and other stakeholders, including by addressing the social and economic effects of the transition to an environmentally sustainable economy.

Our Sustainability Framework is built around the three pillars Environmental, Social, and Governance (ESG). We have made the following commitments, which lie at the heart of our Sustainability Framework, to propel our ESG journey:

Environmental:

- OMV continuously improves the carbon efficiency of its operations and product portfolio, is fully committed to supporting and accelerating the energy transition, and aims to become a net-zero business by 2050 or sooner.
- OMV is fully committed to acting on responsible natural resources management and will proactively expedite 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 biodiversity disruption.

Social:

- Health, safety, and security have the highest priority in all activities, and OMV is fully committed to proactive risk management to realize its HSSE Vision: "Committed to Zero Harm – Protect People, Environment, and Assets."
- OMV is committed to building and retaining a talented expert team for international and integrated growth, and we embrace our difference(s) and use our diversity of thought and experience as a catalyst for growth and creativity.
- OMV is committed to ensuring fair treatment and equal opportunities for all employees, and has zero tolerance for discrimination and sexual and non-sexual harassment.
- 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 SDGs.
- 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.

Governance:

- OMV strives to uphold equally high ethical standards at all locations, and aims to earn stakeholders' confidence by implementing a high standard of corporate governance and by maintaining high standards of transparency and predictability.
- OMV is committed to implementing sustainable procurement, which means caring about the environmental, social, and economic impacts of the services and goods the Company intends to purchase.

Our Strategy 2030 is underpinned by this Sustainability Framework, with all business decisions guided by our ambition to become a net-zero business. Within our Sustainability Framework, we have established five strategic focus areas: Climate Change; Natural Resources Management; Health, Safety, and Security; People; and Ethical Business Practices. For each of these focus areas, we have formulated concrete targets and actions to be achieved by 2030. These serve as OMV's contribution to the UN's 2030 Agenda for Sustainable Development. Our sustainability ambitions, especially getting to net zero, can only be achieved with considerable effort and capital allocation. The Group has earmarked investments of more than EUR 13 bn for the purpose of achieving our emissions reduction targets.

# Targets

## Climate Change

*Intensity Targets*

### Carbon intensity of operations

| –20% | ≥30% |
|---|---|
| **Status 2023** | **Target 2025** |
| Reduced carbon intensity of operations (Scope 1) vs. 2010 | Reduce carbon intensity of operations (Scope 1) by ≥30% vs. 2010 |

### Carbon intensity of energy supply

| –1% | ≥20% | ≥50% |
|---|---|---|
| **Status 2023** | **Target 2030** | **Target 2040** |
| Reduced carbon intensity of energy supply vs. 2019 | Reduce carbon intensity of energy supply by ≥20% vs. 2019 | Reduce carbon intensity of energy supply by ≥50% vs. 2019 |

### Carbon intensity of the product portfolio

| –1% | >6% |
|---|---|
| **Status 2023** | **Target 2025** |
| Reduced carbon intensity of product portfolio (Scope 3) vs. 2010 | Reduce carbon intensity of product portfolio (Scope 3) by >6% vs. 2010 |

### Methane intensity

| 0.3% | ≤0.2% | ≤0.1% |
|---|---|---|
| **Status 2023** | **Target 2025** | **Target 2030** |
| E&P methane intensity | Achieve an E&P methane intensity of ≤0.2% | Achieve an E&P methane intensity of ≤0.1% |

*Absolute Targets*

## Scope 1

| 0.7 mn t | 1 mn t |
|---|---|
| **Status 2023** | **Target 2025** |
| Reduced through concrete emissions reduction initiatives and divestments since 2020 | Achieve at least 1 mn t of $CO_2$ reductions in 2020–2025 from operated assets |

## Scopes 1 and 2

| –25% | ≥30% | ≥60% |
|---|---|---|
| **Status 2023** | **Target 2030** | **Target 2040** |
| Reduced Scope 1 and 2 emissions vs. 2019 | Reduce Scope 1 and 2 emissions by ≥30% vs. 2019 | Reduce Scope 1 and 2 emissions by ≥60% vs. 2019 |

## Scope 3

| –10% | ≥20% | ≥50% |
|---|---|---|
| **Status 2023** | **Target 2030** | **Target 2040** |
| Reduced Scope 3 emissions vs. 2019 | Reduce Scope 3 emissions by ≥20% vs. 2019 | Reduce Scope 3 emissions by ≥50% vs. 2019 |

## Flaring and venting

| 53 mn $m^3$ | 0 |
|---|---|
| **Status 2023** | **Target 2030** |
| Volume of gas routinely flared and vented in 2023 vs. 240 mn $m^3$ in 2022 | Zero routine flaring and venting of associated gas as soon as possible, but no later than 2030 |

### Key Actions:

- Phase out routine flaring and venting
- Conduct energy efficiency programs
- Run methane leakage and repair programs
- Purchase 100% renewable energy in the C&M business segment
- Decrease production and sales of fossil fuels (reduce oil and gas production levels to around 350 kboe/d and reduce crude distillation throughput by 2.6 mn t by 2030)

- Increase production of renewable mobility fuels and sustainable chemical feedstocks to approximately 1.5 mn t, and produce and market at least 700,000 t of sustainable aviation fuels by 2030
- Establish CCS storage capacity of around 5 mn t/year $CO_2$ net at OMV by 2030 (thereof 2 mn t/year at OMV Petrom)
- Build up around 10 TWh of renewable energy production by 2030 (including geothermal, PV, wind)
- Pursue uptake of green gases, such as biogas and $H_2$, primarily from trading, in gas sales portfolio mix


## Natural Resources Management

### Circular materials

| 195.9 kta | 600 kta | 2,000 kta |
|---|---|---|
| **Status 2023** | **Target 2025** | **Target 2030** |
| Production capacity established | Establish production capacity of 600 kta sustainable (including recycled and biobased) polyolefins and other chemicals | Establish production capacity of approximately 2,000 kta sustainable (including recycled and biobased) polyolefins and other chemicals |

### Fossil resources

| 364 kboe/d | 350 kboe/d |
|---|---|
| **Status 2023** | **Target 2030** |
| Production: 364 kboe/d; crude throughput: 15.1 mn t | 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 |

### Waste

| 74% | | |
|---|---|---|
| **Status 2023** | **Target 2025** | **Target 2030** |
| Waste recovery or recycling rate | Increase waste reuse and recycling from operations | Increase waste reuse and recycling from operations |

## Water withdrawal

| Status 2023 | Target 2025 | Target 2030 |
|---|---|---|
| 154,573 | | |
| Megaliters of freshwater withdrawal | Reduce freshwater withdrawal | Reduce freshwater withdrawal |

### Key Actions:

- Build up capability for the procurement of sustainable feedstocks (plastic waste and bio-feedstocks) for polyolefins
- Accelerate development of and scale up the advanced mechanical recycling business and chemical recycling business
- Develop and implement a sustainable product portfolio for biobased polyolefins
- Establish design for recyclability and reuse businesses for polyolefins
- Optimize water management in operations
- Develop environmental targets


# Health, Safety, and Security

## TRIR

| Status 2023 | Target 2025 | Target 2030 |
|---|---|---|
| 1.37 | 1.0 | <1.0 |
| TRIR per 1 mn hours worked | Achieve a Total Recordable Injury Rate (TRIR) of around 1.0 per 1 mn hours worked | Stabilize Total Recordable Injury Rate (TRIR) at below 1.0 per 1 mn hours worked |

## Fatalities

| Status 2023 | Target 2025 | Target 2030 |
|---|---|---|
| 1 | 0 | 0 |
| work-related fatality | Achieve zero work-related fatalities | Achieve zero work-related fatalities |

## Process safety

| Status 2023 | Target 2025 | Target 2030 |
|---|---|---|
| 0.23 | ✓ | ✓ |
| Process Safety Event Rate | Maintain leading position in Process Safety Event Rate | Maintain leading position in Process Safety Event Rate |

### Key Actions:

- Develop HSSE strategy and annual HSSE plans
- Continue Borealis integration
- Safety Leadership Program and Safety Culture Program
- Continuously improve process safety management
- Learn from incidents


# People

## Women in management

| Status 2023 | Target 2025 | Target 2030 |
|---|---|---|
| 24.4% | 25% | 30% |
| Share of women at management level | Increase share of women at management level to 25% | Increase share of women at management level to 30% |

## Women in executive management

| Status 2023 | Target 2030 |
|---|---|
| 26.8% | 20% |
| Female Executive Board members | Min. 20% of female Executive Board members (stretch target: 30%) |

## International experience

| 71.4% | 75% | 75% |
|---|---|---|
| **Status 2023** | **Target 2025** | **Target 2030** |
| Executives with international experience | Maintain high share of executives with international experience at min. 75% | Maintain high share of executives with international experience at min. 75% |

## International management

| 59.2% | 65% |
|---|---|
| **Status 2023** | **Target 2030** |
| International management | Increase share of international management to 65% |

## Employee training

| 30 | 30 |
|---|---|
| **Status 2023** | **Target 2030** |
| Average number of annual learning hours | Increase average number of annual learning hours to at least 30 hours per employee |

## Disability support

| | |
|---|---|
| **Status 2023** | **Target 2030** |
| Detailed actions for our roadmap until 2030 were implemented, with further initiatives planned for 2024 | Increase support for employees with special needs at our main locations |

## Human rights awareness

**71%**

**Status 2023**

OMV Group employees trained in human rights

**100%**

**Target 2025**

Train all OMV Group employees in human rights

## Human rights due diligence

**6**

**Status 2023**

Assessments conducted in the last 5 years

**100%**

**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 years

## Community relations

**8**

**Status 2023**

Out of 9 sites in scope assessed

**100%**

**Target 2025**

Assess Community Grievance Mechanism at all sites against UN Effectiveness Criteria

## Community investments

**1.2%**

**Status 2023**

Group investments directed toward social goals

**1%**

**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)

### Key Actions:

- Establish a global Diversity, Equity, and Inclusion (DEI) Board/Council
- Conduct regular global people and culture surveys
- Regularly report on gender-related salary equality
- Regularly report on age distribution to identify gaps and foster intergenerational collaboration
- Introduce a non-discrimination policy
- Improve support for working parents
- Improve support for employees with special needs

- Introduce yearly learning awards
- Provide employees with the ability to self-monitor their learning hours
- Roll out new leadership training and assessment to reinforce inclusive and growth mindset behavior
- Introduce mandatory human rights e-learning
- Integrate Climate Change and Just Transition into the Human Rights Management System
- Pursue a social investment strategy addressing the UN SDGs and reflecting the continued increase in social spending


## Ethical Business Practices

### Supplier evaluation

**40.6%**

**Status 2023**

40.6% of A suppliers (suppliers covering >80% Procurement spend) assessed

**>80%**

**Target 2025**

Be an active member of TfS and conduct sustainability evaluations of all suppliers covering >80% of Procurement spend

**90%**

**Target 2030**

Extend sustainability evaluations to suppliers covering 90% of Procurement spend

### Carbon footprint of suppliers

**394**

**Status 2023**

Suppliers engaged with via CDP

**80%**

**Target 2025**

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

### Carbon footprint of suppliers

**71%**

**Status 2023**

Responding suppliers with a climate target in place

**Target 2030**

All suppliers covering >80% of Procurement spend to have carbon reduction targets in place

## Business ethics

**9,285**

**Status 2023**

Employees in the OMV Group trained in business ethics in 2023

**Target 2025**

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

### Key Actions:

- Screen all suppliers against mandatory ESG criteria during supplier prequalification
- Foster the digital availability of compliance services and information, in particular by broadening the functions of the OMV Compliance app
- Operate a state-of-the-art Compliance Management System (verified and approved according to IDW PS 980 standard in 2022)

Further details and definitions for each target can be found in the respective Focus Areas sections of the report.

## Sustainability Governance

Sustainability topics are fully integrated into the overall governance structure of the Company. These topics have the same weight as any other business consideration and, following the Company's responsible approach to business, are integrated into the daily operation and management processes of the Company. For instance, sustainability criteria form part of the Capital Allocation Framework (see Climate Change). ESG due diligence is also part of mergers and acquisitions.

### Governance Structure

OMV has a two-tier governance structure. The Executive Board, composed of the CEO, CFO, Executive Vice President (EVP) Chemicals & Materials, EVP Fuels & Feedstock, and EVP Energy, is the highest managing body of the Company and is responsible for setting and implementing the Company strategy, including climate and other sustainability targets. The Executive Board holds meetings at least every two weeks to exchange information and issue decisions on all matters requiring plenary approval.

The Supervisory Board is OMV's highest governing body and consists of ten members elected at the Annual General Meeting (shareholders' representatives) and five members delegated by the Group's Works Council. All members elected at the Annual General Meeting (AGM) have declared their independence from the Company (according to the definition given in the Austrian Code of Corporate Governance).

The Supervisory Board appoints members of the Executive Board, monitors and supervises its decisions, and advises the Executive Board on strategy development. The Supervisory Board also assesses the performance of the Executive Board, including on sustainability criteria. The Executive Board reports to the Supervisory Board on a regular and ad hoc basis. The Supervisory Board appoints among its members qualified expert committees that support their decision-making process. A self-assessment of the Supervisory Board is performed on an annual basis with the support of an external consultant. The 2023 evaluation showed positive results overall, with several areas where improvement in the work of the Supervisory Board had been observed in comparison to the 2022 results. For instance, it was highlighted that sustainability criteria now have an increasing importance in discussions and their decision-making process.

The Chairman of OMV's Supervisory Board regularly receives external feedback on the OMV Group's strategy, for example through the Corporate Governance Roadshows he attends or at the Annual General Meeting, among others.

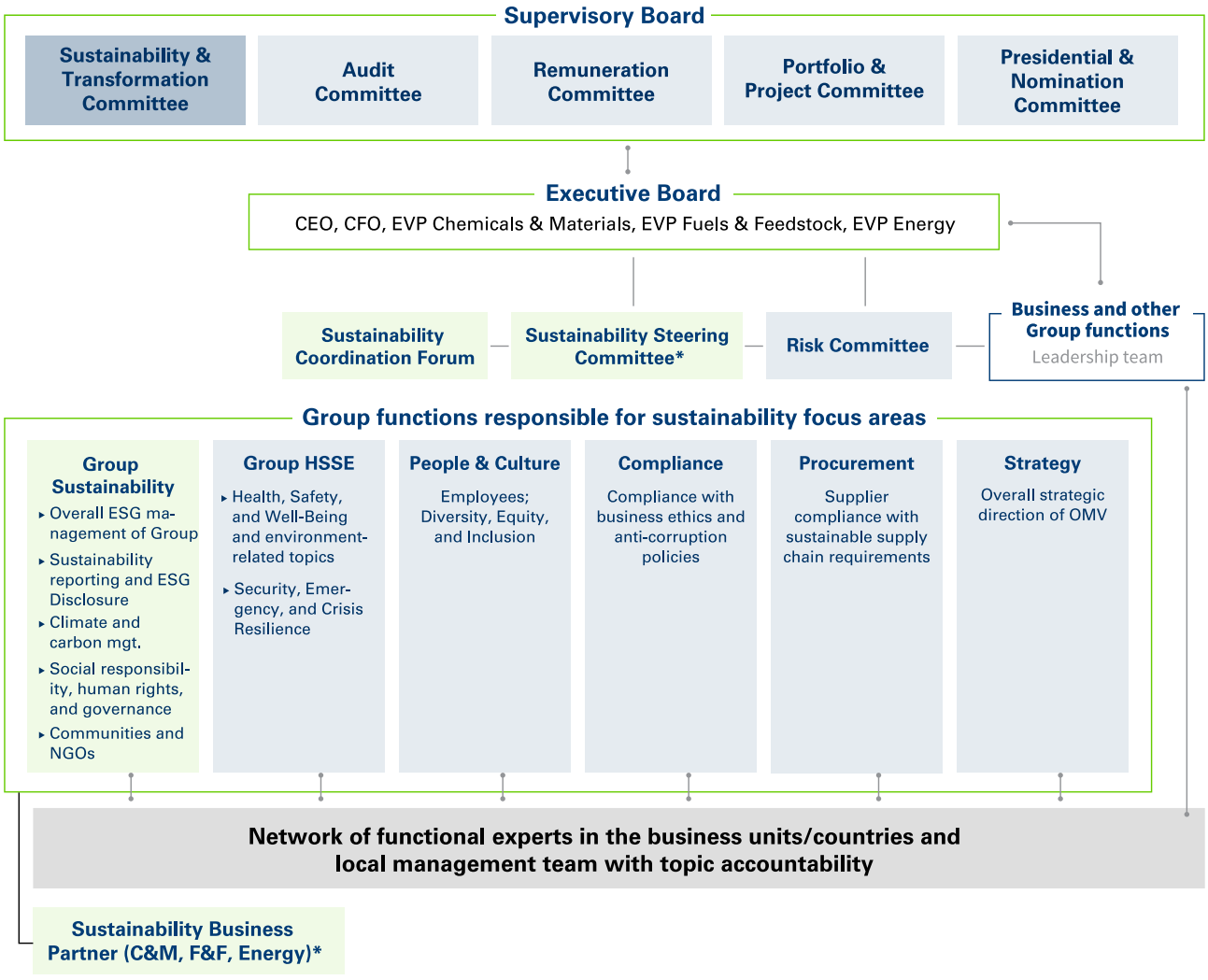
OMV's management of sustainability issues is overseen and steered by several committees.

## Sustainability & Transformation Committee

The Supervisory Board's Sustainability & Transformation Committee meets on a quarterly basis to discuss and steer topics such as regulatory ESG requirements, which include non-financial reporting requirements, ESG-related capital market activities, ESG governance and steering, and critical concerns related to sustainability.[5] The committee has oversight of all of the Company's material sustainability topics (e.g., health, safety, and security, carbon emissions reduction, circular economy, etc.) and their related KPIs and targets, as well as overall transformation topics, such as cultural changes and establishing ESG competency.

At the meetings of the Supervisory Board, the Chairman of the Sustainability & Transformation Committee gives a report to the entire plenary on a quarterly basis. The Sustainability & Transformation Committee and the entire Supervisory Board review and approve the OMV Group Sustainability Report every year. OMV's Supervisory Board benefits from a training program to learn about relevant topics, including ESG-related fields of interest. In 2023, the content of the training program included an external presentation delivered by a researcher from the International Institute for Applied Systems Analysis (IIASA) on the key outcomes of the IPCC Sixth Assessment Report on Climate Change, which took place during a Sustainability & Transformation Committee meeting.

The evaluation of the Sustainability & Transformation Committee conducted as part of the Supervisory Board's self-assessment highlighted strong development since its formation in 2022. For instance, the committee has been actively responsible for monitoring the progress made with regard to OMV's Sustainability Strategy. In 2023, the committee saw that improvements had been made in ensuring that the response to significant incidents related to health, safety, security, and the environment was timely and effective.




* Decided by the Executive Board; still to be set up

[5] Critical concerns are cases that have raised significant attention from key stakeholders, have validity (e.g., legal decisions, allegations with significant proof etc.,), are in OMV's direct operations or value chain, and that would constitute a violation of one of the ten principles of the UN Global Compact. In 2023, three such concerns were flagged and discussed by the Sustainability & Transformation Committee. These concerns included a fatality at the Petrobrazi refinery, climate litigation, and an update on the Borealis Kallo case.

## Sustainability Coordination Forum

In 2023, a new committee called the Sustainability Coordination Forum was formed under the Executive Board. This committee is chaired by OMV's CFO and consists of senior managers with responsibility and ownership for material topics, as well as relevant business representatives responsible for implementing OMV's sustainability and transformation agenda. Its mandate is to coordinate the development of the sustainability agenda across the OMV Group, monitor progress on target achievement, propose measures in the event of deviations, discuss emerging business opportunities, and prepare sustainability topics to be discussed by the Executive and Supervisory Boards. The committee meets at least twelve times per year.


## Management of Sustainability Impacts

The Executive Board is responsible for managing the organization's impact on the economy, environment, and people. This includes oversight of all material topics described in this Report, such as climate change mitigation and adaptation, human rights, safety, etc. At Group level, responsibility for driving OMV's sustainability agenda, sustainability reporting, and ESG governance lies with the Group Sustainability department in Investor Relations & Sustainability, which is among the responsibilities of the CFO. The Group Sustainability department works across the business to determine gaps in sustainability performance, define expectations, conduct benchmarking, and develop best practices.

The Group Sustainability department works in close collaboration with the various Group functions that are responsible for implementing OMV's Sustainability Framework. Further details are disclosed in the Governance descriptions of each material topic found throughout this Report.

Group functions continuously develop and steer the processes relevant to the implementation of activities relating to social and environmental performance, and propose an action plan to functional experts in related business units on the ground. The functional experts remain in continuous communication regarding progress on the planned implementation. Each Group function reports directly to the Executive Board on the relevant social and environmental issues in conjunction with the Group Sustainability department. This includes reporting on progress in the implementation of the Sustainability Framework on a quarterly basis, presenting important events with regard to the material topics, and submitting implementation plans for sustainability initiatives for approval.

## Executive Remuneration

The Supervisory Board assesses the performance of the Executive Board, including on the implementation of the sustainability strategy. The Remuneration Committee is authorized to determine the Executive Board's remuneration, including the structure of the remuneration system and the actual target achievement. The Executive Board remuneration consists of fixed and variable remuneration elements. Selected employees at senior management level are also eligible to participate in the Long-Term Incentive Plan (LTIP). The variable remuneration – LTIP and the annual bonus – includes performance criteria related to the Company's sustainability and greenhouse gas (GHG) performance. Long-term shareholder and other stakeholder interests are reflected in the performance-related remuneration, which includes both long-term and short-term elements.

The Remuneration Policy for the Executive Board was approved at the Annual General Meeting (AGM) in June 2022 and was effective in 2023. It sets out GHG and ESG targets as forming part of the annual bonus and LTIP. 15% of the annual bonus depends on the achievement of the defined reduction of net absolute Scope 1 and 2 GHG emissions. 20% of the LTIP is based on the achievement of ESG targets and includes the reduction of the net carbon intensity of energy supply. The GHG targets in the annual bonus (i.e., reduction of Scope 1 and 2 emissions) and the LTIP (i.e., reducing the carbon intensity of energy supply) are clearly linked and directly derived from the OMV Group GHG emissions reduction targets for 2030 and the required reduction pathways up to 2030 compared to the base year 2019. This means the achievement of the GHG targets set out in the annual bonus and the LTIP requires OMV to implement the defined decarbonization pathway to achieve its 2030 GHG emissions reduction targets, which include the reduction of absolute Scope 1 and 2 emissions by 30%, the reduction of Scope 3 emissions by 20%, and the reduction of the carbon intensity of energy supply by 20% – all compared to the base year, 2019.

The Remuneration Committee has established an OMV-specific catalog of criteria derived from OMV's Strategy 2030, among which are strategic GHG emissions reduction KPIs that steer OMV's decarbonization actions up to 2030. These include the reduction of Scope 1 and 2 GHG emissions and the reduction of the carbon intensity of energy supply.

The Remuneration Committee chooses the specific ESG targets and their weighting for each LTIP tranche based on this catalog. Within the ESG targets, GHG emissions reduction will always constitute a target in the LTIP. GHG and ESG targets and their weighting are published in the Remuneration Report for the grant year, which can be found on the OMV website. Based on predefined criteria (e.g., fatalities, TRIR, process safety – also in comparison to industry benchmarks), a health and safety malus of between 0.8 and 1.0 is applied to the overall target achievement for both the annual bonus and the LTIP. In the event of severe incidents, the Remuneration Committee may reduce the payout to zero. This malus considers OMV's commitment to health and workplace safety.

An external review of actual target achievement is performed by the Group's auditor, and the results are communicated to the Remuneration Committee and Supervisory Board.

## Materiality

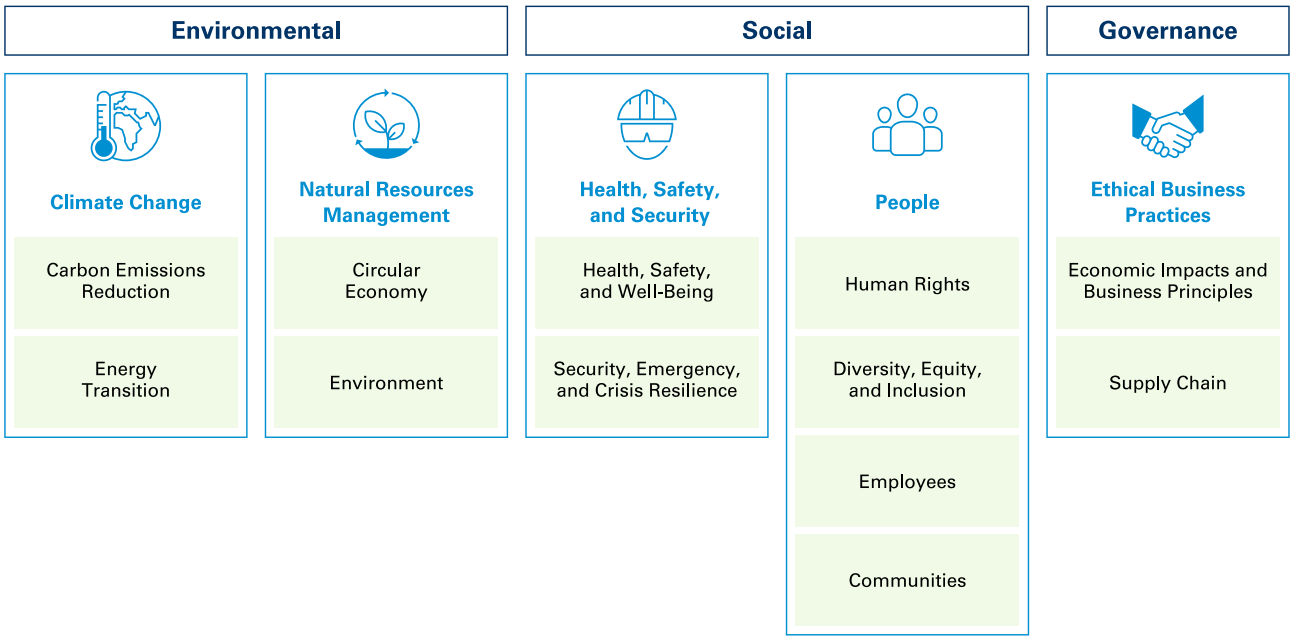
OMV identifies material content for the Sustainability Report in an extensive and structured process of consultation with the Company's external and internal stakeholders.

OMV last comprehensively updated its materiality analysis of sustainability topics in compliance with the legal requirements related to the disclosure of non-financial information in Austria (Nachhaltigkeits- und Diversitätsverbesserungsgesetz; NaDiVeG) and the GRI Standards in 2020. The detailed process used to determine the current list of material topics can be found in the Sustainability Report 2020. Stakeholder interests, the significant external economic, environmental, and social impacts of OMV's business, as well as the financial materiality and business relevance of these topics to OMV were essential to this process. Impacts (both by OMV and on OMV, i.e., "Inside-Out" and "Outside-In") and the relevance to stakeholders were considered across the entire OMV value chain. We conducted this process together with an external party in order to maintain an objective and independent view on the material topics. The extensive materiality analysis involving internal and external stakeholders will be repeated every three years, or if significant changes in the business or market environment occur.

We reviewed the results of the materiality analysis again as part of our strategy update in late 2021. During this review, some material topics were split into two individual material topics: "Climate Change and Energy Transition" was split into "Carbon Emissions Reduction" and "Energy Transition," "Health, Safety, and Security" was split into "Health, Safety, and Well-Being" and "Security, Emergency, and Crisis Resilience," and "Human Rights and Communities" was split into "Human Rights" and "Communities." This was due to the prominence of the individual topics and the differences in their management approaches. In addition, "Diversity, Equity, and Inclusion" was raised from being an aspect of the topic "Employees"

to an individual material topic due to its central nature to the Company's sustainability strategy. As a result, OMV now has a total of twelve material topics. The results of the 2020 materiality analysis and the changes in 2021 were acknowledged by the OMV Executive Board. No changes were made to the material topics in 2022. In 2023, the OMV Group started a materiality assessment according to the European Sustainability Reporting Standards (ESRS) and the preliminary results do not show any significant deviations from the currently reported material topics.

In this Report, we disclose in detail the twelve material topics that are viewed as being most material to OMV and our stakeholders. In the following sections of the Report, we present the management approaches, governance processes, KPIs, key actions in 2023, outlook, and strategic targets for each of these material topics. The Sustainability Report is structured around the focus areas and material topics.




## Strategy

OMV's goal is to transform from an integrated oil, gas, and chemicals company into a leader in innovative sustainable fuels, chemicals, and materials, leveraging opportunities in the circular economy. An integral part of the Group's strategy is its ambition to become a net-zero emissions company by 2050 for Scope 1, 2, and 3 emissions. In view of the ongoing transformation in the energy industry and a global goal of net-zero emissions, OMV is building on its strengths and seizing opportunities to position itself competitively. Our sustainability ambitions, especially getting to net zero, can only be achieved with considerable effort and capital allocation. In our Strategy 2030, we have earmarked investments of more than EUR 13 bn for the purpose of achieving our emissions reduction targets.

### Sustainability Criteria in Investment Decisions

In 2022, OMV updated its Capital Allocation Framework and developed 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 has been tested 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 pathway. 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 latter includes investments related to methane leakage detection and repair, energy efficiency programs, chemical recycling, and community investments classified as strategic social investments, among others.

For sustainability projects to pass the final investment decision, different financial hurdles apply compared to those applicable to the rest of the projects in the portfolio. Thus, "sustainability CAPEX" projects use distinct "weighted average cost of capital (WACC)" rates that consider the specific risks of sustainability projects (usually lower compared to other projects) and a payback period of <20 years (longer than for other projects). The goal of the new Capital Allocation Framework is to facilitate investments in projects aligned with our climate targets, including our long-term net zero target, rather than traditional fossil fuel-related investments.

Moreover, inorganic growth projects should comply with the overall Group path to net zero by 2050 and should support the low-carbon growth of OMV. The potential impact of mergers and acquisitions on OMV's climate targets is reviewed as part of due diligence.

## Environmental, Social, and Governance Ratings and Indices

OMV actively engages with Environmental, Social, and Governance (ESG) rating agencies and socially responsible investors to ensure that the information our external stakeholders need to evaluate sustainability risks and opportunities related to the Company's performance is disclosed. At OMV, we place great importance on working with the ESG rating agencies, and their questionnaires and feedback provide a means for OMV to assess any additional ESG data gaps. This helps us drive our sustainability agenda forward and make continuous improvements in terms of sustainability.

### Latest Ratings and Indices Results

OMV actively participates in several ESG ratings. The table below shows an overview of our latest results.

| ESG Rating Agency | OMV Score/ Rating | Additional Details | Last Update of Score |
|---|---|---|---|
| **CDP Climate** | A– | CDP awarded OMV an A– (Leadership) score for the eighth year in a row in 2023. This ranks OMV among the top 20 companies in the global oil and gas sector, and among the top eight companies across all sectors in Austria. | February 2024 |
| **CDP Supplier Engagement** | A | In 2022, OMV was among the top 8% of companies included in CDP's Supplier Engagement Leaderboard for its efforts to measure and reduce climate risk within its supply chain through active engagement and collaboration with its suppliers. | March 2023 |
| **S&P** | 65 | In 2023, OMV scored 65/100 points in the Corporate Sustainability Assessment (CSA), putting it in the 94th percentile of its industry. Based on this result, OMV received the following distinctions: inclusion in the Dow Jones Sustainability World Index, Dow Jones Sustainability Europe Index, and S&P Sustainability Yearbook. OMV has been included in the Dow Jones Sustainability World Index since 2018. | December 2023 |
| **ISS ESG** | B–, Prime | In 2023, OMV Aktiengesellschaft was rated Prime with a score of B–. This score places OMV among the best 10% of oil and gas companies in terms of ESG performance. | August 2023 |

| ESG Rating Agency | OMV Score/ Rating | Additional Details | Last Update of Score |
|---|---|---|---|
| **MSCI** | AAA | In 2023, OMV Aktiengesellschaft received a rating of AAA in the MSCI ESG Ratings assessment for the 11th year in a row. This score places OMV among the best 14% of oil and gas companies in terms of ESG performance. | August 2023 |
| **Sustainalytics** | 27.7 (medium risk) | OMV is in the 11th percentile of the Integrated Oil & Gas sector in Sustainalytics' ESG Risk Ratings, achieving a score of 27.7 (medium risk). OMV is in the top 20 within the larger group of oil and gas producers. OMV's management of sustainability is rated as strong. This assessment by Sustainalytics makes OMV eligible for inclusion in the STOXX Global ESG Leaders index. | June 2023 |
| **Moody's Analytics** | 63/100 | In 2023, OMV scored 63/100 points in its ESG Overall Score. OMV's Moody's Analytics score led to its inclusion in several ESG indices, such as Euronext Climate Europe, a selection of the best European companies in terms of energy transition score, and the Euronext Vigeo Euro 120 Index, composed of the 120 highest-ranking European companies according to ESG performance. | July 2023 |
| **EcoVadis** | 75/100 | In 2023, OMV scored 75/100 points in the EcoVadis scorecard, placing it in the 97th percentile of all companies globally. | January 2024 |
| **TPI** | Level 3 | TPI rates OMV's management of its greenhouse gas emissions and risks and opportunities related to the low-carbon transition as Level 3 (Integrating into Operational Decision Making). | May 2023 |
| **FTSE4Good** | 3.9/5 | OMV was relisted in the FTSE4Good Index in 2023 and has now been confirmed as a component of the FTSE4Good Index Series every year. | July 2023 |

For more information on OMV's performance in ESG ratings, see our website.

# Risks and Opportunities

As an international oil, gas, and chemicals company with operations extending from hydrocarbon exploration and production to the trading and marketing of mineral oil products, chemical products, and natural gas, the OMV Group is exposed to a variety of risks – including market and financial risks, operational risks, and strategic risks. The Group's risk management processes focus on the identification, assessment, and evaluation of such risks and their impact on the Group's financial stability and profitability. The purpose of these activities is to actively manage risks in the context of the Group's risk appetite and defined risk tolerance levels in order to achieve the OMV Group's long-term strategic goals.

## Enterprise-Wide Risk Management

Financial and non-financial risks are regularly identified, assessed, and reported through the Group's Enterprise-Wide Risk Management (EWRM) process. The main purpose of the OMV Group's EWRM process is to deliver value through risk-based management and decision-making, which is ensured by applying a "three lines of defense" model (1. business management, 2. risk management and oversight functions, 3. internal audit). The OMV Group is continually enhancing the EWRM process based on internal and external requirements, for instance developing new ESG reporting standards and frameworks. The process is facilitated by a Group-wide IT system that supports the established individual process steps, guided by the ISO 31000 risk management framework. The process also includes companies that are not fully consolidated.

## Governance

OMV recognizes the dynamic and evolving nature of its business landscape. Effective risk governance is crucial for successfully navigating uncertainties inherent in the nature of OMV's operations.

As an integral part of the Supervisory Board, the Audit Committee diligently oversees the implementation and efficacy of our risk management processes. By leveraging the expertise within the Audit Committee and remaining adaptive through ongoing education, the Supervisory Board reinforces its commitment to robust risk governance.

The Executive Board takes a proactive stance in overseeing and enhancing OMV's risk management processes, as well as ensuring a strong risk culture across the OMV Group. A cross-functional committee chaired by the OMV Group CFO with senior management members of the OMV Group – the Risk Committee – ensures that the risk management process effectively captures and manages material risks across the OMV Group. OMV has an effective independent Corporate Risk Management function within the CFO area that reports directly to the Executive Board and is independent from the business lines. OMV's Executive Board members regularly discuss current and upcoming environmental, climate, and energy-related policies and regulations, related developments in the fuels, chemicals, and gas markets, the financial implications of carbon emissions trading obligations, the status of innovation project implementation, and progress on achieving sustainability-related targets.

The Group Risk Committee meets at least four times a year, ensuring that risk awareness and prevention are firmly integrated into decision-making processes. The Committee validates the key non-financial and financial risks identified with respect to OMV's short- to mid- (up to three to five years) and long-term (more than five years) objectives. For more information, see the Annual Report.

OMV focuses on assessing the potential vulnerabilities of the Company to climate change (e.g., water scarcity, droughts, floods, and landslides), the impact of the Company on the environment, and the mitigation actions that will ensure a successful transition to a low-carbon environment (e.g., reduction of carbon emissions and compliance with new regulatory requirements). The short- and mid-term physical vulnerabilities related to climate change are identified and reported in the EWRM process and do not exceed OMV's reporting threshold.

The OMV Group conducts a robust, site-specific physical climate risk and vulnerability assessment in accordance with the EU taxonomy to determine the resilience of each asset to future climate change and the associated physical climate-related risks. Acute and chronic risks related to temperature, wind, water, and solid mass are first screened based on business specificity and potential impact on OMV. The two-fold approach used is in line with the EWRM approach.

Based on the preselected acute and chronic risks, all OMV Group sites where EU taxonomy-eligible activities occur are prioritized. This exercise is performed with the support of a risk intelligence consultant using a set of indexes specifically aimed at providing a robust understanding of the changes in future environmental conditions for the respective locations and businesses.

All assets with medium, high, or extreme exposure to one or more acute or chronic physical climate risks are analyzed further. Physical hazard modeling is applied, consisting of the processing and analysis of atmospheric data related to temperature, precipitation, drought, and wildfires, as well as other data related to coastal flooding, tropical cyclones, water stress, and fluvial flooding, in order to provide a rigorous estimate of risk. The analysis incorporates scenarios based on the Representative Concentration Pathways (RCPs) from the Intergovernmental Panel on Climate Change (IPCC). The four RCPs (2.6, 4.5,

6.0, and 8.5) included in the IPCC AR5 are used in this exercise and applied to various time horizons that align with the OMV Strategy. Once the financial impact of the respective risks is estimated, potential mitigation strategies are discussed with management in order to ensure that appropriate adaptation measures are considered.

## Risk Management Process

The risk management process combines an intensive bottom-up and top-down approach, with every single employee responsible for implementing the most appropriate mitigation strategies for the risks within their sphere of responsibilities. Identified and assessed risks are controlled and mitigated at all organizational levels thanks to clearly defined risk policies and responsibilities. Strategic risks and opportunities (e.g., related to climate change or water stress) are assessed in a top-down process, while a bottom-up process with a standardized methodology is used to assess factors such as environmental aspects, impacts, and risks in our operations, including legal and compliance risks.

ESG risks are identified using a double materiality approach and a selection of the appropriate risk identification techniques, such as interviews, workshops, surveys, and analyses of historical losses, as well as information on risks documented in risk registers or loss databases. For example, environmental risks are identified using an approach such as a standardized environmental risk assessment methodology, always applying a double materiality approach whenever possible. Environmental risks and opportunities include regulatory, operational, reputational, and financial drivers, and specifically relate to issues such as climate change, availability and quality of water used for operations, and the impact of energy, climate, and water policies. Such risks are then analyzed against a short-term horizon (less than 3 years), medium-term horizon (3–5 years), or long-term perspective (>10 years), including their possible quantitative impact as a deviation of cash flow from the plan and the likelihood of such an impact. Heat maps or risk matrices are used to support the assessment process and serve to identify probability ranges and the related consequences if risks were to materialize. Digital technologies are used in monitoring and managing environmental risks through a special risk management IT tool that integrates environmental risk scenarios with operational and business risks.

For the purpose of identifying such risks, we continuously monitor OMV's internal and external environment and conduct interviews with senior management, subject matter experts, and Executive Board members. This process complements the bottom-up approach and captures the risks inherent in the strategy. We collect information on root causes, consequences, corresponding risk mitigation actions and their effectiveness, and changes in internal and external factors influencing likelihood. These are assessed in working sessions with senior management and subject matter experts.

All risks exceeding a certain threshold at Group level are included in the Group Risk Report and considered to be substantive irrespective of their probability. However, the threshold can vary depending on the management focus for that specific risk management measure. In addition, risks are regarded as substantive if they are seen as such by relevant stakeholders, including local communities, government authorities, employees, or suppliers, even when the financial impact is not considerable.

Bottom-up and top-down perspectives are combined to provide a comprehensive risk profile of the organization, which is taken into consideration when the OMV strategy is developed or updated. The results of an intensive reporting exercise are discussed at the OMV Executive Board level through the Group Risk Report and further presented to the OMV Audit Committee.

## Risk Taxonomy

Paying attention to every single risk makes risk management a holistic process. We use common risk terminology and language across OMV to facilitate effective risk communication. ESG risks are a key element in the OMV risk taxonomy.

The full spectrum of risks relating to OMV's business, including economic, environmental, and social issues, is analyzed using either a semi-qualitative or quantitative approach and documented in a centralized risk repository. The resulting corporate risk profile provides a holistic view of issues that could affect the Company's medium- and long-term performance. The profile is therefore integrated into OMV's decision-making processes.

According to the OMV risk taxonomy, the following risk categories are considered based on key risk drivers:

- Financial risks, including market price risks, foreign exchange risks, and risks arising from (European) Emission Allowances. Market price risks are monitored and analyzed centrally with respect to their potential cash flow impact using a specific risk analysis model that considers portfolio effects. Such market price risks also cover the impact of volatile prices for European Emission Allowances, where typical mitigation activities like spot, forward, or futures transactions are applied to ensure a balanced position of emission allowances by selling the surplus or covering the gap.

- Operational risks, including all risks related to physical assets, production risks, project risks, personnel risks, IT risks, as well as HSSE, climate change, and regulatory/compliance risks, are analyzed, monitored, and managed by following the Group's defined risk management process.
- Strategic risks arising, for example, from changes in technology, climate change, risks to reputation, or political uncertainties, including sanctions.

For reporting purposes, this taxonomy is mapped to various other risk classifications such as NaDiVeG[6] and TCFD. Additional information on the OMV Group's EWRM governance and processes as well as major financial and non-financial risks are included in the Risk Management chapter in the Annual Report 2023.

## Specific Sustainability Risks and Opportunities

The potential risks (divided into threats and opportunities), mitigation measures, and net risks and opportunities of OMV activities, structured according to our material topics and related NaDiVeG concerns, are summarized in the table below. Materiality in this context is defined as issues having a potentially significant impact on the environment or society (for more information, see Materiality). Risks reported were selected based on their magnitude using impact and probability, and at least one relevant example for each material topic was selected.

### Focus Area: Climate Change

| Material Topic (NaDiVeG) | Risk Description | Effect Description (Inside-Out or Outside-In) | Mitigation Measures |
|---|---|---|---|
| **Energy Transition** (Environmental concerns) | **Threat (Transition Risks):** Risk arising from the organization's inability to implement and manage new technology and products to reduce carbon intensity impact, as well as the risk caused by the delayed implementation of a low-carbon business due to limited availability of critical raw materials and/or dependency on suppliers within a competitive market. | **Inside-Out:** OMV's total GHG carbon footprint (Scopes 1, 2, 3) in 2023 amounted to 134 mn t $CO_2$ equivalent. The global $CO_2$ emissions in 2023 were 37.5 Gt,[1] thus OMV contributed 0.4% of overall global emissions in 2023.<br><br>**Outside-In:** Lower demand for OMV's fossil fuel generation, limited utilization of refining capacities, loss of licenses, increased costs, significant revenue losses, as well as reputational damage | ▸ Further develop decarbonization strategy, including carbon reduction targets for the product portfolio and investment and innovation portfolio<br>▸ Capital Allocation Framework to facilitate investments in projects aligned with OMV's climate targets<br>▸ Detailed market screening<br>▸ Adherence to internal governance processes<br><br>For more information, see Energy Transition |
| | **Threat (Transition Risks):** As an energy- and emissions-intensive company, current and emerging regulations on carbon pricing mechanisms that target energy use and efficiency and emissions reduction pose a threat to our "business as usual" approach, e.g., the EU Emissions Trading Scheme (EU ETS). | **Outside-In:** Implementing new mandatory changes in the value chain would have significant financial implications for OMV, for example either limiting the ability to shift to a more sustainable business faster or resulting in significant additional costs. | ▸ Developing new business opportunities<br>▸ Carbon reduction targets for the product portfolio<br>▸ Carbon reduction targets integrated into the Executive Board's Long-Term Incentive Plan (LTIP)<br><br>For more information, see Energy Transition |
| **Carbon Emissions Reduction** (Environmental concerns) | **Threat (Transition Risk):** Risk of imbalance between certificates allocated and emissions volumes required for Company activities<br><br>Additional risk of inability to adapt to the rapid changes to emerging routine flaring requirements. With the upcoming stricter policies and regulations requiring zero routine flaring conditions, certain field development concepts based on routine flaring might not be feasible | **Outside-In:** Failing to improve energy efficiency could result in higher costs generated by the uncertainties concerning allowance demand and abatement costs, as well as energy consumption and GHG emissions.<br><br>Reputational damage could be triggered by pressure from local communities for reductions beyond the applicable legislation on flaring and emissions | ▸ Boosting energy efficiency and reducing internal fuel consumption by increasing renewable energy supplies, e.g., through use of the Company's own photovoltaic (PV) plants<br>▸ ISO 50001 certifications for Refining, Chemicals, and partly for Exploration & Production<br>▸ Implementing tools to run plants as optimally as possible, such as introducing an Energy Trend Board, which helps operators continuously focus on energy consumption |

[6] The Austrian Sustainability and Diversity Improvement Act (NaDiVeG) defines risk as a potential negative effect on sustainability originating from a company's operations, its supply chain, or its products/services. For OMV, a risk represents uncertainty regarding Company objectives measured by combining the likelihood or frequency of an event and its consequences, which can result in opportunities or threats to the success of the Company's sustainable business performance.

| Material Topic (NaDiVeG) | Risk Description | Effect Description (Inside-Out or Outside-In) | Mitigation Measures |
|---|---|---|---|
| | (e.g., early production facilities in remote areas) or may only be possible with higher investments and operating costs. | intensity, and/or certain field developments might not be feasible and/or only with higher investments and operating costs.<br><br>**Inside-Out:**<br>OMV's 2023 total Scope 1 GHG emissions amounting to 10.0 mn t $CO_2$ equivalent increased the $CO_2$ concentration in the atmosphere by 0.0006 ppm. | ▸ Continual optimization of plant design and control, and implementing improvement projects to remove potential barriers to optimization<br>▸ Phasing out routine flaring and venting will significantly contribute to reducing our GHG emissions<br>▸ Carbon reduction targets integrated into the Executive Board's LTIP<br><br>For more information, see Energy Efficiency and Sourcing Renewable Energy, as well as Flaring, Venting, and Fugitive Methane Emissions |
| **Energy Transition and Carbon Emissions Reduction** (Environmental concerns) | **Opportunity (Transition Opportunity):**<br>Continue to contribute to a sustainable energy system with further development of innovative and successfully implemented projects. OMV develops viable businesses based on hydrogen, bioenergy, carbon, and geothermal models. Acceleration of technology development and access to experts and know-how will further promote OMV's set path to energy transition.<br><br>In the context of the current strategy, there is potential for additional new business opportunities, e.g., intensifying strategic energy cooperation with various partners to generate renewable energy for OMV's own energy consumption, or further developing new technologies and products to reduce the carbon intensity of conventional oil and gas products in the Company's portfolio. | **Inside-Out and Outside-In:**<br>This will support growth and further development of new sustainable solutions in the chemicals business and energy supply, create long-term value for the OMV Group and its shareholders, and reduce the OMV Group's carbon footprint. Furthermore, this would also give rise to new opportunities for local communities, creating upskilled jobs and protecting workers and their incomes (during the transition). | ▸ Continuously identifying and executing green and viable business opportunities, which offer significant potential to upscale and match OMV's capabilities<br>▸ Further increasing energy efficiency and reducing internal fuel consumption by expanding renewable energy supplies, e.g., the OMV Group's own PV plants<br>▸ Benefiting from sharing know-how by entering joint ventures and consortia that drive new energy solutions projects<br>▸ Carbon reduction targets integrated into the Executive Board's LTIP<br>▸ Scaling up engagement in renewable energy sources<br><br>For more information, see Low- and Zero-Carbon Products and Energy Efficiency and Sourcing Renewable Energy |

[1] Source: Global Carbon Project, Global Carbon Budget 2023.

## Focus Area: Natural Resources Management

| Material Topic (NaDiVeG) | Risk Description | Effect Description (Inside-Out or Outside-In) | Mitigation Measures |
|---|---|---|---|
| **Circular Economy** (Environmental concerns) | **Opportunity:** OMV identifies opportunities that would limit emissions beyond regulatory carbon emissions requirements in various countries where we operate. Utilizing carbon as a valuable feedstock for energy solutions and industrial processes, and capturing $CO_2$, processing it into synthetic fuels, plastics, or other chemicals are included in the opportunities identified.<br><br>With Borealis, OMV has established an integrated approach to circularity by offering a broad range of circular product solutions. As the market grows and legislative standards change in favor of renewable materials, the Group aims to increase its profits and market share through these products. | **Inside-Out:** New climate-friendly, innovative products and services developed especially for industrial applications lead to opportunities related to employment and the supply chain.<br><br>There are additional, significant positive environmental benefits from reducing $CO_2$ emissions and instead turning it into a feedstock for a circular economy. | ▸ Creating cross-sectoral value chains and operating a full-scale plant<br>▸ Collaboration with strong industry partners<br>▸ Proactive feedstock sourcing programs<br>▸ Borealis co-founded Project STOP, a program supporting cities in Indonesia to develop and implement low-cost, circular waste collection and sorting systems, thereby reducing waste leakage and increasing resource efficiency.<br><br>For more information, see Circular Economy and Neutralization Measures |
| | **Threat:** Mismanaged plastic waste is a growing concern, and if not collected, sorted, and disposed of properly, it poses a threat to the environment.<br><br>Additionally, the limitation in plastic waste feedstock volumes might slow down the upscaling of recycling volumes and increase the market price for recycled plastics versus fossil-based plastic raw materials. | **Inside-Out:** Plastic waste, if not collected, sorted, and disposed of properly, could end up leaking into the environment, causing environmental pollution, harming animals, and ultimately ending up as microplastics in drinking water and food. Environmental pollution impacts economic development and tourism, putting jobs at risk in certain industries, e.g., the fishing industry.<br>Limited availability of plastic waste feedstock volume might impede the switch from fossil to renewable feedstock as a key enabler in the transition to a circular economy.<br><br>**Outside-In:** Uncertainties regarding new legislation currently under development make long-term investments difficult and risky. Innovation and new technology development require a lot of time – typically more than in other industries. Planned CAPEX projects could be delayed, limiting volume scale-up and impacting the ability to achieve set circular economy targets on time.<br><br>Limited availability of renewable feedstock at an affordable price may impact | ▸ Launching a range of low-emission and biobased portfolios, such as Bornewables™, Borvida™, and Borcycle™<br>▸ Collaboration with industry partners and public funding opportunities to jointly develop and scale up innovation, technologies, products, and digitalization. This will accelerate action and solutions, including feedstock sourcing programs for plastic waste, biobased feedstock and renewable oil, and participation in industry projects with public funding.<br>▸ Proactive feedstock sourcing programs for plastic waste, biobased feedstock, and renewable oil<br>▸ Participation in multi-party industry projects with public funding opportunities<br>▸ Project STOP at Borealis supporting cities in Indonesia to develop and implement low-cost, circular waste collection and sorting systems, thereby reducing waste leakage and increasing resource efficiency<br>▸ Circular Economy Solutions (CES) strategic program<br><br>For more information, see Circular Economy |

| Material Topic (NaDiVeG) | Risk Description | Effect Description (Inside-Out or Outside-In) | Mitigation Measures |
|---|---|---|---|
| | | the Group's ability to achieve its recycling targets. The risk of not responding on time with alternative solutions might result in losing market share, consequently having a negative impact on OMV's reputation and image. | |
| **Environment** (Environmental concerns) | **Threat (Physical Risk):** Risk of insufficient water availability to continue operations or water degradation due to failure to perform safety operations | **Outside-In:** The impact of periods of low or no precipitation on surface or subsurface water supplies could lead to the inability to access water for normal operations (internal consumption) and for local communities in areas of low water availability. | ▸ Improving integrity through aging water pipeline/facility replacement programs, preventive maintenance, water management plans, reduced water consumption, and water efficiency improvements<br>▸ Water management is a key component of our social license to operate. We engage and cooperate with local communities, and act as a responsible partner.<br>▸ OMV's water management activities pursue socially equitable water use by involving local regulatory and river basin authorities.<br>For more information, see Water |
| | **Threat:** Risk of soil and water contamination due to improper waste management, triggered either by the failure to comply with internal regulations by employees, suppliers, and contractors or by the failure of asset integrity | **Inside-Out:** Soil and water contamination could trigger a negative chain effect on the healthy ecosystem, like environmental pollution, with a negative impact on plants and animals, as well as on people's well-being. | ▸ Improving existing waste management plans<br>▸ Training staff and having regular audits to assess progress<br>▸ Process safety measures and maintenance<br>▸ Operation Clean Sweep certifications<br>For more information, see Waste and Spills |

## Focus Area: Health, Safety, and Security[2]

| Material Topic (NaDiVeG) | Risk Description | Effect Description (Inside-Out or Outside-In) | Mitigation Measures |
|---|---|---|---|
| **Health, Safety, and Well-Being** (Environmental concerns, employee and social concerns) | **Threat:** Property damage offshore or onshore (processing and treatment facilities) caused by perils outside of normal operations or normal maintenance, e.g., fires and explosions, and the subsequent disruption of production | **Inside-Out and Outside-In:** Risks such as integrity failure or unsafe process safety conditions could lead to business interruption, pollution, risk to employee safety, reputational damage, and third-party fatalities, and endanger biodiversity and ecosystems. | ▸ Audits (internal and third party)<br>▸ Preventive maintenance<br>▸ Inspections<br>▸ Rejuvenation Program (plant improvement projects)<br>▸ Planned turnaround<br>▸ Qualified and trained personnel<br>For more information, see Process Safety |
| | **Threat:** Loss of integrity of a pipeline due to pressure control systems failing or annular gas migration as a result of poor cementing of surface casings, resulting in a major accident (explosion, major fire, major oil spill) | **Inside-Out and Outside-In:** A major accident could lead to a major oil spill, production stoppage, and reputational damage. | ▸ Process safety measures and maintenance<br>▸ Emergency preparedness measures and maintenance<br>▸ Training of staff<br>For more information, see Process Safety and Spills |

| Material Topic (NaDiVeG) | Risk Description | Effect Description (Inside-Out or Outside-In) | Mitigation Measures |
|---|---|---|---|
| | **Threat:**<br>If customers do not get the correct hazard information on labels, there is a risk that they may use products without taking the necessary precautions and be exposed.<br><br>This could be caused by regulatory changes resulting in more severe hazard classifications and product safety concerns and/or country-/region-specific hazard labels deviating in language but also in legally required content. | **Inside-Out:**<br>Chemical substances, if not handled properly and according to their intended use, could lead to unintentional health impacts for people coming into contact with those substances. | ▸ As a signatory to the chemical industry's Global Charter for Responsible Care®, Borealis is committed to ensuring the safety of its products along the entire value chain.<br>▸ Borealis Product Stewardship follows up closely on application-related product safety requirements, so that products going into separately regulated applications such as food contact, drinking water contact, or medical applications are also fully in line with applicable legislation and standards, and serve as a basis for customer product safety.<br>▸ The Borealis Product Stewardship Council evaluates the potential health, safety, and regulatory risks of all substances the Group uses and defines risk mitigation measures.<br>▸ Borealis assesses all new and changed raw materials and products in terms of classification and labeling and prepares country-specific Safety Data Sheets and workplace safety cards for all classified materials.<br>▸ To apply the correct label in the correct language to our PO products, the global label management SAP tool has been installed in all of Borealis' EU and North American locations.<br><br>For more information, see Product Safety |

[2] One material topic under the focus area Health, Safety, and Security is Security, Emergency, and Crisis Resilience. There are, however, no risks pertaining to this material topic detailed in the risk register. OMV analyzes risks to physical and IT security as a part of its risk management processes but cannot disclose details on these as that would in itself be a risk to the Company. Risks stemming from potential physical and information security breaches are considered in other material topics, e.g., within Process Safety.

## Focus Area: People

| Material Topic (NaDiVeG) | Risk Description | Effect Description (Inside-Out or Outside-In) | Mitigation Measures |
|---|---|---|---|
| **Diversity, Equity, and Inclusion** (Employee and social concerns) | **Threat:** Risk of failing to reach the Group's diversity targets and failing to foster and actively maintain an inclusive and diverse workforce | **Outside-In:** Failure to reach the Group's diversity targets increases the risk of reducing employee engagement and increasing attrition, as well as the risk of losing top female talent, for example. This could lead to reputational damage, as the Company could be perceived as a poor employer with discriminatory behavior, and could promote a poor corporate culture.<br><br>**Inside-Out:** Higher levels of psychological distress and health-related problems for employees facing discriminatory behavior; limited impact on social cohesion, validation, and acceptance of diverse members of our communities | ▸ Implementation of the DEI strategy for 2030 establishing a governance framework focusing on gender, generations, parenting/caregiving, people with disabilities, and LGBTQI+ inclusion<br>▸ Increasing the percentage of women in senior management positions through a range of initiatives, e.g., mentoring, training on unconscious bias<br>▸ New Parent Program in Austria targeting both male and female employees to encourage more equal distribution of childcare responsibilities<br>▸ Embedding our diversity targets in succession planning, with a preference for female candidates when identifying top talent<br>▸ Gender is one of the diversity criteria we apply when selecting members of the Supervisory Board and Executive Board.<br>▸ Including internationality in the criteria for assessing candidates in the process of executive recruiting<br>▸ Development of a comprehensive roadmap to support individuals with disabilities, offering practical assistance and information. Additionally, the initiative aims to enhance awareness among all OMV Group employees<br>▸ Continue to promote LGBTQI+ allyship and solidarity through various initiatives, e.g., Ally Week, community lunches, reinforcing the company's commitment to inclusivity<br>▸ Ensuring compliance with the Code of Conduct<br><br>For more information, see Diversity, Equity, and Inclusion |
| **Employees** (Employee and social concerns) | **Threat:** The industry is bracing itself for a serious shortfall of experienced technical professionals over the next several years due to attrition and retirement. The risk is linked to both the number of workers retiring and the number ready to replace them.<br><br>Risk of not attracting and/or failing to retain, reskill, and/or upskill the highly skilled staff needed to grow and transition into a sustainable company.<br><br>Lack of motivation, lack of engagement, and risk of losing talented professionals as a result of the increasing pressure to reduce costs by promoting online self-learning | **Outside-In:** The OMV Group might face the risk of key roles not being filled, with short or negative handovers resulting in the risk that the plants may not be able to operate reliably. Individual department or Company performance may decline. Additionally, the industry might also face reduced attractiveness, leading to limited headcount and delayed transition to becoming a sustainable business.<br><br>**Inside-Out:** The risk of not being able to uphold reliable operations, disturbances to processes and safety Furthermore, if the OMV Group fails to attract the necessary talent, OMV's | ▸ Building robust talent pipelines by cooperating with universities and offering internships, among other programs<br>▸ Ensuring competitive compensation and benefits by continuously monitoring market trends and international best practices<br>▸ Strengthening the culture of giving feedback and increasing training for leaders<br>▸ Engaging employees in using online resources for learning<br>▸ Building long-lasting employment relationships and employing local people from the countries in which OMV operates |

| Material Topic (NaDiVeG) | Risk Description | Effect Description (Inside-Out or Outside-In) | Mitigation Measures |
|---|---|---|---|
| | vs. traditional classroom learning | chances of transforming into a more sustainable company could be limited. | ▸ Proactively informing the public and OMV's target groups about the benefits of our products, the sustainability challenges associated with them, and how OMV is addressing them through social media channels<br>For more information, see Employees |
| | **Opportunity**<br>By moving toward a sustainable business model, the OMV Group can offer career paths and job opportunities that open up a new talent pool. | **Inside-Out**<br>OMV will remain a strong industry employer by offering new job opportunities in sustainable business fields, and will attract new and fresh talent who want to be part of and work on low-carbon energy solutions that support the energy transition. | ▸ Identifying and executing low-carbon and other viable business opportunities, which offer significant upscale potential and match OMV's capabilities<br>▸ Scaling up engagement in renewable energy sources<br>For more information, see Employees |
| **Communities** (Respect for human rights, employee and social concerns) | **Threat:**<br>Risk of human rights abuse against communities stemming from the OMV Group's operations. This risk is equally about failing community consultation, compensation, and reparation, as well as the negative impact on local employment, skills development, education, local livelihood, and culture. Also, negative impacts on communities' environment, health, safety, quality of life, or access to basic needs are reflected. | **Outside-In:**<br>Deterioration of OMV's relationships with local stakeholders including local administration, leading to non-cooperation in business activities<br>Further consequences for OMV include production delays, security issues, blockages of OMV's activities, legal liability, loss of social license to operate, damage to OMV's reputation.<br>**Inside-Out:**<br>Consequences for rights holders and communities include:<br>▸ Lack of human rights and scope for individual development, e.g., right to clean and healthy environment, access to basic needs, health, and safety<br>▸ Economic detriments, such as, in case of lacking compensation or environmental impacts, elevated risk to personal health and safety, as well as complicity in human rights violations (e.g., human trafficking, child labor, poor labor practices) | ▸ Training for all OMV employees, including the internal communications team, to raise general human rights awareness<br>▸ In-depth training for employees in specific functions to develop skills<br>▸ Integration of human rights in business processes, e.g., HSSE contractor management, project management, supplier prequalification and monitoring<br>▸ Human Rights Country Entry Check before launching operations in a country, as well as regular human rights assessments in our countries of operation, including labor rights aspects<br>▸ Highest-level commitment to human rights by the Boards<br>▸ Development and implementation (or supporting development of OMV's business partners) of grievance mechanism<br>▸ Professional Human Rights and Social Impact Assessment<br>▸ Professional Community Relations & Development Management<br>For more information, see Human Rights |

| Material Topic (NaDiVeG) | Risk Description | Effect Description (Inside-Out or Outside-In) | Mitigation Measures |
|---|---|---|---|
| **Human Rights** (Respect for human rights, employee and social concerns) | **Threat:**<br>Risk of human rights abuse within OMV operations, business or joint venture partners, public security forces, as well human rights abuse by business partners delivering services or products to OMV who do not follow OMV's Code of Conduct, the OMV Human Rights Policy Statement, or international human rights standards<br><br>This is equally about the risk of poor labor practices, as well as child labor, forced labor, human trafficking, sexual assault, harassment or threats, insufficient grievance mechanism, or any other violation of human rights.<br><br>Risk of failing just compensation paid to land owners in the event of expropriation of land | **Inside-Out:**<br>Consequences for the human rights holder:<br>▸ Lack of human rights and scope for individual development<br>▸ Economic detriments<br>▸ Elevated risk to personal health and safety and, in the worst case, even injury or death<br><br>**Outside-In:**<br>Deterioration of OMV's relationships with stakeholders, as well as blockages of OMV's activities, security issues, social unrest, damage to OMV's reputation | ▸ Human Rights Country Entry Check before launching operations in a country, as well as regular human rights assessments in our countries of operation, including labor rights aspects<br>▸ Highest-level commitment to human rights by the Boards<br>▸ Human rights aspects (incl. labor rights) included in management meetings with business and joint venture partners<br>▸ Development and implementation of internal grievance mechanism<br>▸ Training for employees (focus on high-risk countries)<br>▸ Integration of human rights in business processes, e.g., HSSE contractor management, project management, supplier prequalification and monitoring<br>▸ OMV Code of Conduct and OMV Human Rights Policy Statement<br>▸ Ensuring fair land valuation and compensation processes that are just, transparent, and aligned with international best practices<br><br>For more information, see Human Rights |

## Focus Area: Ethical Business Practices

| Material Topic (NaDiVeG) | Risk Description | Effect Description (Inside-Out or Outside-In) | Mitigation Measures |
|---|---|---|---|
| **Economic Impacts and Business Principles** (Corruption prevention, environmental concerns) | **Threat:**<br>Abuse of entrusted power for individual unlawful gain/ advantage, personal interest prevailing over Company interest, or other forms of unethical business conduct | **Outside-In:**<br>The risk of unethical business conduct could lead to reputational damage and financial losses, as well as criminal consequences in isolated cases. | ▸ Implementing a Compliance Management System<br><br>For more information, see Business Ethics and Anti-Corruption |
| | **Threat:**<br>Non-compliance with environmental, emissions, and water laws or internal rules and regulations caused by unexpected changes or different interpretations of the legislation | **Outside-In:**<br>This would lead to additional OPEX or CAPEX needed to upgrade facilities or extra taxes having to be paid. | ▸ Engagement with regulators to ensure laws are correctly interpreted and upheld<br>▸ Process safety measures and maintenance<br>▸ Training of staff<br>▸ Implementation of best available technologies<br><br>For more information, see Environment |

| Material Topic (NaDiVeG) | Risk Description | Effect Description (Inside-Out or Outside-In) | Mitigation Measures |
|---|---|---|---|
| | **Threat:** The risk of the OMV Group or one or more of its affiliates not being compliant with EU Regulation 2016/679 regarding Data Protection caused, e.g., by IT security breaches, enforcement actions driven by political motivation, unintended breaches by the employees responsible for data handling procedures, and/or interpretation of the laws by regulators, leading to inability to demonstrate compliance with the requirements of the General Data Protection Regulation (GDPR). | **Inside-Out and Outside-In:** The risk of failing to protect general personal data could lead to exposure of personal information relating to customers, employees, and/or other stakeholders. Additionally, the risk of non-compliance with the GDPR could lead to reputational damage and financial losses. | ▸ To ensure the responsible handling of data in the interest of OMV's customers, employees, and other stakeholders, various measures need to be taken to achieve these objectives. This requires an ongoing process whereby OMV implements different measures to handle and process personal data according to definitions in the EU Regulation.<br>For more information, see Information and Cybersecurity as well as Human Rights |
| **Supply Chain** (Environmental concerns, employee and social concerns) | **Threat:** Risk of not supporting OMV's carbon management and climate change targets by purchasing more carbon-intensive products and services than planned<br><br>Risks of reputational damage related to ESG topics with regard to the supply chain (e.g., climate change, human rights violations, business ethics, poor labor practices) | **Outside-In and Inside-Out:** This could lead to OMV not being acknowledged as a sustainable business partner, which would have a negative impact on the business, leading to financial consequences, lack of business continuity, increasing GHG emissions, and negative consequences for human rights holders. | ▸ Sustainable procurement targets in place<br>▸ Increasing engagement with suppliers on carbon management topics through CDP Supply Chain<br>▸ Increasing transparency on carbon footprint of purchased goods and services through carbon management reporting (Scope 3 of purchased goods and services)<br>▸ Performing supplier audits and evaluations as part of Together for Sustainability<br>▸ Including sustainability performance and KPIs as part of awarding criteria<br>▸ Training for employees<br>▸ Including human rights aspects (incl. labor rights) in the prequalification phase, as well as in supplier and contractor audits<br>▸ ESG supplier assessments carried out with EcoVadis<br>▸ Including human rights and labor practices in HSSE contractor management<br>For more information, see Supply Chain |

## Scenario Analysis

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

OMV utilizes two different scenarios, namely the base case and the 'net-zero emissions by 2050' case, which differ in their underlying expectations of the pace of future worldwide decarbonization and result in distinct assumptions for demand, prices, and margins of fossil commodities.

The **base case** is built on a scenario developed by the internal Market Intelligence department and assumes that all decarbonization pledges announced by governments around the world will be implemented in full and on time. In this scenario, the temperature increase by 2100 will be limited to 1.7°C with a probability of 50%. The underlying demand and price developments of fossil commodities are in line with the Announced Pledges Scenario (APS), which

was modeled by the International Energy Agency (IEA). The base case is used for mid-term planning as well as for estimates relating to the measurement of various items in the Group financial statements, including impairment testing of non-financial assets and the measurement of provisions.

The **'net-zero emissions by 2050'** case, which is based on a faster decarbonization path than the base case, is used for calculating sensitivities to recognize the uncertainty of the pace of the energy transition and to better understand the financial risk of the energy transition on the existing assets of OMV. The assumptions used in this case are in line with the Net Zero Emissions by 2050 (NZE) scenario modeled by the IEA. It shows a pathway for the global energy sector to achieve net-zero GHG emissions by 2050 and is compatible with limiting the temperature increase to 1.5°C.

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

The carrying amounts of the oil and gas assets with proved reserves (incl. E&P at-equity investments) would have to be decreased by EUR 4.4 bn and goodwill would decrease by EUR 0.3 bn. In addition, all oil and gas assets with unproved reserves would be abandoned with a pre-tax P&L impact of EUR 0.3 bn. Total post-tax impact on P&L would be EUR 3.6 bn.

As far as the C&M segment is concerned, management would not foresee negative effects on the overall demand of polyolefin solutions in the accelerated decarbonization scenario. Pricing of polyolefins is mainly driven by base chemical markets like naphtha, ethane, and propane. An accelerated change in the world's energy landscape might lead to different price movements in those relevant base chemicals, temporarily affecting the profitability of some assets in the polyolefin value chain. Driven by the expected strong demand for polyolefin solutions, management does not foresee any substantial negative effects on the overall integrated value chain.

OMV plans to transform its European refineries so that they will stay competitive as the decarbonization of the fuels and chemical sector progresses. Crude oil distillation throughput will be decreased. The product mix will be adapted to reduce heating oil and diesel output while increasing the chemical yield. In parallel, a production portfolio of renewable fuels and sustainable chemical feedstocks will be developed. Taking into account these transformation plans, management does not foresee a significant risk that the existing refinery assets in Europe would not be recoverable in the 'net-zero emissions by 2050' scenario.

It is expected that declines in demand for fossil products caused by the energy transition will progress more slowly outside the European Union. The investment in ADNOC Refining is assumed to be resilient also in a Paris Agreement-aligned the energy transition scenario thanks to its access to markets in the Middle East and Asia.

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

For further information on base case and 'net-zero emissions by 2050' assumptions, please refer to the Effects of climate change and the energy transition section in the Annual Report, while risks from climate change and their management are detailed in the Risks and Opportunities section of the Sustainability Report and the Risk Management section of the Directors' Report.