



# Annual Report 2020 of OMV Aktiengesellschaft

OMV Group



# Contents

<b>2</b>	Report of the Supervisory Board
<b>6</b>	Consolidated Corporate Governance Report
<b>15</b>	Directors' Report
<b>24</b>	Auditor's Report
<b>28</b>	Financial Statements
<b>28</b>	Balance sheet as of December 31, 2020
<b>30</b>	Income Statement
<b>31</b>	Notes
<b>32</b>	Accounting and Valuation Policies
<b>37</b>	Notes to the Balance Sheet
<b>45</b>	Notes to the Income Statement
<b>48</b>	Supplementary Information
<b>54</b>	Direct Investments by OMV Aktiengesellschaft (interest of at least 20%)
<b>55</b>	Supervisory Board
<b>56</b>	Executive Board
<b>58</b>	Statement of Fixed Assets in Accordance with Section 226 (1) ACC
<b>60</b>	Abbreviations and Definitions

## Dear Shareholders,

The time has come to reflect on the past year, one which was almost entirely dominated by the coronavirus pandemic and its major adverse impact on the global economy. Low oil and gas prices and a significant drop in demand posed enormous challenges for OMV. Nonetheless, we can still call this year a success. Thanks to measures quickly implemented by management and the Group's integrated business model and diversified portfolio, OMV was able to generate solid earnings despite the difficult market environment.

We are not just looking back on a year of pandemic life, but also a twelve-month period in which we set the course for a new OMV. The acquisition of a majority interest in Borealis was a milestone for OMV in the further development of our Company's chemical and circular economy activities. By expanding the value chain in this way, OMV is establishing a sustainable business model that will set the direction for the Company's development for the long term.

Above all, however, we are reflecting on a time in which the importance of the human element was clearly evident – more so than in any other year. Neither our solid earnings nor the implementation of important strategic projects would have been possible without our employees who put enormous effort and a great deal of creativity into making these results a reality under difficult conditions. They are the foundation of and the driving force behind our success.

This performance and OMV's stable financial position are also reflected in the proposed progressive dividend of EUR 1.85, which allows you as our shareholders to participate in OMV's success.

In the following, I would like to inform you about the Supervisory Board's work during the 2020 financial year:

### **Composition of the Executive Board and Supervisory Board**

Elena Skvortsova joined the Executive Board on June 15, 2020, and is now responsible for Marketing & Trading. Ms. Skvortsova is a top executive with many years of international management experience and cross-industry expertise. Since her appointment, she has been working with great enthusiasm and insight into market challenges to ensure that her division is fit for the future. After just a few months, she completed a very important transaction for OMV: the sale of the German filling station network.

On September 9, we resolved to reappoint Reinhard Florey as CFO. He has been able to refine and significantly improve Finance at OMV, both in terms of organization and processes, contributing to our results. This is due not least to efficient cost management and a clear financial strategy focused on cash flow and financial strength. OMV's attractiveness to investors was underscored in 2020 by the successful issue of bonds totaling EUR 4.5 billion.

In 2020, the composition of the Supervisory Board also changed. Our long-term member Dr. Wolfgang Berndt, who had also been Chairman since May 2019, stepped down after ten years of service on the Supervisory Board with effect from the end of the Annual General Meeting on September 29, 2020. I wish to thank Wolfgang Berndt on behalf of the entire Supervisory Board. During his term of office, he oversaw groundbreaking transactions and investments that contributed substantially to OMV's current stability and resilience. Under his chairmanship, we completed OMV's largest transaction to date: the increase in our stake in Borealis to 75%, which will undoubtedly go down in our history for its strategic importance.

I, Mark Garrett, was elected to the Supervisory Board at the 2020 Annual General Meeting and at the subsequent constitutive meeting was voted Chairman of the Supervisory Board and Chairman of the Presidential and Nomination Committee. At that meeting, Thomas Schmid was elected Chairman of the Remuneration Committee. There were changes on the part of the employee representatives in 2020 as well. Christine Asperger stepped down from her positions as of October 1, 2020, and Alfred Redlich left the Supervisory Board as of December 2, 2020.



» We are not just looking back on a year of pandemic life, but also a twelve-month period in which we set the course for a new OMV.

MARK GARRETT  
Chairman of the Supervisory Board

### Supervisory Board activities

The Supervisory Board carried out its activities during the financial year with great care and in accordance with the law, the Company's Articles of Association, and the Internal Rules. It oversaw the Executive Board's governance of OMV and advised it in decision-making processes on the basis of detailed written and verbal reports as well as constructive discussions between the Supervisory Board and the Executive Board.

Early 2020 was almost entirely dominated by the Borealis transaction, which was ultimately approved at the meeting on March 11, 2020. The Annual General Meeting was postponed to autumn 2020 due to COVID-19-related restrictions. The other Supervisory Board meetings and conference calls were also heavily focused on discussions about measures to reduce the pandemic-induced negative impact on many areas of our business, particularly with regard to securing financing for the Borealis transaction.

Building on a survey of the Supervisory Board, a training event was held for the Supervisory Board once again in 2020. We had to cancel a visit to the newly set-up Innovation & Technology Center in Gänserndorf due to COVID-19 restrictions. In 2020, we again conducted a Supervisory Board self-assessment led by an external service provider, which built on the survey-based evaluation of the previous year and was conducted by holding personal interviews. The results were incorporated into our priority-setting and activities for 2021.

In September, the Supervisory Board approved the sale of OMV's 51% interest in Gas Connect Austria. The sale was the result of OMV's pursuit of a strategy to exit the regulated gas transportation business. At the same time, we were able to eliminate debt of more than EUR 570 million and take a major step toward improving our gearing.

Our remuneration policy was put to a vote for the first time at the Annual General Meeting in September 2020. We attach great importance to an intensive exchange with investors. For this reason, we discussed the development of our remuneration policy with investors at length.

At the end of the year, we took another major step forward in our divestment program – the sale of the filling station network in Germany. The final investment decision before year-end on the Co-Processing project for the production of biofuels in Schwechat was a key move toward implementing our sustainability strategy.

### Activities of Supervisory Board committees

The **Presidential and Nomination Committee** placed particular focus on the preparation of the decisions regarding the appointment of Elena Skvortsova and the extension of Reinhard Florey's Executive Board mandate. Furthermore, it focused on the issue of long-term Executive Board succession planning.

In 2020, the **Remuneration Committee** finalized the remuneration policy for the Executive Board and Supervisory Board based on the new requirements of Austrian Stock Corporation Act in connection with the EU Shareholder Rights Directive and presented it to the shareholders for a vote for the first time at the Annual General Meeting on September 29, 2020. The measure passed overwhelmingly, receiving more than 99% of the votes cast. In the context of the development of the Executive Board remuneration policy, feedback from investors during the 2019 Corporate Governance Roadshow was specifically considered. Thus, from 2020, the variable remuneration system also incorporates non-financial/ESG targets – specifically, carbon reduction and a diversity target.

The next step is to prepare a remuneration report for the Executive Board and Supervisory Board based on the new provisions of the Austrian Stock Corporation Act. A separate report was drafted for this purpose which presents the Executive Board and Supervisory Board remuneration more transparently than before and includes a direct comparison with the Company's performance over time and with employee salaries. The remuneration report for the Executive Board and Supervisory Board will be presented to the shareholders for approval for the first time at the Annual General Meeting in 2021.

In 2020, the **Audit Committee** looked at important topics related to accounting processes, the internal audit program, risk management, and the Group's internal control system. The current auditor of the OMV Group, Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., participated in each of the Audit Committee's meetings, and the Supervisory Board regularly took advantage of the opportunity to discuss matters with the auditor without the presence of the members of the Executive Board. In addition, the Audit Committee completed the selection procedure introduced in 2019 relating to the choice of the auditor for the 2021 financial year.

Meetings of the **Portfolio and Project Committee** are held regularly prior to the meetings of the Supervisory Board. The committee used its meetings in 2020 to prepare decisions regarding key investment and M&A projects on the basis of extensive information and intensive discussions.

Further details regarding the activities of the Supervisory Board and its committees can be found in the (Consolidated) Corporate Governance Report.

### Annual financial statements and dividends

Following a comprehensive audit and discussions with the auditor during meetings of the Audit Committee and the Supervisory Board, the Supervisory Board has approved the Directors' Report and the Consolidated Annual Report pursuant to section 96(1) of the Austrian Stock Corporation Act as well as the Annual Financial Statements and the 2020 Consolidated Annual Financial Statements pursuant to section 96(4) of the Austrian Stock Corporation Act. Both the Annual Financial Statements and the Consolidated Annual Financial Statements for 2020 received an unqualified opinion from the auditing company Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. The Supervisory Board also approved the (Consolidated) Corporate Governance Report audited by both the Supervisory Board and the Audit Committee as well as the (Consolidated) Report on Payments Made to Governments. The Supervisory Board found no issues during the audits. Following the audit, the Supervisory Board accepted the Executive Board's suggestion to jointly propose in the Annual General Meeting a dividend of EUR 1.85 per share, which corresponds to an increase of EUR 0.10 over the previous year. The remaining amount of the net profit after the dividend distribution will be carried forward to new account. The Supervisory Board will audit the separate consolidated non-financial report (Sustainability Report) individually, and this report will be published separately and after the Annual Report together with the corresponding Supervisory Board report.

On behalf of the entire Supervisory Board, I would like to thank the Executive Board and all employees for their commitment and successful work in the extraordinarily turbulent and challenging 2020 financial year. I would like to give special thanks to OMV's shareholders for their continued trust as well as to all of OMV's customers and partners.

Vienna, March 10, 2021

For the Supervisory Board

Mark Garrett m.p.

# Consolidated Corporate Governance Report

**OMV, as a publicly listed company with its headquarters in Austria, is dedicated to the principles of sound corporate governance and has always sought to comply with best practice in corporate governance to ensure responsible management and control of the OMV Group, a high level of transparency for every stakeholder and, ultimately, the sustainable and long-term creation of value.**

Austrian law, the Articles of Association, the Internal Rules for the corporate bodies, and the Austrian Code of Corporate Governance (ACCG) provide the core legal framework for OMV's corporate governance. OMV adheres to the ACCG issued by the Austrian Working Group for Corporate Governance. The code is publicly accessible at [www.corporate-governance.at](http://www.corporate-governance.at). OMV's compliance with the ACCG in 2020 was evaluated externally by independent advisors. The report on the evaluation is available at [www.omv.com](http://www.omv.com) and confirms that OMV conformed to all of the compulsory "comply or explain" rules (the "C-rules") and also all of the recommended rules (the "R-rules"). As for C-rules 27 and 28, explanations concerning the structure of the compensation for the Executive Board and the Supervisory Board of OMV is described in the Remuneration Policy. The implementation of the policy and the performance outcomes of the financial year under review are set out in the annual Remuneration Report for OMV's Executive Board and Supervisory Board prepared starting with financial year 2020. The Remuneration Policy and the Remuneration Report are published on [www.omv.com](http://www.omv.com). The next external evaluation is scheduled to be carried out for the 2022 financial year.

For OMV Petrom S.A., a company consolidated in the OMV Group and the shares of which are publicly listed on the Bucharest Stock Exchange as well as on the London Stock Exchange, the relevant Corporate Governance Report can be found at [www.omvpetrom.com/en/about-us/corporate-governance-aboutus](http://www.omvpetrom.com/en/about-us/corporate-governance-aboutus).

In accordance with the recommendation in the AFRAC opinion on the Corporate Governance Report, the Corporate Governance Report of the parent company and the consolidated Corporate Governance Report are combined in one report.

## Executive Board<sup>1</sup>

### Rainer Seele, \*1960

Date of initial appointment: July 1, 2015

End of the current period of tenure: June 30, 2022

Chairman of the Executive Board and Chief Executive Officer

Responsible for the overall management and coordination of the Group

Rainer Seele received his PhD in chemistry at the University of Göttingen and subsequently had senior appointments at the BASF Group where in 2000 he first became a member of the Executive Board and then later chairman of the Executive Board at WINGAS GmbH. From 2009 until 2015, he was chairman of the board of directors of Wintershall Holding GmbH.

### Functions in major subsidiaries of the OMV Group

Company	Function
OMV Petrom S. A.	President of the Supervisory Board
Borealis AG	Deputy Chairman of the Supervisory Board (until October 29, 2020) Chairman of the Supervisory Board (since October 29, 2020)
OMV Downstream GmbH	Managing Director (until June 15, 2020)
OMV Gas Logistics Holding GmbH	Managing Director (until June 4, 2020)

<sup>1</sup> The Supervisory Board of OMV Aktiengesellschaft has approved a reorganization of the OMV Group involving splitting and expanding the current area of Refining & Petrochemical Operations into two areas: Refining and Chemicals & Materials. The Supervisory Board has further appointed Alfred Stern as Executive Board member for Chemicals & Materials. The changes will take effect as of April 1, 2021.

**Johann Pleininger, \*1962**

Date of initial appointment: September 1, 2015  
 End of the current period of tenure: August 31, 2023  
 Deputy Chairman of the Executive Board and responsible for the Upstream Business Segment

Chief Upstream Operations Officer

Johann Pleininger started his professional career at OMV in 1977 and later studied mechanical and economic engineering. During his time at OMV, he held various senior positions. From 2007 to 2013, he was an Executive Board member of OMV Petrom in Bucharest, responsible for Exploration & Production. Prior to his appointment as Executive Board member of OMV, he was the Senior Vice President responsible for the core Upstream countries Romania and Austria as well as for the development of the Black Sea region.

Member of the Supervisory Board of FK Austria Wien AG

**Functions in major subsidiaries of the OMV Group**

Company	Function
OMV Petrom S. A.	Member of the Supervisory Board
OJSC Severneftegazprom	Member of Board of Directors
SapuraOMV Upstream Sdn. Bhd.	Deputy Chairman of Board of Directors
OMV Exploration & Production GmbH	Managing Director
OMV Austria Exploration & Production GmbH	Chairman of the Supervisory Board

**Reinhard Florey, \*1965**

Date of initial appointment: July 1, 2016  
 End of the current period of tenure: June 30, 2024  
 Chief Financial Officer

Responsible for Finance

Reinhard Florey graduated with a degree in mechanical engineering and economics from the Graz University of Technology while also completing his music studies at the University of Fine Arts. He started his career in corporate consulting and strategy consulting. From 2002 to 2012, he worked in different positions worldwide for Thyssen Krupp AG. Until June 2016, he was CFO and Deputy CEO of Outokumpu Oyj.

Member of the Supervisory Board of Wiener Börse AG

**Functions in major subsidiaries of the OMV Group**

Company	Function
OMV Petrom S. A.	Deputy Chairman of the Supervisory Board
OMV Petrom Global Solutions SRL	President of the Supervision Body (until August 1, 2020)
Borealis AG	Member of the Supervisory Board (since October 29, 2020)

**Thomas Gangl, \*1971<sup>1</sup>**

Date of initial appointment: July 1, 2019  
 End of the current period of tenure: June 30, 2022  
 Executive Board member responsible for Refining & Petrochemical Operations

Chief Downstream Operations Officer

Thomas Gangl began his OMV career in 1998 as a process engineer at the Schwechat refinery after studying process engineering at the Vienna University of Technology and mechanical engineering at the University of Salford (Manchester). In 2011, he became General Manager of OMV Deutschland GmbH and Site Manager in Burghausen. He was appointed Site Manager in Schwechat in 2014 and took over the role of Senior Vice President of the Refining & Petrochemicals Business Unit with responsibility for all three OMV refineries in 2016. On July 1, 2019, Thomas Gangl became the Executive Board member responsible for Refining & Petrochemical Operations.

**Functions in major subsidiaries of the OMV Group**

Company	Function
OMV Petrom S.A.	Member of the Supervisory Board
Borealis AG	Member of the Supervisory Board
OMV Downstream GmbH	Managing Director
OMV Gas Logistics Holding GmbH	Managing Director (since February 12, 2020)

**Working practices of the Executive Board**

The approval requirements, responsibilities of individual Executive Board members, decision-making procedures, and the approach to conflicts of interest are governed by the Internal Rules of the Executive Board. The Executive Board holds meetings at least every two weeks to exchange information and issue decisions on all matters requiring plenary approval.

**Elena Skvortsova, \*1970**

Date of initial appointment: June 15, 2020  
 End of the current period of tenure: June 14, 2023  
 Executive Board member responsible for Marketing & Trading

Chief Commercial Officer

Elena Skvortsova studied at Moscow State Linguistic University and the Thunderbird School of Global Management in the United States. She began her professional career at Bayer in 1994 as an international management trainee; her latest position at Bayer was Associate Director of Bayer Corporation (Healthcare). Starting in 2001, Elena Skvortsova held various leadership positions at Baxter International in the United States, Central and Eastern Europe, and the United Kingdom for 13 years. In 2015, she moved to Linde AG and was responsible for managing the Middle East and Eastern Europe region. From March 2019 to April 2020, following the merger of Linde and Praxair, she was head of Praxair Canada Inc., a 100% subsidiary of Linde plc. Elena Skvortsova has been a member of OMV's Executive Board since June 15, 2020, and is responsible for the OMV Downstream Marketing & Trading division.

**Functions in major subsidiaries of the OMV Group**

Company	Function
OMV Downstream GmbH	Managing Director (since June 16, 2020)

<sup>1</sup> The Supervisory Board of Borealis Aktiengesellschaft has appointed Thomas Gangl to the post of Chief Executive Officer. He will take over the role from Alfred Stern, effective April 1, 2021. Alfred Stern will join the OMV Executive Board and hold responsibility for the Chemicals & Materials division.

## Supervisory Board

OMV's Supervisory Board consists of ten members elected by the General Meeting (shareholders' representatives) and five members delegated by the Group works council<sup>1</sup>. Eight of the current shareholders' representatives were elected at the 2019 Annual General Meeting (AGM) and two were elected at the 2020 AGM. The members of OMV's Supervisory Board in 2020 and their appointments to supervisory boards of other domestic or foreign listed companies as well as any management functions held are shown below.

### Wolfgang C. Berndt, \* 1942

Chairman (until September 29, 2020)

Seats: no seats in domestic or foreign listed companies

### Mark Garrett, \* 1962

Chairman (since September 29, 2020)

(Chief Executive Officer, Marquard & Bahls AG)

Seats: Axalta Coating Systems (Chairman), Umicore

### Thomas Schmid, \* 1975

Deputy Chairman

(Chief Executive Officer, Österreichische

Beteiligungs AG)

Seats: Verbund AG, Telekom Austria AG

### Alyazia Ali Al Kuwaiti, \* 1979

Deputy Chairwoman

(Executive Director Upstream & Integrated, Mubadala

Investment Company PJSC)

Seats: no seats in domestic or foreign listed companies

### Mansour Mohamed Al Mulla, \* 1979

(Platform CFO Petroleum & Petrochemicals, Mubadala

Investment Company PJSC)

Seats: Aldar Properties PJSC

### Stefan Doboczky, \* 1967

(Chief Executive Officer, Lenzing AG)

Seats: no seats in domestic or foreign listed companies

### Karl Rose, \* 1961

(Strategy Advisor, Abu Dhabi National Oil Company)

Seats: no seats in domestic or foreign listed companies

### Elisabeth Stadler, \* 1961

(Chief Executive Officer, VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe)

Seats: voestalpine AG

### Christoph Swarovski, \* 1970

(Chief Executive Officer, Tyrolit AG)

Seats: no seats in domestic or foreign listed companies

### Cathrine Trattner, \* 1976

Seats: no seats in domestic or foreign listed companies

### Gertrude Tumpel-Gugerell, \* 1952

Seats: Commerzbank AG, VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe, AT&S

Austria Technologie & Systemtechnik AG

### Delegated by the Group works council (employee representatives)

### Christine Asperger, \* 1964 (until October 1, 2020)

### Herbert Lindner, \* 1961

### Alfred Redlich, \* 1966 (until December 2, 2020)

### Gerhard Singer, \* 1960

### Angela Schorna, \* 1980

More detailed information about all members of OMV's Supervisory Board, including their professional careers, can be obtained from OMV's website at [www.omv.com](http://www.omv.com) > About us > Supervisory Board.

### Diversity

The main considerations in selecting the members of the Supervisory Board are relevant knowledge, personal integrity and experience in executive positions. Furthermore, aspects of diversity of the Supervisory Board with respect to the internationality of the members, the representation of both genders, and the age structure are taken into account. The Supervisory Board includes five women (as per December 31, 2020) and three non-Austrian nationals. The members of the Supervisory Board are aged between 40 and 68.

### Independence

The Supervisory Board has defined the criteria that constitute independence (resolutions dated March 21, 2006, and March 25, 2009). In addition to the guidelines set out in Annex 1 of the ACCG, the Supervisory Board has established the following criteria

<sup>1</sup> Due to the resignation of Christine Asperger (October 1, 2020) and Alfred Redlich (December 2, 2020) there were three members delegated by the Group works council part of the Supervisory Board at the end of 2020.

with regard to its members elected by the General Meeting:

- ▶ A Supervisory Board member shall not serve on the Executive Board of an OMV Group company.
- ▶ A Supervisory Board member shall not hold stock options issued by the Company or any affiliated company, or receive any other performance-related remuneration from an OMV Group company.
- ▶ A Supervisory Board member shall not be a shareholder with a controlling interest in the meaning of EU Directive 83/349/EEC (i.e. an interest of more than 50% of the voting rights or a dominant influence, e.g. through the right to appoint Board members) or represent such a shareholder.

All members elected by the General Meeting have declared their independence from the Company and its Executive Board during the 2020 financial year and up to the time of making such declarations (C-rule 53 of the ACCG). Under C-rule 54 of the ACCG, Wolfgang C. Berndt, Mark Garrett, Stefan Doboczky, Karl Rose,

Elisabeth Stadler, Christoph Swarovski, Cathrine Trattner, and Gertrude Tumpel-Gugerell have made declarations to the effect that they were not shareholders with a stake of more than 10% or represented such shareholders' interests during the 2020 financial year and up to the time of making such declarations. Wolfgang C. Berndt, Mark Garrett, Stefan Doboczky, Karl Rose, Elisabeth Stadler, Christoph Swarovski, Cathrine Trattner, and Gertrude Tumpel-Gugerell were nominated for the election as Supervisory Board members by Österreichische Beteiligungs AG, which must comply with the strict independence and incompatibility criteria of the Austrian Code of Corporate Governance when nominating or appointing persons as members of the Supervisory Boards of its affiliated companies and ensure that they exercise their activities on the Supervisory Boards of the affiliated companies independently of their own interests or those of legal entities closely associated with them.

#### Position and committee memberships in 2020<sup>1</sup>

Name	Supervisory Board and Committees 2020 <sup>1</sup>					Term of office
	SB	PNC	PPC	AC	RC	
Wolfgang C. Berndt	C	C	M	M	C	May 26, 2010, to September 29, 2020
Mark Garrett	C	C	M	M	DC	September 29, 2020, to 2023 AGM
Thomas Schmid	DC	DC	DC	M	C	May 14, 2019, to 2024 AGM
Alyazia Ali Al Kuwaiti	DC	DC	DC	DC	DC	May 22, 2018, to 2024 AGM
Mansour Mohamed Al Mulla	M	M	M	–	–	May 22, 2018, to 2024 AGM
Stefan Doboczky	M	–	M <sup>2</sup>	–	–	May 14, 2019, to 2022 AGM
Karl Rose	M	–	C	–	–	May 18, 2016, to 2024 AGM
Elisabeth Stadler	M	–	–	DC	–	May 14, 2019, to 2022 AGM
Christoph Swarovski	M	–	–	–	M	May 14, 2019, to 2022 AGM
Cathrine Trattner	M	–	–	M	–	May 14, 2019, to 2022 AGM
Gertrude Tumpel-Gugerell	M	–	–	C	M	May 19, 2015, to 2022 AGM
Christine Asperger	M	M	–	–	–	January 1, 2013, to October 1, 2020
Herbert Lindner	M	M <sup>3</sup>	M	M	–	Since June 1, 2013
Alfred Redlich	M	M	M	–	–	June 1, 2013, to December 2, 2020
Angela Schorna	M	M <sup>3</sup>	M <sup>3</sup>	M	–	Since March 23, 2018
Gerhard Singer	M	–	M	M	–	Since September 26, 2016

<sup>1</sup> Abbreviations: SB = Supervisory Board, PNC = Presidential and Nomination, Committee, PPC = Portfolio and Project Committee, AC = Audit Committee, RC = Remuneration Committee, C = Chairman/Chairwoman, DC = Deputy Chairman/Chairwoman, M = Member, AGM = Annual General Meeting

<sup>2</sup> Since June 19, 2020

<sup>3</sup> Since December 3, 2020

### Working practices of the Supervisory Board

The Supervisory Board fulfills its duties – in particular supervising the Executive Board and advising it on strategy – by discussing the Company's situation and objectives during board meetings. Decisions are also taken at these meetings, except in urgent cases where resolutions can be taken by circular vote. Four committees ensure that the best possible use is made of the Supervisory Board members' expertise. Brief descriptions of these committees are given below (see also the Report of the Supervisory Board for an overview of the individual committees' main activities in 2020). In 2020, eight meetings of the Supervisory Board and 19 Committee meetings were held. In several of these meetings, the Executive Board and the Supervisory Board discussed OMV's strategy. No member of the Supervisory Board attended fewer than half of the meetings.

Attendance of Supervisory Board and Committee meetings in 2020 was as follows:

#### Attendance of Supervisory Board and Committee Meetings in 2020 <sup>1</sup>

Name	SB	PNC	PPC	AC	RC
Wolfgang C. Berndt <sup>2</sup>	5/5	4/4	3/3	3/3	3/3
Mark Garrett <sup>3</sup>	3/3	1/1	2/2	2/2	1/1
Thomas Schmid	8/8	5/5	4/5	4/5	4/4
Alyazia Ali Al Kuwaiti	6/8	4/5	3/5	4/5	4/4
Mansour Mohamed Al Mulla	7/8	5/5	3/5		
Stefan Doboczky	6/8		3/3 <sup>6</sup>		
Karl Rose	8/8		4/5		
Elisabeth Stadler	7/8			4/5	
Christoph Swarovski	5/8				2/4
Cathrine Trattner	8/8			5/5	
Gertrude Tumpel-Gugerell	8/8			5/5	4/4
Christine Asperger <sup>4</sup>	3/6	2/4			
Herbert Lindner	8/8	1/1 <sup>7</sup>	5/5	5/5	
Alfred Redlich <sup>5</sup>	5/7	3/4	3/4		
Angela Schorna	7/8	1/1 <sup>7</sup>	1/1 <sup>7</sup>	5/5	
Gerhard Singer	7/8		5/5	4/5	

<sup>1</sup> Abbreviations: SB = Supervisory Board, PNC = Presidential and Nomination Committee, PPC = Portfolio and Project Committee, AC = Audit Committee, RC = Remuneration Committee

<sup>2</sup> Until September 29, 2020

<sup>3</sup> Since September 29, 2020

<sup>4</sup> Until October 1, 2020

<sup>5</sup> Until December 2, 2020

<sup>6</sup> Since June 19, 2020

<sup>7</sup> Since December 3, 2020

Pursuant to C-rule 36, the Supervisory Board is tasked with discussing the efficiency of its activities annually, in particular its organization and work procedures (self-evaluation).

### Presidential and Nomination Committee

This committee is empowered to take decisions on matters of urgency. The Supervisory Board may transfer other duties and powers of approval to the Presidential and Nomination Committee on an ad hoc or permanent basis. In its capacity as the Nomination Committee, this body makes proposals to the Supervisory Board for the appointment or replacement of Executive Board members and deals with succession planning. It also makes recommendations to the General Meeting for appointments to the Supervisory Board. There were five meetings of the Presidential and Nomination Committee in 2020, in which discussions focused on Executive and Supervisory Board matters.

### Audit Committee

This committee performs the duties established by section 92 (4a) Austrian Stock Corporation Act. The committee held five meetings during the year. It predominantly dealt with preparations for the audit of the annual financial statements, a review of the auditors' activities, internal audit, the internal control and risk management systems, as well as the presentation of the annual financial statements. Gertrude Tumpel-Gugerell is the financial expert on the Audit Committee within the meaning of section 92 (4a) (1) Austrian Stock Corporation Act.

### Auditors

The Supervisory Board monitors the auditors' independence and reviews a breakdown of the audit fees and fees for additional services besides auditing activities. In 2020, the auditors Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. (including their network within the meaning of section 271b Austrian Commercial Code) received EUR 3.57 mn for the annual audit, EUR 0.89 mn for other assurance services, EUR 0.10 mn for tax advisory services, and EUR 1.15 mn for other engagements.

### Portfolio and Project Committee

This committee supports the Executive Board in preparing complex decisions on key issues where necessary and reports on these decisions and any recommendations to the Supervisory Board. In 2020, five meetings of the Portfolio and Project Committee were held.

### Remuneration Committee

This committee deals with all aspects of the remuneration of Executive Board members and with their employment contracts. The committee's membership does not include employee representatives. The committee is empowered to

conclude, amend, and terminate Executive Board members' employment contracts and to make decisions on the awarding of bonuses (variable remuneration components) and other such benefits to them. The Remuneration Committee met four times during 2020. Executive Board members were invited to attend parts of some of the meetings of the Remuneration Committee.

hkp/// group was appointed by the Remuneration Committee and provided remuneration advice to the Committee, which included the elaboration of best practice comparisons with regard to Executive Board remuneration, advice on the appropriate structure and level of Executive Board compensation in line with regulatory requirements and market practice as well as support for the finalization of the remuneration policy.

In 2020 hkp/// group was also appointed by OMV and by OMV Petrom. They provided advice to OMV, in relation to governance processes between OMV and OMV Petrom, and to OMV Petrom on the development and drafting of the Remuneration Policy for of the Executive and Supervisory Board of OMV Petrom. hkp/// group provided advise on the development of OMV's Remuneration Report and supported the Remuneration Committee in discussion the Remuneration Policy. The consultant company did not advise the OMV Executive Board in matters relating to remuneration, ensuring independence with respect to the Austrian Code of Corporate Governance.

#### **Conflicts of interest and dealings by members of the Supervisory Board requiring approval**

There were no transactions requiring approval in accordance with section 95 (5) (12) Austrian Stock Corporation Act. Attention is drawn to the fact that the Supervisory Board Members Mark Garrett, Stefan Doboczky, and Elisabeth Stadler are chairpersons of the executive boards of companies with which supply contracts and insurance and related contracts, respectively, were concluded under normal market and industry terms and conditions (including consideration). Although these contracts do not raise concerns in relation to a potential conflict of interest, related Supervisory Board approvals have been obtained. The Internal Rules of the Supervisory Board contain detailed procedures for handling conflicts of interest on the part of Supervisory Board members.

#### **Employee participation<sup>1</sup>**

The Group works council holds regular meetings with the Executive Board in order to exchange information on developments affecting employees. Furthermore, the Group works council has made use of its right to delegate members to the Supervisory Board (one employee representative for every two members elected by the General Meeting). Therefore, out of the 15 Supervisory Board members, five members are employee representatives.

#### **Rights of minority shareholders**

- ▶ General Meeting: An Extraordinary General Meeting must be convened at the request of shareholders holding not less than 5% of the shares.
- ▶ Agenda items must be included at the request of shareholders holding not less than 5% of the shares.
- ▶ Shareholders holding not less than 1% of the shares may submit resolution proposals on all agenda items. Such resolution proposals must be posted on the website upon request of the respective shareholders.
- ▶ Shareholders holding not less than 10% of the shares may require an extraordinary audit in the event of grounds for suspicion of irregularities, or gross violations of the law or the Articles of Association.
- ▶ All shareholders having duly provided evidence of their shareholding are entitled to attend General Meetings, ask questions and vote.
- ▶ Election of the Supervisory Board: If elections for two or more positions to the Supervisory Board are held at the same General Meeting, separate votes must be held for each position. If elections for three or more seats on the Supervisory Board are held at the same General Meeting, and if prior to the vote on the last position to be assigned it is found that at least one-third of all the votes have been cast in favor of the same person but he or she has not been elected, then this person must be declared as Supervisory Board member.

<sup>1</sup> Due to the resignation of Christine Asperger (October 1, 2020) and Alfred Redlich (December 2, 2020) there were three members delegated by the Group works council part of the Supervisory Board at the end of 2020.

## Women's Advancement and Diversity Concept

Diversity is an enormous strength that OMV actively builds on now, and in the future. Consequently OMV strives to continuously develop new initiatives and measures that promote diversity and equal opportunities. OMV is committed to its Group diversity strategy focusing on gender and internationality. As a company active in an industry with a strong technical focus, it is particularly challenging for OMV to achieve a satisfactory gender balance in all fields of business activity. OMV is committed to supporting women's advancement to managerial positions. The strategic objective is to achieve the best diversity mix at the senior management level. The aim is to increase the proportion of women in Senior Leadership roles, from 20.7%<sup>1</sup> currently to 25% by 2025 through a number of initiatives such as mentoring, succession planning, specific trainings as well as initiatives to promote a healthy work/life balance.

The proportion of women in the Group as a whole has risen to 27%<sup>1</sup> (2019: 26%), 20.7%<sup>1</sup> of whom are in management and executive positions. In OMV's leadership development programs, the proportion of women was 42% in 2020 (2019: 26%). In OMV's Upstream integrated graduate development program for technical skill pools, the proportion of women was 31% in 2020 (2019: 27%). The topic of diversity has been incorporated into all Leadership Development programs and embedded into the OMV People Strategy.

In 2020, we launched a new women's leadership program, SHEnergy, focused on the personal advancement and leadership development of current and future female leaders. We also held Career Aspiration Talks to make our women more visible and in doing so to also strengthen our pipeline of future female leaders.

OMV promotes talents from different backgrounds, thus ensuring the best mix in diverse teams. OMV especially supports the recruitment and development of women in technical positions.

By using gender-neutral language in OMV's job advertisements and publishing all job advertisements internally, together with the constant monitoring of equality with regard to gender, age, employee background, seniority as well as salaries, OMV is

ensuring fair treatment and contributing to equal opportunities among men and women at all career stages.

Female employees initiated a Diversity Network to raise awareness of diversity topics and to boost the careers of women in technical fields through a collaboration site and joint activities.

OMV's Head Office in Vienna has two company kindergartens attended by children of OMV employees.

The Executive Board and Supervisory Board consider the described measures and programs to foster the diversity of the workforce as a key factor in strengthening the diversity of the internal pool of Executive Board succession candidates. The Presidential and Nomination Committee concerns itself at least once a year with the identification and development of high-potential employees. In addition to internal succession planning, the Supervisory Board also makes use of external recruitments in order to best fill open Executive Board positions. When selecting Executive Board members – be it internally or externally – special attention is given to balance gender, age, and international experience in addition to professional skills.

Since Elena Skvortsova joined on June 15, 2020, there is one woman on the Executive Board of OMV. The Executive Board members of OMV Aktiengesellschaft are between 49 and 60 years old, are from three different nationalities, and have acquired extensive international management experience.

Since 2019, ÖBAG has had a legal mandate to propose candidates for the Supervisory Boards of its shareholdings. The ÖBAG management proposal is subject to approval by the ÖBAG presidium, before – after submission of the proposal by the supervisory board of OMV Aktiengesellschaft - the election by the Annual General Meeting of OMV AG takes place. The selection of candidates is based on various criteria, particularly the candidates' professional skills, personal integrity, independence, and impartiality. In addition, diversity aspects such as the representation of both genders, a balanced age distribution, and internationality of members is taken into consideration.

At the end of 2020, the Supervisory Board of OMV includes five women, corresponding to a share of 38%. Particular focus will be given to a further strengthening

<sup>1</sup> Excluding Borealis

of industry-specific expertise and the internationality of Supervisory Board members in line with the company's strategic orientation. With members aged between 40 and 68 years, the Supervisory Board's age structure is balanced.

## External evaluation of Corporate Governance

An external evaluation of OMV's compliance with the provisions of the ACCG is performed biennially. For the 2020 financial year, OMV engaged Deloitte Legal (Jank Weiler Operenyi Rechtsanwälte GmbH, attorney Johannes Lutterotti). The official questionnaire of the Austrian Working Group for Corporate Governance was used for the evaluation, and the result was that OMV is in full compliance with the Austrian Code of Corporate Governance including all non-compulsory recommendations. The report on the evaluation is available for download on OMV's website ([www.omv.com](http://www.omv.com)).

Vienna, March 10, 2021

The Executive Board

Rainer Seele m.p.

Johann Pleininger m.p.

Reinhard Florey m.p.

Thomas Gangl m.p.

Elena Skvortsova m.p.

## Directors' report – operational review

### Business developments in 2020

**Sales** for the financial year 2020 were EUR 234.20 mn (2019: EUR 208.96 mn). As OMV Aktiengesellschaft is a holding company, most of the sales consist of group charges and corporate service charges billed to the subsidiaries.

The **Operating Result** was EUR (52.35) mn (2019: EUR (68.21) mn).

The **Financial Result** in 2020 was EUR 445.66 mn (2019: EUR 1,092.44 mn). The financial items of OMV Aktiengesellschaft as a holding company mainly consist of the dividends and other income from investments in the operating companies. Net income from investments decreased significantly to EUR 535.37 mn (2019: EUR 1,150.25 mn). The dividend of OMV Petrom amounting to EUR 185.18 mn was higher than last year (2019: EUR 163.84 mn).

The contribution of the companies in the **Upstream** segment excluding OMV Petrom amounted to EUR (4.81) mn, below the level of 2019 (EUR (2.04) mn).

The contribution of the companies in the **Downstream** segment excluding OMV Petrom was significantly lower than in the previous year, at EUR 390.36 mn (2019: EUR 896.11 mn). Investment income from the Downstream Oil segment excluding OMV Petrom decreased substantially to EUR 326.19 mn (2019: EUR 1,147.91 mn). A less favourable environment for crude prices as well as lower sales volumes for most products – mainly due to the Covid-19 pandemic – were the main drivers resulting in lower contributions of the subsidiaries. The investment income contribution from the Downstream Gas segment excluding OMV Petrom for profit pooling increased significantly to EUR 64.18 mn (2019: EUR (251.80) mn) compared to the previous year.

There were no dividends distributed by the Downstream Gas segment, as in the previous year.

A key **investment item** in 2020 was a capital injection to OMV Downstream GmbH related to the financing of the acquisition of an additional 39% stake in Borealis AG.

The **cash flow** from operating activities for 2020 amounted to EUR 1,537.24 mn (2019: EUR 1,142.97 mn), the cash flow from investing activities to EUR (4,035.13) mn (2019: EUR (2,297.43) mn) and the cash flow from financing activities to EUR 2,300.99 mn (2019: EUR (199.41) mn).

**Net income** for the year amounted to EUR 235.46 mn (2019: EUR 1,124.80 mn).

**Total assets** increased to EUR 21,521.35 mn (2019: EUR 19,270.82 mn).

At balance sheet date, **stockholders' equity** stood at EUR 5,433.62 mn (2019: EUR 5,769.60 mn). The equity ratio as of December 31, 2020, was 25.25% (2019: 29.94%).

The ratio of **fixed assets** to total assets was 92.19% at balance sheet date (2019: 84.06%).

**Return On Equity** was 4.20% (2019: 20.47%).

In 2020, the average **number of employees** at the holding company was 901 (2019: 705).

For definitions of these ratios, readers are referred to the glossary of abbreviations and definitions, which is an integral part of the Directors' report.

### Treasury Shares

As at balance sheet date, a total of 297,846 own shares (EUR 297,846 thousand), or 0.09% of the capital stock, were held.

For details relating to the acquisition of treasury shares please refer to the chapter "Information required by Section 243a Unternehmensgesetzbuch (Austrian Commercial Code)".

During the reporting period, 74,767 shares, equivalent to 0.02% of the capital stock, with a value of EUR 3,614 thousand were used for share-based compensations. The difference of EUR 2,793 thousand between this amount and the historic repurchase value was written to the capital reserve.

### Corporate Governance report

The corporate Governance report is integrated into the Annual Report and additional details are available on OMV's website: [www.omv.com](http://www.omv.com)>Investors>Annual Reports.

### Information required by Section 243a of the Unternehmensgesetzbuch (Austrian Commercial Code)

1. The capital stock amounts to EUR 327,272,727 and is divided into 327,272,727 bearer shares of no par value. There is only one class of shares.
2. There is a consortium agreement in place between the two core shareholders, Österreichische Beteiligungs AG (ÖBAG) and Mubadala Petroleum and Petrochemicals Holding Company L.L.C (MPPH), which provides for coordinated behavior and certain limitations on transfers of shareholdings.
3. ÖBAG holds 31.5% and MPPH holds 24.9% of the capital stock.
4. All shares have the same control rights.
5. Employees who are shareholders directly exercise their voting rights at the Annual General Meeting.
6. The Company's Executive Board must consist of two to six members. The Company's Supervisory Board must consist of at least six members elected by the Annual General Meeting and of the members nominated under Section 110 (1) of the Arbeitsverfassungsgesetz (Austrian Labor Constitution Act). Resolutions concerning the dismissal of members of the Supervisory Board pursuant to Section 87 (8) of the Aktiengesetz (Austrian Stock Corporation Act) require a simple majority of the votes cast.  
To approve capital increases pursuant to Section 149 of the Austrian Stock Corporation Act and alterations of the Articles of Association (except those concerning the Company's objects), simple majorities of the votes and capital represented in adopting the resolution are sufficient.
- 7.a) As the authorized capital granted by the Annual General Meeting on May 14, 2014 expired on May 14, 2019, the Annual General Meeting decided upon a new authorized capital on September 29, 2020. Specifically, it authorized the Executive Board until September 29, 2025 to increase the share capital of OMV with the consent of the Supervisory Board – at once or in several tranches – by an amount of up to EUR 32,727,272 by issuing up to 32,727,272 new no-

par value common voting shares in bearer form in return for contributions in cash. The capital increase can also be implemented by way of indirect offer for subscription after taking over by one or several credit institutions according to Section 153 Paragraph 6 Austrian Stock Corporation Act. The issue price and the conditions of issuance can be determined by the Executive Board with the consent of the Supervisory Board. The Annual General Meeting also authorized the Executive Board, subject to the approval of the Supervisory Board, to exclude the subscription right of the shareholders if the capital increase serves to

- (i) adjust fractional amounts or
- (ii) satisfy stock options or Long Term Incentive Plans (including matching share plans for employees, senior employees and members of the Executive Board/management boards of the Company or one of its affiliates), or other employees' stock ownership plans.

In addition, the Supervisory Board was authorized to adopt amendments to the Articles of Association resulting from the issuance of shares according to the authorized capital.

- 7.b) On May 18, 2016, the Annual General Meeting authorized the Executive Board for a period of five years from the adoption of the resolution, therefore, until (including) May 17, 2021, upon approval of the Supervisory Board, to dispose of or utilize stock repurchased or already held by the Company to grant treasury shares to employees, senior employees and/or members of the Executive Board/management boards of the Company or one of its affiliates, including for purposes of share transfer programs – in particular, Long Term Incentive Plans including matching share plans or other stock ownership plans – under exclusion of the general purchasing possibility of shareholders (exclusion of subscription rights). The authorization can be exercised as a whole or in parts or even in several tranches by the Company, by a subsidiary (Section 189a number 7 of the Austrian Commercial Code) or by third parties for the account of the Company.
- 7.c) On May 14, 2019 the Annual General Meeting authorized the Executive Board to repurchase bearer shares of no par value of the Company up to a maximum of 5% of the Company's nominal

capital in accordance with Section 65 (1) (8) Austrian Stock Corporation Act, over a period of 15 months from the date of adoption of the resolution by the General Meeting, for a minimum consideration per share being at the utmost 30% lower than the average, unweighted stock exchange closing price over the preceding ten trading days and a maximum consideration per share being at the utmost 20% higher than the average, unweighted stock exchange closing price over the preceding ten trading days, whereby any repurchases have to be exercised in such a way that the Company does not hold more than 1,300,000 treasury shares at any time. Such repurchases may take place via the stock exchange or a public offering or by other legal means and for the purpose of share transfer programs, in particular Long Term Incentive Plans including matching share plans, Equity Deferrals or other stock ownership plans. The Executive Board was further authorized to cancel stock repurchased or already held by the Company without further resolution of the Annual General Meeting and the Supervisory Board was authorized to adopt amendments to the Articles of Association resulting from the cancellation of shares. The authorization can be exercised as a whole or in parts and also in several tranches by the Company, by a subsidiary (Section 189a Number 7 Austrian Commercial Code) or by third parties for the account of the Company and shall be exercised always in such a manner that it is to the benefit and in the best interest of the Company.

8. OMV has issued perpetual hybrid notes in the amount of EUR 3,250 mn which are subordinated to all other creditors. According to IFRS, the proceeds of the hybrid notes in the amount of EUR 3,228 mn are fully treated as equity because the repayment of the principal and the payments of interest are solely at the discretion of OMV.

On December 7, 2015, OMV issued hybrid notes with an aggregate principal amount of EUR 1,500 mn, in two tranches of EUR 750 mn each with the following interest payable:

- (i) The hybrid notes of tranche 1 bear a fixed interest rate of 5.250% until, but excluding, December 9, 2021, which is the first call date of tranche 1. From December 9, 2021, until, but excluding, December 9, 2025, hybrid notes of tranche 1 will bear interest according to a reset interest rate to be determined according to the relevant five-year

swap rate and an additional margin of 4.942% and, from December 9, 2025, with an additional step-up of 1% per annum.

- (ii) The hybrid notes of tranche 2 bear a fixed interest rate of 6.250% until, but excluding, December 9, 2025, which is the first call date of tranche 2. From December 9, 2025, tranche 2 will bear interest according to a reset interest rate to be determined according to the relevant five-year swap rate and an additional margin of 5.409%, with an additional step-up of 1% per annum.

Interest is due and payable annually in arrears on December 9 of each year, unless OMV elects to defer the relevant interest payments. The outstanding deferred interest must be paid under certain circumstances, in particular, if the Annual General Meeting of OMV resolves upon a dividend payment on OMV shares.

On June 19, 2018 OMV issued a hybrid bond with a size of EUR 500 mn. The hybrid bears a fixed interest rate of 2.875% until, but excluding, June 19, 2024. From June 19, 2024 until, but excluding, June 19, 2028 the hybrid notes will bear interest at a rate according to the relevant five-year swap rate and an additional margin of 2.335% per annum and, from June 19, 2028, with an additional step-up of 1% per annum. Interest is due and payable annually in arrears on June 19 of each year, unless OMV elects to defer the relevant interest payments. The outstanding deferred interest must be paid under certain circumstances, in particular, if the General Meeting of OMV resolves upon a dividend payment on OMV shares.

On September 1, 2020, OMV issued hybrid notes with an aggregate principal amount of EUR 1,250 mn, in two tranches (Tranche 1: EUR 750 mn; Tranche 2: EUR 500 mn) with the following interest payable:

- (iii) The hybrid notes of tranche 1 bear a fixed interest rate of 2.500% per annum until, but excluding September 1, 2026, which is the first reset date of tranche 1. From the first reset date (including), until, but excluding, September 1, 2030, the hybrid notes of tranche 1 will bear interest per annum at a reset interest rate which is determined according to the relevant five-year swap rate plus a specified margin. From September 1, 2030 (including), the notes will bear an interest rate per annum at the relevant five-

year swap rate for each interest period thereafter plus a specified margin and a step-up of 100 basis points.

- (iv) The hybrid notes of tranche 2 bear a fixed interest rate of 2.875% per annum until, but excluding September 1, 2029, which is the first reset date of tranche 2. From the first reset date (including), until, but excluding, September 1, 2030, the hybrid notes of tranche 2 will bear interest per annum at a reset interest rate which is determined according to the relevant five-year swap rate plus a specified margin. From September 1, 2030 (including), the notes will bear an interest rate per annum at the relevant five-year swap rate for each interest period thereafter plus a specified margin and a step-up of 100 basis points.

Interest is due and payable annually in arrears on September 1 of each year, unless OMV elects to defer the relevant interest payments. The outstanding deferred interest must be paid under certain circumstances, in particular, if the Annual General Meeting of OMV resolves upon a dividend payment on OMV shares.

The hybrid notes outstanding as of December 31, 2020 do not have a scheduled maturity date and they may be redeemed at the option of OMV under certain circumstances. OMV has, in particular, the right to repay the hybrid notes at certain call dates. Any accrued unpaid interest becomes payable when the bond is redeemed. In the case of a change of control, OMV may call the hybrid notes for redemption or else the applicable interest rate will be subject to an increase according to the terms and conditions of the hybrid notes.

9. The material financing agreements to which OMV is a party and bonds issued by OMV contain typical change of control clauses.
10. There are no agreements between the Company and members of the Executive Board and Supervisory Board or employees regarding the payment of compensation in the event of a public takeover bid.
11. The most important elements of the internal control and risk management system regarding the accounting process are the following: Governance for the internal control system is defined by internal corporate regulations (ICS

Directive and its Annexes). Corporate Internal Audit controls the compliance with these principles and requirements through regular audits, based on the annual audit plan approved by the Audit Committee of the Supervisory Board, or through ad hoc audits.

The results of those audits are presented to the Audit Committee of the Supervisory Board. For the main "end-to-end" processes (e.g. purchase-to-pay, order-to-cash), Group-wide Minimum Control Requirements are defined. Based on a defined time plan, the implementation and the effectiveness are being monitored. The establishment of Group-wide standards for the preparation of annual and interim financial statements by means of the corporate IFRS Accounting Manual is also regulated by an internal corporate regulation. The Group uses a comprehensive risk management system. The essential processes of the financial reporting system have been identified and analyzed. In addition, the effectiveness of the risk management system is regularly evaluated by external auditors. The results of the evaluation are reported to the Audit Committee of the Supervisory Board.

12. In accordance with section 267a (6) of the Austrian Commercial Code, a separate consolidated non-financial report will be issued.

## Risk Management

Like the oil and gas industry as a whole, OMV 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 identification, assessment, and evaluation of such risks and their impact on the Group's financial stability and profitability. The objective of these activities is to actively manage risks in the context of the Group's risk appetite and defined risk tolerance levels.

It is OMV's view that the Group's overall risk is significantly lower than the sum of the individual risks due to its integrated nature and the fact that various risks partially offset each other. The balancing effects of industry risks, however, can often lag or weaken. OMV's risk management activities therefore focus on the net risk exposure of the Group's existing and future portfolio. The interdependencies and correlations between different risks are also reflected in the Company's consolidated risk profile. Risk management and insurance activities are centrally coordinated at the corporate level by the Treasury and Risk Management

department. This department ensures that well-defined and consistent risk management processes, tools, and techniques are applied across the entire organization. Risk ownership is assigned to the managers who are best suited to oversee and manage the respective risk.

The overall objective of the risk policy is to safeguard the cash flows required by the Group and to maintain a strong, investment-grade credit rating in line with the Group's risk appetite.

OMV is closely monitoring the development of the consequences of the Covid-19 pandemic and regularly evaluating the impact on the Group's cash flow and liquidity position. OMV is responding to the situation with targeted measures to safeguard the Company's economic stability and the secure supply of energy. The health and wellbeing of every employee is our top priority. At the same time, OMV is implementing targeted measures to preserve the Company's financial strength, namely reduction of investments, cost cutting, and postponing acquisition projects.

#### Enterprise Wide Risk Management

Non-financial and financial risks are regularly identified, assessed, and reported through the Group-wide 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. The assessment of financial, operational, and strategic risks helps the Group leverage business opportunities in a systematic manner. This ensures that OMV's value grows sustainably. Since 2003, the EWRM system has helped enhance risk awareness and improve risk management skills across the entire organization, including subsidiaries in more than 20 countries. The OMV Group is constantly enhancing the EWRM process based on internal and external requirements.

A cross-functional committee chaired by the OMV Group CFO with senior management members of the OMV Group – the Risk Committee – ensures that the EWRM process effectively captures and manages material risks across the OMV Group.

The process is facilitated by a Group-wide IT system supporting the established individual process steps: risk identification, risk analysis, risk evaluation, risk treatment, reporting, and risk review through continuous monitoring of changes to the risk profile. The overall risk resulting from the bottom-up risk management process is computed using Monte Carlo simulations and compared against planning data. This

is further combined with a top-down approach from the senior management view to capture the risks coherent with the strategy. The process also includes companies that are not fully consolidated. Twice a year, the results from this process are consolidated and presented to the Executive Board and the Audit Committee. In compliance with the Austrian Code of Corporate Governance, the effectiveness of the EWRM system is evaluated by the external auditor on an annual basis. The key non-financial and financial risks identified with respect to OMV's medium-term plan are:

- ▶ Financial risks including market price risks and foreign exchange risks
- ▶ Operational risks, including all risks related to physical assets, production risks, project risks, personnel risks, IT risks, HSSE and regulatory/compliance risks
- ▶ Strategic risks arising, for example, from changes in technology, climate change, risks to reputation, or political uncertainties, including sanctions

#### Financial Risk Management

Market price and financial risks arise from volatility in the prices of commodities including the market price risks from European Emission Allowances, foreign exchange (FX) rates, and interest rates. Also of importance are credit risks, which arise from the inability of a counterparty to meet a payment or delivery commitment. As an oil and gas company, OMV has a significant exposure to oil and gas prices. Substantial FX exposures include the USD, RON, NOK, NZD, SEK and RUB. The Group has a net USD long position, mainly resulting from oil production sales. The comparatively less significant short positions in RON, NOK, NZD, SEK and RUB originate from expenses in local currencies in the respective countries.

#### Management of market price risk, FX risk, European Emission Allowances

The analysis and management of financial risks arising from foreign currencies, interest rates, commodity prices, European Emission Allowances, counterparties, liquidity, and insurable risks are consolidated at the corporate level. Market price risk is monitored and analyzed centrally in respect of its potential cash flow impact using a specific risk analysis model that considers portfolio effects. The impact of financial risks (e.g. market prices, currencies) on the OMV Group's cash flow and liquidity are reviewed quarterly by the Risk Committee, which is chaired by the CFO and comprises the senior management of the business segments and corporate functions.

In the context of market price risk and FX risk, the OMV Executive Board decides on hedging strategies to mitigate such risks whenever deemed necessary. OMV uses financial instruments for hedging purposes to protect the Group's cash flow from the potential negative impact of falling oil and gas prices in the Upstream business.

In the Downstream business, OMV is especially exposed to volatile refining margins and inventory risks. Corresponding hedging activities are undertaken in order to mitigate those risks. Those include margin hedges as well as stock hedges. In addition, Emission Compliance Management ensures a balanced position of emission allowances by selling the surplus or covering the gap.

#### Management of interest rate risk

To balance the Group's interest rate portfolio, loans can be converted from fixed to floating rates and vice versa according to predefined rules. OMV regularly analyzes the impact of interest rate changes on interest income and expense from floating rate deposits and borrowings. Currently the effects of changes in interest rates are not considered to be a material risk.

#### Management of credit risk

Significant counterparty credit risks are assessed, monitored, and controlled at the Group and segment level using predetermined credit limits for all counterparties, banks, and security providers. The procedures are governed by guidelines at the OMV Group and OMV Petrom level. Based on the high economic uncertainty resulting from the Covid-19 pandemic, special attention is paid to early warning signals like changes in payment behavior.

### Operational risks

The nature of OMV's business operations exposes the Group to various health, safety, security, and environment (HSSE) risks. Such risks include the potential impact from natural catastrophes as well as process safety and personal security events. Other operational risks comprise risks related to the delivery of capital projects or legal/regulatory non-compliance. All operational risks are identified, analyzed, monitored, and mitigated following the Group's defined risk management process.

Control and mitigation of assessed risks takes place at all organizational levels using clearly defined risk policies and responsibilities. The key Group risks are governed centrally to ensure the Group's ability to meet planning objectives through corporate directives,

including those relating to health, safety, security, environment, legal matters, compliance, human resources, and sustainability.

OMV puts a special focus on five Sustainability Strategy areas: HSSE, Carbon Efficiency, Innovation, Employees, Business Principles, and Social Responsibility. OMV Executive Board members regularly (at least quarterly) discuss present and upcoming environmental, climate, and energy-related policies and regulations; related developments in the fuels and gas market; the financial implications of CO<sub>2</sub> emissions-trading obligations; the status of innovation project implementation; and progress on achieving sustainability-related targets. OMV focuses on assessing the potential vulnerabilities of the company to climate change (e.g., water deficiency, droughts, floods, landslide), 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., carbon emission reduction, compliance with new regulatory requirements).

As OMV's activities rely on information technology systems, the Group may experience disruption due to major cyber events. Security controls are therefore implemented across the Group to protect information and cyber assets that store and process information. IT-related risks are assessed, monitored regularly, and managed actively with dedicated information and security programs across the organization.

Through systematic staff succession and development planning, Corporate Human Resources targets suitable managerial staff to meet future growth requirements in order to mitigate personnel risks.

### Strategic risks

In order to identify strategic risks which might have potential long-term effects on the company's objectives OMV continuously monitors its internal and external environment.

OMV operates and has financial investments in countries that are subject to political uncertainties, in particular Libya, Kazakhstan, Yemen, Russia, Brazil and Tunisia. Possible political changes may lead to disruptions and limitations in production or an increased tax burden, restrictions on foreign ownership, or even nationalization of property. However, OMV has extensive experience in managing the political environment in emerging economies. Political developments in all markets where OMV operates are

observed continually. Country-specific risks are assessed before entering new countries.

OMV also evaluates the risk of potential US or EU sanctions and their impact on planned or existing operations. The aim here is to stay in full compliance with all applicable sanctions. In particular, risks due to political and regulatory developments both inside and outside of Europe with potential unfavorable effects on the Nord Stream 2 project and on OMV's activities in Russia are regularly assessed and monitored.

OMV consistently evaluates the Group's exposure to climate-change-related risks in addition to the market price risk from European Emission Allowances. Such risks comprise the potential impact from acute or chronic events like more frequent extreme weather events or systemic changes to our business model due to a changing legal framework or substitution of OMV's products due to changing consumer behavior. OMV recognizes climate change as a key global challenge. We thus integrate the related risks and opportunities into the development of the Company's business strategy. Measures that we implement to manage or mitigate such risks are set out in the relevant sections of this report, particularly in Sustainability and Strategy.

## Sustainability & HSSE (Health, Safety, Security and Environment)

OMV's responsible approach to business stipulates the prevention and mitigation of sustainability risks associated with OMV's activities. We also aim to seize the opportunities presented by taking a sustainable approach to business. Growing demand for energy and accelerating climate change pose immense challenges for the energy sector. OMV clearly recognizes that climate change is one of the most important global challenges today and acknowledges the goals set forth by the Paris Climate Change Agreement. We are aware of our responsibility and we will live up to our commitment to the Paris Agreement and the EU climate targets. We are therefore transforming our business model step by step with the aim of reducing the carbon footprint of the Company.

The Sustainability Strategy 2025 constitutes an integral part of the Corporate Strategy 2025 and is the sustainable component of OMV's business ambitions. Sustainable business behavior is crucial for OMV to create and protect value in the long term, to build trust-based partnerships, and to attract customers as well as the best employees, investors, and suppliers. The Sustainability Strategy's targets relating to OMV's operations and products are aligned with the

production, sales, and product portfolio plans set by the Corporate Strategy. In 2020, we updated our Sustainability Strategy to set new carbon targets, including an ambition to be carbon neutral in our operations by 2050.

To achieve this vision, the OMV Group's HSSE Strategy 2025 was established as an integral part of the OMV Sustainability Strategy. The HSSE Strategy focuses on the cross-functional goals of strong HSSE commitment and leadership, increased efficiency and effectiveness of HSSE processes, management of HSSE risks, and skilled people, as well as subject matter goals in the areas of health, safety, security and environment.

In 2020, the combined Lost-Time Injury Rate (LTIR) for OMV employees and contractors was 0.32 (2019: 0.34), and our combined Total Recordable Injury Rate (TRIR) was 0.60 (2019: 0.95). We had no work-related fatalities.

Employee wellbeing and health are the foundation for successful company performance as they are core elements of ensuring the ability to work. The year 2020 was dominated by the worldwide Covid-19 pandemic. Our medical teams and service providers were challenged to support the emergency management teams in updating and implementing pandemic preparedness plans, guidelines, and health information and supporting Covid-19-infected employees at home and in hospitals. In addition, OMV continued its long tradition of offering healthcare and preventive health programs, such as cardiovascular disease prevention programs, voluntary health checks, vaccinations (mainly flu), and virtual health hours, which far exceed local statutory requirements.

During 2020, the Covid-19 pandemic also brought significant challenges to safety management. At operational level, OMV implemented protection measures such as strictly separated teams in key areas, hygiene measures, and constant awareness building. Despite travel limitations and thanks to digital communication and collaboration tools, OMV conducted a number of key safety-related activities:

- ▶ Roll-out of a newly developed e-learning module about the Life Saving Rules to remind employees about simple rules to prevent hazards that carry the greatest potential for serious injuries.
- ▶ The Safety Culture re-assessments were completed as planned, some of them in virtual meetings.

- ▶ The coordinators of the safety culture program met quarterly in a virtual forum to exchange best practice across OMV Group worldwide. The half-yearly meetings with the program owner were conducted online.
- ▶ Contractor HSSE management is key to OMV Group's safety performance. OMV therefore trained beneficiaries and procurement staff on the updated internal regulations framework and conducted strategic supplier meetings with the main contractors to share information, experience, and expectations.
- ▶ Introduction of a harmonized set of KPIs for process safety. With the goal of developing a Group-wide process safety road map in mind, OMV worked out a concept and guidance for the ventures, assets, and refineries on how to compile local roadmaps for their facilities. In addition, the OMV Group process safety network was built on an online collaboration platform and held virtual meetings with more than 150 participants, including senior management.
- ▶ The roll-out of the new cloud-based HSSE reporting tool took place successfully.

OMV recognizes climate change as one of the most important global challenges and fully supports the goals set forth by the Paris Climate Change Agreement. OMV integrates risks and opportunities related to climate change impacts into the development of the Company's business strategy and the planning of operational activities. In this regard, OMV aims to reduce its carbon footprint in an effort to mitigate the impact of its operations and product portfolio on climate change. In 2020, OMV updated its Sustainability Strategy to set new carbon targets, including an ambition to be carbon neutral in our operations by 2050.

## Research and Development

OMV Aktiengesellschaft is not performing research and development projects itself, but coordinates the group-wide research and development projects.

## Outlook for OMV Group

Following the reorganization of the OMV Group, starting with Q1/21 OMV will change its reporting structure. The Business Segments will be reported as follows: Exploration & Production, Refining & Marketing, and Chemicals & Materials.

### Market environment

For 2021, OMV expects the average Brent crude oil price to be in the range between USD 50/bbl and USD

55/bbl (2020: USD 42/bbl). In 2021, the average realized gas price is anticipated to be higher than EUR 10/MWh (2020: EUR 8.9/MWh).

### Group

In 2021, organic CAPEX is projected to come in at around EUR 2.7 bn, including non-cash effective CAPEX related to leases of around EUR 0.2 bn.

### Exploration & Production

OMV expects total production to be at around 480 kboe/d in 2021 (2020: 463 kboe/d), depending on the security situation in Libya and imposed production cuts by governments.

Organic CAPEX for Exploration & Production is anticipated to come in at EUR 1.1 bn in 2021.

In 2021, Exploration and Appraisal (E&A) expenditure is expected to be at around EUR 230 mn (2020: EUR 227 mn).

### Refining & Marketing

The OMV refining indicator margin is expected above the previous year's level (2020: USD 2.4/bbl).

Total refined product sales in 2021 are projected to be higher compared to 2020 (2020: 17.8 mn t). In OMV's markets, retail margins are forecast to be lower than in 2020 and commercial margins are predicted to be higher than the prior-year level.

The utilization rate of the European refineries is expected to remain at the prior-year level (2020: 86%). In 2021, there is no major turnaround planned for our refineries in Europe.

Natural gas sales volumes in 2021 are projected to be above those in 2020 (2020: 164 TWh).

Organic CAPEX in Refining & Marketing are forecast at around EUR 0.7 bn.

### Chemicals & Materials

The European ethylene indicator margin is expected to be at the prior year's level (2020: EUR 435/t). The European propylene indicator margin is projected to be at the prior year's level as well (2020: EUR 364/t).

The polyethylene sales volume of Borealis AG in 2021 is projected to be slightly above the prior-year level (2020: 1.76 mn t). The polypropylene sales volume of Borealis AG is expected to be in line with the prior year's level (2020: 2.12 mn t).

The European polyethylene indicator margin in 2021 is forecast to be above the previous year's level (2020: EUR 350/t). The European polypropylene indicator margin is expected to be above the previous year's level. (2020: EUR 413/t).

Organic CAPEX related to Chemicals & Materials will amount to around EUR 0.9 bn.

Vienna, March 10, 2021

The Executive Board

**Rainer Seele m.p.**

Chairman of the Executive Board  
and Chief Executive Officer

**Johann Pleininger m.p.**

Deputy Chairman of the Executive Board  
and Chief Upstream Operations Officer

**Reinhard Florey m.p.**

Chief Financial Officer

**Thomas Gangl m.p.**

Chief Downstream Operations Officer

**Elena Skvortsova m.p.**

Chief Commercial Officer

# Auditor's Report<sup>1</sup>

## Report on the Financial Statements

### Audit Opinion

We have audited the financial statements of

#### OMV Aktiengesellschaft, Vienna

These financial statements comprise the balance sheet as of December 31, 2020, the income statement for the fiscal year then ended and the notes.

Based on our audit the accompanying financial statements were prepared in accordance with the legal regulations and present fairly, in all material respects, the assets and the financial position of the Company as of December 31, 2020 and its financial performance for the year then ended in accordance with Austrian Generally Accepted Accounting Principles.

### Basis for Opinion

We conducted our audit in accordance with the regulation (EU) no. 537/2014 (in the following "EU regulation") and in accordance with Austrian Standards on Auditing. Those standards require that we comply with International Standards on Auditing (ISA). Our responsibilities under those regulations and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Austrian General Accepted Accounting Principles and professional requirements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of this auditor's report is sufficient and appropriate to provide a basis for our opinion by this date.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the fiscal year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We considered the following matter as key audit matter for our audit:

### Key Audit Matter

#### Recoverability of the carrying value of shares in and loans to affiliated companies

The carrying value of shares in affiliated companies amounted to € 13,925 million at December 31, 2020 after an impairment charge of € 360 million in 2020, which was mainly distribution-related. The carrying value of loans to affiliated companies amounted to € 5,875 million.

Impairment assessments of shares in and loans to affiliated companies require significant judgement whether there is an indication that an asset should be impaired and in measuring any such impairment.

The principal risk relates to management's estimates of future cash flows and discount rates.

OMV's disclosures about shares in and loans to affiliated companies are included in Note "Accounting and valuation policies", Note 1 (Fixed assets), Note 12 (Financial income and expenses) and the Statement of fixed assets.

### How our audit addressed the key audit matter

We assessed and tested management's assessment of the recoverability of the carrying value of shares in and loans to affiliated companies. Specifically, our work included, but was not limited to, the following procedures:

- ▶ Review and evaluation of management's assessment of the existence of impairment indicators;
- ▶ Comparison of the assumptions (forecasted revenues, expenses, capital expenditure and changes in working capital) used within the future cash flow models to approved budgets and business plans;
- ▶ Involvement of our valuation specialists to evaluate discount rates.

<sup>1</sup> This report is a translation of the original report in German, which is solely valid. Publication or sharing with third parties of the financial statements together with our auditor's opinion is only allowed if the financial statements and the directors' report are identical with the German audited version. This audit opinion is only applicable to the German and complete financial statements with the directors' report. Section 281 paragraph 2 UGB (Austrian Company Code) applies to alternated versions.

### Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report and the annual financial report, but does not include the financial statements, the directors' report and the auditor's report thereon. We received the "Consolidated Corporate Governance Report" and the "Consolidated Report on the Payments Made to Government" until the date of this audit opinion, the rest of the annual report and the annual financial report is estimated to be provided to us after the date of the auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, to consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and of the Audit Committee for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with Austrian Generally Accepted Accounting Principles, for them to present a true and fair view of the assets, the financial position and the financial performance of the Company and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU regulation and in accordance with Austrian Standards on Auditing, which require the application of ISA, always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the EU regulation and in accordance with Austrian Standards on Auditing, which require the application of ISA, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- ▶ identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements

or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- ▶ evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

### Comments on the Directors' Report

Pursuant to Austrian Generally Accepted Accounting Principles, the directors' report is to be audited as to

whether it is consistent with the financial statements and as to whether the directors' report was prepared in accordance with the applicable legal regulations.

Management is responsible for the preparation of the directors' report in accordance with Austrian Generally Accepted Accounting Principles.

We conducted our audit in accordance with Austrian Standards on Auditing for the audit of the directors' report.

### Opinion

In our opinion, the directors' report for the Company was prepared in accordance with the valid legal requirements, comprising the details in accordance with Section 243a Austrian Company Code UGB, and is consistent with the financial statements.

### Statement

Based on the findings during the audit of the financial statements and due to the thus obtained understanding concerning the Company and its circumstances no material misstatements in the directors' report came to our attention.

### Additional information in accordance with Article 10 EU regulation

We were elected as auditor by the ordinary general meeting at September 29, 2020. We were appointed by the Supervisory Board on November 19, 2020. We are auditors without cease since the financial year 2011.

We confirm that the audit opinion in the Section "Report on the financial statements" is consistent with the additional report to the audit committee referred to in Article 11 of the EU regulation.

We declare that no prohibited non-audit services (article 5 par. 1 of the EU regulation) were provided by us and that we remained independent of the audited company in conducting the audit.

**Responsible Austrian Certified Public Accountant**

The engagement partner on the audit resulting in this independent auditor's report is Mr. Gerhard Schwartz, Certified Public Accountant.

Vienna, March 10, 2021

**Ernst & Young**

Wirtschaftsprüfungsgesellschaft m. b. H.

Alexander Wlasto m.p.  
Wirtschaftsprüfer/Certified Public Accountant

Gerhard Schwartz m.p.  
Wirtschaftsprüfer/Certified Public Accountant

# Financial Statements

## Balance sheet as of December 31, 2020

### Assets

	Note	in EUR	in EUR 1,000
		<b>2020</b>	2019
<b>A. Fixed assets</b>	1		
<b>I. Intangible assets</b>			
1. Concessions, industrial property rights and similar rights and benefits and licenses derived therefrom		<b>26,171,330</b>	<b>22,562</b>
<b>II. Tangible assets</b>			
1. Land and buildings on third party land		1,729,639	2,079
2. Other fixtures and fittings, tools and equipment		9,514,725	9,811
		<b>11,244,364</b>	<b>11,891</b>
<b>III. Financial assets</b>			
1. Shares in affiliated companies		13,924,583,752	9,904,265
2. Loans to affiliated companies		5,874,554,527	6,227,059
3. Participating interests		—	26,624
4. Securities (loan stock rights) held as fixed assets		4,506,435	4,506
5. Other loans		67,219	1,725
		<b>19,803,711,933</b>	<b>16,164,179</b>
		<b>19,841,127,627</b>	<b>16,198,632</b>
<b>B. Current assets</b>			
<b>I. Receivables and other assets</b>	2		
1. Trade receivables		165,587	810
thereof with a remaining maturity of more than one year		—	—
2. Receivables from affiliated companies		904,936,923	2,018,430
thereof with a remaining maturity of more than one year		—	—
3. Receivables from companies in which the Company has a participating interest		1,923,311	5
thereof with a remaining maturity of more than one year		—	—
4. Other receivables and assets		4,463,067	23,755
thereof with a remaining maturity of more than one year		—	—
		<b>911,488,888</b>	<b>2,043,000</b>
<b>II. Securities and interests</b>			
1 Other securities		88,872,138	160,800
<b>III. Cash on hand, checks, cash at banks</b>		<b>636,079,213</b>	832,984
		<b>1,636,440,239</b>	<b>3,036,783</b>
<b>C. Prepaid expenses and deferred charges</b>		<b>43,780,991</b>	<b>35,401</b>
<b>D. Deferred tax assets</b>	3	—	—
		<b>21,521,348,856</b>	<b>19,270,817</b>

## Liabilities

	Note	in EUR	in EUR 1,000
		<b>2020</b>	2019
<b>A. Shareholders' equity</b>	<b>4</b>		
<b>I. Nominal capital called up and paid in</b>			
Nominal capital subscribed		327,272,727	327,273
Nominal amount of treasury shares		(297,846)	(373)
		<b>326,974,881</b>	<b>326,900</b>
<b>II. Capital reserves</b>			
1. Appropriated reserve		1,744,761,707	1,741,969
2. Unappropriated reserve		333,728	334
		<b>1,745,095,435</b>	<b>1,742,302</b>
<b>III. Capital reserve for share based payments</b>		<b>4,583,238</b>	<b>8,655</b>
<b>IV. Revenues reserves</b>			
1. Unappropriated reserve		2,720,239,843	2,718,196
2. Reserve for treasury shares		297,846	373
		<b>2,720,537,689</b>	<b>2,718,568</b>
<b>V. Unappropriated income</b>		<b>636,428,750</b>	<b>973,172</b>
thereof income brought forward		400,965,459	148,374
		<b>5,433,619,993</b>	<b>5,769,597</b>
<b>B. Provisions</b>	<b>5</b>		
1. Provisions for severance payments		11,562,339	14,031
2. Provisions for pensions		52,861,862	47,123
3. Provisions for taxes		219,275,273	232,383
4. Other provisions		31,778,425	46,963
		<b>315,477,899</b>	<b>340,501</b>
<b>C. Liabilities</b>	<b>6</b>		
1. Bonds		11,800,000,000	7,800,000
thereof with a remaining maturity of less than one year		800,000,000	500,000
thereof with a remaining maturity of more than one year		11,000,000,000	7,300,000
2. Amounts due to banks		347,204,451	462,561
thereof with a remaining maturity of less than one year		343,582,542	119,050
thereof with a remaining maturity of more than one year		3,621,909	343,511
3. Trade payables		37,100,919	27,638
thereof with a remaining maturity of less than one year		37,100,919	27,638
thereof with a remaining maturity of more than one year		—	—
4. Payables to affiliated companies		3,366,444,030	4,613,672
thereof with a remaining maturity of less than one year		3,366,444,030	4,613,672
5. Other liabilities		221,312,025	256,231
thereof with a remaining maturity of less than one year		191,381,993	221,451
thereof with a remaining maturity of more than one year		29,930,032	34,780
thereof taxes		105,220,949	158,910
thereof with a remaining maturity of less than one year		105,220,949	158,910
thereof social security payables		1,772,725	1,682
thereof with a remaining maturity of less than one year		1,772,725	1,682
thereof with a remaining maturity of less than one year		4,738,509,484	5,481,811
thereof with a remaining maturity of more than one year		11,033,551,941	7,678,291
		<b>15,772,061,424</b>	<b>13,160,102</b>
<b>D. Deferred Income</b>		<b>189,540</b>	<b>617</b>
		<b>21,521,348,856</b>	<b>19,270,817</b>

# Income statement

## Income statement

	Note	in EUR	in EUR 1,000
		<b>2020</b>	2019
<b>1. Sales</b>	<b>7</b>	<b>234,196,172</b>	<b>208,961</b>
<b>2. Other operating income</b>	<b>8</b>		
a) Income from the disposal of fixed assets		35,692	738
b) Income from the reversal of provisions		6,306,616	269
c) Other		1,235,744	1,076
		<b>7,578,052</b>	<b>2,083</b>
<b>3. Expenses for materials and purchased services</b>	<b>9</b>		
a) Expenses for materials		(477,767)	(845)
b) Expenses for purchased services		(53,696,099)	(40,681)
		<b>(54,173,865)</b>	<b>(41,526)</b>
<b>4. Personnel expenses</b>	<b>10</b>		
a) Salaries		(103,546,201)	(102,658)
b) Social benefits		(37,440,002)	(25,514)
thereof expenses for pensions		(12,381,761)	(2,377)
aa) thereof expenses for severance payments and contributions to staff provision funds		(3,938,641)	(2,743)
bb) thereof expenses for statutory social security, payroll-related taxes and mandatory contributions		(20,480,781)	(19,686)
		<b>(140,986,203)</b>	<b>(128,172)</b>
<b>5. Depreciation and amortization</b>			
a) of fixed intangible and tangible assets		(9,621,781)	(9,363)
<b>6. Other operating expenses</b>	<b>11</b>		
a) thereof taxes not included in Taxes on income		(758,878)	(1,009)
b) Other		(88,581,583)	(99,184)
		<b>(89,340,461)</b>	<b>(100,193)</b>
<b>7. Subtotal of items 1 to 6 (Operating Result)</b>		<b>(52,348,087)</b>	<b>(68,210)</b>
<b>8. Income from investments</b>		<b>895,679,920</b>	<b>1,768,874</b>
thereof affiliated companies		882,942,170	1,737,790
<b>9. Income from loans held as financial assets</b>		<b>174,357,037</b>	<b>170,078</b>
thereof affiliated companies		174,247,223	170,073
<b>10. Other interest and similar income</b>		<b>540,343,424</b>	<b>338,645</b>
thereof affiliated companies		114,155,697	59,850
<b>11. Income from the disposal and write-up of financial assets</b>		<b>56,305</b>	<b>3,285</b>
thereof write-up		56,305	3,285
<b>12. Expenses arising from financial assets</b>		<b>(392,027,051)</b>	<b>(628,985)</b>
thereof impairments		(392,027,051)	(368,395)
thereof affiliated companies		(390,380,601)	(620,191)
<b>13. Interest and similar expenses</b>		<b>(772,745,003)</b>	<b>(559,457)</b>
thereof concerning affiliated companies		(59,421,235)	(85,021)
<b>14. Subtotal of items 8 to 13 (Financial result)</b>	<b>12</b>	<b>445,664,431</b>	<b>1,092,440</b>
<b>15. Profit before taxation (subtotal of lines 7 and 14)</b>		<b>393,316,543</b>	<b>1,024,230</b>
<b>16. Taxes on income</b>	<b>13</b>	<b>(157,853,252)</b>	<b>100,567</b>
thereof deferred taxes		3,155,968	(16)
<b>17. Profit after taxation</b>		<b>235,463,291</b>	<b>1,124,797</b>
<b>18. Appropriation to revenue reserves</b>		—	<b>(300,000)</b>
<b>19. Income brought forward from previous years</b>		<b>400,965,459</b>	<b>148,374</b>
<b>20. Unappropriated retained income</b>		<b>636,428,750</b>	<b>973,172</b>

## Notes

The accounts of **OMV Aktiengesellschaft**, Vienna, as of December 31, 2020 have been drawn up in accordance with the current version of the Austrian Commercial Code (ACC) as amended and in compliance with the general standard to provide a true and fair view of the assets, liabilities, financial position and earnings of the company.

The valuation of assets and liabilities is based on the principle of individual valuation assuming going concern. In OMV's view the Covid-19 pandemic does not impact the going concern assumption. Measures taken related to the Covid-19 pandemic are described in the Directors' Report.

Taking into account the principle of prudence, the company only reported the profits realized at the balance sheet date. All identifiable risks and impending losses are taken into account.

As the parent company of the OMV Group, OMV Aktiengesellschaft also prepares separate consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs). The consolidated financial statements are deposited at the Vienna Commercial Court (Commercial Register Number FN 93363z) and are published on the Internet.

The detailed disclosures are shown in the notes to the accounts. The total cost format is used for the presentation of the income statement.

The annual financial statements were prepared in euro (EUR). The presentation in the notes is in EUR 1,000 as well as EUR thousand, which may result in rounding differences.

## Accounting and valuation policies

**Intangible and tangible assets** are capitalized at cost and amortized/depreciated on a straight-line basis.

Depreciation is based on the following useful economic lives:

### Category

	Useful life
Intangible assets	4-5 years
Buildings on third party land	15 years
Machines and mechanical systems	4-10 years
Other fixtures and fittings, tools and equipment	4-10 years

In accordance with the relevant fiscal law provisions, a whole year's depreciation is recognized for **additions** in the first half of the year, and half a year's depreciation for additions in the second half.

Sustained and material **impairments** of fixed assets in excess of scheduled depreciation are recognized by write-downs.

**Low-value assets** up to EUR 800 are capitalized and fully written off in the year of acquisition, and are shown as additions and disposals in the statement of fixed assets.

**Financial assets** are carried at acquisition cost less any material impairment. Securities held as fixed assets are carried at the lower of cost or market value at the last trade date of the year. If the reasons for a previous impairment no longer apply, a write-up in the amount of the increase in value is made.

**Accounts receivable** and other assets are stated at cost. Non-interest bearing receivables with maturities of over one year are discounted. Foreign currency receivables are stated at the lower of cost or fair value on the balance sheet date. All recognizable risks are accounted for by valuation allowances.

**Securities and shares** are stated at the lower of cost or fair value on the balance sheet date.

On the balance sheet **deferred taxes** are reported either under deferred tax assets or provisions for taxes and in the income statement under the item Taxes on income. A tax group was formed with effect from January 1, 2005, under section 9 KStG (Corporate Tax Act), with OMV Aktiengesellschaft as the top-tier corporation. OMV Aktiengesellschaft forms a tax group in accordance with section 9 of

the Austrian Corporate Income Tax Act 1988 (KStG), which aggregates the taxable profits and losses of all the Group's main subsidiaries in Austria and possibly arising losses of one foreign subsidiary (OMV AUSTRALIA PTY LTD). Due to group taxation, tax group members that make profits pay OMV Aktiengesellschaft tax contributions equal to the corporate tax attributable to those profits. If a tax group member makes an annual tax loss, OMV Aktiengesellschaft pays it a tax contribution of 25% of the transferred tax loss or the applicable corporate tax rate if different. Within this tax group, OMV Aktiengesellschaft retains the profits and losses of 11 of its domestic subsidiaries on the basis of profit and loss pooling agreements. With 17 companies, OMV Aktiengesellschaft has a tax pooling agreement based on the liability method.

The treatment of deferred tax is based on the balance sheet liability method. Recognition of deferred tax assets and liabilities is mandatory if there are temporary differences between the carrying amounts for statutory accounting and tax purposes. In principle, a fiscal option for recognizing tax loss carryforwards as deferred tax assets exists.

The nominal value of the **treasury shares** acquired is openly deducted from the capital stock in accordance with section 229 paragraph 1a ACC. The difference between the nominal amount and the acquisition cost is offset against the revenue reserves.

OMV Aktiengesellschaft has both **defined contribution and defined benefit pension plans**. In the case of defined contribution plans, OMV has no obligations beyond payment of the agreed premiums, and no provision is therefore recognized. In contrast, participants in defined benefit plans are promised pensions at certain levels. Defined benefit

pension obligations are accounted for by setting up provisions for pensions, or by means of payments to an external pension fund. The risks associated with these defined benefit pension plans remain with OMV.

**Provisions** for pensions, severance payments and jubilee payments are calculated using the projected unit credit method, which divides the costs of the estimated benefit entitlements over the whole period of employment, and takes future increases in remuneration into account. The actuarial gains and losses for the current financial year are disclosed under personnel expenses or other operating income, depending on the overall development of the provision.

Expenses from accrued interests for pension, severance and jubilee provisions together with income from pension plan assets are disclosed as part of financial income and expense.

Payments for defined contribution plans are reported as expenses for pensions.

**Provisions for personnel reduction schemes** are recognized with the settlement amount if a detailed

plan has been approved by management prior to balance sheet date, and an irrevocable commitment is thereby established.

**Provisions and long-term liabilities** are measured at the settlement amounts, and projected cost increases are therefore taken into account. Provisions with recognition periods of more than one year are discounted at the market interest rate.

All risks recognizable and uncertain liabilities are provided for according to the best estimate and reported under **other provisions**.

**Liabilities** are stated at the settlement amount. Foreign currency liabilities are valued at the higher of cost or amount repayable on balance sheet date.

The **currency hedges** concluded both with banks and with affiliates (on behalf of the affiliates) form valuation units from OMV Aktiengesellschaft's perspective. They are therefore not disclosed in the books of OMV Aktiengesellschaft but in the affiliates' financial statements.

### Long Term Incentive (LTI) plans

LTI plans with similar conditions have been granted to the Executive Board and selected senior managers in the Group yearly. At vesting date, shares will be granted to the participants. The number of shares is determined depending on the achievement of defined performance criteria. The defined performance criteria may not be amended during the performance period of the LTI plans. However – in order to maintain the incentivizing character of the program – the Remuneration Committee will have discretion to adjust the threshold/ target/maximum levels in case of material changes in external factors such as oil and gas prices. The adjustment is possible in both directions and will be determined by the Remuneration Committee. Disbursement is made in cash or in shares. Executive Board members and senior managers as active participants of the plans are required to build up an appropriate volume of shares and to hold those shares until retirement or departure from the Company. For senior managers, if the LTIP eligibility lapses, but they are still in an active employment with the company, the shareholding requirement expires when the last LTIP is paid out. The shareholding requirement is

defined as a percentage of the annual gross base salary, for the Executive Board, and as a percentage of the respective Target Long Term Incentive for the senior managers. Executive Board members have to fulfill the shareholding requirement within five years after the initial respective appointment. Until fulfillment of the shareholding requirement the disbursement is in form of shares whilst thereafter the plan participants can decide between cash or share settlement. As long as the shareholding requirements are not fulfilled the granted shares after deduction of taxes are transferred to a trustee deposit, managed by the Company.

For share-based payments the grant date fair values are spread as expenses over the three years performance period with a corresponding increase in shareholders' equity. In case of assumed cash-settlements a provision is made for the expected future costs of the LTI plans at balance sheet date based on fair values. A discount rate of 1.33% was used for the provision calculations (until 2019: 3.5%).

### Long Term Incentive Plans

	2020 plan	2019 plan	2018 plan	2017 plan
Start of plan	01/01/2020	01/01/2019	01/01/2018	01/01/2017
End of performance period	12/31/2022	12/31/2021	12/31/2020	12/31/2019
Vesting date	03/31/2023	03/31/2022	03/31/2021	03/31/2020
<b>Shareholding requirement</b>				
Executive Board Chairman	200% of annual gross base salary			
Executive Board Deputy Chairman	175% of annual gross base salary			
Other Executive Board members	150% of annual gross base salary			
Senior managers	75% of the respective Target Long Term Incentive	75% of the respective Target Long Term Incentive	75% of the respective Target Long Term Incentive	75% of the respective Target Long Term Incentive
<b>Expected shares as of December 31, 2020 (OMV Group)</b>	<b>97,501 shares</b>	<b>201,604 shares</b>	<b>199,678 shares</b>	<b>—</b>
<b>Maximum shares as of December 31, 2020 (OMV Group)</b>	<b>463,562 shares</b>	<b>412,340 shares</b>	<b>321,099 shares</b>	<b>—</b>
<b>Fair value of plan (in EUR 1,000) as of December 31, 2020<sup>1</sup></b>	<b>3,104</b>	<b>6,584</b>	<b>6,723</b>	<b>—</b>
<b>Provision (in EUR 1,000) as of December 31, 2020</b>	<b>379</b>	<b>2,143</b>	<b>4,251</b>	<b>—</b>
<b>Estimated tax payments related to equity settled transactions (in EUR 1,000)<sup>2</sup></b>	<b>182</b>	<b>357</b>	<b>47</b>	<b>—</b>

<sup>1</sup> Excluding incidental wage costs

<sup>2</sup> This position includes estimated tax obligations of participants of the plan associated with equity settled transactions of the whole plan. This amount is paid by OMV in cash to the tax authority on behalf of participants after vesting date.

### Equity Deferral

One part (2/3) of the bonus is paid out in cash (Cash Bonus), whereas the other part (1/3) is allocated in shares (Equity Deferral). The Equity Deferral (equity part of the Annual Bonus, previously OMV Share Part of the Annual Bonus) serves as a long-term compensation instrument for the members of the Executive Board that promotes retention and shareholder alignment in OMV, combining the interests of management and shareholders via a long-term investment in restricted shares. The holding period of the Equity Deferral is three years from vesting. The plan also seeks to prevent inadequate risk-taking.

The Annual Bonus is capped at 180% of the target Annual Bonus (until 2017: 200% of the annual gross

salary). A minimum of one third of the Annual Bonus (until 2017: 50% of the granted Annual Bonus) is granted in shares. The determined bonus achievement is settled per March 31 following the period end whereby at the balance sheet date the target achievements and the share price is estimated (the latter on basis of market quotes). In case of major changes in external factors the Remuneration Committee can adjust the threshold/target/maximum levels (but not the criteria as such or the vesting) for the Financial Targets of the Annual Bonus. The granted shares after deduction of taxes are transferred to a trustee deposit, managed by the Company, to be held for three years

The following table refers to OMV Group:

#### Personal investment held in shares<sup>1</sup>

	12/31/2020	12/31/2019	12/31/2018	12/31/2017
<b>Active Executive Board members</b>				
Seele	99,309 shares	91,974 shares	70,890 shares	48,435 shares
Pleininger	50,166 shares	45,032 shares	28,511 shares	19,333 shares
Florey	30,009 shares	24,351 shares	13,401 shares	8,335 shares
Gangl <sup>2</sup>	12,527 shares	10,730 shares	—	—
Skvortsova <sup>3</sup>	—	—	—	—
<b>Former Executive Board members</b>				
Leitner	15,244 shares	44,211 shares	65,245 shares	59,335 shares
<b>Total — Executive Board</b>	<b>207,255 shares</b>	<b>216,298 shares</b>	<b>178,047 shares</b>	<b>135,438 shares</b>
Other senior managers	326,030 shares	368,268 shares	299,997 shares	256,202 shares
<b>Total personal investment</b>	<b>533,285 shares</b>	<b>584,566 shares</b>	<b>478,044 shares</b>	<b>391,640 shares</b>

<sup>1</sup> Personal investment held in shares refer to open LTI plans as well as to Equity Deferral if shares are held in the OMV trustee deposit.

<sup>2</sup> Thomas Gangl took part in the LTIP 2017 and 2018 in his position as senior manager. In 2019 he took part in LTIP as both senior manager and Executive Board member. In 2020 he took part as Executive Board member.

<sup>3</sup> Elena Skvortsova joined the Executive Board effective June 15, 2020.

#### Total expense

In 2020 expenses related to share based payment transactions were as follows.

#### Expenses related to share based payment transactions

In EUR 1,000

	2020 <sup>1</sup>	2019
<b>Total expenses arising from share based payment transactions</b>	<b>(1,457)</b>	<b>13,304</b>
thereof cash settled	(3,001)	10,739
thereof equity settled	1,544	2,565

<sup>1</sup> thereof EUR 4,768 thousand are included in item Income from the release of provisions

## Notes to the balance sheet

### 1 Fixed assets

Movements in fixed assets in 2020 are shown in the statement of fixed assets. The Land and buildings item includes land valued at EUR 665 thousand (2019: EUR 665 thousand).

Commitments arising from the use of off-balance sheet tangible assets were as follows:

#### Commitments arising from the use of off-balance sheet tangible assets

In EUR 1,000

	2020	2019
Maturing in one year	5,144	4,187
Maturing in the next five years	10,875	10,059

Loans with maturities of up to one year amounted to EUR 41,088 thousand (2019: EUR 580,323 thousand). The loan given to OMV Finance Services GmbH was refinanced in 2020.

#### Loans

In EUR 1,000

	2020	2019
<b>Domestic</b>		
OMV Exploration & Production GmbH	4,351,862	4,678,191
OMV Finance Services GmbH	617,628	534,309
OMV Austria Exploration & Production GmbH	332,000	332,000
OMV Downstream GmbH	300,000	300,000
GAS CONNECT AUSTRIA GmbH	153,000	153,000
OMV (Tunesien) Production GmbH	39,201	79,289
BSP Bratislava-Schwechat Pipeline GmbH	—	1,646
EGW Heimstätte GmbH	67	78
<b>Foreign</b>		
OMV Hungária Ásványolaj Korlátolt Felelősségű Társaság	21,985	30,254
OMV New Zealand Ltd	58,879	117,897
OMV Gas Marketing & Trading Hungaria Kft	—	2,118
<b>Total</b>	<b>5,874,622</b>	<b>6,228,783</b>

During the reporting period, OMV Aktiengesellschaft granted an additional loan to OMV Finance Services GmbH in the amount of EUR 83,319 thousand.

In the reporting period the following loans were repaid: OMV Exploration & Production GmbH EUR 300,000 thousand, OMV (Tunesien) Production GmbH USD 43,778 thousand, OMV Hungária

Ásványolaj Korlátolt Felelősségű Társaság HUF 2,000,000 thousand and OMV New Zealand Limited NZD 100,000 thousand. The loan granted to BSP Bratislava-Schwechat Pipeline GmbH was fully impaired in the reporting period.

## 2 Accounts receivable and other assets

### Accounts receivable and other assets

In EUR 1,000

	2020		2019	
	≤1 year	>1 year	≤1 year	>1 year
Trade Receivables	166	—	810	—
Receivables from affiliated companies	904,937	—	2,018,430	—
thereof trade	25,429	—	30,471	—
thereof financing	28,809	—	43,803	—
thereof profit pooling	682,351	—	1,557,355	—
thereof other	168,349	—	386,802	—
Receivables from associated companies	1,923	—	5	—
thereof trade	1,923	—	5	—
Other receivables and assets	4,463	—	23,755	—
<b>Total</b>	<b>911,489</b>	<b>—</b>	<b>2,043,000</b>	<b>—</b>

The deferred purchase price in the amount of EUR 18,263 thousand which resulted from the sale of OMV Petrol Ofisi Holding Anonim Şirketi in 2017 and was included in the position Other receivables and assets has been repaid in the business year. The item also includes EUR 4,177 thousand (2019: EUR 4,150 thousand) in corporate tax prepayments.

The Other receivables and assets item includes material income due after balance sheet date – mainly comprising corporate tax prepayments of EUR 4,177 thousand (2019: EUR 18,263 thousand revenues from previous years sales of investment).

## 3 Deferred tax assets

Deferred taxes essentially result from different valuation rules and distribution standards. Due to insufficient taxable profits in future, no deferred tax

income was recognized in the reporting period. The fiscal option to recognize deferred tax assets relating to loss carry forwards is not exercised.

## 4 Stockholders' equity

The **capital stock** of OMV Aktiengesellschaft consists of 327,272,727 (2019: 327,272,727) fully paid no par value shares with a total nominal value of EUR 327,272,727 (2019: EUR 327,272,727). There are no different classes of shares and no shares with special rights of control. All shares are entitled to dividends for the financial year 2020, with the exception of treasury shares held by OMV Aktiengesellschaft.

As the authorized capital granted by the Annual General Meeting on May 14, 2014 expired on May 14, 2019, the Annual General Meeting decided upon a new authorized capital on September 29, 2020. Specifically, it authorized the Executive Board until September 29, 2025 to increase the share capital of OMV with the consent of the Supervisory Board – at once or in

several tranches – by an amount of up to EUR 32,727,272 by issuing up to 32,727,272 new no-par value common voting shares in bearer form in return for contributions in cash. The capital increase can also be implemented by way of indirect offer for subscription after taking over by one or several credit institutions according to Section 153 Paragraph 6 Austrian Stock Corporation Act. The issue price and the conditions of issuance can be determined by the Executive Board with the consent of the Supervisory Board.

Further, the Annual General Meeting authorized the Executive Board, subject to the approval of the Supervisory Board, to exclude the subscription right of the shareholders if the capital increase serves to (i) adjust fractional amounts or (ii) satisfy stock transfer

programs, in particular long term incentive plans, equity deferrals or other participation programs for employees, senior employees and members of the Executive Board/ management boards of the Company or one of its affiliates, or other employees' stock ownership plans.

In addition, the Supervisory Board was authorized to adopt amendments to the Articles of Association resulting from the issuance of shares according to the authorized capital.

**Capital reserves** have been formed by the contribution of funds into OMV Aktiengesellschaft by its shareholders over and above the capital stock, on the basis of their ownership relationship. Regular changes in capital reserves are related to the use of treasury shares for share-based payments.

**Treasury shares:** The Annual General Meetings for the years 2000 to 2011 (with the exception of 2010) and 2019 approved the repurchase of treasury shares. The costs of repurchased shares have been reflected as a reduction in equity. Gains or losses on the re-issue of treasury shares (issue proceeds less acquisition cost) result in an increase or a reduction in capital reserves.

On May 18, 2016, the Annual General Meeting authorized the Executive Board for a period of five years from the adoption of the resolution, therefore, until (including) May 17, 2021, upon approval of the Supervisory Board, to dispose of or utilize stock repurchased or already held by the Company to grant treasury shares to employees, senior employees and/or members of the Executive Board/management boards of the Company or one of its affiliates including for purposes of share transfer programs, in particular long term incentive plans including matching share plans or other stock ownership plans, under exclusion of the general purchasing possibility of shareholders (exclusion of subscription rights). The authorization can be exercised as a whole or in parts or even in several tranches by the Company, by a subsidiary (Section

189a Number 7 Austrian Commercial Code) or by third parties for the account of the Company.

On May 14, 2019 the Annual General Meeting authorized the Executive Board to repurchase bearer shares of no par value of the Company up to a maximum of 5% of the Company's nominal capital in accordance with Section 65 Paragraph 1 Number 8 Austrian Stock Corporation Act, over a period of 15 months from the date of adoption of the resolution by the General Meeting, for a minimum consideration per share being at the utmost 30% lower than the average, unweighted stock exchange closing price over the preceding ten trading days and a maximum consideration per share being at the utmost 20% higher than the average, unweighted stock exchange closing price over the preceding ten trading days, whereby any repurchases have to be exercised in such a way that the Company does not hold more than 1,300,000 treasury shares at any time. Such repurchases may take place via the stock exchange or a public offering or by other legal means and for the purpose of share transfer programs, in particular long term incentive plans including matching share plans, equity deferrals or other stock ownership plans.

The Executive Board was further authorized to cancel stock repurchased or already held by the Company without further resolution of the General Meeting and the Supervisory Board was authorized to adopt amendments to the Articles of Association resulting from the cancellation of shares. The authorization can be exercised as a whole or in parts and also in several tranches by the Company, by a subsidiary (Section 189a Number 7 Austrian Commercial Code) or by third parties for the account of the Company and shall be exercised always in such a manner that it is to the benefit and in the best interest of the Company.

The nominal value of the **treasury shares** acquired is openly deducted from the capital stock in accordance with Section 229 Paragraph Number 1a Austrian Commercial Code. The difference between the nominal amount and the acquisition cost is offset against the revenue reserves

Changes in **treasury shares** were as follows:

#### Treasury shares

In EUR 1,000

	Number of shares	Cost
<b>January 1, 2019</b>	<b>542,151</b>	<b>5,960</b>
Disposals	(169,538)	(1,860)
<b>December 31, 2019</b>	<b>372,613</b>	<b>4,100</b>
Disposals	(74,767)	(820)
<b>December 31, 2020</b>	<b>297,846</b>	<b>3,280</b>

The **number of shares in issue** developed as follows

#### Number of shares in issue

	Number of shares	Treasury shares	Shares in issue
<b>January 1, 2019</b>	<b>327,272,727</b>	<b>542,151</b>	<b>326,730,576</b>
Used for share-based compensations	—	(169,538)	169,538
<b>December 31, 2019</b>	<b>327,272,727</b>	<b>372,613</b>	<b>326,900,114</b>
Used for share-based compensations	—	(74,767)	74,767
<b>December 31, 2020</b>	<b>327,272,727</b>	<b>297,846</b>	<b>326,974,881</b>

## 5 Provisions

Provisions for employee benefits are recognized in accordance with the projected unit credit method. The indexed pension commitments to employees of OMV Aktiengesellschaft were transferred to an external

pension fund managed by APK-Pensionskasse AG. The defined benefit plans are generally based on years of service and the employee's average compensation over the last five calendar years of employment.

These pension plans are non-contributory. Changes in the funding of defined benefit plans and in provisions for jubilee payments were as follows:

#### Development defined benefit plans and jubilee payments

In EUR 1,000

	2020			2019		
	Pensions	Severance payments	Jubilee payments	Pensions	Severance payments	Jubilee payments
Present value of funded obligations	109,856	—	—	105,578	—	—
Market value of plan assets	(56,995)	—	—	(58,456)	—	—
<b>Provision for funded obligations</b>	<b>52,861</b>	<b>—</b>	<b>—</b>	<b>47,122</b>	<b>—</b>	<b>—</b>
Present value of unfunded obligations	—	11,563	5,135	—	14,031	4,857
<b>Provision for unfunded obligations</b>	<b>—</b>	<b>11,563</b>	<b>5,135</b>	<b>—</b>	<b>14,031</b>	<b>4,857</b>
<b>Provision as of January 1</b>	<b>47,123</b>	<b>14,031</b>	<b>4,857</b>	<b>53,047</b>	<b>13,975</b>	<b>4,312</b>
Expense for the year	6,654	885	661	331	1,082	764
Payments to funds	(915)	—	—	(6,255)	—	—
Benefits paid	—	(3,688)	(443)	—	(1,043)	(305)
Group transfer	—	334	60	—	17	86
<b>Provision as of December 31</b>	<b>52,862</b>	<b>11,562</b>	<b>5,135</b>	<b>47,123</b>	<b>14,031</b>	<b>4,857</b>
Interest cost	1,862	182	76	2,115	231	84
Current service cost	—	493	338	—	526	273
Expected return on plan assets	(1,014)	—	—	(1,668)	—	—
Recognized actuarial (gains)/losses	5,806	210	247	(116)	325	407
<b>Expenses of defined benefit plans for the year</b>	<b>6,654</b>	<b>885</b>	<b>661</b>	<b>331</b>	<b>1,082</b>	<b>764</b>

Underlying assumptions for calculating pension expenses and expected defined benefit entitlements as of December 31:

#### Assumptions for calculation

	2020			2019		
	Pensions	Severance	Jubilees	Pensions	Severance	Jubilees
Capital market interest rate	1.35%	1.16%	1.42%	1.80%	1.40%	1.60%
Future increases in salaries	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Future increases in pensions	2.00%	—	—	2.00%	—	—
Long-term rate of return on plan assets	3.10%	—	—	3.50%	—	—

The biometrical basis for the calculation of provisions for pensions, severance and jubilee entitlements is provided by AVÖ 2018 P – Rechnungsgrundlagen für die Pensionsversicherung (Computational Framework for Pension Insurance) – Pagler & Pagler, using the variant for salaried employees.

Employee turnover was estimated based on age or years of service respectively. The expected retirement age used for calculations is based on the

earliest possible retirement age according to ASVG regulations.

Applying AFRAC position paper No. 27, "Personnel provisions (ACC)", the average of the discount rate at the applicable balance sheet date and those at the six previous balance sheet dates was used to calculate the pension, severance payment and jubilee payment provisions on the basis of the average residual maturity of the total obligation.

## Allocation of plan assets as of December 31

	2020		2019	
	VRG IV Austria	VRG VI Austria	VRG IV Austria	VRG VI Austria
<b>Asset category</b>				
Equity securities	24.20%	24.22%	26.22%	26.42%
Debt securities	53.96%	53.51%	59.08%	59.01%
Cash and money market investments	9.47%	9.19%	7.55%	7.03%
Other	12.37%	13.08%	7.15%	7.54%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Investment policies aim to achieve an optimal investment portfolio structure and to ensure that existing entitlements are covered at all times. The investment of plan assets in Austria is governed by section 25 Austrian Pension Fund Act and the Investment Fund Act. In addition to these regulations, the investment guidelines of APK-Pensionskasse AG regulate the spread of asset allocation, the use of umbrella funds and the selection of fund managers. New categories of investments or the employment of a wider range of funds require the approval of the APK-Pensionskasse AG management board. Diversification of both equity and debt securities is global; however, the bulk of the debt securities is EUR-denominated or EUR-hedged.

The funds of the asset allocation and risk group VRG IV and VRG VI are invested in international equity and bond funds, alternative investment strategies (absolute return strategies, real estate and private equity) as well as money market investments. The long-term investment objective of the VRG IV and the VRG VI is to outperform their benchmark (20% global equity, 65% global bonds, 5% cash, 5% alternatives, 5% real estate) and to cover existing and future entitlement payments of the VRGs. The assets of the VRG IV and VRG VI

are invested in such a manner as to ensure the security, quality, liquidity and profitability of the portfolio as a whole, as defined in the Austrian Pension Fund Act section 25. The asset allocation and the regional allocation of the VRG IV and VRG VI can and will deviate from the benchmark allocation if this is in the judgment of APK and warranted by current asset prices and/or future expected returns. To enhance the return potential, active strategies for all asset classes will be used when justified by market characteristics and/or cost/benefit considerations. The majority of the assets of the VRG IV and VRG VI are invested in liquid active markets for which quoted prices are available. A smaller allocation to assets for which only observable but not quoted prices are available (e.g. real estate and certain absolute return strategies) is allowed when the risk return profile of such assets is believed to be favorable. Risk is managed actively and it is generally expected that the volatility and especially the drawdown risk of the VRG IV and VRG VI will be lower than that of their benchmark.

In 2021, defined benefit related contributions for 2020 to APK-Pensionskasse AG of EUR 2,252 thousand (2019: EUR 2,500 thousand) are planned.

**Other provisions** largely consist of the following:

#### Other provisions

In EUR 1,000

	2020	2019
Personnel provisions	31,048	42,886
Sundry provisions	730	4,077
<b>Total</b>	<b>31,778</b>	<b>46,963</b>

Personnel provisions include a provision for the Long Term Incentive Plan amounting to EUR 6,773 thousand (2019: EUR 14,533 thousand). Provisions with a residual term of more than one year were discounted at an interest rate of 1.33% (2019: 3.5%).

The provisions for taxes item comprises a corporate income tax provision for the recapture of losses by

foreign tax group members at top-tier corporate level in the amount of EUR 28,274 thousand (2019: EUR 28,274 thousand) as well as a provision for future tax contribution liabilities arising from the transfer of losses incurred by domestic tax group members in the amount of EUR 191,001 thousand (2019: 204,109 thousand).

## 6 Liabilities

#### Liabilities

In EUR 1,000

	2020		2019	
	≤1 year	>1 year	≤1 year	>1 year
Bonds	800,000	11,000,000	500,000	7,300,000
Amounts due to banks	343,583	3,622	119,050	343,511
Accounts payable from trade	37,101	—	27,638	—
Accounts payable to affiliates	3,366,444	—	4,613,672	—
thereof trade	2,354	—	4,327	—
thereof financing	2,481,272	—	2,795,082	—
thereof clearing	684,584	—	1,374,824	—
thereof profit pooling	—	—	251,796	—
thereof other	198,233	—	187,642	—
Other liabilities	191,382	29,930	221,451	34,780
thereof taxes	105,221	—	158,910	—
thereof social security expenses	1,773	—	1,682	—
<b>Total</b>	<b>4,738,509</b>	<b>11,033,552</b>	<b>5,481,811</b>	<b>7,678,291</b>

In April 2020, OMV issued a bond in a size of EUR 1,750,000 thousand in three tranches, thereof two tranches of EUR 500,000 thousand each and one of EUR 750,000 thousand.

In June 2020, another bond with a size of EUR 1,500,000 thousand, in two tranches of EUR 750,000 thousand each, was issued.

In September 2020, OMV issued additional hybrid bonds with a total size of EUR 1,250,000 thousand: the first tranche of EUR 750,000 thousand bears a

fixed interest rate of 2,5% until, but excluding, September 1, 2026 while the second tranche with a size of EUR 500,000 thousand bears a fixed interest rate of 2,875% until, but excluding, September 1, 2029.

The EUR 500,000 thousand bond issued in 2010 was redeemed in February 2020.

On December 7, 2015, OMV issued hybrid notes with an aggregate size of EUR 1,500,000 thousand, in two tranches of EUR 750,000 thousand each.

Tranche 1 bears a fixed interest coupon of 5.250% until, but excluding, December 9, 2021 and tranche 2 bears a fixed interest coupon of 6.250% until, but excluding, December 9, 2025.

On June 19, 2018, OMV issued a hybrid bond with a size of EUR 500,000 thousand. The hybrid bears a fixed interest rate of 2.875% until, but excluding, June 19, 2024.

In 2019, OMV Aktiengesellschaft issued a Eurobond with an aggregate size of EUR 1,000,000 thousand,

in two tranches of EUR 500,000 thousand each as well as a private placement in the amount of EUR 300,000 thousand.

Accounts payable to affiliates from financing include short-term loans (money market transactions) from various subsidiary companies as part of the liquidity management of the group.

#### Bonds issued

	Nominal	Coupon	Date of issue	Repayment
Industrial bonds	EUR 500.000.000	4.25% fixed	October 2011	10/12/2021
	EUR 750.000.000	2.625% fixed	September 2012	09/27/2022
	EUR 500.000.000	0.75% fixed	December 2018	12/04/2023
	EUR 750.000.000	0.00% fixed	June 2020	06/16/2023
	EUR 500.000.000	1.50% fixed	April 2020	04/09/2024
	EUR 500.000.000	0.00% fixed	July 2019	07/03/2025
	EUR 1.000.000.000	1.00% fixed	December 2017	12/14/2026
	EUR 750.000.000	3.50% fixed	September 2012	09/27/2027
	EUR 500.000.000	2.00% fixed	April 2020	04/09/2028
	EUR 500.000.000	1.875% fixed	December 2018	12/04/2028
	EUR 750.000.000	0.75% fixed	June 2020	06/16/2030
	EUR 750.000.000	2.375% fixed	April 2020	04/09/2032
	EUR 500.000.000	1.00% fixed	July 2019	07/03/2034
	Private placement	EUR 300.000.000	variable	June 2019
Hybrid bonds	EUR 750.000.000		December 2015	
	EUR 750.000.000		December 2015	
	EUR 500.000.000		June 2018	
	EUR 750.000.000		September 2020	
	EUR 500.000.000		September 2020	
<b>Total</b>	<b>EUR 11.800.000.000</b>			

Other liabilities include interest expenses for bonds of EUR 73,915 thousand (2019: EUR 53,330 thousand) and personnel reduction expenses of EUR 35,554 thousand (2019: EUR 40,414 thousand). These items will be payable after the balance sheet date.

Liabilities with maturities of more than one year include the following liabilities with maturities of more than five years: bond liabilities amounting to EUR 8,000,000 thousand (2019: EUR 5,250,000 thousand) and liabilities for personnel reduction plans amounting to EUR 10,887 thousand (2019: EUR 14,850 thousand).

## Notes to the income statement

### 7 Sales

#### Sales

In EUR 1,000

	2020	2019
Domestic	188,485	175,312
Foreign	45,711	33,649
<b>Total</b>	<b>234,196</b>	<b>208,961</b>

The sales consist of corporate service charges paid by Group companies and of revenues generated by operational activities performed for Group

companies as well as services for group companies in the areas of IT, Finance, Human Resources, Facility Management and Occupational Health.

### 8 Other operating income

#### Other operating income

In EUR 1,000

	2020	2019
Income from the disposal of fixed assets other than financial assets	36	738
Income from the reversal of provisions	6,307	269
Other	1,236	1,076
<b>Total</b>	<b>7,578</b>	<b>2,083</b>

Other operating income includes income from the reversal of the provision for personnel in the amount of EUR 6,307 thousand (2019: EUR 269 thousand).

The position other mainly includes employee deductible for office canteen, various bonuses and compensation for supervisory board functions.

### 9 Expenses for materials and purchased services

#### Expenses for materials and purchased services

In EUR 1,000

	2020	2019
Cost of materials	478	845
Cost of purchased services	53,696	40,681
<b>Total</b>	<b>54,174</b>	<b>41,526</b>

The expenses for purchased services mainly include services provided by third parties for ongoing activities amounting to EUR 13,968 thousand (2019: EUR 16,049 thousand) and other services provided by OMV Petrom Global Solutions SRL amounting to

EUR 10,352 thousand (2019: EUR 11,222). External software services in the amount of EUR 23,332 thousand (2019: EUR 10,065 thousand) were purchased in the reporting period.

## 10 Personnel expenses

The item Salaries includes expenses for share based payments for which we refer to table "Expenses related to share based payment transactions" in the section Long Term Incentive

(LTI) plans and Equity Deferral part of the annual bonus. Expenses related to provisions for jubilee payments amount to EUR 585 thousand (2019: EUR 680 thousand).

### Expenses for severance payments, payments to occupational pension funds and expenses for pensions

In EUR 1,000

	2020	2019
Expenses for severance payments	2,645	1,543
Payments to employee benefit funds	1,293	1,200
Defined contribution personnel expense	4,538	3,588
Defined benefit personnel expense	7,844	(1,211)
<b>Total</b>	<b>16,320</b>	<b>5,120</b>

Expenses for personnel reduction programs are included in the position Expenses for severance payments amounting to EUR 1.905 thousand (2019: EUR 692) as well as in the position Defined benefit personnel expense with an expense amounting to EUR 1,950 thousand (2019: income EUR 1,209 thousand).

The income in the position Defined benefit personnel expenses in the prior year consists both of the discontinuation of obligations and of changes in parameters. The breakdown of expenses for severance payments and pensions is as follows:

### Expenses for severance payments and pensions

In EUR 1,000

	2020		2019	
	Severance	Pensions	Severance	Pensions
Current and former members of Executive Board	126	858	251	725
Senior executives	121	338	174	486
Other employees	3,481	5,380	1,993	1,282
Actuarial (gains) and losses	210	5,806	325	(116)

## 11 Other operating expenses

### Other operating expenses

In EUR 1,000

	2020	2019
Taxes not shown under item 16 (Taxes on income)	759	1,009
Other	88,582	99,184
<b>Total</b>	<b>89,340</b>	<b>100,193</b>

The tax item largely concerns fees paid to Austrian Financial Market Authority. Other expenses include: EUR 22,305 thousand in services delivered by OMV Group companies (2019: EUR 25,390 thousand), EUR 11,415 thousand in advertising expenditure (2019: EUR 16,472 thousand), EUR 28,465 thousand in legal and consultancy fees (2019: EUR 32,051 thousand), EUR 8,964 thousand software

rental (2019: EUR 3,577 thousand), EUR 1,292 thousand in various thirdparty services (2019: EUR 2,569 thousand), EUR 1,752 thousand insurance expense (2019: EUR 1,729 thousand), EUR 5,597 thousand in communication expenses (2019: EUR 5,195 thousand) and EUR 2,099 thousand in maintenance (2019: EUR 2,969 thousand).

## 12 Financial income and expenses

Income from investments amounting to EUR 895,680 thousand (2019: EUR 1,768,874 thousand) includes EUR 682,351 thousand (2019: EUR 1,557,355 thousand) from profit-pooling arrangements, EUR 200,592 thousand in dividends from affiliated companies (2019: EUR 180,435 thousand) and EUR 12,738 thousand (2019: EUR 31,084 thousand) from other investment income. As of the balance sheet date, there were profit and loss pooling agreements with the following companies: OMV Solutions GmbH, OMV Downstream GmbH, OMV Insurance Broker GmbH and OMV Gas Logistics Holding GmbH.

Income from financial assets includes a write-up to financial assets amounting to EUR 56 thousand (2019: EUR 3,285 thousand).

The expenses arising from financial assets include EUR nil (2019: EUR 251,796 thousand) in expenses arising from profit pooling agreements, a EUR 355,500 thousand distribution-related impairment of the participation value of OMV Solutions GmbH (2019: EUR 364,786 thousand), an impairment loss related to OMV AUSTRALIA PTY LTD in the amount of EUR 4,806 thousand (2019: EUR 2,041 thousand), the impairment of a loan given to BSP Bratislava-Schwechat Pipeline GmbH in an amount of EUR 1,646 thousand (2019: impairment related to the prior year's sale of OMV Petrol Ofisi Holding Anonim Şirketi in the amount of EUR 8,794 thousand) and the impairment of loans given to affiliated companies in an amount of EUR 30,075 thousand (2019: EUR 1,568 thousand).

## 13 Taxes on income

### Taxes on income

In EUR 1,000

	2020	2019
Current taxes	161,009	(100,583)
Deferred taxes	(3,156)	16
<b>Total</b>	<b>157,853</b>	<b>(100,567)</b>

Current taxes comprise EUR 49,153 thousand tax expense from previous years (2019: EUR 35,202 thousand) and EUR 111,856 thousand corporate tax expense (2019: income EUR 135,786 thousand) attributable to the top-tier corporation in consequence of the formation of a tax group under section 9 Corporate Tax Act, after the tax contributions charged. Tax expense from current year includes a release of provision of EUR 13,108

thousand (2019: EUR 86,336 thousand) recognized for future tax contribution liabilities arising from the transfer of losses incurred by domestic tax group members.

The reported deferred tax income amounting to EUR 3,156 thousand (2019: expense EUR 16 thousand) resulted from the valuation allowance of neutral adjustments.

## Supplementary information

### 14 Interest rate risk management and derivatives

To facilitate management of interest rate risk, liabilities are analyzed in terms of fixed and floating rate borrowings, currencies and maturities.

Appropriate ratios for the various categories are established, and where necessary derivative instruments are used to hedge fluctuations outside predetermined ranges.

Interest rate swaps are used from time to time to convert fixed rate debt into floating rate debt, and vice versa. In 2015 the last interest rate hedge expired, and afterwards no further interest rate derivatives were concluded.

Where necessary, the Company hedges its own and Group companies' foreign currency risks. OMV Aktiengesellschaft has entered into hedges with banks, and transferred them to Group companies. As of December 31, 2020, the main exposures were related to the EUR-USD, EUR-NOK, USD-RON, EUR-NZD as well as the EUR-HUF exchange rates. Foreign currency transactions are used to hedge the period until January 2022.

As of December 31 the value of transactions used to hedge foreign currency risk for Group companies, which is not recognized in the balance sheet of OMV Aktiengesellschaft due to the formation of valuation units, was as follows:

#### Currency derivatives: Forwards

In EUR 1,000

	2020				2019			
	Notional value	Fair value		Carrying value	Notional value	Fair value		Carrying value
		positive	negative			positive	negative	
Currency forwards	828,508	19,133	(19,099)	—	831,737	18,781	(18,749)	—

The effectiveness of the hedging relationship is measured retrospectively based on the correlation between the exchange rate of the hedging instrument and the exchange rate of the underlying hedged transaction. The exchange rate difference of the underlying transaction is settled by the exchange rate difference of the hedging instrument. Prospectively, the effectiveness is measured by checking the correspondence of the critical terms between the underlying transaction and the hedging transaction (critical term match).

Without hedge accounting, provisions for onerous contracts amounting to the negative fair value would have to be recognized based on the so-called "impairment realization principle" in the amount of EUR 19,099 thousand (2019: EUR 18,749 thousand).

OMV Aktiengesellschaft employs currency swaps for liquidity management purposes

As of December 31 the value of transactions used to hedge foreign currency risks for OMV Aktiengesellschaft was as follows:

#### Currency derivatives: FX Swaps

In EUR 1,000

	2020			2019		
	Notional value	Fair value	Carrying value	Notional value	Fair value	Carrying value
FX Swap EUR-CZK	5,351	19	—	—	—	—
FX-Swap EUR-HUF	22,118	144	—	—	—	—
FX Swap NZD-USD	—	—	—	153,126	(1,142)	(1,397)
FX Swap EUR-NOK	265,228	3,716	—	500,630	9,935	—
FX Swap EUR-AUD	19,003	495	—	23,418	307	—
FX Swap EUR-NZD	52,513	465	(94)	—	—	—
FX Swap EUR-RUB	—	—	—	287,686	8,371	—
FX Swap EUR-USD	165,346	(6)	(6)	426,212	(2,059)	(2,059)

The fair value of the derivative instruments reflects the estimated amounts that OMV would pay or receive if the positions were closed at balance sheet date. Quotations from banks or appropriate pricing models are used to estimate the fair value of

financial instruments at balance sheet date. These models apply the forward rates/forward prices and exchange rates ruling at balance sheet date, as well as volatility indicators for the price calculations. Recognition is under other provisions.

## 15 Governing bodies, employees and related parties

The average number of employees was:

### Average

	2020	2019
Salaried employees	901	705
<b>Total</b>	<b>901</b>	<b>705</b>

The remuneration received by the Executive Board was made up as follows:

### Remuneration received by the Executive Board

In EUR 1,000

	2020								Total
	active members of the Executive Board as of December 31, 2020					former members of the Executive Board			
	Seele	Pleiningner	Florey	Gangl <sup>6</sup>	Skvortsova <sup>8</sup>	Leitner <sup>10</sup>	Davies <sup>11</sup>	Roiss <sup>12</sup>	
<b>Short Term Benefits</b>	<b>2,274</b>	<b>1,342</b>	<b>1,304</b>	<b>790</b>	<b>503</b>	<b>1,117</b>	<b>—</b>	<b>—</b>	<b>7,330</b>
Fixed (base salary)	1,100	750	700	575	313	—	—	—	3,438
Fixed (functional allowance)	334 <sup>3</sup>	—	—	—	—	—	—	—	334
Variable (cash bonus) <sup>1</sup>	828	579	559	203	—	1,117	—	—	3,285
Benefits in kind	13	13	45 <sup>4</sup>	13	190 <sup>9</sup>	—	—	—	273
<b>Post Employment benefits</b>	<b>275</b>	<b>188</b>	<b>175</b>	<b>144</b>	<b>77</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>858</b>
Pension fund contributions	275	188	175	144	77	—	—	—	858
<b>Share based benefits</b>	<b>902</b>	<b>523</b>	<b>529</b>	<b>101</b>	<b>—</b>	<b>823</b>	<b>62</b>	<b>266</b>	<b>3,205</b>
Variable (Equity Deferral 2019)	410	287	277	101	—	277	—	—	1,351
Variable (LTIP 2017) <sup>2</sup>	491	236	252 <sup>5</sup>	— <sup>7</sup>	—	546	62	266	1,853
<b>Remuneration received by the Executive Board</b>	<b>3,451</b>	<b>2,052</b>	<b>2,007</b>	<b>1,035</b>	<b>580</b>	<b>1,940</b>	<b>62</b>	<b>266</b>	<b>11,393</b>

<sup>1</sup> 50% of the cash payments due in 2020 under the Annual Bonus 2019 for the active Executive Board members were postponed to January 2021.

<sup>2</sup> 50% of the cash payments due in 2020 under the LTIP 2017 for the active Executive Board members (for the cash portion, if applicable) have been postponed to January 2021.

<sup>3</sup> Rainer Seele received a payment for the interim responsibility for "Marketing and Trading" until February 28, 2020.

<sup>4</sup> including schooling costs and related taxes

<sup>5</sup> including 50% of LTIP 2017 cash payments and additional value of transferred shares to fulfill the shareholding requirement

<sup>6</sup> Thomas Gangl joined the Executive Board effectively July 1, 2019.

<sup>7</sup> Thomas Gangl received a cash payment in the amount of EUR 58 thousand based on the Senior Manager LTIP 2017.

<sup>8</sup> Elena Skvortsova joined the Executive Board effectively June 15, 2020.

<sup>9</sup> including relocation and rental costs and related taxes

<sup>10</sup> Manfred Leitner resigned from the Executive Board effectively June 30, 2019.

<sup>11</sup> David C. Davies resigned from the Executive Board effectively July 31, 2016.

<sup>12</sup> Gerhard Roiss resigned from the Executive Board effectively June 30, 2015.

### Remuneration received by the Executive Board

In EUR 1,000

	2019								Total
	active members of the Executive Board as of December 31, 2019				former members of the Executive Board				
	Seele	Pleininger	Florey	Gangl <sup>5</sup>	Leitner <sup>6</sup>	Davies <sup>7</sup>	Huijskes <sup>8</sup>	Roiss <sup>9</sup>	
<b>Short Term Benefits</b>	<b>3,361</b>	<b>1,635</b>	<b>1,586</b>	<b>294</b>	<b>1,554</b>	—	—	—	<b>8,430</b>
Fixed (base salary)	1,100	750	700	288	700	—	—	—	3,538
Fixed (functional allowance)	1,002 <sup>2</sup>	—	—	—	—	—	—	—	1,002
Variable (cash bonus) <sup>1</sup>	1,246	872	841	—	841	—	—	—	3,800
Benefits in kind	13	13	45 <sup>3</sup>	7	13	—	—	—	90
<b>Post Employment benefits</b>	<b>275</b>	<b>188</b>	<b>175</b>	<b>72</b>	<b>175</b>	—	—	—	<b>884</b>
Pension fund contributions	275	188	175	72	175	—	—	—	884
<b>Termination benefits</b>	—	—	—	—	<b>221<sup>4</sup></b>	—	—	—	<b>221</b>
<b>Share based benefits</b>	<b>3,596</b>	<b>1,754</b>	<b>1,165</b>	—	<b>2,081</b>	<b>247</b>	<b>415</b>	<b>3,129</b>	<b>12,387</b>
Variable (Equity Deferral 2018)	698	489	471	—	471	—	—	—	2,129
Variable (LTIP 2016)	2,898	1,265	694	—	1,610	247	415	3,129	10,258
<b>Total</b>	<b>7,232</b>	<b>3,576</b>	<b>2,926</b>	<b>366</b>	<b>4,031</b>	<b>247</b>	<b>415</b>	<b>3,129</b>	<b>21,923</b>

<sup>1</sup> The variable components relate to target achievement in 2018, for which bonuses were paid in 2019.

<sup>2</sup> Rainer Seele received a payment for the interim responsibility for "Marketing and Trading" since July 1, 2019.

<sup>3</sup> including schooling costs and related taxes

<sup>4</sup> Manfred Leitner received an annual leave compensation payment amounting to EUR 221 thousand.

<sup>5</sup> Thomas Gangl joined the Executive Board effectively July 1, 2019.

<sup>6</sup> Manfred Leitner resigned from the Executive Board effectively June 30, 2019.

<sup>7</sup> David C. Davies resigned from the Executive Board effectively July 31, 2016.

<sup>8</sup> Jaap Huijskes resigned from the Executive Board effectively August 31, 2015.

<sup>9</sup> Gerhard Roiss resigned from the Executive Board effectively June 30, 2015.

The members of the Executive Board and the members of the Supervisory Board are covered by directors and officers liability insurance (D&O) and legal costs insurance. A large number of other OMV employees also benefit from these two forms of insurance, and the insurers levy lump-sum premiums, which are not specifically attributed to the Board members.

In 2020 remuneration expenses for the Supervisory Board amounted to EUR 572 thousand (2019: EUR 602 thousand).

OMV Aktiengesellschaft is the parent company of the OMV Group and acts as a holding company. OMV

Aktiengesellschaft also provides the other Group companies with corporate financial, management and other operational services.

The arm's length principle which is applied to transactions with related parties is constantly documented and monitored.

Regarding the expenses for services rendered by the auditor for the year just ended, OMV Aktiengesellschaft refers to the consolidated financial statements of OMV Group.

## 16 Contingent Liabilities under section § 199 and other obligations under section 237 ACC

Contingent liabilities are as follows:

### Contingent Liabilities

In EUR 1,000

	2020	2019
<b>Guarantees</b>	<b>1,962,676</b>	<b>2,125,626</b>
thereof in favor of affiliated companies	1,962,326	2,125,205

The change in contingent liabilities mainly resulted from the release of the guarantees for OMV New Zealand Limited in the amount of XDR 48,020 thousand as well as the reduction of guarantees issued for OMV Gas Marketing & Trading GmbH by EUR 73,111 thousand.

The following **other financial commitments** are not reported under liabilities or contingent liabilities:

OMV Aktiengesellschaft has given an undertaking to OMV Clearing und Treasury GmbH, which runs the Group's clearing operations, to maintain its liquidity for the duration of its affiliation in the Group.

OMV Aktiengesellschaft has issued guarantees and letters of comfort on behalf of certain exploration,

production and distribution companies in respect of the fulfillment of concession and license agreements and various other agreements of indeterminate amounts.

With a letter of financial support vis à vis OMV Gas Storage Germany GmbH, OMV Aktiengesellschaft has undertaken to provide adequate financial funding if necessary.

OMV Aktiengesellschaft has a joint liability for pension obligations assumed by Group companies, as well as for additional contributions to rectify shortfalls in the funding of obligations transferred to external pension funds and bridging payments to separated employees.

## 17 Dividend recommendation

Unappropriated income for the financial year 2020 amounted to EUR 636,429 thousand (2019: EUR 973,172 thousand).

For 2020, the Executive Board of OMV Aktiengesellschaft proposes a dividend of EUR 1.85

(2019: EUR 1.75) per eligible share, which is subject to confirmation by the Annual General Meeting. The dividend for 2019 was paid in October 2020 and amounted to EUR 572,206 thousand (2019: EUR 572,075 thousand).

## 18 Additional reporting

The consolidated report on payments to governments as well as the separate consolidated non-financial report are integrated in the Group's

annual report which is available on OMV's website: [www.omv.com](http://www.omv.com) > Investors > Publications.

## 19 Subsequent events

On February 3, 2021, the Supervisory Board of OMV Aktiengesellschaft has approved a reorganization of the OMV Group involving splitting and expanding the current area of Refining & Petrochemical Operations into two areas: Refining & Marketing and Chemicals & Materials. This structural change facilitates the forward integration in the chemicals sector that has been underway ever since OMV acquired a majority stake in Borealis. With this change, OMV is consistently positioned across the entirety of its expanded value chain and can bundle all relevant responsibilities for petrochemicals and chemicals in a single board division.

The OMV Supervisory Board has appointed Alfred Stern (56) as Executive Board member for Chemicals & Materials.

The changes to the OMV corporate structure and the new Executive Board appointment will take effect as of April 1, 2021.

Following the reorganization of the OMV Group, starting with Q1/21 OMV will change its reporting structure. The Business Segments will be reported as follows: Exploration & Production, Refining & Marketing, and Chemicals & Materials.

On February 5, 2021 the Supervisory Board of Borealis has appointed Thomas Gangl (49) to the position of Chief Executive Officer of Borealis AG. He will take over the role from Alfred Stern, effective April 1, 2021. Thomas Gangl is currently member of the OMV Executive Board and responsible for Refining & Petrochemical Operations.

## Direct Investments by OMV Aktiengesellschaft (interest of at least 20%)

### Direct Investments

	Currency	Equity as of Dec. 31, 2020	Net income/ loss in 2020	Equity interest in %
<b>Domestic</b>				
OMV Exploration & Production GmbH, Vienna <sup>1</sup>	in EUR 1,000	2,297,591	(284,704)	100
OMV Gas Logistics Holding GmbH, Vienna <sup>1</sup>	in EUR 1,000	470,952	64,176	100
OMV Insurance Broker GmbH, Vienna <sup>1</sup>	in EUR 1,000	45	15	100
OMV Downstream GmbH, Vienna <sup>1</sup>	in EUR 1,000	7,814,696 <sup>3</sup>	301,289	100
OMV Solutions GmbH, Vienna <sup>1</sup>	in EUR 1,000	1,161,709	316,871	100
<b>Foreign</b>				
Diramic Insurance Limited, Gibraltar	in EUR 1,000	99,932	(1,041)	100
OMV AUSTRALIA PTY LTD, Perth <sup>1</sup>	in AUD 1,000	(169,338)	(7,878)	100
OMV International Oil & Gas GmbH, Zug <sup>2</sup>	in CHF 1,000	1,908	486	100
OMV PETROM SA, Bucharest	in RON 1,000	32,012,940	1,381,580	51.01

<sup>1</sup> Tax group member under section 9 Corporate Tax Act

<sup>2</sup> Figures from 2019

<sup>3</sup> Including an equity injection in the amount of EUR 4,354,000 thousand in 2020

## Supervisory Board

**Wolfgang C. Berndt**

Chairman (until September 29, 2020)

**Mark Garrett**

Chairman (since September 29, 2020)

**Thomas Schmid**

Deputy

**Alyazia Ali Al Kuwaiti**

Deputy

**Mansour Mohamed Al Mulla**

**Stefan Doboczky**

**Karl Rose**

**Elisabeth Stadler**

**Christoph Swarovski**

**Cathrine Trattner**

**Gertrude Tumpel-Gugerell**

**Delegated by the Works Council:**

Christine Asperger (until October 1, 2020)

Herbert Lindner

Alfred Redlich (until December 2, 2020)

Angela Schorna

Gerhard Singer

In addition to internationally experienced board members and directors of the core shareholders, the Supervisory Board appointed in the Annual General Meeting is made up of highly qualified independent members, whereby OMV observes EU recommendations relating to independence.

**Presidential and Nomination Committee:**

Berndt (Chairman until September 29, 2020), Garrett (Chairman since September 29, 2020), Schmid (Deputy), Al Kuwaiti (Deputy), Al Mulla, Asperger (until October 1, 2020), Redlich (until December 2, 2020), Schorna (since December 3, 2020), Lindner (since December 3, 2020)

**Audit Committee:**

Tumpel-Gugerell (Chairwoman), Al Kuwaiti (Deputy), Stadler (Deputy), Berndt (until September 29, 2020) Garrett (since September 29, 2020), Schmid, Trattner, Lindner, Schorna, Singer

**Portfolio and Project Committee:**

Rose (Chairman), Schmid (Deputy), Al Kuwaiti (Deputy), Berndt (until September 29, 2020) Garrett (since September 29, 2020), Al Mulla, Doboczky (since June 19, 2020), Lindner, Redlich (until December 2, 2020), Schorna (since December 3, 2020), Singer

**Remuneration Committee:**

Berndt (Chairman until September 29, 2020), Schmid (Chairman since September 29, 2020), Garrett (Deputy since September 29, 2020), Al Kuwaiti (Deputy), Swarovski, Tumpel-Gugerell

## Executive Board

**Rainer Seele**

Chairman of the Executive Board  
and Chief Executive Officer

**Johann Pleininger**

Deputy Chairman of the Executive Board  
and Chief Upstream Operations Officer

**Reinhard Florey**

Chief Financial Officer

**Thomas Gangl**

Chief Downstream Operations Officer

**Elena Skvortsova**

Chief Commercial Officer

Vienna, March 10, 2021

The Executive Board

**Rainer Seele m.p.**

Chairman of the Executive Board  
and Chief Executive Officer

**Johann Pleininger m.p.**

Deputy Chairman of the Executive Board  
and Chief Upstream Operations Officer

**Reinhard Florey m.p.**

Chief Financial Officer

**Thomas Gangl m.p.**

Chief Downstream Operations Officer

**Elena Skvortsova m.p.**

Chief Commercial Officer

## Statement of fixed assets in accordance with section 226 (1) ACC

### Development of acquisition costs

In EUR 1,000

	As of Jan. 1, 2020	Additions
<b>Intangible assets</b>		
Concessions, industrial property rights and similar rights and benefits and licenses derived therefrom	30,825	8,751 <sup>1</sup>
<b>Tangible assets</b>		
Land and buildings on third party land	2,764	—
Other fixtures and fittings, tools and equipment	18,407	3,874 <sup>1</sup>
	<b>21,171</b>	<b>3,874</b>
<b>Financial assets</b>		
Shares in affiliated companies	13,049,565	4,354,000
Loans to affiliated companies	6,229,952	83,318
Participating interests	26,624	—
Securities (loan stock rights) held as fixed assets	4,506	—
Other loans	1,725	—
	<b>19,312,372</b>	<b>4,437,318</b>
	<b>19,364,368</b>	<b>4,449,943</b>

<sup>1</sup> Including assets taken over from affiliated companies: EUR 502 thousand (2019: EUR 17 thousand) intangible assets and EUR 11 thousand (2019: EUR nil) tangible assets

Transfers	Disposals	Depreciation and amortization		Carrying value as of Dec. 31, 2020	Carrying value as of Dec. 31, 2019
		As of Dec. 31, 2020	as of Dec 31, 2020 (cumulative)		
64	113	39,527	13,356	26,171	22,562
—	—	2,764	1,034	1,730	2,079
(64)	896	21,323	11,808	9,515	9,811
<b>(64)</b>	<b>896</b>	<b>24,087</b>	<b>12,842</b>	<b>11,245</b>	<b>11,891</b>
26,624	—	17,430,189	3,505,606	13,924,584	9,904,265
—	405,804	5,907,466	32,912	5,874,554	6,227,059
(26,624)	—	—	—	—	26,624
—	—	4,506	—	4,506	4,506
—	11	1,714	1,646	67	1,725
—	<b>405,815</b>	<b>23,343,875</b>	<b>3,540,164</b>	<b>19,803,711</b>	<b>16,164,179</b>
—	<b>406,824</b>	<b>23,407,489</b>	<b>3,566,362</b>	<b>19,841,128</b>	<b>16,198,632</b>

#### Development of depreciation

In EUR 1,000

	As of Jan. 1, 2020	Depreciation	Impairments 2020	Write-up	Disposals	As of Dec. 31, 2020
<b>Intangible assets</b>						
Concessions, industrial property rights and similar rights and benefits and licenses derived therefrom	8,263	5,165	—	—	72	13,356
<b>Tangible assets</b>	—	—	—	—	—	—
Land and buildings on third party land	685	349	—	—	—	1,035
Other fixtures and fittings, tools and equipment	8,596	4,108	—	—	896	11,808
	<b>9,281</b>	<b>4,457</b>	<b>—</b>	<b>—</b>	<b>896</b>	<b>12,842</b>
<b>Financial assets</b>						
Shares in affiliated companies	3,145,300	—	360,306	—	—	3,505,606
Loans to affiliated companies	2,893	—	30,075	56	—	32,912
Participating interests	—	—	—	—	—	—
Securities (loan stock rights) held as fixed assets	—	—	—	—	—	—
Other loans	—	—	1,646	—	—	1,646
	<b>3,148,193</b>	<b>—</b>	<b>392,027</b>	<b>56</b>	<b>—</b>	<b>3,540,164</b>
	<b>3,165,737</b>	<b>9,622</b>	<b>392,027</b>	<b>56</b>	<b>968</b>	<b>3,566,362</b>

## Abbreviations and Definitions

### A

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#### **ACC**

Austrian Commercial Code

#### **ACCG**

Austrian Code of Corporate Governance

#### **AGM**

Annual General Meeting

### B

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#### **bbf**

Barrel (1 barrel equals approximately 159 liters)

#### **bbf/d**

Barrels per day

#### **bcf**

Billion standard cubic feet (60 °F/16 °C)

#### **bcm**

Billion standard cubic meters (32 °F/0 °C)

#### **bn**

Billion

#### **boe**

Barrel of oil equivalent

#### **boe/d**

Barrel of oil equivalent per day

### C

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#### **CAPEX**

Capital Expenditure

#### **capital employed**

Equity including non-controlling interests plus net debt

#### **cbm**

Standard cubic meters (32 °F/0 °C)

#### **cf**

Standard cubic feet (60 °F/16 °C)

#### **CCS/CCS effects/inventory holding gains/(losses)**

Current Cost of Supply; inventory holding gains and losses represent the difference between the cost of sales calculated using the current cost of supply and the cost of sales calculated using the weighted average method after adjusting for any changes in valuation allowances in case the net realizable value of the inventory is lower than its cost. In volatile energy markets, measurement of the costs of petroleum products sold based on historical values (e.g. weighted average cost) can have distorting effects on reported results (Operating Result, net income, etc.). The amount disclosed as CCS effect represents the difference between the charge to the income statement for inventory on a weighted average basis (adjusted for the change in valuation allowances related to net realizable value) and the charge based on the current cost of supply. The current cost of supply is calculated monthly using data from supply and production systems at the Downstream Oil level

#### **CEE**

Central and Eastern Europe

#### **CEGH**

Central European Gas Hub

#### **CGU**

Cash generating unit

#### **Clean CCS Operating Result**

Operating Result adjusted for special items and CCS effects. Group clean CCS Operating Result is calculated by adding the clean CCS Operating Result of Downstream Oil, the clean Operating Result of the other segments and the reported consolidation effect adjusted for changes in valuation allowances, in case the net realizable value of the inventory is lower than its cost

#### **Clean CCS EPS**

Clean CCS Earnings Per Share is calculated as clean CCS net income attributable to stockholders divided by weighted number of shares

#### **Clean CCS net income attributable to stockholders**

Net income attributable to stockholders, adjusted for the after tax effect of special items and CCS

#### **Clean CCS ROACE**

Clean CCS Return On Average Capital Employed is calculated as NOPAT (as a sum of current and last three quarters) adjusted for the after-tax effect of special items and CCS, divided by average capital employed (%)

#### **Co&O**

Corporate and Other

### E

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#### **ECL**

Expected credit losses

#### **EPS**

Earnings Per Share; net income attributable to stockholders divided by total weighted average shares

**EPSA**

Exploration and Production Sharing Agreement

**equity ratio**

Equity divided by balance sheet total, expressed as a percentage

**EU**

European Union

**EUR**

Euro

**F**

**FVOCI**

Fair value through other comprehensive income

**FVTPL**

Fair value through the statement of profit or loss

**FX**

Foreign exchange

**G**

**G2P**

Gas-to-power

**GDP**

Gross Domestic Product

**gearing ratio**

Net debt divided by equity, expressed as a percentage

**H**

**HSSE**

Health, Safety, Security, and Environment

**I**

**IASs**

International Accounting Standards

**IFRSs**

International Financial Reporting Standards

**K**

**kbb/d**

Thousand barrels per day

**kboe**

Thousand barrels of oil equivalent

**kboe/d**

Thousand barrels of oil equivalent per day

**km<sup>2</sup>**

Square kilometer

**KPI**

Key Performance Indicator

**KStG**

Austrian Corporate Income Tax Act

**L**

**leverage ratio**

Net debt divided by capital employed, expressed as a percentage

**LNG**

Liquefied Natural Gas

**LTIR**

Lost-Time Injury Rate per million hours worked

**M**

**min**

Minute

**mn**

Million

**MPPH**

Mubadala Petroleum and Petrochemicals Holding Company L.L.C

**MW**

Megawatt

**MWh**

Megawatt hour

**N**

**n.a.**

Not available

**NCI**

Non-controlling interests

**n.m.**

Not meaningful

**net assets**

Intangible assets, property, plant and equipment, equity-accounted investments, investments in other companies, loans granted to equity-accounted investments, total net working capital, less provisions for decommissioning and restoration obligations

**net debt**

Interest-bearing debts including bonds and finance lease liabilities less liquid funds (cash and cash equivalents)

**net income**

Net operating profit or loss after interest and tax

**NGL**

Natural Gas Liquids; natural gas that is extracted in liquid form during the production of hydrocarbons

**NOK**

Norwegian krone

**NOPAT**

Net Operating Profit After Tax; Net income + Net interest related to financing – Tax effect of net interest related to financing  
NOPAT is a KPI that shows the financial performance after tax, independent of the financing structure of the company.

**NZD**

New Zealand dollar

## O

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### OCI

Other comprehensive income

### OECD

Organisation for Economic Co-operation and Development

### ÖBAG

Österreichische Beteiligungs AG

## P

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### payout ratio

Dividend per share divided by earnings per share, expressed as a percentage

### Pearl

Pearl Petroleum Company Limited

## Q

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### Q1, Q2, Q3, Q4

First, second, third, fourth quarter of the year

## R

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### ROACE

Return On Average Capital Employed; NOPAT divided by average capital employed expressed as a percentage

### ROE

Return On Equity; net income/loss for the year divided by average equity, expressed as a percentage

### RON

New Romanian leu

### RRR

Reserve Replacement Rate; total changes in reserves excluding production, divided by total production

### RUB

Russian ruble

## S

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### sales revenues

Sales excluding petroleum excise tax

### Special items

Special items are expenses and income reflected in the financial statements that are disclosed separately, as they are not part of underlying ordinary business operations. They are being disclosed separately in order to enable investors to better understand and evaluate OMV Group's reported financial performance

## T

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### t

Metric ton

### toe

Metric ton of oil equivalent

### TSR

Total Shareholder Return

### TWh

Terawatt hour

## U

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### UAE

United Arab Emirates

### USD

US dollar

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