

REVIEW OF OMV'S INDUSTRY
ASSOCIATION MEMBERSHIPS: ALIGNMENT
WITH THE PARIS AGREEMENT

OMV commitments on climate change

OMV contributes to shaping the future of energy sustainably. We conduct our business responsibly, protect the environment and are an employer of choice. In this way, we create long-term value for our customers, shareholders, and society. More and more people need more and more energy. At the same time, the planet is getting warmer and warmer, making climate protection increasingly important. We are therefore transforming our business model step by step with the aim of reducing the carbon footprint of the Company. With carbon efficiency measures and innovative energy solutions, we contribute to a lower-carbon energy system.

To achieve this, we draw on our strengths and use many levers to reduce our carbon footprint:

- ▶ With the help of new technologies, we are consistently reducing the CO₂ emissions of our refineries and our oil and gas production.
- ▶ We are increasing the proportion of gas in our total production and contributing to a significant reduction in CO₂ emissions by replacing coal with gas as energy source.
- ▶ We refine oil into high-quality petrochemical products instead of burning it to generate energy.
- ▶ We recycle biogenic and plastic waste into valuable raw materials and are investing EUR 1 bn in these innovations, enabling a circular economy.
- ▶ We are exploring ways to store CO₂ in underground storage facilities and to reuse CO₂ as a raw material for chemical products.
- ▶ We are working on economically viable hydrogen solutions for industry and mobility.

OMV takes climate action in its operations, product and service portfolio, innovations and R&D activities, working environment, and social investments. Consistency in all internal and external activities and positions taken by the Company is ensured by a coordinated approach and information process between all relevant business units and corporate functions. OMV's positions on all issues are based on the overall business strategy and principles.

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. This position is embraced by OMV at all organizational levels, including our activities in various industry associations.

Transparency on climate change action

OMV is committed to acting on climate change in a transparent manner. In line with this commitment, we report to CDP annually. In 2020 we were awarded a "Leadership A-" rank for the fourth consecutive year in a row. We follow the recommendations of the Task Force on Climate-related Financial Disclosure in our reporting. We have also received a Level 4 (highest level) rating from the Transition Pathway Initiative for the quality of our carbon management reporting.

As part of our commitment to transparency on climate action, we intend to report not only on our own position and action on climate change but also on the position of industry associations in which we are a member. We established a review process in early 2020 to ensure that the main associations in which OMV is a member also support the Paris Agreement. In 2020, twelve key industry association memberships were reviewed. OMV is continuously monitoring this issue and will report on it annually going forward. Therefore, we plan to publish our next industry associations review in 2021. This will assess our alignment with the industry associations featured in this report, as well as others. We will select additional industry associations because their climate-related policies have brought them to the attention of investors and non-governmental organizations, or because they operate in regions or countries where OMV has significant business activities.

The role of industry associations

Industry associations play an important role in developing and implementing industry standards and best practices in areas such as safety and environmental protection. They also provide a valuable platform for engagement with governments, regulators, and communities on topics such as energy, climate action, and trade.

OMV participates in industry associations to support our understanding of issues, share knowledge, help develop standards, and provide input to regulatory authorities on behalf of the sector. OMV's association activities make an important contribution to a broader debate on a sustainable, affordable and secure energy future. The energy transition can only succeed if all stakeholders – including legislators, businesses and society – engage in productive debates. As a voice of business, associations participate in precisely these important debates and contribute their proven expertise on various aspects of policy.

OMV representatives make OMV's position clear on issues tackled by the associations in which we are a members. Associations aim to adopt positions that reflect a consensus view among members, and thus may not always reflect the view of every member. We continuously monitor our memberships in associations and their positions on issues so we can consider whether our memberships remain appropriate.

Methodology for this report

Selection of associations

The twelve associations described in this report were selected for their relevance to OMV's business and on the basis that they are actively involved in energy policy discussions. Six of the associations are focused on our core markets Austria and Germany, four are focused on EU-wide policy, and two are focused on international policy.

Review process

The associations in scope for this review were assessed by an interdisciplinary team including representatives from International & Governmental Relations, Investor Relations, and Sustainability & Reporting. Once these assessments were complete, the output was used as a basis for discussing appropriate action with the representatives responsible for engagement with each association. The output of this process was also reviewed by members of our Executive Board and Supervisory Board.

At this stage, we reviewed the alignment of the twelve associations with OMV's position on the Paris Agreement. OMV supports the goal of the Paris Agreement to limit the rise in global average temperatures this century to well below 2°C above pre-industrial levels.

As a supporter of the Paris Climate Change Agreement, we promote a wide range of technologies and measures that lead to a sustainable energy future. For instance, OMV recognizes the importance of alternative fuels like renewable fuels, hydrogen and natural gas in transportation, which contribute significantly to reducing carbon emissions. Furthermore, OMV supports the EU Emissions Trading System (ETS) as a centerpiece of Europe's efforts to mitigate greenhouse gas emissions. We appreciate the European Union's efforts in securing long term planning stability, investment security for cost-intensive projects by the European oil and gas industry, and the development of new technologies. An internationally aligned climate policy with binding guidelines and goals for all countries and industry sectors is a precondition for successfully protecting the climate.

For our 2020 review, we analyzed whether the associations had publicly stated their support for the goals of the Paris Agreement, or their support for nationally determined contributions (NDCs), i. e., national targets set to meet the goals of the Paris Agreement. Associations that had done so were assessed as **fully aligned**.

Associations were assessed as **partially aligned** if they had not publicly declared their support of the Paris Agreement or national targets but had voiced their support for technologies or policies that we deem as contributing to meeting the goals of the Paris Agreement.

Associations were assessed as **not aligned** if they did not publicly support the Paris Agreement or national targets, had not voiced support of any technologies or policies that would help meet the goals of the Paris Agreement, and we believe any of their positions undermine the Paris Agreement.

We considered only publicly available statements by the associations, or by leaders of the association clearly made on behalf of the association and not in a private capacity.

In the future, we aim to expand the list of associations analyzed, as well as their detailed positions on other issues that support the goals of the Paris Agreement, such as government-led carbon pricing and policy frameworks for the development of new, low-carbon technologies.

Limitations of this review

The views and conclusions expressed in this review are those of OMV. We have aimed to provide a consistent and fair summary of the positions of each association included in the scope of this review. However, we recognize that the nature of a review of policy positions and activity involves interpretation. Areas of potential alignment or misalignment may arise at a level of detail or nuance not readily captured by the approach presented in this review. We considered only publicly available statements made by the associations, or by representatives of the association clearly made on behalf of the association to media sources.

Key findings

Of the twelve associations analyzed, we found that twelve were fully aligned, none were partially aligned, and none were not aligned.

Level of alignment with OMV's position on the Paris Agreement

Austrian associations

Austrian Energy Agency (AEA)	 AUSTRIAN ENERGY AGENCY	Fully aligned
Fachverband der Gas- und Wärmeversorgungsunternehmen (FGW)	 FACHVERBAND GAS WÄRME	Fully aligned
Fachverband der Mineralölindustrie (FVMI)	 WIRTSCHAFTSKAMMER ÖSTERREICH	Fully aligned
Vereinigung der Österreichischen Industrie (IV)	 INDUSTRIELLENVEREINIGUNG WIEN	Fully aligned
Wirtschaftskammer Österreich (WKO)	 WIRTSCHAFTSKAMMER ÖSTERREICH	Fully aligned

German associations

Mineralölwirtschaftsverband e.V. (MWV)	 MINERALÖL WIRTSCHAFTS VERBAND e.V.	Fully aligned
--	---	---------------

European associations

BusinessEurope		Fully aligned
Conservation of Clean Air and Water in Europe (CONCAWE)	 Environmental Science for European Refining	Fully aligned
FuelsEurope	 REFINING PRODUCTS FOR OUR EVERYDAY LIFE	Fully aligned
Hydrogen Europe		Fully aligned

International associations

International Association of Oil & Gas Producers (IOGP)	 International Association of Oil & Gas Producers	Fully aligned
IPIECA		Fully aligned

Actions to address nonalignment

While none of the associations analyzed so far are misaligned with OMV's position on the Paris Agreement, no assurance can be given that associations reviewed in the future will not fail to align with our position. If we identify nonalignment going forward, we will take the actions described below.

In cases of misalignment, especially partial misalignment, we will first advocate for changes in the association's position. Where OMV's position and an association's position continue to fail to align, we will reassess our membership. If we are not able to influence the association to adopt a more aligned position on a highly material issue, we will consider ending our participation or membership.

Findings in detail

1. Austrian Energy Agency (AEA)

Description: As a scientific competence center for energy, it advises decision-makers in politics, business, and administration on a scientific basis.

How we participate: OMV is a member of the AEA

Alignment: Fully aligned

Details of the AEA's position on the Paris

Agreement: "The Paris Agreement has been signed, now it's time to implement it. If we want to achieve these goals, we have to act now", says Peter Traupmann, Managing Director of the Austrian Energy Agency. "The next ten years are crucial for setting the course for an efficient, clean, affordable, and low-risk energy future. We want to show how this energy future can be realized." Read more on the AEA's position [here](#).

Action: OMV will remain an AEA member.

2. Fachverband der Gas- und Wärmeversorgungsunternehmen (FGW – Association of Gas and District Heating Supply Companies)

Description: As an independent, legal representative of the interests of all companies supplying gas and heat in Austria, the FGW is committed to the economic, safe, and environmentally friendly use of gas, district heating, and district cooling in Austria.

How we participate: OMV is a member of FGW. We regularly participate in working groups to exchange expertise, discuss energy issues and coordinate related positions.

Alignment: Fully aligned

Details of the FGW's position on the Paris

Agreement: Austria's leading energy companies in the electricity, gas, and heating sectors are committed to the climate and energy goals of our country and are prepared to act together as a driving force to restructure of the energy system. The challenges arising from the resolutions of the Paris Climate Conference and the EU energy and climate targets can only be mastered successfully if all the relevant players join forces, according to Peter Weinelt, head of the FGW. Read more on the FGW's position [here](#) (in German).

Action: OMV will remain a FGW member.

3. Fachverband der Mineralölindustrie (FVMI – Austrian Petroleum Industry Association)

Description: The FVMI is a nationwide industry association that acts as a link between businesses and the public. Its members are Austrian companies that explore for and produce crude oil (upstream), transport and store it in pipelines (midstream), and process it in their own or affiliated refineries and sell petroleum products (downstream).

How we participate: OMV is a member of the FVMI. We regularly participate in working groups to exchange expertise, discuss energy issues and coordinate related positions.

Alignment: Fully aligned

Details of the FVMI's position on the Paris Agree-

ment: By commercializing new, cleaner energies, our industry is actively shaping the transformation process of the energy system and making a positive contribution to achieving the goals of the Paris Agreement. The petroleum industry is without doubt a key driver for solutions to the energy future and a reliable partner in implementing the energy transition. Read more on the FVMI's position [here](#) (in German).

Action: OMV will remain a FVMI member.

4. Vereinigung der Österreichischen Industrie (IV – Industriellenvereinigung – Federation of Austrian Industries)

Description: The Federation of Austrian Industries (IV) is a voluntary and independent body representing the interests of Austrian industry and related sectors. The IV represents the concerns of its members from the manufacturing sector, the banking industry, infrastructure, and industry-related services at the provincial, federal, and European levels.

How we participate: OMV is a member of the IV. We regularly participate in working groups to exchange expertise, discuss energy issues and coordinate related positions. **Alignment:** Fully aligned

Details of the IV's position on the Paris Agreement: The Federation of Industry supports the Paris Agreement. The idea of climate neutrality – in the long term – is also recognised. "After all, industry is part of the solution to provide important answers to the climate change problems that still need to be addressed. Only if Europe makes proper use of its innovation, development and research potential can the technologies needed to achieve the goal of climate neutrality be developed," according to IV Secretary General Neumayer. Read more on IV's position [here](#).

Action: OMV will remain an IV member.

5. Wirtschaftskammer Österreich (WKO – Austrian Economic Chambers, compulsory membership)

Description: The Austrian Economic Chambers represent the interests of Austrian companies, provide various services to promote business, and lend their knowledge to support Austrian companies.

How we participate: OMV is a member of the WKO. We regularly participate in working groups to exchange expertise, discuss energy issues and provide input for WKO positions.

Alignment: Fully aligned

Details of the WKO's position on the Paris Agreement: The Austrian business community is clearly committed to climate protection. The WKO therefore supports the goal of the European Union and Austria to put in place a comprehensive global climate protection agreement. Read more on the WKO's position [here](#).

Action: OMV will remain a WKO member.

6. Mineralölwirtschaftsverband e.V. (MWV – Association of the German Petroleum Industry)

Description: Association of the German Petroleum Industry (MWV) advocates for the efficient and widespread use of petroleum products for the benefit of consumers and the economy.

How we participate: OMV is a member of the MWV. We regularly participate in working groups to exchange expertise, discuss energy issues and coordinate related positions.

Alignment: Fully aligned

Details of the MWV's position on the Paris Agreement: The member companies of the MWV endorse the Paris Climate Change Agreement and the associated targets for reducing greenhouse gas emissions in all sectors. We want to and can make a constructive contribution to the achievement of these targets with renewable and climate-friendly fuels. Read more on the MWV's position [here](#) (in German).

Action: OMV will remain a MWV member.

7. BusinessEurope

Description: BusinessEurope is the leading advocate for growth and competitiveness at European level, standing up for companies across the continent and campaigning on the issues that most influence their performance. A recognized social partner, BusinessEurope speaks for enterprises of all sizes in 35 European countries whose national business federations are direct members of the association.

How we participate: OMV is a member of BusinessEurope. We regularly participate in working groups to exchange expertise, discuss energy issues and coordinate related positions.

Alignment: Fully aligned

Details of BusinessEurope's position on the Paris Agreement: Business Europe supports the EU ambition of net-zero greenhouse gas emissions (climate neutrality) to reach the objectives of the Paris Agreement. Reaching climate neutrality will fully depend on meeting a set of crucial framework conditions and related actions on both European and global level:

Condition 1: Recognition of different conditions and starting points for EU member states

Condition 2: Development and deployment of innovative technologies to support the decarbonization of value chains in Europe in a cost-effective way

Condition 3: Large-scale availability of affordable, low-carbon energy

Condition 4: Adaptation of consumer behavior and public acceptance for the low-carbon energy transition

Condition 5: Convergence of global climate ambitions.

Read more on Business Europe's position [here](#).

Action: OMV will remain a Business Europe member.

8. Conservation of Clean Air and Water in Europe (CONCAWE)

Description: Concawe was established to carry out research on environmental issues relevant to the oil industry. The scope of Concawe's activities has gradually expanded in line with the development of societal concerns over environmental, health, and safety issues. These now cover areas such as fuels quality and emissions, air quality, water quality, soil contamination, waste, occupational health and safety, petroleum product stewardship, and cross-country pipeline performance.

How we participate: OMV is a member of CONCAWE. We regularly participate in working groups to exchange expertise, discuss energy issues and coordinate related positions.

Alignment: Fully aligned

Details of CONCAWE's position on the Paris

Agreement: To support the EU low emissions strategy, Concawe is exploring a cross-sectorial Low Carbon Pathways (LCP) programme, identifying opportunities and challenges for different low-carbon technologies and feedstocks to achieve a significant reduction of the carbon emissions associated with both the manufacturing and use of refined products in Europe in the medium (2030) and longer term (2050). Read more on CONCAWE's position [here](#).

Action: OMV will remain a CONCAWE member.

9. FuelsEurope

Description: FuelsEurope aims to promote economically and environmentally sustainable refining, supply and use of petroleum products in the EU, by providing input and expert advice to EU institutions, member state governments, and the wider community, thus contributing constructively and proactively to the development and implementation of EU policies and regulations.

How we participate: OMV is a member of FuelsEurope. We regularly participate in working groups to exchange expertise, discuss energy issues and coordinate related positions.

Alignment: Fully aligned

Details of FuelsEurope's position on the Paris

Agreement: The EU established a goal in the framework of the Paris Agreement to lead the world in addressing global climate change. The European refining and distribution industry is committed to helping achieve this objective. Read more on FuelsEurope's position [here](#).

Action: OMV will remain a FuelsEurope member.

10. Hydrogen Europe

Description: Hydrogen Europe is the European association representing the interest of the hydrogen and fuel cell industry and its stakeholders.

Hydrogen Europe's mission: To bring together diverse industry players, large companies and SMEs, who support the delivery of hydrogen and fuel cell technologies to enable the adoption of abundant and reliable energy for efficiently fueling Europe's low-carbon economy.

How we participate: OMV is a member of Hydrogen Europe. We regularly participate in working groups to exchange expertise, discuss energy issues and coordinate related positions.

Alignment: Fully aligned

Details of Hydrogen Europe's position on the Paris Agreement:

Vision: Hydrogen, enabling a zero-emission society. Hydrogen Europe engages in various activities to achieve European ambitions to reduce global greenhouse gas emissions by 80% before 2050. Emissions in the transportation and energy sectors will need to decrease drastically. Additionally, Europe is seeking energy independence and more trade balance while looking for new industrial and technological growth. Fuel cells and hydrogen technologies can help to address those challenges. Read more on Hydrogen Europe's position [here](#).

Action: OMV will remain a Hydrogen Europe member.

11. International Association of Oil & Gas Producers (IOGP)

Description: The International Association of Oil & Gas Producers (IOGP) is the voice of the global upstream industry. It serves industry regulators as a global partner for improving safety, environmental and social performance. It also acts as a uniquely upstream forum in which members identify and share knowledge and good practices to achieve improvements in health, safety, the environment, security and social responsibility.

How we participate: OMV is a member of the IOGP. We regularly participate in working groups to exchange expertise, discuss energy issues and coordinate related positions.

Alignment: Fully aligned

Details of the IOGP's position on the Paris Agreement:

The IOGP recognizes the risks of climate change due to rising greenhouse gas emissions and welcomed the Paris Agreement. The IOGP supports the international community's commitment to addressing the global challenge of climate change. The IOGP also believes that the oil and gas industry is very much a part of the solution to this challenge, which can be addressed while meeting society's future energy needs.

The oil and gas industry has taken significant steps, at a global level, to limit emissions of greenhouse gases (GHG) from operations and is committed to contributing to a global effort including all parts of society.

The IOGP further believes that effective policy should:

- ▶ ensure emissions reductions are achieved in the most cost-effective way
- ▶ let market prices drive the selection of solutions
- ▶ promote global participation
- ▶ maximize transparency, and
- ▶ provide flexibility to adjust to future developments in climate science and the economic impact of climate policy.

Read more on the IOGP's position [here](#).

Action: OMV will remain an IOGP member.

12. IPIECA

Description: IPIECA is the global oil and gas industry association for environmental and social issues. IPIECA promotes knowledge sharing on best practices between members in the industry and develops standards to enhance social and environmental performance. IPIECA is also the industry's principal channel of communication with the UN.

How we participate: OMV is a member of IPIECA. We participate in working groups to share knowledge and develop standards.

Alignment: Fully aligned

Details of IPIECA's position on the Paris Agreement:

IPIECA publicly supports the Paris Agreement. IPIECA is an official observer of the annual UNFCCC's Conferences of the Parties (COPs) and provides members with summaries of the meetings. Read more on IPIECA's position [here](#).

Action: OMV will remain an IPIECA member.

OMV Aktiengesellschaft
Trabrennstrasse 6–8
1020 Vienna
Austria
Tel +43 1 40440-0
www.omv.com
www.omv.com/socialmedia