



Tax Strategy OMV Group

Vienna, April 2023

OMV Aktiengesellschaft



Tax Strategy OMV Group

Introduction

OMV is producing and marketing oil and gas, innovative energy and high-end petrochemical solutions in a responsible way, respecting the environment and adding value to the societies in which we operate. Along the entire value chain, OMV contributes expertise, technological know-how and innovation to increase people's quality of life. We strive to create long-term value for our customers and shareholders by being innovative and an employer of choice.

Our business activities are subject to a substantial amount of taxes. The taxes we pay and collect represent a significant part of our economic contribution to the countries in which we operate.

OMV's tax strategy is embedded into and reflects the values of our Code of Conduct. Our commitment is based on the following principles:

Tax planning

Our tax planning supports OMV's business and reflects commercial and economic activity. OMV does not engage in aggressive tax planning which consists of artificial structures put in place merely to save taxes, or of transactions lacking economic substance aimed at obtaining undue tax advantages.

We comply with applicable tax laws and seek to limit the risk of uncertainty or disputes. We perform transactions between OMV Group companies on an arm's-length basis and in accordance with current applicable OECD principles.

We make use of tax incentives and concessions in a transparent way where they exist and seek to apply them in a responsible way.

OMV Group companies are established in suitable jurisdictions, giving consideration to our business activities and the prevailing regulatory environment available. OMV does not establish its subsidiaries in countries that do not follow international standards of transparency and exchange of information on tax matters unless justified through operational requirements in line with OMV's business ethics principles and our Code of Conduct.

Cooperation with governments

As a forward-looking company, we seek to foster an active and open dialogue with our stakeholders including also governments and tax authorities. Our objective is to communicate openly any controversial issues in a responsible manner and find mutual solutions.

We seek to build and sustain relationships that are motivated by principles of trust, good faith, professionalism, and a search for reciprocal understanding. We work collaboratively wherever possible with tax authorities to resolve disputes and to achieve early agreement and certainty.

We participate in the legislative procedure of governments on the development of tax laws by providing input to governmental institutions either directly or through trade associations and other similar bodies as deemed appropriate.

Transparency

As a listed company, we are subject to strict financial reporting regulations. We prepare our accounts in accordance with IFRS and release annual and quarterly reports on our business with the aim to facilitate understanding of our tax contributions and the tax policies applied.

From 2016 onwards, OMV makes mandatory disclosures in its Consolidated Report on the Payments Made to Governments (according to Section 267c of the Austrian Commercial Code) which is published in the OMV Annual Report.

In addition, OMV reports payments made to governments such as taxes and royalties related to extractive activities in countries that are part of the Extractive Industries Transparency Initiative (EITI).

We also file a Country-by-Country Report (CbCR) with Austrian tax authorities for OMV Group which is part of the OECD's Base Erosion and Profit Shifting (BEPS) Action Plan 13. The CbCR is an annual tax return that breaks down key elements of the financial statements by tax jurisdiction.

Following the publication of the Public CbCR Directive on 1 December 2021 in the Official Journal of the European Union OMV will as EU-based multinational enterprise disclose publicly the income taxes paid and other tax-related information such as a breakdown of profits, revenues and employees per country.

Risk Management and Governance

We continuously carry out risk reviews which include also tax risks in order to assess our current and future financial and non-financial risks, assess how these trends will impact OMV and then develop appropriate responses. We report key risks internally at least twice a year through a very clear defined process to the Supervisory Board. The Executive Board drives OMV's commitment to the risk management program and sets the tone for a strong risk culture across the organization.

We follow OMV's risk management system as part of our internal control processes. We identify, assess and manage tax risks by implementing risk management measures at the operational level through a robust and complex set of controls and procedures which guarantee verification of the correctness of the data included in the relevant tax returns, tax payments and communications with tax authorities in a timely manner. The effectiveness and relevance of these controls and procedures is periodically assessed in order to promptly undertake any necessary mitigation and modifications.

Our Tax Strategy is owned by OMV's Vice President Tax Group and applicable across OMV Group. It is also subject to annual review by OMV's internal experts on tax and compliance and any necessary significant change is submitted for approval to the CFO of OMV.

Assurance on tax matters is embedded in the Corporate Tax Directive which governs the processes and responsibilities for tax activities across OMV Group.

This document was last approved in April 2023.