Annual Report 2023

OMV Aktiengesellschaft

At a Glance

Five-year summary

		2023	2022	2021	2020	2019
Sales revenues	in EUR mn	39,463	62,298	35,555	16,550	23,461
Operating Result	in EUR mn	5,226	12,246	5,065	1,050	3,582
Profit before tax	in EUR mn	4,604	10,765	4,870	875	3,453
Taxes on income	in EUR mn	–2,687	–5,590	–2,066	603	–1,306
Net income	in EUR mn	1,917	5,175	2,804	1,478	2,147
Net income attributable to stockholders of the parent	in EUR mn	1,480	3,634	2,093	1,258	1,678
Clean CCS Operating Result[1]	in EUR mn	6,024	11,175	5,961	1,686	3,536
Clean CCS net income[1]	in EUR mn	3,421	5,807	3,710	1,026	2,121
Clean CCS net income attributable to stockholders of the parent[1]	in EUR mn	2,593	4,394	2,866	679	1,624
Balance sheet total	in EUR mn	50,663	56,863	53,798	49,271	40,375
Equity	in EUR mn	25,369	26,628	21,996	19,899	16,863
Net debt	in EUR mn	2,120	2,207	5,962	9,347	4,686
Average capital employed	in EUR mn	27,720	29,431	29,366	21,555	19,923
Cash flow from operating activities excl. net working capital effects	in EUR mn	4,638	9,843	8,897	2,786	4,264
Cash flow from operating activities	in EUR mn	5,709	7,758	7,017	3,137	4,056
Capital expenditure	in EUR mn	3,965	4,201	2,691	6,048	4,916
Organic capital expenditure[2]	in EUR mn	3,748	3,711	2,650	1,884	2,251
Free cash flow	in EUR mn	2,682	5,792	5,196	–2,811	–583
Organic free cash flow[3]	in EUR mn	2,272	4,891	4,536	1,273	2,119
Return On Average Capital Employed (ROACE)	in %	7	17	10	8	11
Clean CCS ROACE[1]	in %	12	19	13	5	11
Return On Equity (ROE)	in %	7	20	13	9	13
Equity ratio	in %	50	47	41	40	42
Leverage ratio	in %	8	8	21	32	22
Earnings Per Share (EPS)	in EUR	4.53	11.12	6.40	3.85	5.14
Clean CCS EPS[1]	in EUR	7.93	13.44	8.77	2.08	4.97
Cash flow per share[4]	in EUR	17.46	23.73	21.47	9.60	12.42
Dividend Per Share (DPS)[5]	in EUR	5.05	5.05	2.30	1.85	1.75
Payout ratio[5]	in %	112	45	36	48	34
Employees as of December 31		20,592	22,308	22,434	25,291	19,845
Polyolefin sales volumes[6]	in mn t	5.69	5.66	5.93	5.95	5.59
Utilization rate steam crackers Europe[6]	in %	80	74	90	73	93
Fuels and other sales volumes Europe	in mn t	16.3	15.5	16.3	15.5	18.6
Utilization rate refineries Europe	in %	85	73	88	86	97
Production cost	in USD/boe	9.67	8.20	6.67	6.58	6.61
Total hydrocarbon production	in kboe/d	364	392	486	463	487
Total Recordable Injury Rate (TRIR)	in mn hours worked	1.37	1.23	0.96	0.60	0.95

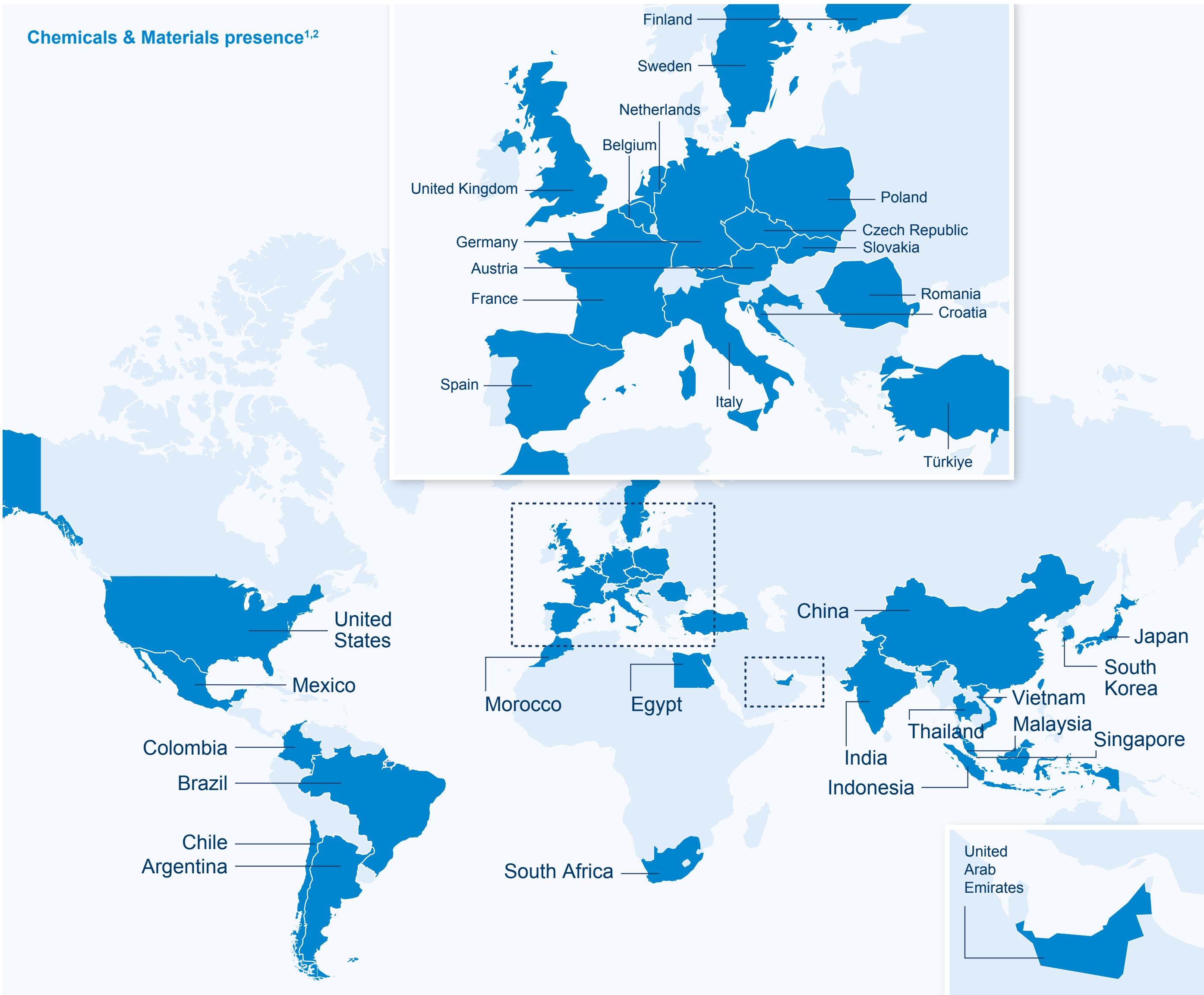
[1] Adjusted for special items and CCS effects; further information can be found in Note 5 – Segment Reporting – of the Consolidated Financial Statements
[2] Organic capital expenditure is defined as capital expenditure including capitalized exploration and appraisal expenditure excluding acquisitions and contingent considerations.
[3] Organic free cash flow is cash flow from operating activities less cash flow from investing activities excluding disposals and material inorganic cash flow components (e.g., acquisitions)
[4] Cash flow from operating activities, based on total weighted average outstanding shares
[5] 2023: as proposed by the Executive Board and the Supervisory Board, subject to adoption by the Annual General Meeting 2024. Includes regular and special dividend.
[6] As of 2021, the Downstream segment was split, and the Chemicals & Materials segment is reported separately. For comparison only, figures for the previous years are shown in the new structure.

Fields of Activity

Chemicals & Materials

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

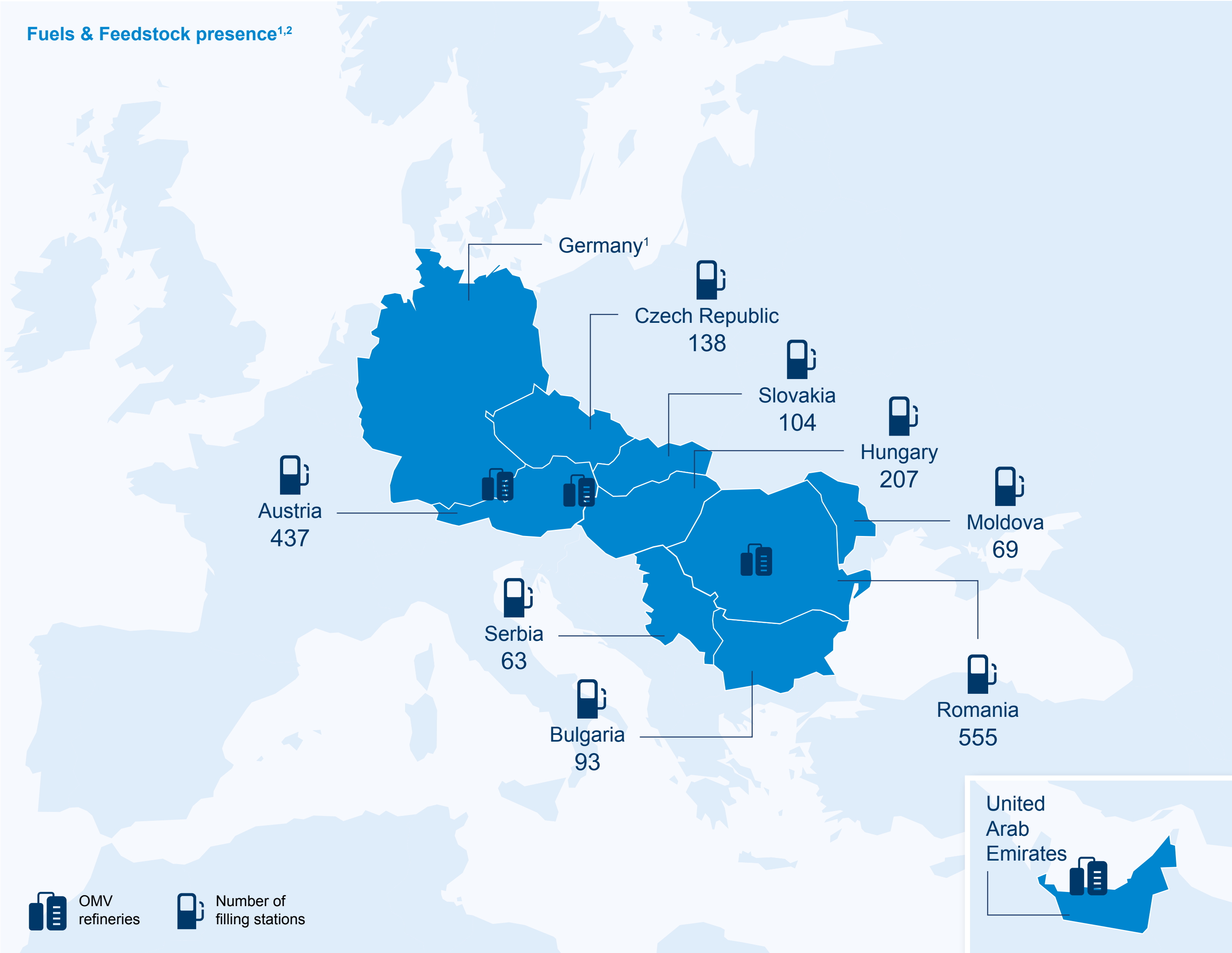
Chemicals & Materials presence[1,2]



[1] In early July 2023, Borealis completed the sale of its nitrogen business including fertilizer, melamine and technical nitrogen products to AGROFERT.
[2] Chemicals & Materials presence comprises OMV's petrochemicals presence as well as the production plants, sales offices, and logistics hubs of Borealis and Borouge.

Fuels & Feedstock

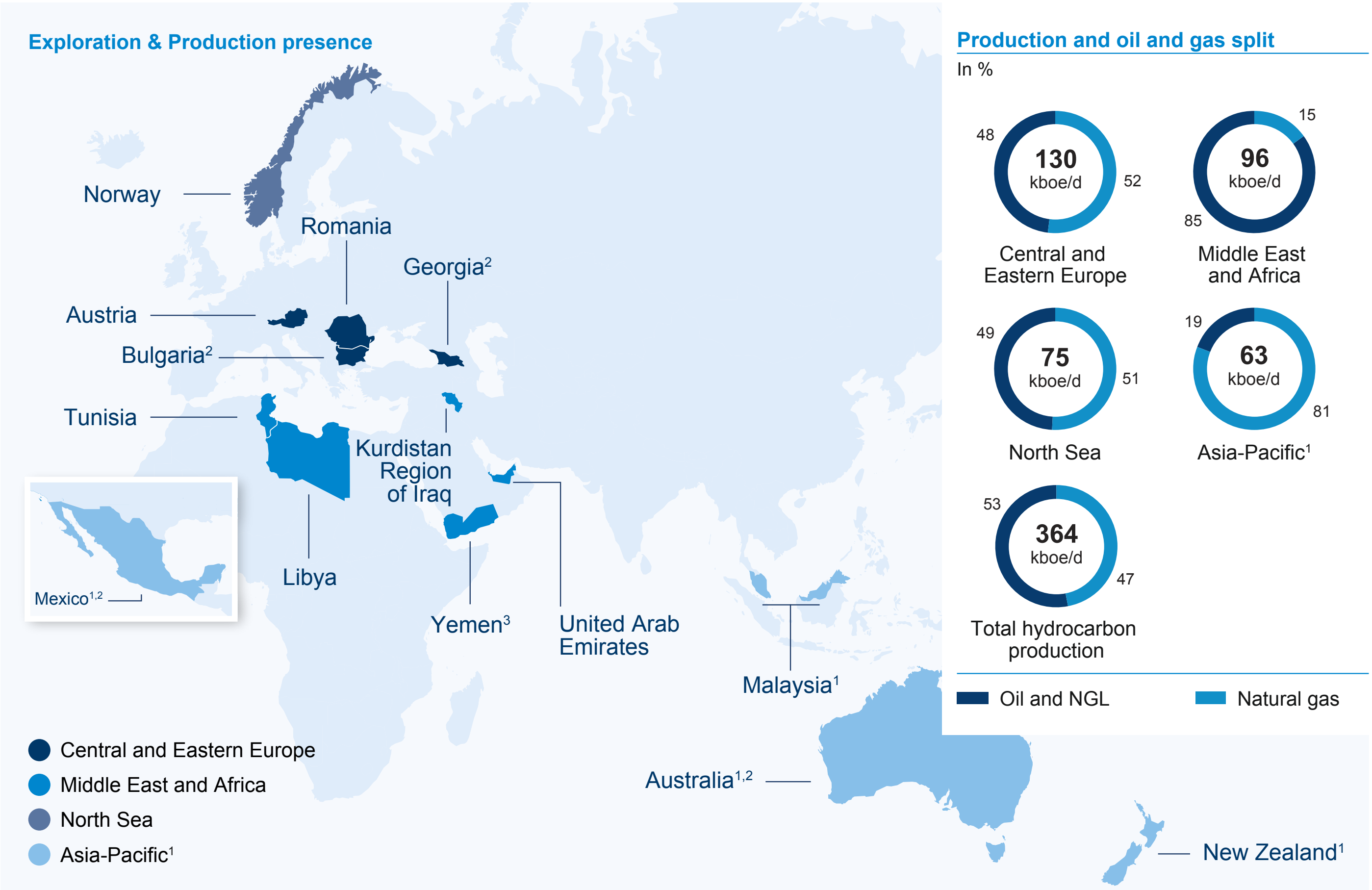
In Fuels & Feedstock, OMV operates three refineries in Europe: Schwechat (Austria) and Burghausen (Germany), both of which feature integrated petrochemical production, and the Petrobrazi refinery (Romania). In addition, OMV holds a 15% share in ADNOC Refining and in ADNOC Global Trading in the UAE. OMV's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



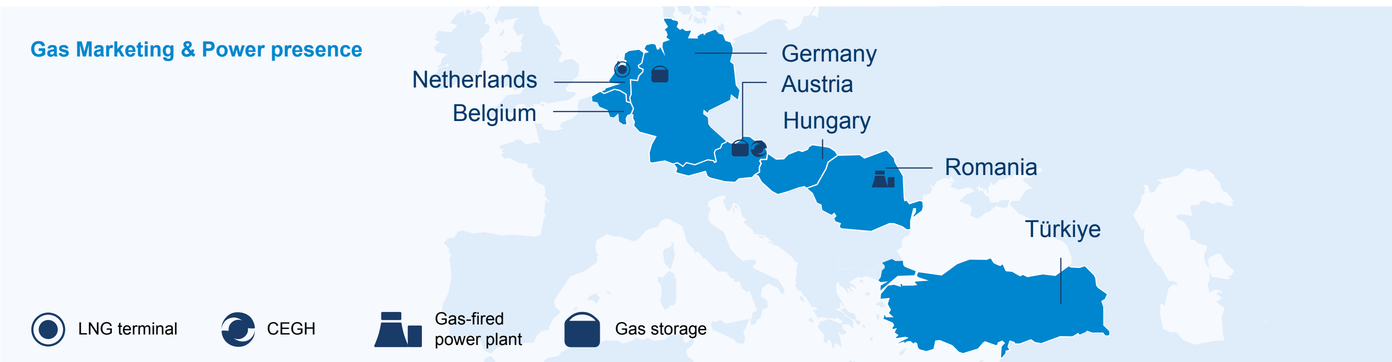
[1] On May 31, 2023, OMV closed the sale of the remaining 17 Avanti filling stations in Germany to PKN Orlen.
[2] On June 30, 2023, OMV closed the transaction to sell its business in Slovenia (118 filling stations) to MOL Group.

Energy

In Energy, OMV explores, develops, and produces crude oil and natural gas in its three core regions of Central and Eastern Europe, the Middle East and Africa, and the North Sea. OMV is currently in the process of divesting its E&P assets in the Asia-Pacific region.[1] Its activities also include the low carbon business and the entire gas business. Daily hydrocarbon production was 364 kboe/d in 2023, with a nearly equal share of liquids and natural gas production. In the Gas Marketing & Power business, OMV markets and trades natural gas and power in several European countries, and it also includes its LNG business. It holds a 65% stake in the Central European Gas Hub (CEGH) and operates natural gas storage facilities with a capacity of around 30 TWh in Austria and Germany, and a gas-fired power plant in Romania.



[1] On January 31, 2024 OMV announced that it had signed an agreement to divest its 50% shareholding in Malaysia's SapuraOMV to TotalEnergies. The divestment is anticipated to close around the end of the first half of 2024, subject to regulatory approvals. SapuraOMV has production and development assets in shallow waters offshore of Malaysia, as well as exploration interests in Mexico, Australia, and New Zealand. Furthermore, OMV announced that the sales process for 100% of the shares in OMV New Zealand Limited is continuing.
[2] Exploration only.
[3] In Yemen, the sales process for OMV's assets in the country is ongoing.



FINANCIAL CALENDAR

April 9, 2024	Trading Update Q1 2024
April 30, 2024	Results January–March 2024
July 9, 2024	Trading Update Q2 2024
July 31, 2024	Results January–June and Q2 2024
October 8, 2024	Trading Update Q3 2024
October 29, 2024	Results January–September and Q3 2024

- **This financial calendar represents only an extract of the planned dates. The complete financial calendar and confirmation of the dates can be found at:** www.omv.com/financial-calendar

- **The HTML version of this annual report can be found here:** www.reports.omv.com/en/annual-report/2023

- **The PDF version of this annual report can be found here:** www.omv.com/annual-report-2023

Contents

1

TO OUR SHAREHOLDERS

8 — 21

“We think in terms of opportunities. OMV is investing in the circular economy and sustainable projects.”

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

▸ **More information is available in the video by Alfred Stern in our online report**
www.reports.omv.com/en/annual-report/2023

Can you summarize in one sentence what 2023 was like for OMV, Mr. Stern?
We achieved the second-highest result in the Company’s history.

How did you manage that?
Our Strategy 2030 is taking effect. All three business segments contributed to the positive result in 2023. Energy in particular was extremely profitable – despite declining energy prices. Fuels & Feedstock also performed well. In Chemicals & Materials, we felt the economic downturn and overcapacity on the market.

2023 was again a year of geopolitical tension. How do you handle this as Chairman of the Executive Board?
Above all else, I hope that the wars around the world will end. So many people are suffering. It’s a terrible situation that touches and moves me. But when I’m at work, I try to block out my emotions as much as possible, and instead focus on what I can influence. On things that OMV itself can have an impact on.

What does that mean specifically for OMV’s business?
A positive mindset is important. We think in terms of opportunities. The environment may be challenging, but there are always business opportunities in every crisis. We’re focusing on both at OMV: on crisis management, which served us well last year, and at the same time, we have the expansion of our promising business segments firmly in our sights. We are shifting our investments over to the circular economy and sustainable projects.

What are your main focal points in OMV’s transformation?
We are allocating on average around 40 percent of our global investment budget annually to sustainable technologies and solutions. In 2023, once again, we got some innovative projects off the ground. For instance, our joint venture “deeep.” With this project, we will be able to supply up to 200,000 households in Vienna with climate-neutral geothermal district heating in just a few years. Another example is Sustainable Aviation Fuel, also known as SAF. This sustainable fuel made from used cooking oil helps to reduce CO_2 emissions from air travel by over 80 percent compared to conventional kerosene.

How much growth do you expect for sustainable fuels?
It’s clear that the need for environmentally friendly mobility is on the rise. We are working on the assumption that demand for sustainable fuels will triple over the next 20 years. By 2030, we want to increase annual production of sustainable fuels and chemical feedstock to up to 1.5 million tons. A significant proportion of this will be SAF. Interest from industry is huge: last year, we concluded further SAF offtake agreements with major aviation companies such as Ryanair and Air France-KLM. But this is just one side of the coin. We are also decarbonizing passenger transport.

» The future success of a company depends on its ability to harness sustainability as a driver of innovation and growth. For this, OMV is exceptionally well positioned.

ALFRED STERN
Chairman of the Executive Board and CEO of OMV

Many car drivers are familiar with OMV filling stations...
These are the customers we're thinking about. We launched OMV eMotion for them in 2023. Under this brand, we're building a comprehensive network of high-performance charging stations for electric vehicles. By 2030, our customers will have access to a total of 2,000 new charging points across OMV's European retail network. They will then be able to charge up with green electricity at OMV filling stations and other locations in Austria, Romania, Slovakia, and Hungary.

You mentioned the circular economy. What is OMV's understanding of this?
Our solutions for the circular economy are shaped by one basic principle: converting waste into valuable feedstock. One example is Europe's largest sorting facility for mixed plastic waste in Walldürn, Germany, which is expected to become operational in 2026. The plant will make it possible to process used plastic that otherwise would have been sent to landfill or incinerated. This material can then be converted into valuable secondary raw materials using our patented ReOil® technology for chemical recycling. The ReOil® plant is currently being built at our Schwechat refinery and should start up this year. As you can see, our approach creates an actual cycle that will reduce CO_2 emissions.

At the same time, OMV is still active in the fossil energy sector. How does that fit into your sustainability strategy?
As part of the sustainable energy transition, we need a healthy dose of realism. The shift over to renewable energies won't take place overnight. Natural gas is an important bridging technology in this scenario. Our understanding is that market demand will remain intact over the next 20 years. That's why we need to balance out short- and mid-term goals in a responsible way. Our approach is to gradually replace fossil-based energy sources. Until that time comes, OMV will remain a reliable supplier. Generating our own energy in Europe is the best way to help ensure the security of supply. We also want to make a contribution, for example through our project Neptun Deep.

You're referring to the drilling in the Black Sea in Romania?
Yes, exactly. OMV Petrom and Romgaz are jointly investing up to 4 billion euros there. In future, it could supply around 100 billion cubic meters of natural gas. Last year, we made huge progress, with over 80 percent of the implementation agreements having now been agreed. Well-known international contractors and suppliers have been enlisted, all of which have the required skills and experience to implement this complex project. Drilling is scheduled to start in 2025, with first production expected in 2027. Thanks to Neptun Deep, Romania will become the EU's main producer of natural gas.

OMV is still receiving Russian gas. Why are you not avoiding that?
Basically, we're no longer investing in Russia and have value adjusted and deconsolidated the business. Russia is no longer a core region for OMV. OMV is also conducting itself in line with sanctions and laws: gas supplies from Russia are not affected by sanctions, and we comply with laws because our valid gas supply contracts contain take-or-pay commitments that OMV cannot ignore without good reason. In this complex situation, we made great progress in 2023 on diversifying our energy sources.

Which alternative gas sources is OMV using?
We're taking a multi-pronged approach. On the one hand, OMV is using its own gas production in Norway and Austria plus gas supplies from third-party producers in Norway and Italy. We have also booked additional pipeline capacities, which will give us access to our non-Russian gas sources and the liquid trading markets should the need arise. We have achieved our goal: OMV can provide customers with gas even if Russian gas supplies cease.

A review always includes an element of looking forward. How do you see the future of OMV?
I am optimistic about the next few years. The success of a company depends on its ability to harness sustainability as a driver of innovation and growth. And with its Strategy 2030 and the 20,600 highly skilled employees, OMV is exceptionally well positioned to achieve this.

Many thanks for the talk, Mr. Stern.

Vienna, March 7, 2024

Alfred Stern m.p.

OMV Executive Board

Alfred Stern
Chairman of the Executive Board
and Chief Executive Officer

Reinhard Florey
Chief Financial Officer

Martijn van Koten
Executive Vice President
Fuels & Feedstock

Daniela Vlad
Executive Vice President
Chemicals & Materials

Berislav Gaso
Executive Vice President
Energy

Dear Shareholders,

As the new Chairman of the Supervisory Board, I am delighted to be addressing you for the first time about topics related to the Executive and Supervisory Board.

After some very turbulent years, the conditions on the energy market in 2023 were somewhat stable again and raw material prices were much lower on average. The chemical sector was in a steep decline, which had a negative impact on the Borealis result. However, by diversifying we were able to achieve an exceptional overall result – the second-highest in OMV's history – for which I would like to offer my sincere congratulations to the management team and all the staff, who were instrumental in this success. Thanks to our strategy, we have set the course for a sustainable future and are taking further steps in this transformation. We are proud of the successful diversification of gas sources, which has allowed us to maximize our contribution to safeguarding the supply of energy.

Taking a look at the performance of the business segments, we can see that this high degree of diversification proved its worth once again in 2023. While the high refining margins in the Fuels & Feedstock segment generated a strong result, the Chemicals & Materials segment experienced much softer demand. Bolstered by the continuous high oil and gas prices in a long-term comparison, the Energy segment made a significant contribution to the overall performance of the Company.

We want to let our shareholders benefit from this strong Group result and the stable financial situation. Combined with the strong result, our dividend policy allows us to recommend payment of a special dividend once again. For you, dear shareholders, this means that we will be proposing the payment of a total dividend of EUR 5.05 per share to the Annual General Meeting for the financial year now ended.

Our key priorities in the Supervisory Board include strategy, Executive Board matters, governance topics, and approval of larger investment projects. Below, I would like to inform you about the Supervisory Board's work during the 2023 financial year.

Composition of the Executive Board and Supervisory Board

At the beginning of 2023, a new organizational structure for the Group came into force to support the chosen strategy – the business segments are now divided into Chemicals & Materials, which comprises the entire chemicals value chain, Fuels & Feedstock, which includes refining, marketing, and trading, and Energy, which covers the exploration and production business, the gas business, and the low-carbon business. The corresponding changes to the composition of the Executive Board were completed in 2023 – the team on the Executive Board is already functioning well and consists of a balanced mix of experienced, long-standing OMV Group managers and new members to ensure an injection of new ideas.

Appointed by the Supervisory Board in November 2022, new Executive Board member Daniela Vlad has been in charge of the Chemicals & Materials business segment since February 1, 2023, which was previously led by Executive Board Chairman and CEO Alfred Stern. Daniela Vlad is a manager with many years of international experience in the chemical business and in leading strategic transformations. She brings chemical and financial expertise and experience in the field of sustainable technical solutions, which are indispensable for profitable growth with emphasis on sustainability and innovation.

Appointed by the Supervisory Board as a new member of the Executive Board in December 2022, Berislav Gaso started in March 2023 as Executive Vice President Energy. Prior to this, CFO Reinhard Florey lead the Energy business segment for two months after Johann Pleininger stepped down with effect from the end of 2022. Berislav Gaso is a proven energy expert with extensive international experience of major transformations and recently held responsibility for exploration and production activities in 13 countries.

Also in March, the Supervisory Board decided to exercise an extension option and extend the position for Executive Vice President for Fuels & Feedstock, Martijn van Koten, by two years. In June 2023, the same decision was made for CEO Alfred Stern, with the mandate for both Executive Board members being extended until 2026. In October 2023, CFO Reinhard Florey was reappointed until 2025, with a mutual extension option until 2027.

» In 2023, the Supervisory Board established an Executive Board team to sustainably and successfully shape the transformation of OMV.

LUTZ FELDMANN
Chairman of the Supervisory Board

There were also changes to the Supervisory Board in 2023. After Mark Garrett announced at the start of the year 2023 that he would not be available for another term of office, I was elected to the Supervisory Board at the Annual General Meeting on May 31, 2023 and took on the position of Chairman of the Supervisory Board. There was one change to the employee representatives: Alfred Redlich was delegated to the Supervisory Board with effect from August 30, 2023, as successor to Mario Mayrwöger.

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.

Feedback from investors plays a crucial role in the work of the Supervisory Board. As your new Chairman of the Supervisory Board, I have allowed myself and see it as my responsibility to take the necessary time before making myself available to investors to answer questions on governance topics. For this reason, we have slightly postponed the Governance Roadshow, which traditionally takes place in Q4. I enjoyed attending in-person and virtual meetings with major institutional investors as well as with one proxy advisor in Frankfurt and London in February 2024. The feedback we received reinforced our commitment to our transformation strategy and confirmed our focus on ESG topics.

As in the past, training specifically designed for the Supervisory Board took place in 2023. The Supervisory Board's annual self-assessment, based on surveys, was supported by an external consultancy firm. The results are used to help decide which issues and activities to prioritize in 2024.

Activities of Supervisory Board committees

Several staffing decisions were made by the Supervisory Board in 2023. The **Presidential and Nomination Committee** was therefore mainly occupied with preparing decisions about extensions to positions on the Executive Board for the CEO, the CFO, and the Fuels & Feedstock business segment.

The **Remuneration Committee** dealt with topics such as the achievements of the goals of the expired incentive plans and setting targets in the new plans. Furthermore, the contractual terms for the extensions to existing Executive Board contracts and a new Executive Board contract were discussed and approved.

In 2023, 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 OMV Group's auditor – which until the end of May 2023 was Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., followed by KPMG Austria GmbH

Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, who was appointed as the new auditor at the Annual General Meeting in May 2023 – attended every meeting of the Audit Committee.

Meetings of the **Portfolio and Project Committee** are held regularly prior to the meetings of the Supervisory Board. The committee used its meetings in 2023 to prepare decisions regarding key investment and M&A projects on the basis of extensive information and intensive discussions.

The **Sustainability and Transformation Committee** met four times in its second year since being established. Its tasks include overseeing the strategy in terms of sustainability, ESG standards, performance, and processes, including HSSE and climate action in particular.

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 Group Directors’ Report pursuant to section 96(1) of the Austrian Stock Corporation Act, as well as the Annual Financial Statements and the 2023 Consolidated Annual Financial Statements. Therefore, the Annual Financial Statements were adopted pursuant to section 96(4) of the Austrian Stock Corporation Act. Both the Annual Financial Statements and the Consolidated Annual Financial Statements for 2023 received an unqualified opinion from the auditors, KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna. The Supervisory Board also approved the (Consolidated) Corporate Governance Report reviewed by both the Supervisory Board and the Audit Committee as well as the (Consolidated) Report on the Payments Made to Governments. The Supervisory Board found no issues during the audits.

Following its review, the Supervisory Board considered the Executive Board’s proposal to the Annual General Meeting to distribute (i) a regular dividend of EUR 2.95 per share, which corresponds to an increase of EUR 0.15 over the previous year, and (ii) a special dividend of EUR 2.10 per share as appropriate and supported this resolution proposal. The remaining amount of the net profit after the dividend distribution will be carried forward to new account. The Supervisory Board will review the separate consolidated non-financial report (Sustainability Report) individually, and this report will be published separately after the Annual Report together with the corresponding Supervisory Board report.

On behalf of the entire Supervisory Board, I would like to express my appreciation of the Executive Board and all employees for their commitment and extremely successful work in the 2023 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 7, 2024

For the Supervisory Board

Lutz Feldmann m.p.

OMV on the Capital Markets

Global equities recovered previous losses in 2023. Technological advances and a resilient US economy helped offset adverse factors such as a weak Chinese economy, the banking crisis, and tensions in the Middle East. After surging 2022 commodity prices, the energy sector lagged behind in 2023, and with it, OMV's share price.

Financial markets

Global and European equities delivered a good recovery during 2023. With the global MSCI World Index and Europe's STOXX 600 up close to 22% and 13% respectively according to Bloomberg, they were able to reverse the losses made a year earlier.

This recovery, however, took place under highly volatile conditions in an eventful year. Against the backdrop of the ongoing war in Ukraine, a persistently weak Chinese economy and high inflation, the banking crisis in March and the war in the Middle East were the key events shaking the markets. Overall, supportive factors fueled by rising optimism about the resilience of the US economy and boosts coming from technological advances in artificial intelligence and anti-obesity medication created a positive sentiment.

Comparing sectors, technology fared best, driven by the artificial intelligence excitement. Outside of the banking crisis, financials profited from rising interest rates. Easing concerns about a strong recession made defensive sectors lag, with the exception of health care, which found some support in the introduction of new weight loss drugs. The energy sector underperformed as the 2022 commodity price surge driven by Russian supply concerns did not re-occur.

Stock prices in the global oil and gas sector showed a bit less volatility over 2023 than the Brent crude oil benchmark price itself. Oil companies' share prices also slumped when the banking crisis hit in March, albeit not as strongly as the commodity price. Subsequent demand concerns on the crude oil front also trickled through into the equity space, however again, not to the full extent. While the Brent crude oil price had decreased by 10% by the end of June compared to the start of the year, the FTSEurofirst 300 Oil & Gas Index had come back by only half of that. On the flip side, the supply reductions that led to the year's high for Brent at the end of September were not fully reflected in share prices. In the final two months of the year, during which Brent oscillated from the effects of a disappointing OPEC meeting and the start of shipping disruptions in the Red Sea, corporate valuations remained relatively stable. By the end of the year, the FTSEurofirst 300 Oil & Gas Index had gained over 4% across the year, while Brent had dropped by roughly the same amount over the same period.

At a glance

		2023	2022	2021	2020	2019
Number of outstanding shares[1]	in mn	327.1	327.1	327.0	327.0	326.9
Market capitalization[1]	in EUR bn	13.0	15.7	16.3	10.8	16.4
Volume traded on the Vienna Stock Exchange	in EUR bn	8.0	9.8	10.4	9.3	8.2
Year's high	in EUR	49.23	58.26	55.00	50.76	54.54
Year's low	in EUR	37.57	36.02	32.74	16.33	39.32
Year end	in EUR	39.77	48.10	49.95	33.00	50.08
Earnings Per Share (EPS)	in EUR	4.53	11.12	6.40	3.85	5.14
Book value per share[1]	in EUR	55.75	58.55	47.41	42.02	39.80
Cash flow per share[2]	in EUR	17.46	23.73	21.47	9.60	12.42
Dividend Per Share (DPS)[3]	in EUR	5.05	5.05	2.30	1.85	1.75
Payout ratio[3]	in %	112	45	36	48	34
Dividend yield[1]	in %	12.7	10.5	4.6	5.6	3.5
Total Shareholder Return (TSR)[4]	in %	–7	1	57	–29	36

[1] As of December 31
[2] Cash flow from operating activities, based on total weighted average outstanding shares
[3] 2023: as proposed by the Executive Board and the Supervisory Board, subject to adoption by the Annual General Meeting 2024. Includes regular and special dividend.
[4] Assuming reinvestment of the dividend

OMV share performance

Starting the year at EUR 48.10, OMV's highest closing price for the whole of 2023 came on the first trading day on January 2, at EUR 49.23. The dominating theme for OMV's share price at the start of the year was the Brent oil price, which was marked by optimism regarding growing demand in China following the end of its COVID-19 lockdown policy. This optimism was soon to be shaken, first by OPEC's decision against a production cut in early February, and again in mid-March by the global economic concerns surrounding the banking crisis in the US, which sent OMV's share price below EUR 40.

The share price recovered after that, driven by strong quarterly results in April and in anticipation of the record dividend to be decided at the Annual General Meeting on May 31. Following the dividend ex-date on June 6, oil demand concerns regained influence. The share price consequently reached its annual low on June 23 at EUR 37.57. Market speculation about a potential Borealis/Borouge merger in early July initiated a share price rebound that was also driven by the oil price, supported by Saudi and Russian supply cuts. This bullish phase lasted into mid-September, peaking above EUR 45.

Market woes about the oil demand development prevailed again after that, overpowering the positive influence stemming from recurring Borealis/Borouge merger speculation. The falling oil price caused by a disappointing OPEC meeting led to another share price low for OMV at around EUR 38 in mid-December, followed by a minor rebound as the oil price recovered on the back of a Red Sea oil transit pause due to Middle East tensions. OMV's share price ended the year at EUR 39.77.

The average daily trading volume of OMV shares in 2023 was 370,377 shares (2022: 420,539). At year-end, OMV's total market capitalization stood at EUR 13.0 bn, compared to EUR 15.7 bn at the end of 2022.

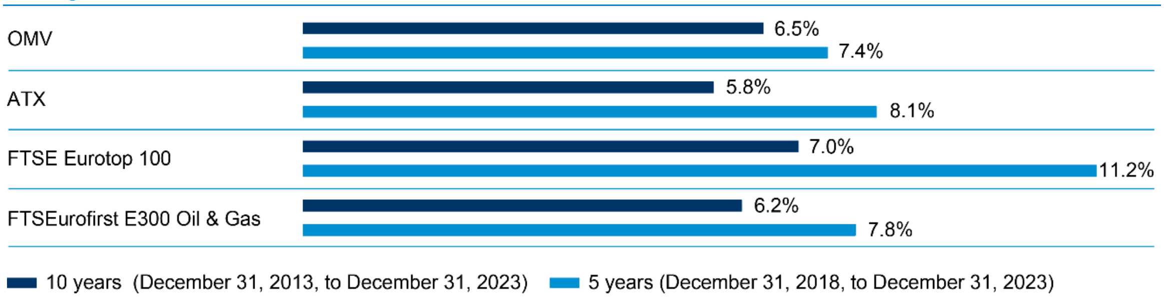
OMV share price performance 2023

In EUR

OMV's share price declined by 17.3% across 2023, thus underperforming the wider market in Austria and Europe. The Vienna Stock Exchange's blue chip index ATX was up by 9.9% and the FTSE Eurotop 100 Index was up by 13.2% over the same period. The European oil and gas sector also underperformed the overall market (FTSEurofirst 300 Oil & Gas +4.4%), with the Brent crude oil price being lower by 4.6% at the end of 2023 compared to the year before. Assuming dividend reinvestment, the total shareholder return for the year was –6.7%. Measured over a five-year period, OMV generated a better return. A EUR 100 investment in OMV stock at year-end 2018 with continuous dividend reinvestment in further OMV stock would have grown by an average annual return rate of 7.4% to EUR 143 at year-end 2023.

OMV shares: long-term performance compared with indices

Average annual increase with dividends reinvested[1]



[1] Source: Bloomberg. The annualized return for the holding period is assuming dividends are reinvested at spot price.

Proposed regular dividend of EUR 2.95 and special dividend of EUR 2.10 per share for the business year 2023

On May 31, 2023, OMV's Annual General Meeting approved a regular dividend of EUR 2.80 per share, plus a special dividend of EUR 2.25 per share, adding up to a total per-share dividend amount of EUR 5.05 for 2022. In addition, the Annual General Meeting approved all other agenda items, including the Long-Term Incentive Plan 2023 and the Equity Deferral 2023. Supervisory Board elections were also held.

For the upcoming Annual General Meeting (to be held on May 28, 2024), the Executive Board will propose a regular dividend of EUR 2.95 per share, plus a special dividend of EUR 2.10 per share for 2023. This represents an annual increase of the regular dividend of 5%. Based on the total amount of dividends paid (regular plus special) of EUR 5.05 per share, the dividend yield calculated using the closing price on the last trading day of 2023 amounts to 12.7%.

Dividend policy

OMV is committed to delivering an attractive and predictable shareholder return through the business cycle. According to its progressive dividend policy, OMV aims to increase its regular dividend every year or at least to maintain the level of the respective previous year.

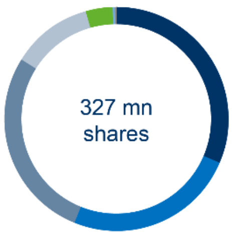
In addition, special dividends serve as a supplementary shareholder remuneration instrument. If the leverage ratio is below 30%, OMV aims to distribute approximately 20–30% of the OMV Group's operating cash flow (including net working capital effects) per year to its shareholders through its regular dividend, as a priority, and additionally, if sufficient funds are available, through the special dividend. If the leverage ratio is 30% or higher, OMV's progressive regular dividend will be maintained, but no special dividend shall be paid.

OMV shareholder structure

OMV’s shareholder structure remained relatively unchanged in 2023 and was as follows at year-end: 43.4% free float, 31.5% Österreichische Beteiligungs AG (ÖBAG, representing the Austrian state), 24.9% Mubadala Petroleum and Petrochemicals Holding Company (MPPH)[1], 0.1% employee share programs, and 0.1% treasury shares.

Shareholder structure[1]

In %



ÖBAG	31.5
MPPH/Abu Dhabi	24.9
Institutional investors	27.7
Retail positions and miscellaneous	11.7
Unidentified free float	4.0
Employee share program	0.1
Treasury shares	0.1

An analysis of our shareholder structure carried out at the end of 2023 showed that institutional investors held 27.7% of OMV’s shares. At 32.2%, investors from the United States made up the largest regional group of institutional investors. The proportion of investors from the United Kingdom amounted to 28.4%, German shareholders made up 9.6%, and those based in France 6.5%. The share of investors from Austria was 5.2%, and Norwegian investors represented 2.0%.

Geographical distribution of institutional investors

In %

United States	32.2
United Kingdom	28.4
Germany	9.6
France	6.5
Austria	5.2
Norway	2.0
Rest of Europe	9.0
Rest of World	7.3

OMV Aktiengesellschaft’s capital stock amounts to EUR 327,272,727 and consists of 327,272,727 no-par value bearer shares. At year-end 2023, OMV held a total of 142,007 treasury shares. The capital stock consists entirely of common shares. Due to OMV’s adherence to the one share, one vote principle, there are no classes of shares that bear special rights. A consortium agreement between the two major shareholders, ÖBAG and MPPH[1], contains arrangements for coordinated action and restrictions on the transfer of shareholdings.

[1] On December 21, 2022, Abu Dhabi National Oil Company (ADNOC) has announced its plan to take over the 24.9% stake in OMV Aktiengesellschaft from MPPH, subject to regulatory approvals. On February 28, 2024, following all conditions under the share purchase agreement between MPPH and ADNOC having been fulfilled, all of the 24.90% of the shares in OMV Aktiengesellschaft were transferred from MPPH to ADNOC.

Environmental, Social, and Governance (ESG) performance

OMV continued to be ranked as best in class in various ESG ratings in 2023. OMV received an AAA, the highest score, in the MSCI ESG Ratings assessment for the eleventh year in a row. This places OMV among the top 14% of oil and gas companies globally. OMV also maintained its Prime status in the ISS ESG rating with a score of B–. This ranks us among the top 10% of oil and gas companies in terms of ESG performance. OMV's Sustainalytics ESG Risk Rating now stands at 27.7 (from 26.7 previously), with a confirmed medium risk rating. This puts us in the top eleventh percentile of the integrated oil and gas sector. OMV was also recognized by CDP with a score of A– (Leadership) in the Climate Change category for the eighth year in a row, earning us a place among the 20 best oil and gas companies in this ranking.

In addition to these outstanding achievements, OMV maintained its inclusion in several ESG indices. Most notably, OMV was included in the Dow Jones Sustainability™ Indices (DJSI World and DJSI Europe) for the sixth year in a row. OMV attained a score in the 94th percentile of its industry in S&P Global's Corporate Sustainability Assessment (CSA), the basis of the DJSI, in 2023. The DJSI World Index represents the top 10% of the largest 2,500 companies in the S&P Global Broad Market Index based on long-term economic, environmental, and social factors. OMV was included in several other S&P indices, such as the S&P Europe 350®, which is based on the S&P Global CSA (like the DJSI). OMV is included in many MSCI indices, such as the prestigious ACWI ESG Leaders Index and the ACWI Low Carbon Leaders Index. Furthermore, OMV maintained its position in the FTSE4Good Index Series, which is used by a wide variety of market participants to create and assess responsible investment funds, and maintained its inclusion in the STOXX® Global ESG Leaders index (based on OMV's assessment by Sustainalytics).

Investment-grade ratings, stable outlook

OMV is rated A– by Fitch and A3 by Moody's, both with a stable outlook. There were no changes to ratings or outlook during 2023.

Analyst coverage

During 2023, the total number of sell-side analysts covering OMV's share decreased to 21, down from 22 at the end of 2022. Deutsche Bank discontinued coverage. The majority of recommendations are "buy" or equivalent, with a share of 63% of all recommendations at the end of 2023, slightly more than at the end of the previous year. "Hold" recommendations dropped back significantly to 21% of recommendations at the end of 2023, down from 33% a year earlier. There were four "sell" recommendations (up from a single one last year), representing a share of 21% of all recommendations. Following the share price development, the average target price for OMV stood at EUR 48.00 exiting 2023, down from EUR 58.80 at the end of 2022.

Investor Relations activities

Ensuring active, candid dialogue with the capital market is a top priority at OMV. The Investor Relations department's mission is to provide comprehensive insight into OMV's strategy and business operations to all capital market participants, thereby guaranteeing equal treatment of all stakeholders. In 2023, the Executive Board and the Investor Relations department strengthened and deepened relationships with analysts and investors across Europe, North America, and Asia. Over the year, OMV was present at more than 30 virtual and in-person investor conferences and roadshows, during which over 500 investor meetings were held.

2

DIRECTORS’ REPORT

22 — 93

About OMV

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

Our purpose and values

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

Our business segments

In Chemicals & Materials, OMV is one of the world's leading providers of advanced and circular polyolefin solutions, with total polyolefin sales of 5.7 mn t in 2023 (2022: 5.7 mn t). It is also a European market leader in base chemicals and plastics recycling. The Company supplies services and products to customers worldwide through OMV and Borealis[1], and its two joint ventures: Borouge (with ADNOC, based in the UAE and Singapore) and Baystar™ (with TotalEnergies, based in the US).

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

In Energy, OMV explores, develops, and produces crude oil and natural gas in its three core regions of Central and Eastern Europe, the Middle East and Africa, and the North Sea. OMV is currently in the process of divesting its E&P assets in the Asia-Pacific region.[2] Its activities also include the low carbon business and the entire gas business. Daily hydrocarbon production was 364 kboe/d in 2023 (2022: 392 kboe/d), with a nearly equal share of liquids and natural gas production. In the Gas Marketing & Power business, OMV markets and trades natural gas and power in several European countries, and it also includes its LNG business. It holds a 65% stake in the Central European Gas Hub (CEGH) and operates natural gas storage facilities with a capacity of around 30 TWh in Austria and Germany, and a gas-fired power plant in Romania.

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

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

Our value chain

05 Refining

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

07 Base Chemicals

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

09 Mechanical Recycling

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

06 Chemical Recycling

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

03 Circular Resources

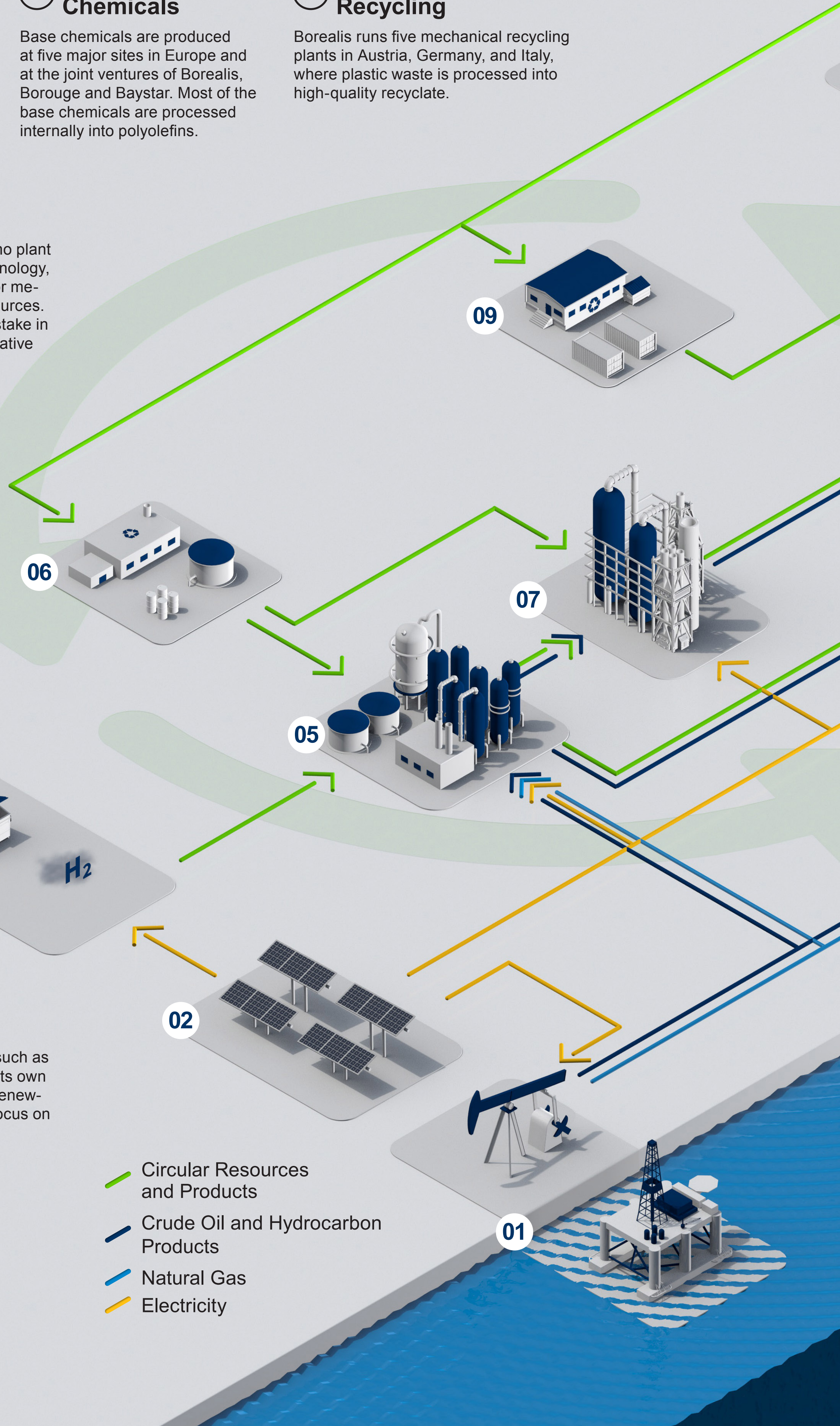
OMV aims to further increase its use of circular resources such as bio-feedstocks, for example waste and residue streams, as well as cultivated algae, plastic waste, and green hydrogen. Furthermore, OMV is also actively looking into synthetic fuels and feedstocks based on CO_2.

02 Renewable Energy

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

01 Hydrocarbon Production

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



16 Industries

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

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

15 Fuels & Others

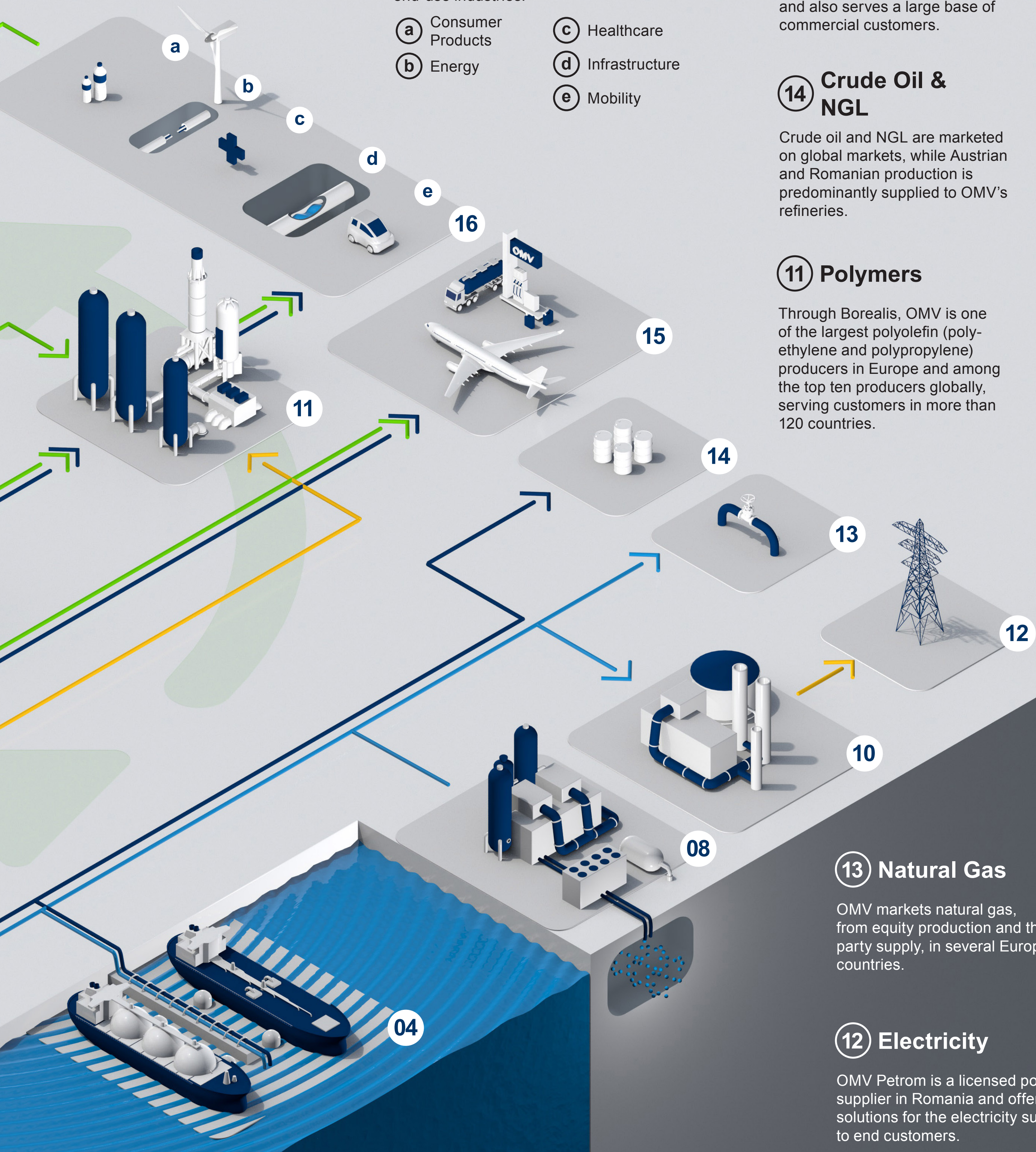
OMV sells its refined products via several retail filling station brands and also serves a large base of commercial customers.

14 Crude Oil & NGL

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

11 Polymers

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



13 Natural Gas

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

12 Electricity

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

04 Supply & Trading

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

08 Natural Gas Storage

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

10 Gas-Fired Power Plant

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

Market Outlook

During 2023, central banks' efforts to combat price rises continued with further interest rate hikes, while the conflict in Ukraine continued into a second year. The world was broadly subject to lower energy commodity prices than in 2022, resulting in easing price pressure on the consumer, especially in Europe. Nevertheless, muted growth prospects have remained a key concern in markets, including for oil, where the return of extensive market management by the OPEC+ group has become a strong driving factor for prices again. These issues are expected to remain central in 2024, while the potential for escalation in the Middle East conflict is also likely to continue to be the focus of markets.

The need to combat price rises across the economy remained a focus for governments and central banks across developed economies in 2023. A higher-rates world has provided a compelling backdrop for almost all aspects of the economy, as market participants and analysts try to understand the timing and extent of impacts as the world shifts further and further away from the low-rates environment that had persisted since the financial crisis of 2007–2009. This debate will undoubtedly continue into 2024. However, disinflationary trends across developed economies had, by the end of 2023, seen focus switch to the prospect of interest rate cuts, if price increases do continue to trend toward the target 2% level.

So far, higher rates appear to have been absorbed comfortably enough by the economy. Growth in the US has diverged from that in Europe, where a couple of major economies were facing the prospect of technical recessions at the end of 2023. However, overall pressure on business activity has so far been only moderate. Unemployment has risen slightly in most countries but has not been a cause for major concern. There had been fears in the spring that the indirect effects of rapid rate increases could impact the economy and markets in ways that were hard to predict, especially in the wake of the collapse of several mid-sized regional banks in the US and then Credit Suisse, though these fears quickly faded.

Lower energy prices have mitigated economic headwinds, with market prices for both oil and natural gas averaging much lower in 2023 than in the prior year. Both markets have continued to adapt to the massive shift that took place in 2022 and the huge associated rerouting of trade flows. European natural gas markets have remained volatile, a logical consequence of their structural dependence on a range of international sources of LNG, as well as the new, larger role of storage as a balancing factor. Nevertheless, both volatility and prices were lower than in 2022.

Meanwhile, oil prices continued to trend lower than their mid-2022 peak during the first half of 2023. The second half of 2023 saw supply reductions from OPEC and other producers, most notably Russia, contributing to a new rally in prices, which reached its peak for 2023 in Q3. Oil prices were briefly bolstered by the return of the so-called geopolitical risk premium following the outbreak of conflict between Israel and Hamas, before they declined toward the end of the year. Both active management of the oil market by OPEC+ and the structural vulnerability of the European natural gas market will remain key features of the energy landscape in 2024.

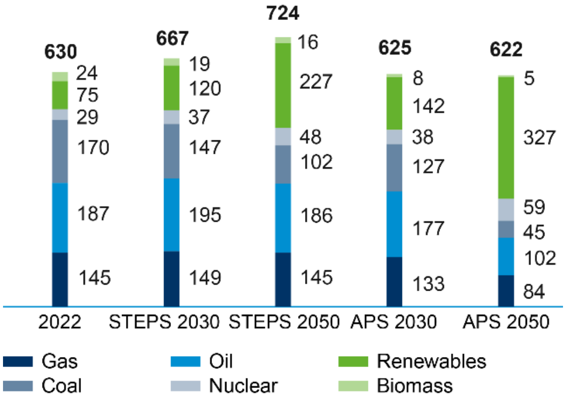
In refining, 2023 provided a very supportive environment for margins. While benchmark refining margins in Europe did not return to the extreme highs seen in 2022, they did massively exceed average levels from the prior years. The market was again characterized by persistent outperformance of middle distillates, a pattern that reemerged in the second half of the year, driven in part by the removal of significant volumes of sour crude oil from the market by OPEC+ producers. The outlook for 2024 is tempered by the likely addition of major refining capacities, as well as uncertainty over the level of oil demand growth. As of late 2023, the International Energy Agency (IEA) was estimating total global oil demand growth for 2024 at around 1 mn b/d, which would represent a marked slowdown from the preceding two years.

For the medium and longer term, the path of the energy transition and the decarbonization of the economy remain sources of contention and uncertainty. The trend toward cumulative increases in national, regional, municipal, and corporate pledges to decarbonize energy systems and economies continued again in 2023. According to the University of Oxford's Carbon Tracker, an estimated 92% of global GDP is now covered by a net-zero pledge, a slight increase (2 percentage points) year-on-year. In the corporate world, of the largest 2,000 companies by revenue globally, a majority now have at least a proposal to achieve net-zero emissions. More than one third have a net-zero target as part of their corporate strategy.

These changes continue to be reflected in scenarios from major voices in the energy industry. The IEA, in its most recent World Energy Outlook, shows another incremental shift in projected future demand away from coal, oil, and gas and toward renewables and electricity in its STEPS scenario, which provides a view of the energy system based on current policy settings. The gap to a trajectory that achieves the maximum temperature increases described in the Paris agreement remains significant, however. Scenarios that achieve net-zero emissions for the global energy system by 2050 require even faster deployment of low-carbon technologies and associated declines in fossil fuel demand than when they first started to emerge in 2021, due to the growth in demand in the interim.

World total primary energy supply

In EJ



Source: IEA World Energy Outlook 2023

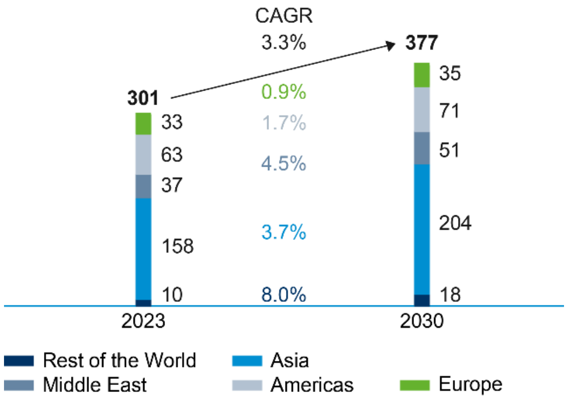
In the **Stated Policies Scenario (STEPS)**, the average annual growth rate of 0.7% in total energy demand to 2030 is around half the rate of energy demand growth of the last decade. Demand continues to increase through to 2050.

In the **Announced Pledges Scenario (APS)**, total energy demand flattens, thanks to improved efficiency and the inherent efficiency advantages of technologies powered by electricity – such as electric vehicles and heat pumps – over fossil-fuel-based alternatives.

In the **Net-Zero Emissions by 2050 Scenario**, electrification and efficiency gains proceed even faster, leading to a decline in primary energy of 1.2% per year to 2030.

Global petrochemicals[1] demand

In mn t



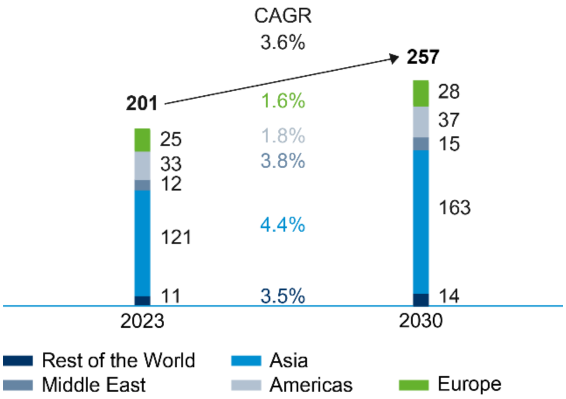
Source: Chemical Market Analytics by OPIS, a Dow Jones Company; fall 2023

[1] Ethylene and propylene

Oil demand for chemical production is expected to increase, primarily originating from rising demand in emerging markets and closely linked to GDP development. By 2030, oil demand for chemical production will rise by about 3% per year. Approximately 80% of chemical and plastic demand growth will be concentrated in emerging markets, mainly Asia, up to 2030 and beyond. This region represents most of the global population growth and the corresponding potential for improving living standards. For mature markets such as Europe, North America, and Japan, demand growth is anticipated to remain healthy in the long term, in line with economic development, but growth rates are expected to slow.

Global virgin polyolefin demand

In mn t

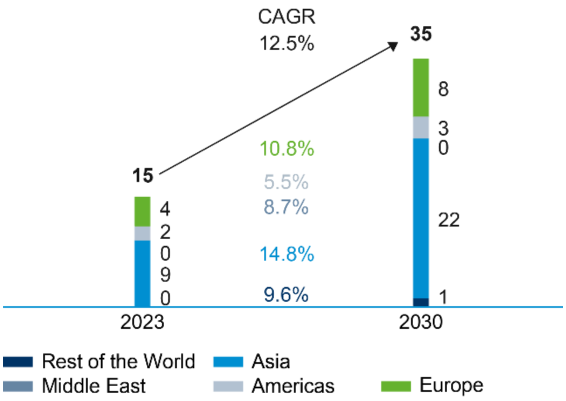


Source: Chemical Market Analytics by OPIS, a Dow Jones Company; fall 2023

Polyolefins are the largest market segment in producing plastic goods. Demand for virgin polyolefins will continue to grow at a rate above global GDP until 2030, driven by the Asian market. Polyolefins will remain essential for various industries, including packaging, construction, transportation, healthcare, pharmaceuticals, and electronics.

Global recycled polyolefin demand

In mn t



Source: Chemical Market Analytics by OPIS, a Dow Jones Company; fall 2023

The key success factor for medium- to long-term sustainable business models is growth in renewable feedstocks, bioplastics, and the development of circular solutions. Recycled polyolefin demand is expected to grow at a rate more than three times faster than global GDP until 2030, with Asia having the largest share.

Scenario analysis

OMV uses two different scenarios: the base case and the 'net zero emissions by 2050' case. The scenarios differ in the underlying expectations about the pace of the future worldwide decarbonization and lead to different assumptions for demand, prices and margins of fossil commodities.

1. The base case is built on a scenario developed by the internal Market Intelligence department and assumes that all decarbonization pledges announced by governments around the world will be implemented in full and on time. In this scenario, the temperature increase by 2100 will be limited to 1.7°C with a probability of 50%. The underlying demand and price developments of fossil commodities are in line with the IEA APS.[1] The base case is used for mid-term planning as well as for estimates relating to the measurement of various items in the Group financial statements, including impairment testing of non-financial assets and the measurement of provisions.
2. The 'net-zero emissions by 2050' case which is based on a faster decarbonization path than the base case is used for calculating sensitivities to recognize the uncertainty of the pace of the energy transition and to better understand the financial risk of the energy transition on the existing assets of OMV. The assumptions used in this case are in line with the Net-Zero Emissions by 2050 (NZE) scenario modeled by the IEA.[1] It shows a pathway for the global energy sector to achieve net-zero CO_2 emissions by 2050 and is compatible with limiting the temperature increase to 1.5°C.

For details on climate change-related risks and their management, see the chapter Risk Management and Note 2 of the Consolidated Financial Statements.

[1] Based on the World Energy Outlook 2022 report published by the International Energy Agency (IEA).

Strategy

OMV's goal is to transform from an integrated oil, gas, and chemicals company into a leader in innovative sustainable fuels, chemicals, and materials, leveraging opportunities in the circular economy. The Group aims to become a net-zero emissions company by 2050 for all three scopes of greenhouse gas emissions. By taking this path, OMV expects to deliver an operating cash flow excluding net working capital effects of around EUR 6 bn by 2025 and at least EUR 7 bn by 2030, a ROACE of at least 12%, and to grow the distributions to its shareholders. Re-inventing essentials for sustainable living is OMV's purpose.

Strategic cornerstones

OMV's goal is to transform from an integrated oil, gas, and chemicals company into a leader in innovative sustainable fuels, chemicals, and materials, leveraging opportunities in the circular economy. An integral part of the Group's strategy is its ambition to become a net-zero emissions company by 2050 for Scope 1, 2, and 3 emissions. In view of the ongoing transformation in the energy industry and a global goal of net-zero emissions, OMV is building on its strengths and seizing opportunities to position itself competitively.

2030 strategic priorities

- Become a net-zero emissions company by 2050; reduce Scope 1 and 2 emissions by 30% and Scope 3 emissions by 20% by 2030
- Develop into a global leader in specialty polyolefin solutions
- Establish a global leadership position in circular economy solutions
- Become a leading European producer of sustainable fuels and chemical feedstocks
- Build a low carbon business
- Shift to gas and reduce fossil production
- Enhance OMV's shareholder value: deliver growth with strong financials and reward its shareholders through progressive regular dividends and special dividends

OMV is committed to becoming a net-zero emissions company by 2050 (Scopes 1, 2, and 3) and has set interim targets for 2030 and 2040, with well-defined actions to meet the 2030 targets. By 2030, OMV aims to reduce its Scope 1 and 2 emissions by 30% and its Scope 3 emissions by 20%. The Group also aims to reduce its intensity in energy supply by 20% by 2030. This will be achieved by increasing zero-carbon energy sales, increasing polyolefin recycling and sustainable feedstocks and products, and using neutralization measures such as CCS, while decreasing fossil fuel sales.

This path will enable OMV to deliver an operating cash flow excluding net working capital effects of around EUR 6 bn by 2025 and at least EUR 7 bn by 2030, a ROACE of at least 12% in the mid and long term, and continuation of its attractive shareholder distributions. These are supported by sound capital allocation priorities and a strong balance sheet, with a mid-/long-term leverage ratio of below 30%.

Building on its current strengths and a vision of leadership in technology and innovation, OMV will be well positioned to thrive sustainably in a world with low greenhouse gas (GHG) emissions. This strategy enhances OMV's shareholder value, as its transformation path allows for a sustainable growth business model, showing the Group's commitment to cutting GHG emissions and delivering strong financials and attractive shareholder distributions.

The Chemicals & Materials business will be the core growth engine of the Group. OMV aims to become a global leader in specialty polyolefin solutions, with a significantly stronger position in the Middle East, Asia, and North America. The Group will strengthen its existing polyolefins business, while also building a strong and diversified chemicals and materials portfolio by expanding into adjacent businesses and new product groups. To achieve this, OMV will target investments and initiatives that improve its returns and carbon footprint. Moreover, OMV will expand its geographical reach, pursuing high-growth markets such as Asia and North America. This will be achieved through in-market investments and partnerships based on differentiated technologies and application portfolios. Furthermore, the Company will diversify its

Note: The financial targets for 2025 are based on the following market nominal price assumptions: Brent oil price of USD 65/bbl, THE (Trading Hub Europe) gas price of EUR 22/MWh, refining indicator margin Europe of USD 4.3/bbl, ethylene/propylene indicator margin Europe of EUR 430/t, polyethylene/polypropylene indicator margin Europe of EUR 420/t. The financial targets for 2030 are based on the following market nominal price assumptions: Brent oil price of USD 70/bbl, THE (Trading Hub Europe) gas price of EUR 24/MWh, refining indicator margin Europe of USD 4.3/bbl, ethylene/propylene indicator margin Europe of EUR 500/t, polyethylene/polypropylene indicator margin Europe of EUR 480/t.

presence beyond polyolefins by entering into specialty chemicals and materials to build leadership positions.

An important pillar of OMV's strategy is the ambition to become a leader in renewable and circular chemicals and materials. The Group will capture the potential of emerging renewable and circular markets by leveraging its integrated technology platform and end-to-end position to develop innovative products and new business models. The circular economy is crucial for a long-term, sustainable chemicals business. Thus, a transition toward an economically viable commercial scale is needed. In this context, the Group's target is to deliver around 2 mn t of sustainable Chemicals & Materials products by 2030. 80% of these volumes are planned to be produced in Europe, which represents around 40% of OMV's polyolefin production capacity in Europe.

OMV also aims to become a leading innovative producer of sustainable fuels and chemical feedstocks. To achieve this, the Company will optimize the interface between fuels and chemicals by redesigning plants to maximize high-value fossil resources. The production of renewable fuels and sustainable feedstocks in all three refineries will increase to approximately 1.5 mn t. Crude oil distillation throughput in Schwechat and Burghausen is expected to decrease by 2.6 mn t. OMV aims to increase the chemical yield in Western refineries to around 24%, while diesel output should be significantly reduced by 2030. In the Petrobrazi refinery, the Group aims to build new production units for advanced biofuels and green hydrogen.

Furthermore, OMV aims to become the first choice of our customers for energy, mobility, and convenience, focusing on the sale of sustainable aviation fuels, building an EV charging network, and growing its non-fuel retail business.

In the Energy business, OMV is focusing on maximizing value and harvesting cash. OMV plans to make significant investments in low-carbon solutions, namely in around 10 TWh of renewable energy (e.g., geothermal) and around 5 mn t p.a. of CCS capacity by 2030 to reduce its GHG footprint. Until 2030, OMV gradually aims to reduce its fossil production to ~350 kboe/d by 2030, with a share of around 60% of natural gas. The Energy business will act as a cash engine for the Group and will support the transformation.

Chemicals & Materials (C&M)

2030 strategic priorities

- Develop into a global leader in specialty polyolefin solutions
- Grow in attractive markets, with a particular focus on North America and Asia
- Grow sustainable chemical production capacity to up to 2 mn t
- Establish a leading position in renewable and circular economy solutions
- Diversify portfolio by entering adjacent products and new product groups

Demand for chemical products will continue to grow above global GDP, even in a low GHG emission world. Virgin polyolefin demand is expected to grow slightly above global GDP with a CAGR (2023–2030) of 3.6%. Most of this demand growth stems from high-growth markets in Asia and is associated with a variety of different end-user markets and applications, providing a natural hedge against the volatility of individual industries. Recycled polyolefins are projected to grow with a CAGR (2023–2030) of 12.5%, significantly above GDP, thanks to strong end-market commitments especially in the consumer goods sector, increasing regulations, and the need for end-of-life solutions for plastic waste.

Polyolefins play a critical role as eco-efficient enablers for a sustainable future, e.g., enabling lighter-weight automotive solutions and packaging that reduces food waste and increases shelf life. The current linear value chain in polyolefins faces significant challenges: mismanaged and unmanaged waste, environmental pollution, unnecessary emissions, and accumulation of microplastics. Transforming the value chain from a linear into a circular model will be one of the priorities for a sustainable chemicals business going forward. However, this requires a profound transformation to enable scale at attractive profitability. Current feedstock accessible directly from recycling is limited. For this reason, tapping into upstream and downstream feedstocks, primarily through partnerships, is critical to ensuring sufficient access to plastic waste. Partnerships with brand owners and retailers ensure attractive long-term offtake agreements with green product premiums. In addition, the future operating model needs to be set up to rapidly respond to changing customer and regulatory demands, with a primary focus on the advanced European landscape but also on the ability to quickly roll out successful blueprints globally.

OMV aims to strengthen its polyolefins business by building on existing strengths and capabilities and fully exploiting competitive advantages to grow into adjacent markets, targeting investments and initiatives that improve returns and decrease the Group's carbon footprint.

C&M has a strong pipeline of organic growth projects in Europe, the Middle East, and North America.

Key growth initiatives include:
- Expansion of the Burghausen naphtha-based steam cracker (2022)
- Expansion of propylene production capacities in Belgium. Building a 750,000 t propane dehydrogenation (PDH) plant in Kallo, which is expected to start up in 2025
- Expansion of North American footprint through Baystar JV, building a 1 mn t ethane-based cracker and expanding the polyethylene plant's capacity to >1 mn t annually. The steam cracker started up in 2022, and the polyolefin plant Bay 3 started end of 2023.
- Expansion of Borouge JV through the mega project Borouge 4, building an ethane-based steam cracker of 1.5 mn t and polyolefin plants with a capacity of 1.4 mn t. The steam cracker and polyolefin plants are expected to start up at the end of 2025.

The C&M business is seeking to strengthen its polyolefin and specialty product portfolio, securing attractive margins. The business aims to grow in Asia and to strengthen its North American footprint via organic and inorganic investments. In addition, to further broaden its portfolio, C&M aims to tap into adjacent pockets of value creation and develop a more broadly diversified chemicals leadership position, primarily through M&As.

Key growth initiatives via organic or inorganic investments include building a polypropylene position in North America, growing in differentiated specialty products, and growing in Asia in specialty polyolefins and circular solutions.

In addition to overall market attractiveness, strategic fit, and value creation, key investment criteria for potential diversification opportunities are sustainability and geographical footprint. A continued focus on innovation will be essential to maintaining technology leadership.

In July 2023, OMV decided to pursue negotiations with ADNOC on a potential combination of Borealis and Borouge. The transaction would create a global polyolefin company with material presence in key markets and potential for growth, accelerating OMV's strategy implementation. Open-ended negotiations are still ongoing, aiming for equal terms under a jointly controlled, listed platform.

The Group aims to become a leader in renewable and circular chemicals and materials. To achieve this goal, the Group plans to capture emerging renewable and circular market potential by leveraging its integrated technology platform and end-to-end position to establish new products and novel business models.

The aim is to deliver approximately 2 mn t p.a. of sustainable products by 2030, with a focus on Europe: 40% of OMV's polyolefin production capacity in Europe is planned to be sustainable. This will be accomplished by accelerating ongoing (advanced) mechanical and chemical recycling initiatives in Europe, as well as by using bio-feedstocks. The sustainable products will be the result of the increasing use of bio-monomers for polyolefins and the broader chemicals portfolio, and leveraging the close integration with OMV's Fuels & Feedstock business. Building on its European sustainability leadership, C&M will utilize its global footprint to expand circular economy solutions globally with existing joint ventures, new growth platforms, and additional partnerships across Asian and North American assets.

OMV's C&M business will be the major growth engine of the Group. With a portfolio of various growth initiatives, it will balance sustainability, risk, and returns and strengthen resilience against market dynamics. The C&M strategy has significant growth and value creation potential.

Total organic investments in Chemicals & Materials will average EUR 0.9 bn p.a. in 2022–2030, EUR 0.3 bn p.a. of which will be allocated to sustainable and CO_2 emissions reduction projects.

Fuels & Feedstock (F&F)

Strategic priorities

- Increase chemical yield to 24% in Western refineries
- Grow the production of renewable mobility fuels and sustainable chemical feedstocks to approximately 1.5 mn t, while reducing crude oil distillation throughput by 2.6 mn t
- Market at least 700,000 t of sustainable aviation fuels
- Invest in an EV charging network and significantly increase margin contribution from the non-fuel retail business
- Significantly reduce absolute Scope 1, 2, and 3 emissions

Going forward, F&F will reshape its product portfolio, building on renewable mobility fuels and sustainable chemical feedstocks. The Company is focusing on safe, innovative, and ecologically and economically sustainable operations. As a result, F&F will enable the transformation to low-carbon operations and sales while maintaining strong profitability.

European fossil refining market potential is expected to decrease up to 2030, as both volumes and refining margins are forecast to be under pressure driven by the pace of the energy transition in Europe. In the same time horizon, strong growth will materialize for renewable mobility fuels, as well as sustainable chemical feedstocks. To leverage the opportunities of the ongoing energy transition, the F&F division is developing a sustainable production portfolio for renewable fuels and sustainable chemical feedstocks, such as the co-processing of biogenic feedstocks in Schwechat, reaching approximately 1.5 mn t in total by 2030. In this context, the sourcing of bio-feedstocks will be a critical success factor. 80% of OMV's feedstock requirements for 2030 already has a clear sourcing plan. In the same time period, F&F will decrease crude oil distillation throughput in the Schwechat and Burghausen refineries, from 12.9 mn t in 2019 to approximately 10.3 mn t in 2030, in line with changing demand patterns. This adaptation will significantly reduce heating oil and diesel product output by 2030, while increasing the chemical yield to around 24% for the Western refineries. In the Petrobrazi refinery, the Group aims to build new production units for advanced biofuels and green hydrogen.

OMV will optimize the interface between oil and chemicals, with a focus on the integrated Schwechat and Burghausen sites, by reconfiguring plants and sites to maximize high-value fossil resources, and with a growing share of sustainable feedstocks for chemicals production. OMV will continue to operate its three European refineries in Austria, Germany, and Romania as an integrated system, optimizing asset utilization and maximizing margins. Furthermore, the Company is implementing energy and operational efficiency measures within the existing refinery assets to maintain a leading cost position in Europe.

OMV's goal with its international, non-operated refining positions in the UAE (ADNOC Refining) and Pakistan (PARCO) is to improve their commercial performance. The focus in the short to mid term will be on operational excellence and performance culture at each asset. In the mid to long term, OMV will evaluate commercial options for the production of sustainable mobility fuels and chemical feedstocks.

The F&F activities in Europe secure OMV's customer and market access. In line with changing demand patterns, as well as regulatory obligations, OMV will gradually transform its product portfolio to include more sustainable fuels and services by 2030, thereby increasing the resilience of its product mix. OMV will build a growing business for sustainable aviation fuels (SAF) in Europe by establishing new market positions in the vicinity of planned production sites. F&F strives to market at least 700,000 t of SAF by 2030. OMV will aim to grow SAF sales volumes significantly beyond the planned regulatory framework and will target the growing voluntary compliance market. Simultaneously, F&F will sustain its position of bitumen and marine fuel oil to safeguard refinery utilization, while continuing to evolve these products to lower GHG emissions.

In Retail Mobility & Convenience, OMV intends to further develop existing market potential by significantly growing the non-fuel business sector. New gastronomy and service concepts, as well as cooperation in the food logistics sector, are expected to significantly increase the volume and margin of the non-fuel business by 2030. In parallel, the Company will further increase its premium fuel share as a differentiator and significant margin generator by 2030. OMV Retail Mobility & Convenience will expand into e-mobility, building a leading position in out-of-home electric vehicle (EV) charging locations such as highway and transit refilling stations, as well as convenience hubs. With a total investment in this segment of more than EUR 400 mn by 2030, OMV will grow the profitability of the retail business as well as monetizing the value of its assets.

Total organic investments in the F&F business will average EUR 1 bn p.a. in 2022–2030, EUR 0.5 bn p.a. of which will be allocated to sustainable and carbon emissions reduction projects.

With this new strategy, OMV will accelerate the attainment of its goal of lowering GHG emissions by reducing fossil fuels, stepping up the production and marketing of renewable fuels and sustainable chemical feedstocks, and implementing energy efficiency measures.

Energy

2030 strategic priorities

- Portfolio managed as a robust cash generator to support the Group's transformation
- Low-carbon business solutions will be developed, with around 10 TWh in renewable energy (e.g., geothermal) and around 5 mn t p.a. CCS, to significantly reduce absolute and relative GHG emissions
- Production is expected to be ~350 kboe/d by 2030, excluding any potential divestments
- Upon evaluation of its portfolio, OMV started the process of divesting its E&P assets in the Asia-Pacific region (Malaysia and New Zealand).

In the context of the ongoing energy transition and to support OMV Group's transformation, Energy will be managed as a robust cash generator and will focus on further upgrading its competitive asset portfolio, concentrating on the three core regions: Central and Eastern Europe, the North Sea, and the Middle East and Africa. The shift of the hydrocarbon portfolio to gas will continue, with further divestments of non-core positions to improve efficiency, while the low-carbon business will be ramped up to achieve a material contribution by the end of the decade. OMV is in the process of divesting its E&P assets in the Asia-Pacific region: a 50% stake in SapuraOMV Upstream Sdn. Bhd. and 100% of the shares in OMV New Zealand Limited. On January 31, 2024, OMV has signed an agreement to divest its 50% shareholding in Malaysia's SapuraOMV Upstream Sdn. Bhd. to TotalEnergies. The divestment is anticipated to close around the end of the first half of 2024.

Boosting value delivery and cash generation are the main goals and criteria for managing and developing the portfolio of oil and gas assets, with a strong emphasis on gas. The delivery over the mid term of key projects in the portfolio, such as the Neptun development in Romania, and the Umm Lulu SARB Phase 2 plateau extension in the UAE, will support strong cash generation by and beyond 2025. OMV expects production levels of ~370 kboe/d by 2025 and ~350 kboe/d by 2030, with a share of around 60% of natural gas, excluding any potential divestments. In order to sustain the above-mentioned production levels, ramp up the low-carbon business, and deliver strong cash generation, OMV Energy anticipates a total annual average CAPEX in 2022–2030 of around EUR 1.6 bn, EUR 0.6 bn of which is earmarked for low-carbon activities. OMV's exploration and appraisal activities are being streamlined further, and the total annual average budget is expected to be around EUR 0.2 bn over the decade. Toward the end of the decade, oil and gas CAPEX and E&A expenditure will be reduced, thereby allowing for more capital to be allocated to ramping up the low-carbon business and the broader OMV transformation.

OMV Energy plans to reinforce the competitiveness of its portfolio and resilience through a strong focus on operational excellence, fostered by digitalization and agile ways of working, as well as portfolio optimization.

To supply its gas customers, OMV will continue to complement its own natural gas production in Norway, Austria, and Romania with third-party supply sources. The equity gas contribution to the gas sales business will decrease significantly toward the end of the decade in the Northwestern European region due to natural field decline. As needed, this will largely be replaced with green gases, such as biogas and hydrogen, primarily obtained from the markets, to reduce the carbon intensity of its product portfolio. New equity gas volumes from the Romanian Neptun project will keep volumes high in Southeastern Europe. OMV will also aim to direct an increasing share of its natural gas sales to customers from non-energy sectors, to further reduce its Scope 3 portfolio emissions.

The Group will explore a range of opportunities and portfolio choices that enhance cash flow generated by the current Energy business and support a potential accelerated transition to sustainable fuels, chemicals, and materials. These opportunities may include capturing the full value potential of the asset base, e.g., low-carbon business potential, maintaining reservoir production excellence, and optimizing costs as well as assessing and developing joint venture opportunities for selected assets without excluding inorganic options.

To reduce its operational carbon footprint, OMV Energy will pursue the phase-out of routine gas flaring and venting, reduce fugitive methane emissions, and introduce portfolio optimization measures. In addition, renewable energy projects will also be pursued for the purpose of powering OMV's own operations. To achieve an overall reduction of both absolute and relative GHG emissions from its product portfolio, OMV Energy will leverage its existing asset base and core skills to deliver financially strong low-carbon business projects. Available opportunities will be captured to build up geothermal energy capacity that generates up to 9 TWh p.a. by 2030. In addition to geothermal, around 1 TWh from renewable power will be developed in OMV core regions with favorable sun and wind conditions to serve primarily captive demand, thereby reducing Scope 2 emissions by OMV's own operations. The Energy business will further tap into its existing reservoirs and (sub-)surface capabilities to implement opportunities that lead to a CCS capacity of approximately 5 mn t p.a. of CO_2 net to OMV by 2030. In addition, further opportunities where OMV Energy can leverage its strengths and capabilities are being explored, e.g., hydrogen and energy storage, and will potentially be pursued in consideration of OMV's strategic priorities.

Decarbonization strategy

2030 strategic priorities

- Reduce OMV Group Scope 1 and 2 emissions by 30%
- Reduce OMV Group Scope 3 emissions by 20%
- Reduce OMV Group carbon intensity of energy supply by 20%

All reduction targets are measured against a 2019 baseline.

OMV is committed to achieving net-zero emissions (Scopes 1, 2, and 3) by 2050, with interim targets for 2030 and 2040. OMV targets are set at an absolute and intensity level with the ultimate goal of achieving net-zero emissions in Scopes 1, 2, and 3 by 2050. For Scopes 1 and 2, OMV is aiming for an absolute reduction of 30% by 2030 and of 60% by 2040. For the defined categories in Scope 3, OMV is aiming for an absolute reduction of 20% by 2030 and of 50% by 2040. In terms of reducing the carbon intensity of energy supply, OMV intends to achieve a decrease of 20% by 2030 and 50% by 2040.

OMV has also voluntarily committed to applying the Oil and Gas Climate Initiative (OGCI) framework. As a result, OMV committed to:

- E&P methane emissions accounting shall be in line with the OGCI framework as a minimum
- Operated E&P assets must have a source-level measurement of methane emissions (OGCI level 4) in three years' time at the latest
- Reduce methane intensity to 0.2% by 2025 and to 0.1% by 2030.

OMV awaits the publication of the science-based targets (SBT) methodology for the oil & gas sector toward the end of 2024 to evaluate its targets against the SBT requirements and aims to get them approved by the Science Based Target initiative (SBTi).

These emissions reductions can only be achieved with considerable effort and appropriate capital allocated: the Group has earmarked organic investments of more than EUR 13 bn for this purpose in 2022–2030, which represents around 40% of planned total organic CAPEX. All business units will build on their existing strengths and know-how on this transformation journey. Three key initiatives will be undertaken to achieve the targeted reductions by 2030:

- Increase in Chemicals & Materials recycling and sustainable feedstocks, and delivery of approximately 2 mn t p.a. of circular products: recyclate production substituting fossil chemicals and materials production and production from biogenic feedstock
- Increase in zero-carbon energy sales: significant increase in sustainable and biobased fuels, green gas sales, and build-up of photovoltaic electricity capacity primarily for captive use as well as geothermal energy
- Decrease in fossil fuel sales: significant decrease in fossil fuels and a less steep decline in natural gas sales

Besides these efforts, neutralization measures will be necessary. OMV anticipates that it will use around 5 mn t of CCS capacity across all business units. All energy purchases in the C&M business segment are planned to be 100% renewable by 2030. The inorganic growth of the Chemicals & Materials business will be executed in line with OMV decarbonization targets with decarbonization pathways either in place or to be implemented following a possible acquisition.

Finance

2030 strategic priorities

- Deliver a clean CCS Operating Result of at least EUR 6 bn by 2030
- Generate operating cash flow excluding net working capital effects of EUR ≥7 bn by 2030
- Target a ROACE of ≥12% in the mid and long-term
- Ensure sound capital allocation priorities: organic CAPEX, dividend, inorganic growth, deleveraging and special dividends[1]
- Maintain strong balance sheet, with a mid/long-term leverage ratio below 30%
- When the leverage ratio is below 30%, distribute around 20% to 30% of operating cash flow (including net working capital effects) per year to its shareholders through its regular dividend, as a priority, and additionally, if sufficient funds are available, through special dividends
- Commit to attractive shareholder distributions

The Group's financial strategy aims to increase the Company's value and shareholder return, while ensuring a robust balance sheet, along with a financially resilient portfolio that thrives in a low-carbon world and has attractive growth potential well into the future. The value-driven finance strategy operates according to a clear framework for enabling long-term profitable and resilient growth. It aims to achieve a ROACE of at least 12%, positive free cash flow after dividends, and a strong balance sheet, with a mid/long-term leverage ratio of below 30%. Further targets include a clean CCS Operating Result of at least EUR 5 bn by 2025 and EUR 6 bn by 2030, increasing clean CCS net income attributable to shareholders, operating cash flow excluding net working capital of around EUR 6 bn by 2025 and at least EUR 7 bn by 2030, and attractive shareholder distributions. When building its financial plan, OMV defined a sound capital allocation policy: first, investing in its organic portfolio; second, paying attractive dividends; third, pursuing inorganic spending for an accelerated transformation; fourth, deleveraging; and fifth, special dividends. In its capital allocation, the Group focuses on selecting the most competitive and resilient projects. The defined investment criteria include hurdle rates and payback periods by business reflecting respective risk and return profiles, as well as testing projects for their resilience and break-even versus relevant market KPIs.

To achieve its strategic goal, OMV is planning a yearly organic CAPEX of around EUR 3.5 bn for the period 2022–2030. Overall, the Group is allocating more than EUR 13 bn in this period to achieve its ambitious decarbonization targets, which represents around 40% of total organic CAPEX. In addition, OMV will consider inorganic growth in areas of strategic importance. However, this will depend on the Group's indebtedness headroom. Moreover, the Group's portfolio of assets can provide options through divestments to accelerate strategy execution when attractive acquisition targets in targeted growth areas become available.

The Group's strategy, supported by disciplined capital allocation, will enable OMV to generate increasing and resilient cash flows and higher earnings. These solid financials ensure a strong balance sheet for the Group. In its financial framework, OMV has made a significant commitment to ensuring a robust balance sheet and an investment-grade credit rating. The Company aims to achieve a leverage ratio of below 30% for the mid and long term. Depending on portfolio measures, the leverage ratio can exceed 30%; however, this will then be followed by a deleveraging program to ensure the balance sheet is strengthened.

OMV seeks to align its long-term funding policy with the Company's sustainability strategy. Therefore, OMV is assessing the opportunity of green and sustainability-linked funding, which links the cost of a financing instrument to the achievement of specific strategic sustainability targets, such as GHG emission reduction goals or sustainable polyolefin production targets.

During the strategy period, OMV is committed to delivering attractive shareholder distributions. The Group has amended its shareholder distribution policy in December 2022 and added special dividends as a new, additional instrument to the existing progressive dividend policy. The progressive regular dividend policy is maintained and unaffected by this amendment. When OMV's leverage ratio is below 30%, OMV aims to distribute approximately 20% to 30% of the OMV Group's operating cash flow (including net working capital effects) per year to its shareholders through its regular dividend, as a priority, and additionally, if sufficient funds are available, through the new instrument of a special dividend. In case of a leverage ratio of 30% or higher, OMV's progressive regular dividend will be maintained, but no special dividend shall be paid. The dividend payments in any given year are subject to specific dividend proposals by the Executive Board and the Supervisory Board, as well as approved by the Annual General Meeting.

[1] Depending on OMV's leverage ratio, the order between inorganic growth and deleveraging can reverse.

Sustainability

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

Our Strategy 2030 is underpinned by this Sustainability Framework, with all business decisions being guided by our ambition to become a net-zero business. Within this Sustainability Framework, we have established five strategic focus areas: Climate Change, Natural Resources Management, Health, Safety, and Security, People, and Ethical Business Practices. For each of these focus areas, we have formulated concrete commitments, targets, and actions to be achieved by 2030, which represent OMV's contribution to the UN 2030 Agenda for Sustainable Development.

OMV's sustainability commitments and targets

Climate Change

- **Commitments:**
  - OMV will continuously improve the carbon efficiency of its operations and product portfolio. OMV is fully committed to supporting and accelerating the energy transition and aims to become a net-zero business by 2050 or sooner.

- **Targets 2025:**
  - Reduce carbon intensity of operations (Scope 1) by ≥30% vs. 2010
  - Reduce carbon intensity of product portfolio (Scope 3) by >6% vs. 2010
  - Achieve at least 1 mn t CO_2e reductions from operated assets in 2020–2025
  - Achieve an E&P methane intensity of 0.2% or lower

- **Targets 2030:**
  - Reduce Scope 1 and 2 emissions by ≥30% vs. 2019
  - Reduce Scope 3[1] emissions by ≥20% vs. 2019
  - Reduce carbon intensity of energy supply by ≥20% vs. 2019
  - Achieve an E&P methane intensity of 0.1% or lower
  - Zero routine flaring and venting of associated gas as soon as possible, but no later than 2030

- **Targets 2040:**
  - Reduce Scope 1 and 2 emissions by ≥60% vs. 2019
  - Reduce Scope 3[1] emissions by ≥50% vs. 2019
  - Reduce carbon intensity of energy supply by ≥50% vs. 2019

Natural Resources Management

- **Commitments:**
  - OMV is fully committed to taking action on responsible natural resources management and will proactively expedite the transition from a linear to a circular economy.
  - OMV aims to minimize environmental impacts by preventing water and soil pollution, reducing emissions, efficiently using natural resources, and avoiding biodiversity disruption.

- **Targets 2025:**
  - Increase volume of sustainable (includes recycled and biobased) polyolefins or other chemicals production capacity to 600,000 t p.a.
  - Increase reuse and recycling of waste from operations
  - Reduce freshwater withdrawal

- **Targets 2030:**
  - Establish approx. 2 mn t p.a. sustainable (includes recycled and biobased) polyolefins or other chemicals production capacity
  - Reduce natural resources use by cutting oil and gas production levels to around 350 kboe/d and reducing crude distillation throughput by 2.6 mn t
  - Increase reuse and recycling of waste from operations
  - Reduce freshwater withdrawal

[1] The following Scope 3 categories are included: category 11 – Use of sold products for energy supply, category 1 – Purchased goods (feedstocks), and category 12 – End of life of sold products for non-energy use.

Health, Safety, and Security

- **Commitments:**
  - Health, safety, and security have the highest priority in all activities. OMV is fully committed to proactive risk management in realizing its HSSE vision of "Committed to Zero Harm – Protect People, Environment, and Assets."
- **Targets 2025:**
  - Achieve a Total Recordable Injury Rate (TRIR) of around 1.0 per 1 mn hours worked
  - Achieve zero work-related fatalities
  - Maintain leading position in Process Safety Event Rate
- **Targets 2030:**
  - Stabilize the Total Recordable Injury Rate (TRIR) at below 1.0 per 1 mn hours worked
  - Achieve zero work-related fatalities
  - Maintain leading position in Process Safety Event Rate

People

- **Commitments:**
  - OMV is committed to building and retaining a talented expert team for international and integrated growth. We embrace our difference(s) and use our diversity of thought and experience as a catalyst for growth and creativity.
  - OMV is committed to ensuring fair treatment and equal opportunities for all employees and has zero tolerance for discrimination and harassment of any kind.
  - As a signatory to the United Nations Global Compact, OMV is fully committed to the UN Guiding Principles on Business and Human Rights, and aims to contribute to the UN's 2030 Agenda for Sustainable Development by pursuing a social investment strategy that addresses local needs and the Sustainable Development Goals (SDGs).
  - OMV is committed to contributing to a Just Transition for our employees and communities, and addressing the social and economic effects of the transition to an environmentally sustainable economy.
- **Targets 2025:**
  - Increase share of women at management level to 25%
  - Keep high share of executives with international experience at 75%
  - Train all OMV Group employees in human rights
  - Assess Community Grievance Mechanism (CGM) of all sites against UN Effectiveness Criteria
- **Targets 2030:**
  - Increase share of women at management level to 30%
  - Min. 20% female Executive Board members (stretch target 30%)
  - Increase share of international management to 65%
  - Keep share of executives with international experience at 75%
  - Increase average number of annual learning hours to a min. of 30 hours per employee
  - Increase support for employees with special needs at our main locations
  - Conduct human rights assessments and develop action plans for OMV Group operations with a high level of human rights risks every five years
  - Direct at least 1% of Group investment per year toward social goals (based on previous year's reported net income attributable to stockholders of the parent)

Ethical Business Practices

- **Commitments:**
  - OMV strives to uphold equally high ethical standards at all locations. We aim to earn our stakeholders' confidence by implementing a high standard of corporate governance and by maintaining high standards of transparency and predictability.
  - OMV is committed to implementing sustainable procurement, which means caring about the environmental, social, and economic impacts of the services and goods the Company intends to purchase.
- **Targets 2025:**
  - Be an active member of Together for Sustainability (TfS, further details below) and carry out sustainability evaluations of all suppliers covering >80% of Procurement spend
  - Engage with suppliers covering 80% of Procurement spend and assess their carbon footprint as a foundation to define and run joint low-carbon initiatives
  - Promote awareness of ethical values and principles: conduct in-person or online business ethics training for all employees
- **Targets 2030:**
  - Extend sustainability evaluations to all suppliers covering 90% of Procurement spend
  - Ensure all suppliers covering >80% of Procurement spend have carbon reduction targets in place

Climate change

OMV recognizes climate change as one of the most important global challenges and fully supports the goals set forth by the Paris 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 continuously improves the carbon efficiency of its operations and product portfolio and is fully committed to supporting and accelerating the energy transition. OMV aims to transform into a net-zero business by 2050.

OMV implements measures aimed at optimizing its operational processes, increasing energy efficiency, reducing flaring and venting, reducing methane emissions through leakage detection and repair, and improving asset integrity. As part of OMV's commitment to the World Bank's "Zero routine flaring by 2030" initiative, we will continue to phase out routine flaring and venting as soon as possible, but no later than 2030. For example, in 2023, a combined heat and power unit that recovers gas that would otherwise be vented and/or flared was installed in the Padina production system in Asset Moldova. As a result, an emissions reduction of approximately 18,000 t CO_2e is expected during the first full year after implementation.

To reduce our Scope 1 emissions, we are increasingly turning to renewable sources of electricity to power our operations. For instance, in 2023, 13.5 GWh of renewable electricity was generated at the OMV and VERBUND photovoltaic park in Schönkirchen, Austria. The electricity was used for ongoing operations at Austrian E&P assets within the Energy business segment. In Romania, OMV Petrom's Cosmești and Brădești solar parks produce nearly 4 GWh of solar energy annually, which will be used to supply electricity for its ongoing operations in its Romanian E&P assets. In addition, by the end of Q4/23, PV panels were installed at nearly 500 OMV and Petrom-branded filling stations. The electricity that will be produced from these installations annually is estimated at around 9 GWh.

To reduce our Scope 2 emissions, several Power Purchase Agreements (PPAs) with renewable energy providers were signed by the OMV Group in 2023. For instance, Borealis and Finnish energy company Fortum signed a long-term PPA to source renewable energy from two onshore wind parks. Starting mid-2024, 800 GWh of renewable power will be supplied to the Borealis production operations in Porvoo, Finland, over the course of eight years.

A cornerstone of our climate strategy is increasing the share of zero-carbon products in our product portfolio, as well as decreasing fossil fuel production and sales. Oil and gas production will be decreased to around 350 kboe/d by 2030. Growth will instead come from zero- and low-carbon products, such as geothermal energy, hydrogen, and Sustainable Aviation Fuels.

In our Energy segment, the Low Carbon Business has been working on expanding our photovoltaic asset base, investigating solutions for subsurface energy storage, e.g., with hydrogen, and looking at options to explore and commercially develop geothermal energy potential in the countries where we operate. These projects are mainly in the R&D or initial investment phase.

In 2023, OMV and Wien Energie joined forces to deliver the heating transition. As part of a joint venture called "deeep," both companies are working closely to make deep geothermal energy a reality in the greater Vienna area. The aim is to develop deep geothermal plants with an output of up to 200 MW, thereby generating climate-neutral district heating for the equivalent of up to 200,000 Viennese households. The partners are also planning to implement up to seven deep geothermal plants in Vienna as part of drilling programs. The first deep geothermal plant is to be realized together by the partners in the joint venture. The plant will generate up to 20 MW of climate-neutral district heating – in combination with heat pumps from Wien Energie. Approval procedures are currently underway and drilling is due to start toward the end of 2024. The plant is scheduled to go into operation in 2027. In addition, OMV acquired a 6.5% stake in Canadian privately owned Eavor Technologies Inc. ("Eavor"). Eavor is the leading closed-loop geothermal energy solution developer worldwide. OMV and Eavor also entered a commercial agreement to pursue large-scale deployments of Eavor-Loop™ technology in Europe and beyond. OMV's initial focus will be on the deployment of Eavor-Loop™ in Austria and Germany.

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

We are contributing to the creation of a sustainable energy system by identifying and maturing solutions, with a strong focus on markets that are hard to electrify such as heavy road transport or air travel. What these markets have in common is that they need an energy-dense yet climate-friendly fuel with the lowest possible downtime. Our portfolio focuses on waste-based and advanced biofuels, hydrogen, and e-fuels, as these offer the potential to utilize synergies with existing refinery assets and competences for a feasible scale-up and roll-out of green technologies. In 2023, OMV was already delivering SAFs to Air France-KLM, Ryanair, and the Associated Energy Group, LLC (AEG Fuels) at Vienna airport. Additional Memorandums of Understanding (MoUs) for the intended offtake of SAFs were signed with Air France-KLM and Ryanair in 2023. The total amount of intended SAF offtake between 2023 and 2030 is up to 160,000 t for Ryanair, up to 185,000 t for Wizz Air, up to 300,000 t for Air France-KLM, and more than 800,000 t for the Lufthansa Group.

Our climate targets can only be achieved with considerable effort and capital allocation. The OMV Group has earmarked investments of more than EUR 13 bn by 2030 for this purpose, representing around 40% of organic CAPEX over that period. All business units will build on existing strengths and expertise to contribute to this transformation.

Business principles and social responsibility performance

Business ethics and compliance

OMV is a signatory to the UN Global Compact and adheres to the OECD Guidelines for Multinational Enterprises. OMV's Code of Conduct and Code of Business Ethics publicly lay out our commitments to responsible and ethical business conduct. The Code of Conduct applies to all employees. Although we are headquartered in Austria – a country with high business ethics standards – we operate in several countries in the Middle East, North Africa, Asia-Pacific, the Americas, and Europe that are defined as high risk by the Transparency International Corruption Perceptions Index. We strive to avoid the risks of bribery and corruption that are specific to our sector. We also highly value our reputation. Therefore, our highest priority is ensuring uniform compliance with our business ethics standards wherever we operate. Compliance with ethical standards is a non-negotiable value that supersedes any business interest. Absolute commitment to this objective is embedded at all levels of OMV from top management to every employee. Our business partners are also expected to share the same understanding of and commitment to ethical standards. Every Company activity, from planning business strategy to daily operations, is assessed for compliance with ethical standards, such as the Code of Conduct and Code of Business Ethics.

A dedicated cross-regional compliance organization ensures that OMV standards are consistently met across the Group. In 2023, 9,285 OMV Group employees were trained in business ethics. In addition, OMV introduced a new Ethics & Integrity Policy that defines the principles of what it means to act ethically and with integrity. This policy aims to guide the way that business is conducted within OMV, what is considered acceptable or desirable behavior, above and beyond compliance with laws and regulations. The Ethics & Integrity Policy is supported by a newly established Ethics & Integrity Committee, which shall provide reassurance that the organization is living up to its ethical values and commitments.

The Integrity Platform provides an anonymous whistleblower mechanism for OMV employees and external stakeholders, such as suppliers. They can use this platform to report issues relating to corruption, bribery, conflicts of interest, antitrust law, capital market law, public procurement, environmental protection, product and food safety and consumer protection, corporate tax regulations, and data protection.

Supplier compliance

Implementing sustainable procurement means caring about the environmental, social, and economic impacts of the goods and services the Company intends to purchase. At OMV, we aim to foster innovation, maximize value contribution, and enable supply chain growth. OMV has a Code of Conduct in place that ensures that suppliers support OMV's principles. It is of paramount importance to our organization to be fully compliant with all applicable legal requirements, as well as with our internal safety, environmental protection, and human rights standards while managing our supply chain. OMV has a process in place to ensure that existing and potential business partners sanctioned by the EU or international organizations, such as the United Nations, are not accepted as procurement partners. In 2023, OMV's Corporate Procurement Directive was revised. Two of the main changes were the introduction of sustainability criteria as part of the commercial evaluation and sustainability embedded in the Supplier Relationship Management process. To ensure we have a standardized approach to payment conditions for our suppliers and contractors, we have 60-day standard payment terms stipulated in the Corporate Procurement Directive.

To mitigate supply chain risks including forced labor, slavery, human trafficking, and corruption, OMV imposes the legal requirements and internal rules and standards applicable to OMV on its suppliers. Our suppliers and supply chain partners are obligated to sign and fully comply with the content of the Code of Conduct. In addition, our suppliers must accept the General Conditions of Purchase, which further detail our business standards (e.g., labor rights), as an integral part of our contractual agreements. OMV reserves the right to terminate relationships with suppliers if non-compliance is discovered or not addressed in a timely manner.

The Supplier Relationship Management Framework was rolled out in 2023. As a result, sustainability is now part of supplier segmentation, supplier performance, supplier meetings, and supplier innovation. Supplier prequalification is part of precontractual activities, during which OMV collects information from a potential supplier for the purpose of evaluating compliance with our HSSE and other sustainability requirements. The goal of the prequalification process is to screen potential suppliers before bringing them on board or during the tender stage to ensure that only those suppliers who meet our HSSE and sustainability standards can be considered for future collaboration. Following prequalification, the procurement colleagues and business representatives select the best suppliers based on a predefined set of commercial and technical criteria during a tender process. In 2023, we continued to embed sustainability elements into sourcing activities (e.g., technologically innovative elements, carbon emissions, energy efficiency KPIs, CDP and EcoVadis score) during several pilot projects.

OMV conducts supplier audits as part of the prequalification process and/or during contract execution. The aim of the audits is to measure the performance of our suppliers and define actions that will enable them to optimize their performance and meet OMV requirements. During the audits, we pay special attention to the financial stability of our suppliers, their strategy and organization, supply chain, sustainability (e.g., human rights, carbon footprint management, environmental management, certifications, and social responsibility), and their cybersecurity performance. We also carry out annual subject-specific audits on topics such as process safety, quality, and efficiency. During the supplier audits, we place great emphasis on understanding not only the management approach to the topics within the scope of the audits (e.g., HSSE aspects), but also how the topics are understood and applied by the employees on site (e.g., through discussions with workers and managers).

Since 2021, OMV has been a member of Together for Sustainability (TfS). As a joint initiative and global network of 50 companies, TfS sets the de facto global standard for the environmental, social, and governance performance of chemical supply chains. The TfS program is based on the principles of the UN Global Compact and Responsible Care®. Being a TfS member helps OMV to further embed sustainability into its day-to-day business operations and further cascade sustainability requirements within our supply chain.

We aim to continuously manage and decrease the carbon volume of our purchased goods and services. Only by working together with our suppliers will we be able to define joint low-carbon initiatives to continuously decrease the carbon emissions in the supply chain and meet our Paris Agreement commitments. As part of its CDP Supply Chain membership, in 2023 OMV invited 394 suppliers to respond to the CDP climate change questionnaire. Suppliers were selected based on spend, estimated carbon emissions volume, and the carbon intensity of the goods and services purchased from them.

In addition to reporting their emissions, we asked the suppliers whether they have carbon reduction targets in place, and invited them to share with us any initiatives or projects to reduce carbon emissions in which they would like us to participate. 71% of responding suppliers have a climate target in place (vs. 75% in 2022).

Human rights

Human rights are universal values that guide our conduct in every aspect of our activities. Our responsibilities in the area of human rights include, but are not limited to, equality and non-discrimination, decent living wages, working hours, employee representation, security, primary health care, labor rights in the supply chain, education, poverty reduction, land rights, and free, prior, and informed consent. OMV respects and supports human rights as described in the Universal Declaration of Human Rights and in internationally recognized treaties, including those of the International Labour Organization (ILO). We have been a signatory to the UN Global Compact since 2003 and are fully committed to the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. We fully support the aims of the UK Modern Slavery Act 2015 and are committed to operating our business and supply chain free of forced labor, slavery, and human trafficking. OMV considers human rights to be an important aspect of our risk management approach, which is integrated into our decision-making processes. OMV recognizes its responsibility to respect, fulfill, and support human rights in all business activities and to ensure that OMV does not become complicit in any human rights abuses as defined under current international law.

We conduct human rights risk assessments at country level to identify and assess ongoing and emerging human rights impacts and the resulting potential risks relevant to OMV business activities in the country in order to prevent and mitigate human rights risks and impacts. A total of 7,124 employees received training on human rights topics through the e-learning tool and in-person training sessions in 2023 (2022: 4,254). As professional training is essential to ensure compliance with our human rights commitment, we have set ourselves the goal of training all employees in human rights topics by 2025. In addition, internal awareness campaigns on human rights were implemented. In 2023, 19 incidents of human rights grievances were reported (2022: 35).

In late July 2022, OMV's subsidiary Borealis was confronted with reports of alleged human trafficking practices conducted by the main contractor (IREM) and their subcontractor on a propane dehydrogenation (PDH) plant construction site in Kallo, Belgium. The practices were reported to involve exploitation, inadequate compensation, lack of social security, and poor housing conditions. Since the allegation, Borealis has taken many steps to increase oversight of the PDH construction site in Kallo, Belgium, and advance its organizational set-up both in terms of competence and governance. For instance, Borealis invested in additional capabilities and capacities to reduce the risk of social misconduct and malpractice, such as setting up and implementing a Global Social Compliance Team, with one social compliance manager across the company and three regional social compliance managers. Borealis also implemented regular alignment meetings with the social inspectorate and work authorities in Belgium and Austria. Borealis has a zero-tolerance policy for social malpractice and misconduct. A management document was implemented in the Borealis Management System (BMS), stating the company's social compliance ambition, the framework for identifying regulatory and social compliance risks, advice on designing and implementing regulatory and legal compliance processes and controls to mitigate such risks, and how to monitor and report the effectiveness of these controls. Borealis has also implemented stricter access checks at the site gates of its production locations in Austria and Belgium, combined with more frequent and risk-based checks.

The OMV Group always seeks to improve, and is strongly committed to further strengthening its processes and mitigation measures to prevent any maltreatment and disrespect of workers' human rights in the supply chain. At corporate level, we analyzed the HSSE and Procurement directives for contractor management and prepared a detailed checklist for human rights compliance to be used at site level. The revised human rights e-learning refers specifically to human rights in business relations, and the OMV Group Human Rights Policy Statement details our human rights commitment related to labor rights and business partners in line with business best practice and international standards. The OMV Group Human Rights Policy Statement was approved by the Executive Board of OMV Petrom in February 2023, while Borealis signed off its Human Rights Policy Statement in October 2023, with formal approval from its CEO. In addition, individual monitoring initiatives were implemented at a local level throughout the Group to ensure our suppliers' compliance with human rights.

Community relations and development

OMV maintains an active partnership with local communities in all countries in which the Company does business and is committed to adding value to these societies. As part of OMV's stakeholder dialogue, we have implemented Community Grievance Mechanisms (CGM) at all operating sites. In 2023, OMV registered 732 external grievances (2022: 776) from the Community Grievance Mechanisms. All of the grievances were handled in accordance with OMV's localized community grievance management procedures, which stipulate a stringent approach to systematically receiving, documenting, addressing, and resolving grievances in all of the countries where we operate.

OMV has set the goal of aligning the CGM system at all sites with the effectiveness criteria of the United Nations Guiding Principles. We are striving to achieve this target by conducting assessments that include reviews of management processes and consultations with internal and external stakeholders. The assessments result in recommendations and tailored action plans to improve grievance management at site level. The action plans are implemented by local management and monitored by headquarters. The sites already assessed represent 93% of all registered grievances at OMV in 2023.

Health, Safety, Security, and Environment

Health, safety, security, and protecting the environment are key values at OMV. The integrity of OMV's operating facilities, loss prevention, proactive risk management, and environmental protection are essential for attaining OMV's HSSE mission of "Committed to Zero Harm – Protect People, Environment, and Assets."

HSSE Strategy

To achieve this mission, the OMV Group's HSSE Strategy was updated in 2023 to support our company's safe and sustainable transformation journey. As we become a company with a clear focus on circular economy solutions, we will expand our product portfolio and enter new businesses and markets. This brings with it new cultural perspectives, new technologies, new risks, and the need to meet new customer demands and growing environmental requirements. The HSSE Strategy focuses on the cross-functional goals of strong HSSE commitment and leadership, supplier and contractor management, and enhanced efficiency and effectiveness of HSSE processes. The strategic HSSE goals are:

- HSSE culture: develop a company culture where HSSE shapes decision-making at every level
- Contractor management: develop supplier and contractor management capabilities at every level
- HSSE management system: enhance the effectiveness and efficiency of processes, regulations, and tools
- Health: improve workability through integrated health management
- Occupational safety: ensure the safety, physical and mental integrity of people
- Process safety: maintain a strong focus on traditional risk control while preparing for new technologies
- Security and resilience: protect personnel, assets, physical information, and our Company's reputation.
- Environment: protect people and nature and respect the planetary boundaries (limits of planet Earth)
- Product stewardship: continuously improve the safety and sustainability of our products throughout their life cycle to contribute to a pollution-free environment

Health and safety

In 2023, the combined Lost Time Injury Rate (LTIR) for OMV employees and contractors was 0.87 (2022: 0.78), and our combined Total Recordable Injury Rate (TRIR) was 1.37 (2022: 1.23). Regrettably, one of our contractor employees in Romania lost their life in 2023 while working for OMV. The contractor colleague in Romania died from injuries sustained during a fire.

The business segment Chemicals & Materials reached a TRIR of 3.98 (2022: 2.85). The main contributors to this high TRIR are the growth project in Kallo with 28 total recordable injuries (TRI), Stenungsund with 7 TRI, and Porvoo with 9 TRI, the latter two both having had turnarounds this year. All incidents had low actual and potential consequences but became a trigger to roll out the "B-Safe" program, which involved 4,120 people taking part in training. This training is based on behavioral safety and safety leadership, with a three-day course for all leaders including top management and a one-day session for all other employees. A strong focus was on safety culture and risk awareness, and taking care of each other. Special attention was paid to contractor HSSE management and learning from past incidents so as to prevent recurrences and embed appropriate improvement measures. In 2024, we will continue, embed, and sustain the B-Safe program. In order to improve safety culture, every location has selected focus areas based on B-Safe participants' feedback. In addition, using lessons learned from previous acquisitions, we have strengthened our approach to integrating newly acquired facilities by establishing a strong HSSE foundation from the start, combined with a two-year integration plan. Locations identified with lower safety performance based on trends have also established a specific "get well" plan on top of their B-Safe improvement plan to address specific local challenges, led and sponsored by Borealis' top leaders. Our focus on the prevention of serious injuries and fatalities continues, including a Group-wide approach for working at height, rolled out as a result of the findings from the tragic incident in Grandpuits in 2022. Borealis has also developed a standard task risk assessment process and global confined space procedure to standardize minimum expectations when conducting this high-risk activity. 2023 was an excellent year in process safety with only four leaks of primary containments (LOPC), without consequence for people and assets. Every LOPC is one too many, so we will continue to build on our process safety journey focusing on leading indicators, Tier 3 and Tier 4 events, and particularly on corrosion under insulation, which poses a major challenge in aging facilities.

The HSSE performance of Fuels & Feedstock in 2023 was overshadowed by a tragic fatal work accident involving a contractor employee in Romania, as mentioned above. Significant effort was put into safety campaigns and risk awareness and prevention programs in order to establish a strong and positive safety culture. This was especially the case during the planned maintenance turnarounds that took place in the Petrobrazi and Schwechat refineries. The Fuels & Feedstock TRIR came in at 0.78, slightly improved compared with the previous year (2022: 0.82). Special emphasis was placed on findings and lessons learned from previous incidents, leadership engagement, and improved contractor management. The consistent implementation of the process safety road maps drives further process excellence.

The Energy division had a TRIR of 0.95, which was better than last year's performance (2022 TRIR: 1.09). Under the motto "back2basics," dedicated campaigns to increase management presence and visibility of operational sites were implemented in most of our locations in 2023. The reduction of incident frequency and severity shows that constant effort on management level in combination with cross-functional collaboration on sites are the key to maximizing performance. In addition, we encountered 18 High Potential Incidents (HiPo). Learning from these is very important and can prevent serious or fatal injuries. That is why all HiPo incidents were subjected to thorough incident investigations and measures were taken to prevent recurrence.

Process Safety and Contractor Management will remain top priorities in 2024 and we will continue our efforts to improve performance. We also commit to training all operational personnel (employees and contractors) in applying the Life-Saving Rules by creating dedicated Safety Centers. Our Life-Saving Rules are in line with the IOGP and the industry and must be complied with under all circumstances.

OMV Group safety performance

In mn hours worked

	2023	2022
Company		
Lost-Time Injury Rate	1.04	1.13
Total Recordable Injury Rate	1.48	1.32
Contractors		
Lost-Time Injury Rate	0.80	0.62
Total Recordable Injury Rate	1.32	1.19
Total (Company and contractors)		
Lost-Time Injury Rate	0.87	0.78
Total Recordable Injury Rate	1.37	1.23

The health and well-being of employees are fundamental to the success of any company, as they serve as a foundation for ensuring employee productivity. OMV continued its long tradition of offering health and prevention programs, such as cardiovascular disease prevention programs, ultrasound checks and other voluntary health checks, vaccinations (especially against flu and in some countries COVID-19), and virtual health hours, such as ideas for a healthy work-life balance or first aid measures that go far beyond legal requirements.

Also in 2023, great effort went into important safety-related activities to reduce risks and reverse the negative trend we see in OMV as a lingering effect of the COVID-19 pandemic and a clear increase in industry activity with a shortage of qualified personnel exacerbated by the geopolitical situation:

- We have rolled out our harmonized Life-Saving Rules (LSR) across the OMV Group. This simple set of rules helps prevent fatal and severe accidents and applies to all employees and contractors. During an intensive campaign with face-to-face workshops led by line management, all employees and contractor employees were trained. Furthermore, the LSR were presented and discussed regularly during awareness programs, workshops, management walk-arounds, and safety walks, as well as during various meetings. Practical LSR trainings will be continued and delivered systematically in the Safety Centers, for which the training concept and material have been fully reviewed and updated. Based on this, existing Safety Centers will be redeveloped, and new ones created in 2024.
- All incidents at level 3 and higher plus HiPos were investigated, and lessons learned were communicated throughout the organization. Improvement initiatives were developed and closely monitored using our HSSE reporting tool.

- To improve the incident investigation process and ensure that the new incident investigators get the right support, we launched an "Incident Investigators Community of Practice Experience Sharing" session across the whole OMV Group in 2023. This will be continued in 2024 on a regular basis.
- In 2023, action close out focus audits were performed to ensure the continuous improvement process. The specific objectives were to audit the close out of actions resulting from incident investigations and to audit the sharing within the organization and with contractors of (technical/safety) alerts and lessons learned.
- Contractor HSSE management is key to the OMV Group's safety performance. We continued the training for beneficiaries and functional experts through e-learning sessions and webinars, and we updated the internal regulations framework based on practical experience. We also held strategic supplier meetings with prime contractors to share information, experiences, and expectations. A new quarterly experience exchange forum was established to support the business across the OMV Group with information and best practice sharing related to supplier and contractor management.
- Global HSSE training for employees and managers was delivered in the form of face-to-face training sessions, and a basic course was also offered as an e-learning course consisting of 13 modules, available in English, German, and Romanian.
- The leading process safety performance indicators (PSPI) were updated for the OMV Group, and a dashboard was developed for management information.
- Periodic Group Process Safety Committee meetings with Executive Board member involvement took place, during which process safety performance, achievements, and challenges were on the agenda.
- A register containing risk reduction measures identified in various process hazard analyses (PHAs), assessments, and safety studies was established in each operated production unit and was populated with data, which also included Borealis sites.
- A cloud-based software tool for process hazard analyses, recommendation tracking, and workflows was rolled out at OMV.
- We supported and followed up on the implementation of process safety road maps across OMV's ventures, assets, and refineries. In our Integrated Risk Register, we continued to analyze and prioritize process safety risks to ensure that investments effectively lead to a significant reduction in risks.
- The Group-wide process safety knowledge- and experience-sharing platform was continued, with quarterly half-day events where up to 200 individuals participate in virtual meetings and presentations, including contributions from senior management.
- The OMV Group HSSE reporting tool was further developed. This is a key step in our ongoing harmonization and enables us to report in one single system across the OMV Group.

Security

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

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

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

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

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

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

To ensure the effectiveness and appropriateness of security practices within OMV's business units, the OMV Corporate Security function conducts regular audits. These occur annually for those ventures deemed high risk; for 2023 these were Libya, Tunisia, and Yemen. Two other major audits are conducted annually, with business units being chosen based on operational requirements. In 2023, the selected areas were OMV New Zealand and the Burghausen refinery and associated tank farms at OMV Germany.

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

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

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

Environmental management

OMV's transformation into a company with a clear focus on circular economy solutions and low-carbon energy is driven by the aim to protect people and nature and to respect the limits of planet Earth. As this transformation must go hand in hand with societies' needs for secure and affordable energy and materials, we are at the same time striving to minimize the environmental impact of our existing operations through measures such as spill prevention, energy efficiency improvements, reduction of greenhouse gas (GHG) emissions and water withdrawals, and waste management. OMV strives to optimize processes, to use natural resources as efficiently as possible, and to reduce emissions and discharges to levels no longer considered harmful.

In 2023, there were four major hydrocarbon spills (level 3 of four; 2022: 2 spills). The total volume of hydrocarbon spilled was lower compared to the previous year. OMV continues to work on its oil spill response preparedness and capabilities.

Key environmental measures and achievements in 2023:

- Water management plans have been established at our main operational sites to reduce water-related risks and ensure efficient and sustainable water use. At OMV Tunisia, we implemented improvement projects to reduce freshwater use and increase the safe reuse of wastewater.
- At the Schwechat refinery, we succeeded in significantly reducing water consumption and emissions to air. More than 5% of the average annual water consumption has been saved, most of it through a new control concept for cooling water in a heat exchanger group in the ethylene plant.
- At our FCC unit in the Schwechat refinery, the installation of an additional electrostatic precipitator module reduced dust emissions significantly.

- At the Petrobrazi refinery, the tank modernization program continued in 2023 with the modernization of one volatile product tank and the commissioning of a new tank, according to best available technology, which will contribute to the reduction of volatile organic compound (VOC) emissions.
- In 2023, OMV Petrom completed the surface abandonment of 656 wells and 46 facilities in the E&P division. A total of 168,882 t of contaminated soil was treated in our bioremediation plants, and 18,746 t of metal scrap was recycled by authorized companies.
- An enhanced monitoring tool for spill prevention has been implemented at OMV Petrom. The industry-recognized digital well integrity tool was established to assess risks to the integrity of individual wells, prioritize inspections, and take appropriate mitigation actions. By the end of 2023, we had successfully completed the digitalization of 4,400 wells, which represents more than 58% of the total active wells in operation.
- During 2023, Borealis continued its engagement in Project STOP, which aims to support cities in emerging countries in establishing cost-efficient, effective, and circular waste collection systems. By developing a blueprint and sharing its know-how, as many stakeholders as possible will be encouraged to replicate the holistic approach of Project STOP. The knowledge gained from the three city partnerships so far is now allowing the project to scale up across the Indonesian Regency of Banyuwangi. It will, positively impact the lives of up to two million residents by the end of 2026 by creating 1,000 full-time jobs and collecting 230,000 t of waste annually. In this context, Borealis has signed the UN Sustainable Ocean Principles and is a member of the UN Global Compact. For more information, visit the Project STOP website at www.stopoceanplastics.com.
- As part of its commitment to achieving zero pellet losses in operations and the supply chain, Borealis has met all requirements to fully comply with the Operation Clean Sweep® standard and consequently put in place a comprehensive set of on-site measures that aim to prevent and respond to pellet spills, should they occur. After carrying out extensive third-party audits that comply with the Operation Clean Sweep® standard in December 2023, the first two Borealis locations achieved the Operation Clean Sweep® Certificate. Borealis aims to have all of its polyolefin locations certified according to Operation Clean Sweep® by the end of 2024.
- The full impact of the WGC BREF (Common Waste Gas Management and Treatment Systems in the Chemical Sector) has been assessed in all locations, which resulted in an action plan to become fully compliant in the next few years.
- We continued to work on improving our impact on nature. To achieve this, we apply the mitigation hierarchy in our projects with the following steps: Avoidance, Minimization, Restoration, Offset, and Compensation. In 2023, we initiated a Group-wide project to establish a nature and biodiversity framework for the OMV Group, as part of which we are applying the Taskforce on Nature-related Financial Disclosures' (TNFD) approach to locate, evaluate, assess, and prepare (LEAP) to identify priority sites, evaluate impacts and dependencies, assess risks and opportunities, and prepare to respond to and to report on material nature-related issues.
- OMV works locally with third parties on restoration and rehabilitation projects. For example, in 2023, we supported the following biodiversity-related projects in New Zealand: the Moawhitu lake and wetland regeneration project, the partnership with the Rotokare Scenic Reserve Trust, creating a predator-free reserve for the endemic hihi bird, and the partnership with the local hapū at Pohokura to restore and protect the wetlands on site.

Employees

We know that it is the combined 20,600 employees of OMV who turn the Group's strategy into results and success. We are proud of what we have achieved together. Trust and pride in the organization fuel our employees' energy and determination to tackle challenges and to focus on innovative solutions to make us even stronger.

OMV's People & Culture Strategy

We developed a Group-wide People & Culture Strategy, which fully supports the transformation of OMV. At the core of the People & Culture Strategy is our purpose, i.e., "Re-inventing essentials for sustainable living" and four strategic drivers:

- Employee Experience
- Growing Talent
- Organizational Evolution
- New Ways of Working

Highlights of 2023

Following the announcement of the OMV Group's Strategy 2030, all Human Resources (HR) functions Group-wide were renamed People & Culture (P&C) in 2022. The aim of this department is to fully support the OMV Group's Strategy 2030 by prioritizing key aspects that enable us to unlock our organization's full potential.

In March 2022, our Group-wide purpose, "Re-inventing essentials for sustainable living," was launched. In support of our purpose, in May 2023 we launched our new OMV Group Values "We care | We're curious | We progress." Our Values were defined based on the contributions of more than 13,000 employees and leaders from across OMV, OMV Petrom, and Borealis during a series of interactions, including the Pulse Check survey, leadership interviews, mass focus groups, and workshops, where a feedback tool based on artificial intelligence was used.

To ensure the transformation of OMV will be a success, we need to adapt our current methods to fit our new aspirations. By building on our capability, we are reinventing how we lead as well as our way of working. Therefore, linked to our Purpose and Values, we implemented Group-wide Transformational Leadership Competencies (TLCs) in 2023. Our TLCs define our expectations of our leaders and complete our transformational framework to successfully drive the implementation of our strategy. The four TLCs for all leaders across the Group are "Lead self," "Grow people," "Drive change," and "Deliver impact."

In September 2023, we ran our annual Group-wide Pulse Check survey for the second time as part of our employee engagement strategy, achieving an 82% participation rate, which represents a substantial 12% increase from 2022. The results showed an increase in all dimensions, with visible positive impact in key focus areas, including 69% on the understanding of our new Values. Conclusions and subsequent actions were agreed within business units by year-end and Q1 in 2024 for implementation in 2024.

Based on the Pulse Check results from 2022, a key focus was on enhancing transparency, accessibility, and collaboration within our organization. By promoting an environment of open communication and teamwork, we strive to break down silos and ensure transparency. In order to achieve that, all leaders were asked to hold meetings with their teams to further explain the OMV Strategy 2030 and encourage dialogue.

In 2023, we updated our leadership programs with our new Values and Transformational Leadership Competencies, which were designed to support both those employees who take on new management roles and current leaders who want to upgrade their basic knowledge of leadership. For identified talents at executive level, our dedicated Leading Ahead top talent program focusing on enhancing executive leadership skills was continued, as was our program for women in leadership positions. In terms of graduate development, we offered the second tailored graduate program in Fuels & Feedstock and continued with our long-standing Integrated Graduate Development (IGD) program in the Energy segment.

We were able to expand our learning opportunities through initiatives such as the Sustainability Academy, which was launched and offers our employees an ever-growing selection of curated learning material about sustainability-related topics. This supports our employees in expanding their knowledge on ESG topics and provides them with a foundation that is needed to understand their role in our journey to net zero. Focus topics for 2023 were ESG, Climate Change, Circular Economy, Sustainable Products, and Human Rights.

To support the upskilling of technical employees, we offered specific training initiatives, for example training on low-carbon energy, geothermal, decision quality, and data science.

Number of training participants[1,2,3]

	2023	2022
Austria	5,316	5,599
Romania/Rest of Europe	13,814	14,659
Middle East/Africa	779	664
Rest of the world	756	700
Total	**20,549[4]**	**21,622**

Money spent on training per region[1,2]

In EUR

	2023	2022
Austria	4,012,063	3,435,294
Romania/Rest of Europe	6,703,411	5,670,768
Middle East/Africa	1,072,251	614,903
Rest of the world	504,914	369,132
Total	**12,292,639**	**10,090,097**

[1] Excluding conferences and training for external employees
[2] Excluding DUNATÁR, SapuraOMV, OMV Russia; DYM Solutions, mtm, Rialti, Renasci
[3] Number of employees who participated in at least one training session
[4] Total is less than the sum of the countries due to double count of expats

In 2024, we plan to introduce our new Employer Value Proposition (EVP). This will serve as a statement or framework that outlines what OMV stands for as an employer. It will highlight the unique qualities and benefits that we offer to our employees. Moreover, it will help us attract and engage potential candidates who align with our purpose and our OMV Group Values, and the opportunities we provide.

Following the rollout of our Transformational Leadership Competencies in 2023, a transformation leadership program will be offered, reflecting our new Values and enabling leaders to develop their leadership style.

Diversity

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

The OMV Group further strengthened its DEI strategy by establishing a governance framework in 2023. The structure includes five volunteer-based workstreams, led by employees across OMV, OMV Petrom, and Borealis. These dedicated workstreams focus on gender, generations, parenting/caregiving, people with disabilities, and LGBTQI+ inclusion, thus ensuring holistic representation.

Our focus on diversity is also being actively nurtured throughout the organization today, supported by a range of training sessions, activities, and awareness campaigns. Throughout the International Women's Week, themed #EmbraceEquity, two impactful events emphasized the distinction between equality and equity. We also received the "Family-Friendly Employer" award, underscoring dedication to work-life balance. A disability roadmap was developed following an audit by myAbility, an external auditor, with inclusion initiatives like hosting teenagers from a special needs school and participating in the International Day of People with Disabilities. Colleagues at OMV Petrom created a disability brochure, and the Works Council established a community for colleagues with disabilities and carers. Regarding LGBTQI+, the Ally Week in September promoted allyship and understanding through a panel discussion and community lunches. These initiatives demonstrate the OMV Group's commitment to diversity, inclusivity, and fostering awareness.

OMV is committed to ensuring fair treatment and equal opportunities for all employees and has zero tolerance for discrimination and harassment of any kind. We have developed a Group-wide People & Culture Ethics Guideline, which gives more details on our clear position regarding non-discrimination in the workplace. In accordance with this guideline, we aim to provide Group-wide complaint procedures and investigation principles for any misconduct in this regard.

As a result of these measures, the percentage of women in the Group is about 28% (2022: 27%). A total of 24.4% (2022: 21.6%) of employees in advanced and executive positions are female.

Employee key figures

At the end of 2023, the OMV Group employed 20,592 people. Compared with 2022, the number of employees decreased by 7.7% to 20,592, mainly as a result of the divestment of the Borealis nitrogen business.

Employees

		2023	2022
Employees by region			
Austria		5,242	5,884
Rest of Europe		13,732	14,890
Middle East & Africa		630	583
Rest of the world		988	951
Total number of employees		**20,592**	**22,308**
Diversity			
Female	in %	28	27
Male	in %	72	73
Female Executives[1]	in %	18	20
Number of nationalities		**94**	**101**

[1] Executives include OMV Senior Vice Presidents, OMV Petrom and Borealis Group Board members

OMV Group Business Year

In 2023, OMV achieved the second-highest clean CCS Operating Result of EUR 6 bn in its history. Furthermore, cash flow from operating activities excluding net working capital effects remained significant, amounting to EUR 4.6 bn, and the organic free cash flow totaled EUR 2.3 bn. The leverage ratio was at the same level of 8% as in the previous year. This financial strength is an excellent basis for OMV's further strategic development into a leader in sustainable fuels, chemicals and materials while committing to delivering attractive shareholder returns.

Business environment

Macroeconomy

Global GDP growth in 2023 is estimated to decelerate further, making it one of the weakest years ever excluding those with major recessions (2001–2002, 2009, 2020) as economies continue to recover slowly from the blows of the pandemic, Russia's invasion of Ukraine, and the cost of living crisis. Nevertheless, despite the disruption in energy and food markets caused by the war, and the unprecedented tightening of global monetary conditions to combat the highest inflation for decades, the global economy slowed but didn't stall. The latest IMF projection expects 2023 annual GDP growth to be just above 3% with a slowing trend across the year. This estimate is significantly below 3.5% and 3.7%, which are the averages from 2022 and 2010–2019 respectively.[1]

The economic slowdown was driven by multiple factors. Excess savings resulting from the pandemic-era fiscal stimulus have been in decline in developed economies, especially in the United States, implying fewer resources for households. International tourist arrivals are approaching prepandemic levels in most regions. As recovery in tourism progresses, the boost to growth is waning. Manufacturing has also been under pressure amid declines in industrial production and investment. Additionally, as a post-pandemic trend, consumerism has been shifting back to services, while tighter credit conditions and the cost of living crisis also weighed on manufacturing.

Growth also remained uneven, with growing global divergences. The slowdown is more visible in advanced economies, while emerging economies were in general more resilient. The United States was an upside outlier in the developed cluster, as resilient consumption and investment kept the economy in better shape. On the other hand, China was a negative surprise among developing nations amid growing headwinds from its real estate crisis and weakening confidence.

As the services sector recovered and then surpassed prepandemic levels, the strong demand from labor-intensive services also translated into tighter labor markets, and higher and more persistent services inflation.

There were also regional divergences in employment. Employment and labor participation rates are estimated to exceed prepandemic trends in advanced economies but to remain significantly below them in emerging markets due to more severe output losses and much weaker social protection.

The cost of living crisis remained a major economic issue for policymakers to solve despite global annual inflation falling from 8.7% in 2022 – the highest since 1996 – to 6.9% in 2023. The spike in inflation was driven by surging energy prices between the second half of 2021 and early 2023, which had spillover effects on prices throughout value chains, while the Russia-Ukraine war caused tightness on the food markets as well. Disinflation can also be associated with falling oil and gas prices, while food prices have been showing signs of moderation. Previously, supply chains were also under pressure due to temporary yet tectonic shifts in consumption patterns; however, normalization in this area contributed to cooling inflation.

Core inflation[2] also moderated in 2023; however, it was stickier compared to headline figures. Demand eased as COVID-19-related fiscal support was winding down; however, the effect of past price shocks was built into short-term inflation expectations, keeping core inflation more rigid. In the United States, a tight labor market contributed to elevated core inflation.

In response to elevated inflation rates, central banks started aggressive monetary tightening. The ECB, FED, and the Bank of England increased policy interest rates by 100–200 basis points in 2023. In the current cycle, the US and UK policy interest rates increased by more than 500 basis points compared to earlier lows, while in the Eurozone the increase surpassed 400 basis points by the end of 2023. The only exception was the Bank of Japan, which has kept the reference interest rate at –0.1% since 2016. Countries are also at different points

[1] IMF World Economic Outlook, January 2024
[2] Inflation excluding food and energy

in their hiking cycles. Advanced economies, excluding Japan, are at or near the peak, while some emerging market economies have already started easing.

Higher interest rates started to impact the economy through monetary transmission mechanisms. Lending surveys in major economies show that access to credit became considerably more difficult. Tighter credit conditions weighed on housing markets, investment, and activity, more so in countries with a higher share of variable-rate mortgages or where households are less willing, or able, to dip into their savings. Firm bankruptcies increased in the US and the Euro Area, although from historically low levels.

Oil and gas

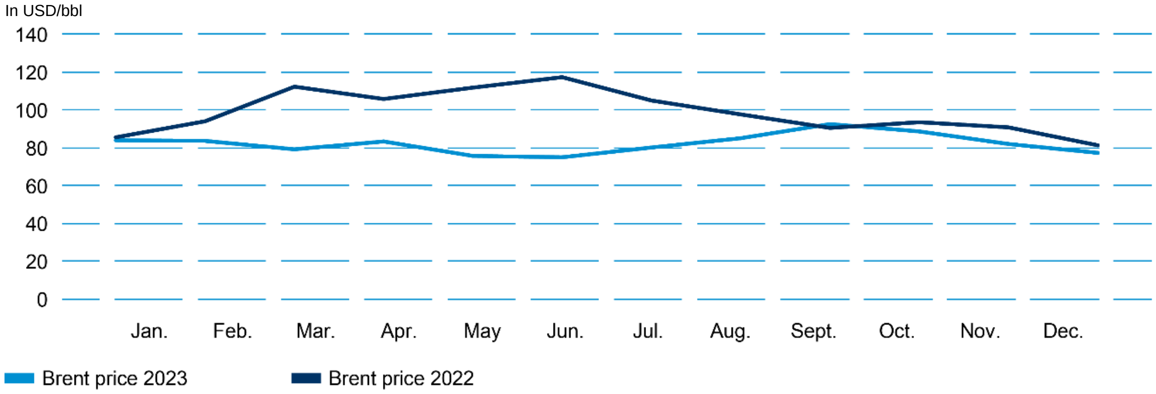
The European Union enacted energy-related sanctions against Russia in response to its invasion of Ukraine. As a result, seaborne crude oil and certain refined petroleum products could not be imported from Russia from December 5, 2022, and February 5, 2023, respectively. A temporary exception is foreseen for imports of crude oil by pipeline into those EU member states that, due to their geographical situation, suffer from a specific dependence on Russian supplies and have no viable alternative options. Moreover, Bulgaria and Croatia specifically will benefit from temporary derogations concerning the import of Russian seaborne crude oil and vacuum gas oil, respectively.

There is also a prohibition for EU vessels to transport Russian crude oil and petroleum products to third countries. Sanctions have also prohibited the related provision of technical assistance, brokering services, or financing or financial assistance. This ban doesn't apply if the crude oil or petroleum products are purchased at or below the oil price cap.

As a result, the European share in Russian seaborne exports fell to approximately 10%, from 50–60%, while China and India became the biggest importers of Russian crude.

The Brent price fell from USD 101/bbl in 2022 to USD 83/bbl in 2023. The crude oil price has been oscillating in the USD 75–100/bbl range since August 2022, the decline in the annual average being the result of the price spike in the first half of 2022 due to the Russia-Ukraine war. 2023 started with an optimistic economic sentiment driven by Chinese recovery as the last wave of COVID-19 restrictions was lifted, which also boosted oil demand. According to the IEA, year-on-year oil demand growth was 2.4 mbbl/d in 2023, 1.8 mbbl/d of which came from China. In the second half of the year, the economic outlook started darkening, affected by the negative economic impacts of rising interest rates and falling real disposable income due to high inflation worldwide. As a result, OPEC+ had to further scale back production in order to keep markets balanced.

Crude price (Brent) – monthly average[1]



[1] ICE Brent generic 1st contract monthly average

In 2022, natural gas was at the epicenter of attention on the energy markets with record high outright prices and volatility. Even at the end of 2022, there were days when day-ahead TTF prices were nearing EUR 150/MWh, affected by stock depletion concerns during winter, as Russian imports arrived to Europe only through Turkstream and in small amounts via Ukraine. However, EU-27 inventories ended the 2022–2023 heating season at 60%, which is significantly above the seasonal average, making restocking for the 2023–2024 heating season a lot more manageable. On the one hand, it was the result of lower than expected demand as the warm winter reduced the need for heating and saving measures were also introduced, while reduced Russian supply was partially offset by LNG, mainly coming from the US. In the later part of 2023, demand remained lower than in previous years; however, it was driven by weakening macroeconomic fundamentals, weighing on the industrial use of natural gas. In 2023, EU-27 natural gas demand fell 10% compared to 2022 and 19% compared to 2019 and 2021.

Due to softer fundamentals, prices retreated significantly from historic highs and spent most of the year in the EUR 30–50/MWh range. However, these values were still 50–100% higher compared to historical terms as Europe still needed to set prices higher compared to Asian buyers in order to attract import volumes.

Refining and petrochemicals

Refinery margins remained on a healthy level in 2023 as global refinery runs were unable to match demand growth, keeping crack spreads at an elevated level. However, there were different dynamics throughout the year, predominantly driven by diesel crack spread. The first part of the year showed a falling trend from an elevated starting position as rising supplies from the Middle East exerted pressure on diesel cracks. However, in the second half of the year, OPEC+ intensified crude cuts, resulting in lower availability of medium sour grades, which has high middle distillate yields. In addition, unplanned refinery downtime lifted crack spreads in general. Naphtha crack spreads were underperforming for most of 2023, as weak polyolefin margins weighed on demand from steam crackers.

High inflation and interest rates decimated consumer disposable income in 2023, which translated into lower demand growth for petrochemical products all over the world. Economic difficulties in China were especially concerning as the country accounts for one-third of global polyethylene demand, which is by far the largest ethylene derivative. In the meantime, the butadiene market was under pressure due to lower demand from the construction and automotive segments.

Financial review of the year

Key financials

		2023	2022	Δ
Sales revenues	in EUR mn	39,463	62,298	–37%
Clean CCS Operating Result[1]	in EUR mn	**6,024**	**11,175**	**–46%**
Clean Operating Result Chemicals & Materials[1]	in EUR mn	94	1,457	–94%
Clean CCS Operating Result Fuels & Feedstock[1]	in EUR mn	1,651	1,810	–9%
Clean Operating Result Energy[1]	in EUR mn	4,357	8,001	–46%
Clean Operating Result Corporate & Other[1]	in EUR mn	–51	–50	–2%
Consolidation: elimination of inter-segmental profits	in EUR mn	–27	–43	38%
Clean CCS Group tax rate	in %	43	48	–5
Clean CCS net income[1]	in EUR mn	3,421	5,807	–41%
Clean CCS net income attributable to stockholders of the parent[1,2]	in EUR mn	**2,593**	**4,394**	**–41%**
Clean CCS EPS[1]	in EUR	7.93	13.44	–41%
Special items[3]	in EUR mn	**–668**	**861**	**n.m.**
thereof Chemicals & Materials	in EUR mn	–214	582	n.m.
thereof Fuels & Feedstock	in EUR mn	146	426	–66%
thereof Energy	in EUR mn	–586	–111	n.m.
thereof Corporate & Other	in EUR mn	–14	–36	62%
CCS effects: inventory holding gains (+)/losses (−)	in EUR mn	–130	210	n.m.
Operating Result Group	in EUR mn	**5,226**	**12,246**	**–57%**
Operating Result Chemicals & Materials	in EUR mn	–120	2,039	n.m.
Operating Result Fuels & Feedstock	in EUR mn	1,671	2,438	–31%
Operating Result Energy	in EUR mn	3,771	7,890	–52%
Operating Result Corporate & Other	in EUR mn	–65	–86	24%
Consolidation: elimination of inter-segmental profits	in EUR mn	–31	–35	12%
Net financial result	in EUR mn	–70	–1,481	95%
Group tax rate	in %	58	52	6
Net income	in EUR mn	1,917	5,175	–63%
Net income attributable to stockholders of the parent[2]	in EUR mn	**1,480**	**3,634**	**–59%**
Earnings Per Share (EPS)	in EUR	4.53	11.12	–59%
Cash flow from operating activities	in EUR mn	5,709	7,758	–26%
Free cash flow before dividends	in EUR mn	2,682	5,792	–54%
Free cash flow after dividends	in EUR mn	349	4,333	–92%
Organic free cash flow before dividends	in EUR mn	2,272	4,891	–54%
Organic free cash flow after dividends	in EUR mn	–61	3,432	n.m.
Leverage ratio	in %	8	8	0
Capital expenditure[4]	in EUR mn	3,965	4,201	–6%
Organic capital expenditure[5]	in EUR mn	3,748	3,711	1%
Clean CCS ROACE	in %	12	19	–7
ROACE	in %	**7**	**17**	**–11**

Note: As of 2023, the Gas & Power Eastern Europe business was transferred from Fuels & Feedstock to the Energy business segment and is now reported together with Gas Marketing Western Europe under "Gas Marketing & Power." For comparison only, 2022 figures are presented in the new structure.

[1] Adjusted for special items and CCS effects; further information can be found in Note 5 – Segment Reporting – of the Notes to the Consolidated Financial Statements

[2] After deducting net income attributable to hybrid capital owners and net income attributable to non-controlling interests

[3] The disclosure of special items is considered appropriate in order to facilitate the analysis of the ordinary business performance. To reflect comparable figures, certain items affecting the result are added back or deducted. Special items from equity-accounted companies and temporary hedging effects for material transactions are included.

[4] Capital expenditure including acquisitions

[5] Organic capital expenditure is defined as capital expenditure including capitalized exploration and appraisal expenditure and excluding acquisitions and contingent considerations.

Notes to key financials

Clean CCS Operating Result

Special items and CCS effects

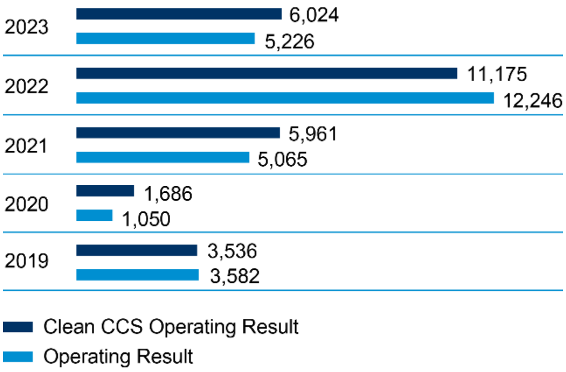
In EUR mn

	2023	2022	Δ
Clean CCS Operating Result[1]	**6,024**	**11,175**	**–46%**
Special items	**–668**	**861**	**n.m.**
thereof: personnel restructuring	–6	–8	27%
thereof: unscheduled depreciation/write-ups	–44	58	n.m.
thereof: asset disposal	208	724	–71%
thereof: other	–827	87	n.m.
CCS effects: inventory holding gains (+)/losses (–)	**–130**	**210**	**n.m.**
Operating Result Group	**5,226**	**12,246**	**–57%**

[1] Adjusted for special items and CCS effects

Clean CCS Operating Result

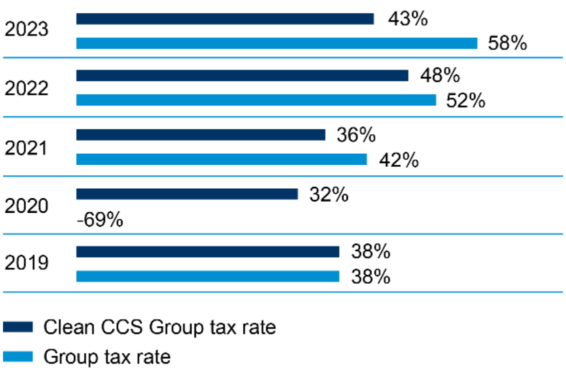
In EUR mn



Operating Result adjusted for special items and CCS effects, details of which are depicted in the table on the left.

2023 performance:
With a result of slightly over EUR 6 bn, OMV achieved the second best of all time clean CCS Operating Result in 2023. It declined substantially from the 2022 result by 46% due to significantly lower market prices. All three business segments had a lower contribution compared to 2022 following a less favorable market environment.

Clean CCS Group tax rate

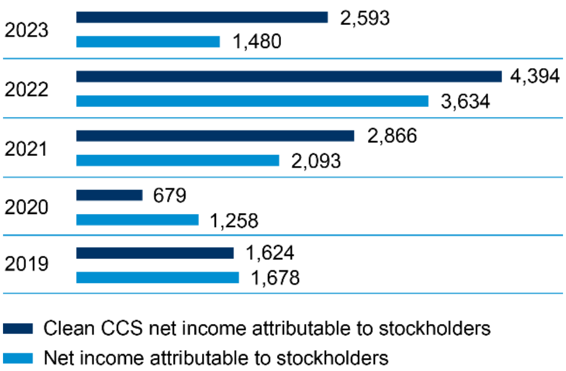


Group tax rate adjusted for special items and CCS effects. It represents the average rate at which the Group's profit before tax is taxed.

2023 performance:
Coming in at 43%, the clean CCS Group tax rate decreased by 5 percentage points compared to 48% in the previous year, stemming from a decreased share in the overall Group profits of the Energy segment companies located in countries with a high tax regime.

Clean CCS net income attributable to stockholders of the parent

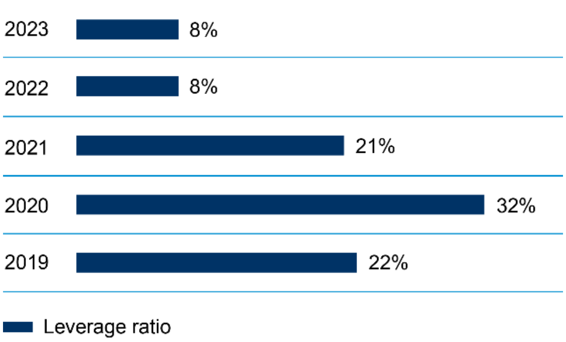
In EUR mn



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

2023 performance:
The clean CCS net income attributable to stockholders of the parent in the amount of EUR 2.6 bn decreased markedly compared to EUR 4.4 bn in 2022 following the Operating Result.

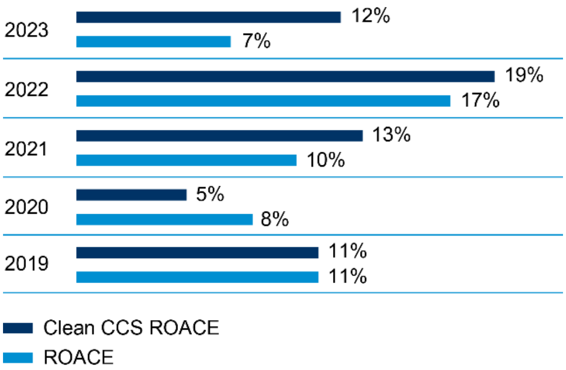
Leverage ratio



The leverage ratio is calculated by dividing net debt incl. leases through equity plus net debt incl. leases.

2023 performance:
OMV's strong financial performance resulted in maintaining the leverage ratio in 2023 at the same level as last year at 8%. This exhibits OMV's financial strength despite ongoing investing activities and a record dividend paid to shareholders.

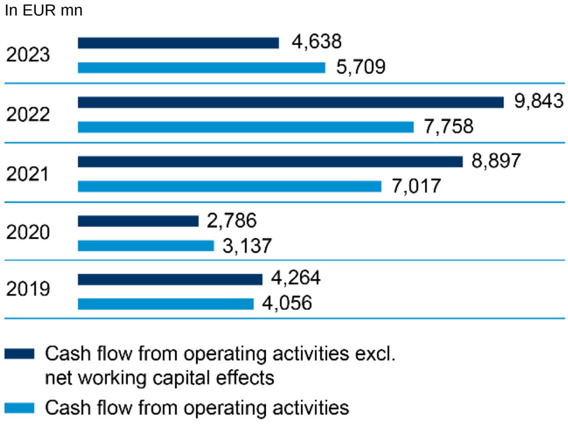
Clean CCS ROACE



The clean CCS ROACE (%) is calculated as Net Operating Profit After Tax (NOPAT – as a sum of the current and last three quarters) adjusted for the after-tax effect of special items and CCS, divided by average capital employed.

2023 performance:
Driven by the strong operational performance, OMV was able to deliver a clean CCS NOPAT of EUR 3.3 bn in 2023, compared to EUR 5.7 bn in 2022. Even though the average capital employed decreased also by 6%, the substantially lower clean CCS NOPAT led to a decrease in clean CCS ROACE from 19% in 2022 to 12% in 2023.

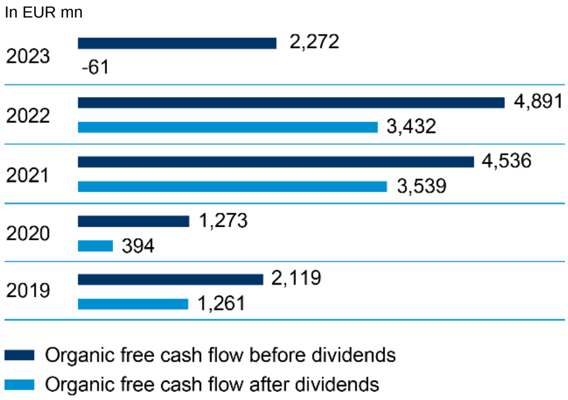
Cash flow from operating activities excl. net working capital effects



Amount of cash the OMV Group generates through its ordinary business activities which excludes effects from net working capital positions

2023 performance:
Operating cash flow excl. net working capital effects came in at EUR 4.6 bn below the EUR 9.8 bn from 2022, due to the overall weaker market environment.

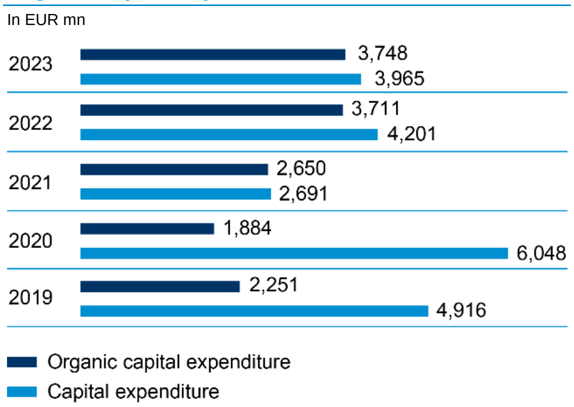
Organic free cash flow before dividends



The organic free cash flow is cash flow from operating activities less cash flow from investing activities excluding disposals and material inorganic cash flow components (e.g., acquisitions).

2023 performance:
An organic free cash flow before dividends of EUR 2.3 bn was recorded in 2023, 54% below prior year's level.

Organic capital expenditure



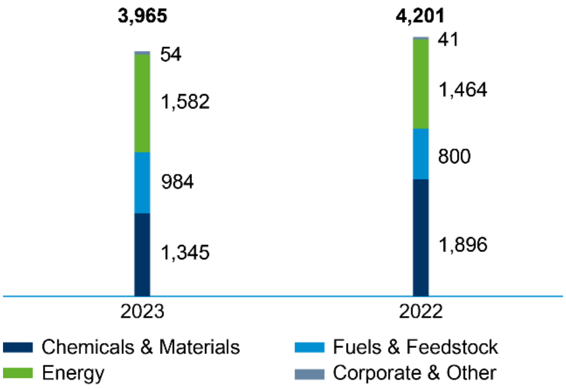
The amount is defined as capital expenditure including capitalized exploration and appraisal expenditure, excluding equity injections into at-equity and fully consolidated companies, acquisitions, and contingent considerations.

2023 performance:
Organic capital expenditure was stable at EUR 3.7 bn as the increase in investments in Fuels & Feedstock and Energy was offset by a decrease in investments in Chemicals & Materials.

Capital expenditure (CAPEX)[1]

Total CAPEX

In EUR mn



Chemicals & Materials CAPEX in 2023 included mainly the construction of the new propane dehydrogenation (PDH) plant in Kallo, the planned turnarounds at the Schwechat (Austria) and Porvoo (Finland) sites as well as construction of the ReOil® plant in Austria.

CAPEX in 2022 was mainly related to investments in the construction of the PDH plant in Belgium, which included non-cash effective CAPEX related to leases in the amount of around EUR 0.5 bn. Additionally, 2022 was impacted by the equity injection into Borouge 4 LLC to finance the Borouge 4 project, the construction of the ReOil® plant in Austria, and the turnaround at Stenungsund (Sweden).

The increase in **Fuels & Feedstock** CAPEX was predominantly driven by higher investments in the aromatic unit in Petrobrazi (Romania) and the co-processing plant in Schwechat (Austria).

Energy CAPEX in 2023 was primarily directed at projects in Romania, Norway, and the United Arab Emirates. In 2022, it was mainly related to the investments in Romania, New Zealand, and Norway.

The **reconciliation** of total capital expenditure to the **investments as shown in the cash flow statement** is depicted in the following table:

Capital expenditure

In EUR mn

	2023	2022	Δ
Total capital expenditure	**3,965**	**4,201**	**–6%**
+/– Other adjustments	–14	–47	70%
– Investments in financial assets	–215	–490	56%
Additions according to statement of non-current assets (intangible and tangible assets)	**3,736**	**3,664**	**2%**
+/– Non-cash changes[1]	–248	–721	66%
Cash outflow from investments in intangible assets and property, plant and equipment	**3,487**	**2,943**	**18%**
+ Cash outflow from investments, loans and other financial assets	635	736	–14%
+ Acquisitions of subsidiaries and businesses net of cash acquired	52	—	n/a
Investments as shown in the cash flow statement	**4,174**	**3,679**	**13%**

[1] Non-cash changes in 2022 were mainly impacted by new leases for the construction of the new propane dehydrogenation plant in Belgium by Borealis.

[1] Includes expenditures for acquisitions as well as equity-accounted investments and other interests; adjusted for capitalized decommissioning costs, exploration wells that have not found proved reserves, borrowing costs and other additions that by definition are not considered capital expenditure

Notes to the Consolidated Statement of Cash Flows

Consolidated Statement of Cash Flows (summarized)

In EUR mn

	2023	2022	Δ
Cash flow from operating activities excluding net working capital effects	4,638	9,843	–53%
Cash flow from operating activities	5,709	7,758	–26%
Cash flow from investing activities	–3,027	–1,966	54%
Free cash flow	2,682	5,792	–54%
Cash flow from financing activities	–3,771	–2,660	42%
Effect of exchange rate changes on cash and cash equivalents	–25	–72	–66%
Net increase (+)/decrease (–) in cash and cash equivalents	–1,114	3,060	n.m.
Cash and cash equivalents at beginning of period	8,124	5,064	60%
Cash and cash equivalents at end of period	**7,011**	**8,124**	**–14%**
thereof cash disclosed within Assets held for sale	91	35	162%
Cash and cash equivalents presented in the consolidated statement of financial position	**6,920**	**8,090**	**–14%**
Free cash flow after dividends	**349**	**4,333**	**–92%**

In 2023, **cash flow from operating activities excluding net working capital effects** declined to EUR 4,638 mn (2022: EUR 9,843 mn), mainly due to a less favorable market environment. Net working capital effects came in at EUR 1,071 mn predominantly as a result of a lower price environment. **Cash flow from operating activities** decreased by 26% to EUR 5,709 mn (2022: EUR 7,758 mn).

Cash flow from investing activities showed an outflow of EUR –3,027 mn in 2023, compared to EUR –1,966 mn in 2022. Cash flow from investing activities in 2023 included cash inflows of EUR 661 mn related to the successful divestment of the Borealis nitrogen business and EUR 272 mn from the divestment of OMV's filling station and wholesale business in Slovenia. In addition, there were higher cash outflows from capital expenditures compared to 2022 and investments in short-term securities.

In 2022, cash flow from investing activities included inflows from the Initial Public Offering of Borouge PLC in the amount of EUR 745 mn, a partial loan repayment from Bayport Polymers LLC of EUR 602 mn, and the divestment of the retail network in Germany of EUR 432 mn. Moreover, cash flow from investing activities in 2022 included outflows from the capital contribution to Borouge 4 LLC of EUR –408 mn, as well as cash disposed of in the amount EUR –208 mn related to the loss of control of JSC GAZPROM YRGM Development.

Cash flow from financing activities showed an outflow of EUR –3,771 mn compared to EUR –2,660 mn in 2022, mostly due to an increase in dividend payments of EUR 874 mn to EUR 2,333 mn, plus higher bond repayments.

Notes to the Consolidated Income Statement

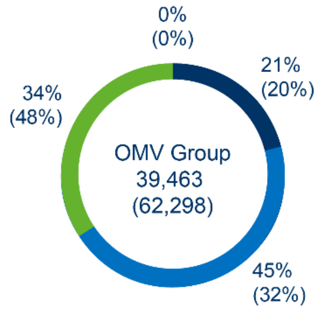
Consolidated Income Statement (summarized)

In EUR mn (unless otherwise stated)

	2023	2022	Δ
Sales revenues	39,463	62,298	–37%
Other operating income and net income from equity-accounted investments	1,068	2,512	–57%
Total revenues and other income	**40,531**	**64,811**	**–37%**
Purchases (net of inventory variation)	–24,222	–39,298	–38%
Production and operating expenses incl. production and similar taxes	–4,929	–6,205	–21%
Depreciation, amortization, impairments and write-ups	–2,463	–2,484	–1%
Selling, distribution and administrative expenses	–3,006	–2,689	12%
Exploration expenses	–222	–250	–11%
Other operating expenses	–462	–1,639	n.m.
Operating Result	**5,226**	**12,246**	**n.m.**
Net financial result	**–70**	**–1,481**	**n.m.**
Profit before tax prior to solidarity contribution	**5,156**	**10,765**	**n.m.**
Solidarity contribution on refined crude oil	–552	—	n.m.
Profit before tax	**4,604**	**10,765**	**n.m.**
Taxes on income and profit	–2,687	–5,590	n.m.
Net income for the year	**1,917**	**5,175**	**–63%**
thereof attributable to hybrid capital owners	72	71	1%
thereof attributable to non-controlling interests	366	1,470	n.m.
Net income attributable to stockholders of the parent	**1,480**	**3,634**	**–59%**
Effective tax rate (%)	58	52	6

Sales to third parties 2023 (2022)

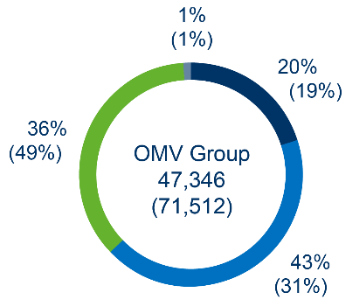
In EUR mn if not otherwise stated (prior year)



Chemicals & Materials	8,345	(12,269)
Fuels & Feedstock	17,753	(19,857)
Energy	13,344	(30,155)
Corporate & Other	20	(17)

Total not consolidated sales 2023 (2022)

In EUR mn if not otherwise stated (prior year)



Chemicals & Materials	9,650	(13,450)
Fuels & Feedstock	20,186	(22,382)
Energy	17,038	(35,256)
Corporate & Other	471	(424)

Sales revenues decreased by 37% to EUR 39,463 mn mainly due to substantially lower market prices. For the sales split by geographical areas, please refer to the Notes to the Consolidated Financial Statements (Note 5 – Segment Reporting).

Other operating income decreased from EUR 1,644 mn in 2022 to EUR 742 mn. 2023 was mainly impacted by EUR 221 mn gains from divestment of OMV's filling station and wholesale business in Slovenia. 2022 contained EUR 409 mn gains from the divestment of the retail network in Germany, EUR 341 mn gains from the successful listing of Borouge PLC on ADX (the Abu Dhabi Securities Exchange) and insurance income of around EUR 200 mn with respect to the incident in the Schwechat refinery in June 2022. For further details, please refer to the Notes to the Consolidated Financial Statements (Note 7 – Other operating income and net income from equity-accounted investments).

Net income from equity-accounted investments decreased from EUR 869 mn in 2022 to EUR 326 mn in 2023 mainly due to an impairment of exploration and appraisal assets included in OMV's initial purchase price allocation of its share in Pearl Petroleum Company Limited and a lower contribution of Abu Dhabi Oil Refining driven by decreased refining margins.

Net expenses related to **depreciation, amortization, impairments and write-ups** remained almost unchanged compared to last year. 2023 was mainly impacted by write-ups of EUR 186 mn related to assets in Libya and gas storage in Germany. 2022 contained a write-up of EUR 266 mn of the nitrogen business unit of Borealis based on the new offer from AGROFERT, a.s. and a net impairment amounting to EUR 117 mn based on the impairment testing in the Exploration & Production portfolio triggered by updated commodity price assumptions. For further details, please refer to the Notes to the Consolidated Financial Statements (Note 8 – Depreciation, amortization, impairments and write-ups).

Other operating expenses decreased from EUR 1,639 mn in 2022 to EUR 462 mn in 2023. 2022 was mainly impacted by the deconsolidation of investments in Russia and remeasurement of the asset from reserves redetermination rights with respect to the acquisition of interests in the Yuzhno-Russkoye field.

Net financial result improved from EUR –1,481 mn in 2022 to EUR –70 mn in 2023. The negative net financial result in 2022 predominantly stemmed from the impairment of the Nord Stream 2 loan in the amount of EUR 1,004 mn, as well as EUR 370 mn negative fair value adjustment of investments in Russia. The net financial result in 2023 improved additionally due to a higher net interest result, partly offset by a deteriorated foreign exchange result. For further details please refer to the Notes to the Consolidated Financial Statements (Note 20 – Financial assets).

Solidarity contribution on refined crude oil in Romania was introduced by the law no. 119/2023 for the approval of the Government Emergency Ordinance 186/2022 on May 12, 2023. The law introduced the obligation to pay a contribution of RON 350 for each ton of crude oil processed during 2022 and 2023. In 2023, a solidarity contribution in the amount of EUR 552 mn was recognized for the quantities of crude oil processed during 2022 and 2023. For further details, please refer to the Notes to the Consolidated Financial Statements (Note 13 – Solidarity contribution on refined crude oil).

The **effective tax rate** increased from 52% in 2022 to 58% in 2023 and was mainly impacted by the solidarity contribution on refined crude oil in Romania (which decreases profit before tax but is a non-deductible expense for tax purposes). For further details on the Group's effective tax rate, please refer to the Notes to the Consolidated Financial Statements (Note 14 – Taxes on income and profit).

Notes to the Consolidated Statement of Financial Position

Consolidated Statement of Financial Position (summarized)

In EUR mn

	2023	2022	Δ
		restated[1]	
Assets			
Non-current assets	31,559	32,384	–3%
Current assets	17,432	22,803	–24%
Assets held for sale	1,671	1,676	–0%
Equity and liabilities			
Equity	25,369	26,628	–5%
Non-current liabilities	14,826	15,607	–5%
Current liabilities	9,846	14,001	–30%
Liabilities associated with assets held for sale	622	626	–1%
Total assets/equity and liabilities	**50,663**	**56,863**	**–11%**

[1] Comparative information dated December 31, 2022, has been restated. For further details, see the Notes to the Consolidated Financial Statements (Note 3 – Accounting policies, judgments, and estimates).

Non-current assets:

Intangible assets and property, plant and equipment in 2023 were impacted, among others, by significant investments, however, this was almost offset by the reclassification of SapuraOMV to assets held for sale (Note 22 – Assets and liabilities held for sale – in the Notes to the Consolidated Financial Statements).

Equity-accounted investments decreased by EUR 626 mn to EUR 6,668 mn impacted by EUR 786 mn dividend distributions and negative FX impacts, partly offset by positive results mostly from Borouge PLC and Abu Dhabi Oil Refining Company as well as EUR 94 mn capital contributions mainly to Bayport Polymers LLC. For further details, please refer to the Notes to the Consolidated Financial Statements (Note 18 – Equity-accounted investments).

Current assets:

Inventories decreased from EUR 4,834 mn in 2022 to EUR 3,529 mn in 2023 mainly impacted by lower prices. For further details please refer to the Notes to the Consolidated Financial Statements (Note 19 – Inventories).

Decrease in **derivatives** from EUR 2,377 mn to EUR 742 mn was mainly related to the gas business.

Assets held for sale and liabilities associated with assets held for sale:

In 2023, these positions were primarily impacted by the completion of the Borealis nitrogen business unit sale, which was partly offset by the reclassification of the SapuraOMV disposal group to "held for sale," following the decision to enter into negotiations with interested bidders. For further details, please refer to the Notes to the Consolidated Financial Statements (Note 22 – Assets and liabilities held for sale).

Non-current liabilities:

Bonds decrease was mainly related to short-term reclassifications of EUR 750 mn. For further details, please refer to the Notes to the Consolidated Financial Statements (Note 26 – Liabilities).

Current liabilities:

Trade liabilities decreased from EUR 5,259 mn in 2022 to EUR 3,955 mn in 2023 as a result of both lower prices and lower quantities sold.

Bonds decrease was mainly related to short-term reclassifications of EUR 750 mn, which was more than offset by the repayments in the amount of EUR 1,250 mn. For further details please refer to the Notes to the Consolidated Financial Statements (Note 26 – Liabilities).

Income tax liabilities decrease of EUR 1,590 mn related mainly to OMV Norway and was due to lower taxable income and significant payments made during the first half of 2023 with respect to the previous year.

Financial liabilities from derivatives decreased from EUR 1,263 mn to EUR 386 mn, mainly related to the gas business.

Chemicals & Materials

In the Chemicals & Materials segment, OMV is one of the world's leading providers of advanced and circular polyolefin solutions and a European market leader in base chemicals and plastics recycling. The Company supplies services and products to customers around the globe through Borealis[1] and its two joint ventures: Borouge (with ADNOC, based in the UAE and Singapore) and Baystar (with TotalEnergies, based in the United States).

At a glance

		2023	2022	Δ
Clean Operating Result	in EUR mn	94	1,457	–94%
thereof Borealis excluding JVs	in EUR mn	–74	967	n.m.
thereof Borealis JVs	in EUR mn	102	332	–69%
Special items	in EUR mn	–214	582	n.m.
Operating Result	in EUR mn	–120	2,039	n.m.
Capital expenditure[1]	in EUR mn	1,345	1,896	–29%
Ethylene indicator margin Europe	in EUR/t	507	560	–9%
Propylene indicator margin Europe	in EUR/t	389	534	–27%
Polyethylene indicator margin Europe	in EUR/t	322	390	–17%
Polypropylene indicator margin Europe	in EUR/t	355	486	–27%
Utilization rate steam crackers Europe		80%	74%	5
Polyolefin sales volumes	in mn t	5.69	5.66	0%
thereof polyethylene sales volumes excl. JVs	in mn t	1.63	1.69	–3%
thereof polypropylene sales volumes excl. JVs	in mn t	1.86	1.84	1%
thereof polyethylene sales volumes JVs[2]	in mn t	1.28	1.25	2%
thereof polypropylene sales volumes JVs[2]	in mn t	0.92	0.88	4%

Note: Following the successful listing of 10% of the total issued share capital of Borouge PLC on June 3, 2022, Borealis now holds a 36% stake in Borouge PLC, thus lowering financial and operational contributions as of the date of listing.
[1] Capital expenditure including acquisitions
[2] Pro-rata volumes of at-equity consolidated companies

Financial performance

The **clean Operating Result** decreased substantially in 2023 to EUR 94 mn (2022: EUR 1,457 mn). This was mainly a result of the deterioration of the chemical sector caused by a global economic slowdown and a highly inflationary environment, which led to substantially lower olefin and polyolefin indicator margins, negative inventory valuation effects, and a lower contribution from Borealis JVs. In addition, the sale of the nitrogen business to AGROFERT, a.s. was completed in early July 2023, leading to a EUR 367 mn lower result contribution compared to 2022.

The contribution of OMV base chemicals declined mainly following substantially lower olefin indicator margins. The **ethylene indicator margin Europe** lessened by 9% to EUR 507/t (2022: EUR 560/t), while the **propylene indicator margin Europe** declined significantly, by 27%, to EUR 389/t (2022: EUR 534/t).

In 2023, weak demand and ample supply weighed on olefin contract prices, while propylene contract prices also experienced downward pressure stemming from high refinery throughput in Europe. Easing naphtha prices provided some support to the olefin indicator margins.

The **utilization rate of the European steam crackers** operated by OMV and Borealis increased to 80% (2022: 74%). While 2022 was impacted by the planned turnarounds at the Stenungsund and Burghausen steam crackers and the reduced steam cracker utilization rate in Schwechat, 2023 was affected by the planned turnarounds at the Schwechat and Porvoo steam crackers.

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

The contribution of **Borealis excluding JVs** came in considerably lower in 2023 at EUR –74 mn (2022: EUR 967 mn). Substantially lower olefin and polyolefin indicator margins, the absent contribution from the nitrogen business due to the divestment in July 2023, which impacted the result negatively by EUR 367 mn compared to 2022, and negative inventory valuation effects were the main contributors to the sharp decline. Inventory valuation effects, excluding the nitrogen business, were around EUR 160 mn lower than in 2022, and had a negative impact on the result. The Borealis base chemicals business experienced a decline that was mainly caused by weaker olefin indicator margins, although a more positive light feedstock advantage and increased utilization of the steam crackers counteracted this to a certain extent. The polyolefin business experienced a substantial decline amid the persistent weak market environment in Europe, leading to considerably lower polyolefin indicator margins and negative inventory valuation effects. A less favorable product mix as well as higher fixed costs due to the inflationary environment also impacted the result negatively. The **polyethylene indicator margin Europe** decreased by 17% to EUR 322/t (2022: EUR 390/t), while the **polypropylene indicator margin Europe** came down by 27% to EUR 355/t (2022: EUR 486/t). In 2023, polyolefin indicator margins decreased on the back of the global economic slowdown and inflationary pressure on customers. In addition, increased availability of imported volumes into Europe put pressure on margins. As a consequence, realized margins for standard products declined markedly. In contrast, realized margins for specialty products increased slightly. **Polyethylene sales volumes excluding JVs** declined by 3% while **polypropylene sales volumes excluding JVs** increased marginally, by 1%, compared to 2022. The decrease in sales volumes stemmed predominantly from the energy and health care industries, while the mobility industry experienced a slight increase. The sale of the nitrogen business to AGROFERT, a.s. was completed in early July 2023. The nitrogen business contributed EUR 339 mn to the result in 2022, while it showed a loss of EUR –28 mn in 2023.

The contribution of **Borealis JVs**, accounted for as OMV's share of clean net income of the at-equity consolidated companies, declined to EUR 102 mn (2022: EUR 332 mn) following a lower contribution from Borouge and the more negative contribution from Baystar. **Polyethylene sales volumes from the JVs** increased slightly by 2% compared to 2022, while **polypropylene sales volumes from the JVs** grew by 4%. The Borouge result declined primarily due to a weaker market environment in Asia. OMV's reduced share in Borouge following the successful listing of 10% of Borouge's total issued share capital on June 3, 2022, also lowered financial and operational contributions compared to 2022. The pricing environment in Asia weakened compared to 2022, as new polyolefin production capacities came online amid muted Asian demand. Borouge recorded slightly higher sales volumes in 2023. At Baystar, polyethylene sales volumes saw a minor increase compared to 2022, which was also attributable to the ramp-up process for the new polyethylene unit Bay 3 in Q4/23. The Baystar ethane cracker recorded a low utilization rate due to operational challenges that continued throughout 2023. Combined with the weak market environment, increased costs due to the planned depreciation of the cracker and higher interest expenses and fixed costs resulted in a markedly negative result contribution from Baystar.

Net **special items** amounted to EUR –214 mn (2022: EUR 582 mn) and were mainly a result of impairments related to Borealis' nitrogen business and Renasci N.V. Net special items in 2022 were mainly related to the successful listing of a 10% share in Borouge, leading to a gain from the disposal, and the write-up of Borealis' nitrogen business. The Operating Result of Chemicals & Materials declined substantially to EUR –120 mn compared to EUR 2,039 mn in 2022.

Capital expenditure in Chemicals & Materials decreased to EUR 1,345 mn (2022: EUR 1,896 mn). Capital expenditure in 2022 included an equity injection to Borouge 4 of around EUR 0.4 bn and non-cash effective CAPEX related to leases in the amount of around EUR 0.5 bn, which were related to Borealis' construction of the new propane dehydrogenation (PDH) plant in Belgium. In 2023, besides ordinary running business investments, organic capital expenditure was predominantly related to Borealis' construction of the new PDH plant in Kallo, the planned turnarounds at the Schwechat and Porvoo sites, and the construction of the ReOil® plant in Austria.

Business overview

In the Chemicals & Materials segment, OMV is one of the world's leading providers of advanced and circular polyolefin solutions and a European market leader in base chemicals and plastics recycling. The Company supplies services and products to customers around the globe through OMV and Borealis and its two joint ventures: Borouge (with ADNOC, based in the UAE and Singapore) and Baystar (with TotalEnergies, based in the United States). The segment comprises the production of base chemicals integrated with OMV operated refineries in Austria and Germany, the Borealis business of base chemicals and polyolefins, and the joint ventures.

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

Base chemicals

Base chemicals are building blocks for the chemical industry and are transformed into plastics, packaging, clothing, and many other consumer products.

While the refinery-integrated, OMV operated steam crackers in Schwechat and Burghausen mainly use naphtha as a feedstock, the steam crackers operated by Borealis in Stenungsund and Porvoo are highly flexible on the feedstock they use, employing naphtha, ethane, propane, butane, or any LPG mix. In Kallo, Borealis runs a propane dehydrogenation unit based on 100% propane feedstock.

The OMV Group produces base chemicals such as olefins (ethylene, propylene, butadiene, and high-purity isobutene) and aromatics (benzene and phenol).

- Ethylene and propylene are important chemical building blocks for producing polyolefins (polyethylene and polypropylene), which are in turn used to manufacture a wide variety of consumer and industrial products.
- Aromatics such as benzene are used as starting materials for heat insulating materials and consumer products, including clothing, pharmaceuticals, cosmetics, computers, and sports equipment.
- C4s (e.g., butadiene and butene) are used in a variety of applications, with butadiene primarily used in manufacturing synthetic rubber, making it a fundamental material for the tire and automotive industries. Butenes are used in specialty chemicals, such as oxo-alcohols for plasticizers and polyols for coatings and synthetic lubricants.
- High-purity isobutene is a feedstock for key chemical products like adhesives, lubricants, and vitamins.
- Phenol and acetone are sold mainly to the polycarbonate and epoxy resin industries. Phenol is also used in phenolic resins and in caprolactam. Acetone is also an ingredient in solvents and MMA for PMMA (plexiglass).

Even though OMV's European crackers were running at higher utilization rates than Europe's average, base chemicals results were burdened by an economic downturn in Europe. The overall European performance for the year remained weak in terms of volumes and margins, falling below last year's levels due to subdued demand throughout the supply chain from olefin to derivatives. OMV's Profit Improvement Program partly compensated for the margin and volume shortfall. The gap between the price of ethylene and propylene widened from 2022 to 2023, as refinery throughput remained high on healthy fuel margins. While chemical demand weakened further, new capacities coming online globally created additional pressure. Moreover, in comparison to 2022, the European cracker turnaround season in 2023 turned out to be very moderate and had less impact than usual on available production capacities.

The propane dehydrogenation (PDH) margin came in low at the beginning of 2023 as a result of higher demand for propane in the winter season. Propane prices weakened in comparison to naphtha prices due to lower demand throughout the year, leading to a positive impact on PDH margins. Toward the end of 2023 PDH margins continued to be healthy, driven by high propane storage levels and a mild winter.

The butadiene indicator margin declined to historically low levels this year as a result of weak demand. Even though car sales were higher than in 2022, the tire replacement rate remained below historic averages. In December 2023, OMV and Synthos signed an MoU for the supply of sustainable butadiene for the synthetic rubber used in tire manufacturing. The sustainable butadiene will be produced in the OMV steam cracker at the Burghausen refinery in Germany, which received full ISCC PLUS certification in 2022. OMV delivered the first batch of sustainable butadiene to Synthos in 2023.

The benzene indicator margin came in below last year's levels on the back of weak European demand. The downturn in consumer activity in almost all sectors had a negative impact on the industry.

Polyolefins

Through its subsidiary Borealis, OMV is the second-largest polyolefin producer in Europe and among the top ten producers globally. Borealis operates seven polyolefin plants located in Schwechat, Stenungsund, Porvoo, and Burghausen, where they are integrated with steam crackers, as well as in Beringen and Kallo, where they are integrated with the existing PDH facility, and in Antwerp. In addition, Borealis operates several compounding plants in Europe, the United States, South Korea, and Brazil.

The value-added polyolefin products manufactured by Borealis are the foundation of many valuable plastics applications that are an intrinsic part of modern life. Advanced Borealis polyolefins have a role to play in saving energy along the value chain and promoting more efficient use of natural resources. Borealis works closely with its customers and industry partners to provide innovative plastics solutions that create value in a variety of industries and segments. These solutions make end products safer, lighter, more affordable, and easier to recycle. In short: they enable more sustainable living. Borealis offers advanced polyolefins for virgin and circular economy solutions, servicing the following key industries: consumer products, energy, healthcare, infrastructure, and mobility.

The polyolefins market remained weak overall in 2023, but was temporarily bolstered from January to April by the spring turnaround season and optimism surrounding China's post-COVID-19 reopening. Industry profitability plummeted in the summer months, with unprecedented levels of industry destocking due to underlying factors such as import pressure, high inventories, expectation of falling polyolefins prices, and the annual demand slowdown during the holidays. Industry profitability and operating rates fell to levels last recorded during the height of the global financial crisis of 2007–2008. While industry profitability recovered somewhat later in the year, it remained very weak.

Renewable and circular chemicals

Plastics continue to play a vital role in the economy and in our business, making our lives more efficient, convenient, and safe. Yet, when insufficient effort is made to recover and reuse plastics, most of them end up in landfill or incineration. The vision of a circular economy, where we optimize resource efficiency and reuse, recycle, and repurpose endlessly, is both a business imperative and an opportunity. Demand for recycled plastics is growing due to increasing public awareness of the importance of using resources sustainably to ensure a climate-neutral future.

The circular economy opens up new ways to reinvent the economy in the interest of preserving natural capital and minimizing waste. OMV and Borealis are pursuing various initiatives in mechanical and chemical recycling, Design for Recycling (DfR), and circular polyolefins that are manufactured with second-generation renewable feedstock. While mechanical recycling has proven to be effective and will likely remain the eco-efficient method of choice for the foreseeable future, chemical recycling will play an increasingly important role to complement it for hard-to-recycle materials and for achieving virgin-grade properties.

Borealis is cementing its position as a fully customer-centric supplier of sustainable material solutions that add value to society and accelerate the transition to a circular economy. Long an industry front-runner in circularity, Borealis continues to lead by steadily increasing the share of circular products in its overall production output. These include recycled and renewable-based polymers in its Borcycle™ C, Borcycle™ M, and Bornewables™ grade portfolios, as well as the renewable hydrocarbons in the Borvida™ family of base chemicals.

Following the certification of the Borealis polyolefin compounding site in Monza (Italy) in July 2023, all Borealis polyolefin and polyolefin compounding sites in Europe have now been ISCC PLUS certified. This mark of quality ensures traceability of critical points along the supply chain by way of objective and third-party verification. Recycling facilities operated by Renasci in Oostende (Belgium), mtm in Niedergebra (Germany), and Ecoplast in Wildon (Austria) have also been ISCC PLUS certified.

Borealis was the first virgin polyolefins player in Europe to have entered mechanical recycling by acquiring mtm plastics in 2016, and Austria-based Ecoplast in 2018. 100% owned by the Borealis Group, the combined mtm and Ecoplast output will be augmented by high-quality volumes from the recent acquisition of Rialti. Based in the Varese area of Italy, Rialti specializes in the production of sustainable polypropylene (PP) compounds with a focus on mechanically recycled PP feedstock from post-industrial and post-consumer waste. Moreover, the signing of an agreement to acquire Integra Plastics AD, an advanced mechanical recycling player based in Elin Pelin (Bulgaria) took place in November 2023. Closing of this transaction is subject to customary regulatory approvals.

As the chemical recycling process valorizes residual waste streams that would otherwise be landfilled or incinerated, it is a valuable complement to mechanical recycling. The virgin-grade quality of monomers produced in the chemical recycling process makes them suitable for use in the production of high-end polyolefin applications in food-grade consumer packaging, infrastructure, and healthcare.

OMV is currently constructing a demo plant based on its proprietary ReOil® technology to scale up its chemical recycling capacities. The plant has a capacity of

16,000 t p.a. and is scheduled to start up in 2024. The feedstock will consist mainly of polyolefins and will be sourced initially in Austria in close cooperation with local waste management companies. Examples of such plastic waste include food packaging, plastic cups, lids from takeout coffee, and confectionery packaging. In October 2023, OMV announced the final investment decision to build an innovative sorting plant developed by Interzero, Europe's leading provider of circular economy solutions, to produce feedstock for chemical recycling. For that purpose, OMV and Interzero established a joint venture, in which OMV holds 89.9% of the shares and 10.1% of the shares belong to Interzero. OMV will invest over EUR 170 mn in building this state-of-the-art facility in Walldürn, southern Germany. With a processing capacity of up to 260,000 t of post-consumer mixed waste plastic per year, this fully automatic sorting facility will be the first of its kind to produce feedstock for OMV's chemical recycling on a large industrial scale. Construction began in Q4/23 and production is expected to start in 2026. As a next step, OMV aims to develop a commercially viable industrial-scale ReOil® plant at the Schwechat refinery with a processing capacity of up to 200,000 t/year.

In addition to ongoing collaboration with OMV centered on the patented OMV ReOil® technology, Borealis is also working closely with its upstream partner Neste and its Neste RE™ technology to take the commercialization of chemically recycled plastics to the next level. The majority stake in Renasci N.V. acquired in late 2023 also gives Borealis ample access to chemically recycled feedstock for the grades in its ISCC PLUS-certified Borcycle™ C portfolio.

Fertilizers, melamine, and technical nitrogen products

In 2020, the OMV Group announced that it had started the divestment process for the nitrogen business unit, which includes fertilizers, technical nitrogen, and melamine. Borealis completed the sale to Czech-based AGROFERT, valuing the business on an enterprise value basis at EUR 810 mn, on July 5, 2023. The sale of the Company's share in Rosier, which operates the production sites in the Netherlands and Belgium, to Yilfert Holding was completed on January 2, 2023.

Joint ventures

Borouge (Borealis 36%, ADNOC 54%, free float 10%)

Established in 1998, Borouge is a true success story of the long-term partnership with ADNOC. The joint venture has successfully combined the leading-edge Borstar® technology with competitive feedstock and access to growing Asian markets. Borouge runs ethane-based steam crackers with a capacity of 3.6 mn t p.a. and an olefin conversion unit, converting ethylene into propylene, with a total capacity of around 0.8 mn t p.a. In addition, Borouge operates polyolefin plants with a total production capacity of 5 mn t p.a., thereof 2.7 mn t of polyethylene, 2.2 mn t of polypropylene, and 0.1 mn t of other products. In June 2022, Borouge was listed on the Abu Dhabi Securities Exchange (ADX) with 10% of the total issued share capital. Through Borouge, the Group's footprint reaches all the way to the Middle East, the Asia-Pacific region, the Indian subcontinent, and Africa.

Baystar (Borealis 50%, TotalEnergies 50%)

The Baystar™ joint venture with TotalEnergies in Pasadena, Texas (US) reached a most significant milestone in October 2023 with the start-up of the new 0.6 mn t p.a. Borstar® polyethylene unit called Bay 3. This growth project has brought the proprietary technology to the US in the most advanced Borstar® plant ever built in North America. With the completion of the USD 1.4 bn unit, Baystar™ has more than doubled its production capacity. As a fully integrated petrochemicals venture, it will supply value-added specialty polymers to the booming energy, infrastructure, and consumer product sectors in North America. In addition to the new Bay 3 unit, Baystar™ comprises two legacy polyethylene (PE) production units, Bay 1 and Bay 2, and a 1 mn t p.a. ethane-based steam cracker, which started up in 2022 and is operated by TotalEnergies in Port Arthur, Texas.

Growth projects

Borouge

The largest growth project currently underway is Borouge 4, situated within the Borouge joint venture founded by Borealis and the Abu Dhabi National Oil Company (ADNOC) in 1998. Ground was broken in 2022 for the construction of Borouge 4, the new USD 6.2 bn facility at the existing complex in Ruwais (UAE). The project has an excellent safety record thus far, with a project TRI of 1 for over 27 mn man hours. Upon completion, which is expected for the end of 2025, the Borouge 4 project will add a 1.5 mn t ethane-based steam cracker and two additional Borstar® polyethylene (PE) units with a total capacity of 1.4 mn t. The increased production capacity of advanced base chemicals and polyolefins that will be unlocked once Borouge 4 comes on stream will further enhance its role, as it will supply large volumes to customers in the Middle East and Asia as well as feedstock to the adjacent TA'ZIZ Industrial Chemicals Zone.

Kallo

Borealis is building a propane dehydrogenation (PDH) plant in Belgium to leverage expected growth in propylene demand in Europe. PDH is a vital process step in the production of propylene from propane. As one of the most important building blocks in the entire chemical industry, propylene is the raw material used to produce polypropylene (PP). The new facility is planned to have a production capacity of 0.7 mn t p.a. of propylene and start-up is expected to take place in 2025.

Innovation and new technologies

As a pillar of a strong foundation, innovation drives transformation in all areas of business activity. Making good on the corporate purpose of "Reinventing essentials for sustainable living" requires ongoing investment in R&D.

OMV's proprietary ReOil® thermal cracking technology was developed to meet the European Commission's targets for the circular economy and to fulfill future packaging recycling quotas. The ReOil® pilot plant at the Schwechat refinery, which has a capacity of 100 kg/h, has been recycling post-consumer and post-industrial plastics into synthetic crude oil using a pyrolysis process since 2018. This synthetic crude is then processed mainly into monomers and other hydrocarbons in the Schwechat refinery. OMV and Borealis are pursuing the clear ambition of becoming a leading player in chemical and mechanical recycling technologies. In October 2023, OMV and Wood, a global leader in consulting and engineering solutions in energy and materials markets, signed a mutually exclusive collaboration agreement for the commercial licensing of OMV's proprietary ReOil® technology, following a Memorandum of Understanding that was signed between the two parties in November 2022.

At Borealis, proprietary technologies such as Borstar® form the basis for material solutions that help the industry address urgent societal and environmental issues such as decarbonization, the green energy transition, and waste reduction. Its suite of technologies enables Borealis to continually expand its offer of advanced specialty polyolefins so as to capitalize on promising market opportunities in lucrative niche applications in sectors like renewable energy, mobility, health care, consumer packaging, and the circular economy.

In the renewable energy sector, Borealis' specialty product Borlink™ has supported global cable company Nexans in harnessing the power of the North Sea for its DolWin6 project. With the successful commissioning of the project in September 2023, 90 km of HVDC cable, supplied and installed by Nexans using the new generation Borlink™ LS4258DC, now connect 900 MW of offshore wind power to land in a reliable and efficient way, with only minimal losses. Following the first commercial application in Europe, Borlink™ LS4258DC has proven itself as a grade suitable for the largest-scale industrial projects in green energy.

Together with Tratos, a leader in electrical, electronic, and fiber optic cable technology, Borealis has successfully developed the first energy cable using Bornewables™ materials, a portfolio of value-added polyolefin products manufactured with renewable feedstock. Developed to meet sustainability and energy efficiency criteria, Tratos' Bornewables™ solution reduces CO_2 emissions by 320 kg/km compared to fossil feedstock alternatives.

In the mobility sector, Borealis introduced and commercialized Daplen™ EG108AI, a specialty polypropylene compound intended for injection molding. This high-performance material was developed and validated according to leading OEM material requirements and was successfully positioned in door panels and interior trims of new electrified passenger car models. It provides superior surface aesthetics and odor emissions while excellently balancing impact strength and stiffness.

Borealis also launched a new class of engineering polymer produced from renewably sourced feedstock: Stelora™ opens up an abundance of options for technically advanced applications requiring high heat resistance, such as in e-mobility and renewable energy generation. The introduction of the Bornewables™ line Queo™, a portfolio of polymers and elastomers based on renewable feedstock, took place in the same month.

The EverMinds™ platform founded in 2018 is one way in which Borealis is spearheading the circular economy transition. By encouraging collaboration among value chain partners and other stakeholders in the name of circularity, Borealis is facilitating the development of a broad range of eco-efficient applications across diverse industry sectors. In 2023, highlights included the development of a new monomaterial pouch for dry foodstuffs containing over 95% PP and fully compatible with mechanical recycling. Bornewables™ grades were used to enhance the circularity of BOPP film used in flexible packaging, while Bornewables™ PP for absorbent hygiene products were able to help improve the ecological footprint of nonwovens.

Innovation at Borealis is global in scope. Nearly 600 people are employed in one of three innovation hubs: the Innovation Headquarters in Linz (Austria) and the innovation centers in Porvoo (Finland) and Stenungsund (Sweden). Borealis also operates Borstar® pilot plants for PE in Porvoo, and for PP in both Porvoo and Schwechat (Austria). Catalyst manufacturing plants in Linz and Porvoo are augmented by a pilot facility in Porvoo.

Borealis continues to head the list of patent filers in Austria. In 2023, Borealis filed 128 new priority patent applications at the European Patent Office, the same number filed as in 2022. As of December 2023, the Borealis Group holds around 12,000 individual patents or patent applications, which are subsumed in approximately 1,500 patent families. The growing number of patents is proof positive of the Group's dedication to Value Creation through Innovation.

Digitalization

Stepping up digitalization in Chemicals & Materials is one of the key drivers for transformation. Not only will it increase the Group's productivity and improve the customer experience, it will also support the achievement of sustainability goals. In particular, digital solutions for the circular economy of plastics will become more important for the success of the Group's carbon neutrality journey.

For that reason, Borealis decided in 2023 to merge the Borealis Digital Studio, its digitalization incubator organization, with the Group's IT organization. The department has been renamed Digital Solutions and is now a united and empowered function, consisting of diverse, cross-functional teams of IT professionals with profound business, project management, and platform knowledge. The team supports the delivery of the Group's business objectives, while putting the user at the heart of every solution, whether they are customers, employees, suppliers, or others.

During 2023, Borealis further developed Neoni, a digital tool that calculates CO_2 equivalent (CO_2e) emissions for its products. The materials covered a wide range, from virgin fossil feedstock-based solutions to renewable feedstock-based grades in the Bornewables™ portfolio of circular polyolefins and the Borcycle™ portfolio of mechanically recycled polyolefins. Neoni is the first digital tool in the industry to offer CO_2e emissions data down to the grade level for polyolefins, so Borealis' customers can make informed decisions about which materials best meet their circularity goals. This is in line with Borealis' EverMinds™ approach to accelerating circularity by working with its value chain partners. The carbon footprint Neoni calculates includes all CO_2e emissions generated up to the moment the product leaves Borealis' facilities. The tool offers customers the option to calculate CO_2e emissions that take place from Borealis to their own operations, making it even more useful. Having introduced Neoni in 2022, Borealis rolled out the tool during 2023 and added data on hydrocarbons, in addition to polyolefins grades. Customers can access the results from the tool on the MyBorealis customer portal.

MyBorealis is the Group's online platform for engaging with its polyolefins customers. It is designed to blend seamlessly with Borealis' offline commercial processes in order to enhance the customer experience. The portal supports customer service representatives and sales managers in their daily interactions with customers and puts order management at the customer's fingertips, along with a complete library of order, product, and complaint documentation. The application works 24/7, providing instant access to up-to-date information, with ordering fully integrated with Borealis' supply chain and IT processes. The portal supports eight languages, allowing organizations in Europe, North America, and South America to use it. By the end of 2023, 26% of the business' order volume was placed via the portal, up from 20% at the start of the year, with almost half of customers now active on MyBorealis. Borealis looks to develop new tools that improve safety performance and support its Goal Zero objective. The Group is also exploring new digital ways of working to increase efficiency in operations, focusing on asset intelligence, field excellence, data and connectivity, and value chain optimization. Various initiatives contribute to this, including:

- a fit-for-purpose, sustainable, and affordable technical Data & Document Management System, which enables Operations to harmonize documentation, standardize work processes, and close gaps in current tools;
- a Mobile Operator tool that gives operators a powerful, simple, and purpose-built solution to assist them in the field;
- an initiative to compare different ways of detecting corrosion under insulation so as to determine the best technologies;
- a project to support the Group's sustainability strategy by implementing a tool to structure the validation process for energy data, reducing the risk of errors and ensuring data quality and traceability.

The Group also continued its Borstar® Digital Twin program, a set of digital solutions for Borstar® plants, rooted in Borealis' process expertise and built on the Group's successful applications such as its Proprietary

Advanced Process Control and Operator Training Simulators. The goal is to capture Borealis' unique know-how and utilize it in research engineering and production process improvements, while also providing a support and collaboration platform.

The program has now started delivering its first solutions, which aim to generate significant business value by improving operations in Borealis and its joint ventures, and by enhancing Borstar® as a leading technology.

Last but not least, in the Leonardo program Borealis continues its SAP S/4HANA journey. The program reshapes our enterprise platform to enhance agility, simplicity, and transparency, thereby supporting Borealis' global growth and sustainability strategy by moving our business technology solution to the next generation of SAP.

Fuels & Feedstock

OMV's Fuels & Feedstock business refines and markets fuels. It operates three inland refineries in Europe and holds a strong market position in the areas where its refineries are located, serving a strong branded retail network and commercial customers. In the Middle East, it owns 15% of ADNOC Refining and ADNOC Global Trading.

At a glance

		2023	2022	Δ
Clean CCS Operating Result[1]	in EUR mn	1,651	1,810	–9%
thereof ADNOC Refining & Trading	in EUR mn	314	350	–10%
Special items	in EUR mn	146	426	–66%
CCS effects: inventory holding gains/losses (–)[1]	in EUR mn	–126	202	n.m.
Operating Result	in EUR mn	1,671	2,438	–31%
Capital expenditure[2]	in EUR mn	984	800	23%
OMV refining indicator margin Europe based on Brent[3,4]	in USD/bbl	11.70	14.71	–21%
Utilization rate refineries Europe		85%	73%	12
Fuels and other sales volumes Europe	in mn t	16.29	15.51	5%
thereof retail sales volumes	in mn t	5.62	6.16	–9%

Note: As of 2023, the Gas & Power Eastern Europe business was transferred from Fuels & Feedstock to the Energy business segment and is now reported together with Gas Marketing Western Europe under “Gas Marketing & Power.” For comparison only, 2022 figures are presented in the new structure.

[1] Adjusted for special items and CCS effects; further information can be found in Note 5 – Segment Reporting – of the Notes to the Consolidated Financial Statements

[2] Capital expenditure including acquisitions

[3] As of Q2/22, the refining indicator margin reflects the change in the crude oil reference price from Urals to Brent at OMV Petrom.

[4] Actual refining margins realized by OMV may vary from the OMV refining indicator margin due to factors including different crude oil slate, product yield, and operating conditions.

Financial performance

The **clean CCS Operating Result** decreased to EUR 1,651 mn (2022: EUR 1,810 mn), mainly as a result of lower refining indicator margins in Europe and the Middle East and higher fixed costs caused by turnaround and maintenance activities. This was partly offset by positive supply effects, a significantly higher commercial and retail result, and lower utilities costs.

At USD 11.7/bbl, the **OMV refining indicator margin Europe** was strong, however, it decreased from the exceptionally high level of the prior year of USD 14.7/bbl following lower cracks for middle distillates. In 2023, the **utilization rate of the European refineries** increased by 12% to 85% (2022: 73%), as 2022 was impacted by the turnaround and incident at the Schwechat refinery. The turnaround at the Petrobrazi refinery and the petrochemicals turnaround in Schwechat had a negative impact on the utilization rate in 2023. At 16.3 mn t, **fuels and other sales volumes in Europe** increased by 5% following higher commercial sales, partly offset by lower retail sales volumes caused mainly by the missing contribution from the divested Slovenian and German retail businesses. The retail business result increased mainly due to higher fuel unit margins, as the prior year was negatively affected by price regulations, and better performance of the non-fuel business. This was only partly offset by the higher fixed costs and the missing contribution from the divested retail business. The commercial business also showed a marked improvement due to stronger margins from higher achieved term prices and the absence of price caps. Sales volumes increased compared to the year before, which was negatively impacted by the Schwechat incident.

In 2023, the contribution of **ADNOC Refining & ADNOC Global Trading**, accounted for as OMV's share of clean CCS net income of the at-equity consolidated companies, was once again strong but decreased by 10% to EUR 314 mn (2022: EUR 350 mn). This was caused mainly by moderately lower refining margins and a reduced ADNOC Global Trading contribution following weaker trading margins, strongly compensated by robust operational performance at ADNOC Refining and a partial reduction of a decommissioning provision.

Net **special items** amounted to EUR 146 mn (2022: EUR 426 mn) and were primarily related to the sale of OMV's filling station and wholesale business in Slovenia in June 2023, partly offset by commodity derivatives. In 2022, special items were mainly related to the sale of the German filling stations. **CCS effects** of EUR –126 mn were recorded in 2023 as a consequence of declining crude oil prices. The **Operating**

Result of Fuels & Feedstock decreased significantly to EUR 1,671 mn (2022: EUR 2,438 mn).

Capital expenditure in Fuels & Feedstock amounted to EUR 984 mn (2022: EUR 800 mn). Organic capital expenditure in 2023 was mainly related to the European refineries. The increase in capital expenditure in 2023 was predominantly due to cost inflation and higher investments in the aromatic unit in Petrobrazi and the co-processing plant in Schwechat.

Business overview

The Fuels & Feedstock business segment refines crude oil and other feedstocks. Its activities include Refining, Supply and Trading, Commercial and Retail. OMV owns a total refining capacity of around 500 kbbl/d, with three wholly owned refineries in Europe and a 15% share in ADNOC Refining & ADNOC Global Trading. In Europe, refining activities are highly integrated with marketing to serve a strong branded retail network and a broad base of commercial customers. Total fuels and other sales volumes in Europe amounted to 16.29 mn t in 2023. The strongly branded retail network comprising 1,666 filling stations accounts for around 35% of sales volumes, while commercial customers are mainly from industrial transportation and construction sectors and account for the remaining sales volumes.

Refining including product supply and sales

In 2023, refining margins fell compared to the previous year, albeit from record high levels. Last year's margin was still exceptional compared to long-term history as the refining sector has been unable to fully rebuild inventory levels, especially diesel and gasoline, that were drawn in the second half of 2021 and early 2022, as a result of faster demand recovery than supply correction. Similarly to 2022, middle distillate crack spreads were the main drivers behind refining margin developments, as missing Russian diesel on European markets remained a key theme.

In the first quarter, diesel crack spreads were retreating from unseen peaks. However, by March 2023, they fell to the upper boundary of the 2015–2019 historical range for the first time since the Russia-Ukraine war started. This was due to abundant import volumes from the East of Suez reaching Europe, substituting sanctioned Russian molecules. Although refining margins bottomed in April, profitability remained robust.

From April to August, margins trended upwards as middle distillate crack spreads bounced back above USD 200/t as import pressure eased. OPEC+ had to deepen supply cuts in order to keep markets balanced. This resulted in lower availability of medium and heavy sour grades with high yields of middle distillates. Unplanned refinery downtimes also temporarily tightened supply availability in Europe. In the meantime, the gasoline crack spread was also trending higher from an already elevated base due to the specification change to a more expensive summer grade product and higher demand from the upcoming driving season. On the contrary, the naphtha crack spread was turning negative again as the weak economic sentiment took its toll on petrochemical demand and on olefin margins in the second and third quarters.

In the fourth quarter, refining margins fell compared to values from the end of summer, but they were still approximately double the historic averages. The reduction was mainly driven by the sharp drop in gasoline crack spread due to seasonal factors. Demand started to ease as the peak driving season came to an end, while the specification switch to winter-grade gasoline also weighed on crack spreads. However, the lower US refinery utilization put a floor under the crack spread. The diesel crack spread also trended lower as weaker natural gas prices disincentivized gas-to-oil switching for industrial players, while an overall weaker economic environment also weighed on demand. Recovery in the naphtha crack spread partially offset weaker road fuel crack spreads. The improvement was supported by tighter supply availability as storms in the Black Sea limited Russian exports. Meanwhile, alternative steam cracker feedstock was also constrained as low water levels in the Panama Canal hindered LPG trade flows and increasing heating demand also absorbed the increasing amount of liquified petroleum gas molecules. Nevertheless, petrochemical demand remained constrained amid persisting pressure from the weak macroeconomic environment.

OMV's European refineries achieved a utilization rate of 85% in 2023, which was strongly influenced by the planned turnaround activities in the Schwechat and Petrobrazi refineries.

Despite the challenging environment caused by the unstable geopolitical situation, commercial sales were at a high level. In response to active market developments and prospecting, OMV's commercial products and services have been and will continue to be expanded, including the launch of new, more sustainable products. For example, OMV made first sales of HVO100 Diesel in the Commercial Road Transport (CRT) and reseller segment. Moreover, Sustainable Aviation Fuel (SAF) contributes to a reduction of CO_2 emissions of more than 80% through the processing of regionally sourced used cooking oil. Starting with the production and sale of Sustainable Aviation Fuel (SAF) in 2022, reaching 3 kt sales in 2023, OMV plans to increase production year by year until 2030. Furthermore, OMV and Microsoft signed an agreement for the purchase of Sustainable Aviation Fuel certificates (SAFc), marking the start of OMV's new offering for corporates and supporting the decarbonization of the aviation industry.

ADNOC Refining & ADNOC Global Trading

Alongside majority shareholder ADNOC (65%) and Eni (20%), OMV (15%) is a strategic partner in ADNOC Refining. In 2023, ADNOC Refining continuously operated at a very high utilization rate its major refinery in Ruwais, which is the world's fourth-largest refining complex with integrated petrochemicals.

In 2023, the ADNOC Refining business benefitted again from a favorable margin environment, higher than the historic average, and improved operational performance alongside continuously optimizing the project portfolio including sustainable fuels and feedstocks. ADNOC Refining has also successfully started commissioning the CFP project (Crude Flexibility Project) and expects full commercial operation in 2024. With the same ownership structure as ADNOC Refining, ADNOC Global Trading (AGT) trades the majority of ADNOC Refining's export volumes of products and supplies non-domestic crudes, condensates, and other liquids for processing.

AGT extends the successful Fuels & Feedstock business model into key geographic regions and to strategic partners. By continuously optimizing trade flows, it allows ADNOC Refining to access competitive non-domestic feedstock sources and implement best practices in areas such as risk management.

During 2023, AGT performance was strong, continuing to pursue its business ambition and substantially growing its third-party trading. Highlights for the year included the full operation of its recently opened subsidiary in Singapore and the cooperation with ADNOC with regards to the management of LPG trade flows.

Refining capacities 2023

In kbbl/d

Schwechat (Austria)	204
Burghausen (Germany)	79
Petrobrazi (Romania)	86
ADNOC Refining (United Arab Emirates)[1]	138
Total	**507**

[1] Equivalent to OMV's 15% share in ADNOC Refining

Retail

The retail business achieved an outstanding result in 2023 and proved again to be a stable outlet for refinery products and a robust cash generator.

Total sales were 5.6 mn t, equivalent to approximately 6.9 bn l, strongly supported by recovering premium fuel trends and ongoing growth in the cards business. At the end of the year, the network comprised 1,666 filling stations (2022: 1,803), as divestments of OMV Slovenija and Avanti Germany were completed mid-year. OMV especially benefitted from its proven multi-brand strategy in this challenging price environment. The OMV brand is positioned as a premium brand, with VIVA representing a strong shop, gastronomy, and service offering, while the unmanned Avanti brand in Austria and the Petrom brand in Romania serve price-sensitive customer groups. Sales of OMV's premium-brand fuel MaxxMotion have recovered despite the overall consumer price environment and contributed to the overall Retail result as a high margin product. The non-fuel business continued to grow and outperformed the year 2022. In Austria and Slovakia, a new third-party store partnership with REWE was successfully implemented and rolled out with over 50 rebranded shops in 2023. In multiple countries, the loyalty system has been successfully upgraded by utilizing state-of-the-art digital solutions and over 800,000 customers have been onboarded on the new platform this year.

OMV started with electromobility implementation and rollout at the end of 2022. By the end of 2023, OMV managed to deploy more than 100 ultra-fast EV chargers in Austria, Hungary, Romania, and Slovakia. In addition, OMV Petrom announced the acquisition of Renovatio Asset Management, the owner of Romania's leading EV charging network, with more than 400 EV charging points in Romania and plans to increase to approximately 650 by 2026. The closing of the transaction is expected to take place in the first half of 2024.

Innovation and new technologies

OMV actively explores alternative feedstocks, technologies, and fuels with the aim of developing a well-diversified, competitive future portfolio. Efforts and resources focus on chemical recycling for post-consumer plastic waste. Additional attention is given to the production of conventional and advanced biofuels, synthetic fuels, and green hydrogen as future fuels for the hard-to-electrify part of the transportation segment, and as precursors for sustainable chemicals.

OMV is in the execution phase of the co-processing project at the Schwechat refinery. This technology enables OMV to process biogenic feedstocks (e.g., rapeseed oil) together with fossil-based materials in an existing refinery hydrotreating plant during the fuel refining process. This will reduce OMV's carbon footprint by up to 360,000 t of CO_2 per year by substituting fossil diesel. Commercial operation is planned for 2024. In 2023, OMV continued with the pilot production of Sustainable Aviation Fuel (SAF) from another co-processing route in Schwechat, and the conversion of biogenic feedstock into high-value chemicals, such as ethylene, propylene, butadiene, and benzene, in the refinery in Burghausen.

In 2023, OMV also received its first deliveries of advanced bioethanol from South America as part of a multi-year supply agreement.

OMV is assessing the potential production of advanced fuels made out of residue or waste streams and producing advanced ethylene out of ethanol (1G or 2G) as a feedstock. The principal sources of advanced fuels include the biomass fraction of mixed municipal or industrial waste, straw, animal manure, or residues from forestry and wood processing, as well as waste streams. OMV's glycerine-to-propanol pilot plant will be commissioned in 2024. OMV also collaborates with technology providers, industry partners, and academic institutions to assess the production of advanced biofuels and chemicals.

While the above-mentioned biogenic products will predominantly be sold as fuels initially due to a mandated market, they can also be used as chemical feedstock.

OMV and its partners are working on the UpHy project with the intention of producing green hydrogen for use in the refining process. OMV is building an electrolysis plant at the Schwechat refinery for this purpose, to be powered with renewable electricity in order to produce green & low carbon hydrogen. The green hydrogen will initially be used for fuel hydrogenation, including biofuels and SAF.

OMV is leading a publicly funded project to develop a new and efficient route from synthetic methanol to sustainable aviation fuels (M2SAF). In this M2SAF project, the basic proof of concept, catalyst, and process development takes place in a consortium of industry, SMEs, and academic partners. The target is to deliver a synthetic M2SAF fulfilling the current American Society for Testing and Materials (ASTM) certification requirements in a prescreening test in liter scale in the next one and a half years.

Digitalization

In 2023, digitalization of our refineries delivered a return of more than EUR 8 mn. For example, 6,000 working hours were saved from digitalizing workflows for operational tasks. In addition, the efficiency and safety of the turnaround activities at the Schwechat and Petrobrazi refineries have increased due to the use of digital visualization and mapping technologies including 2D GIS and 3D models, which help manage the complex interdependencies of turnaround planning and delivery. Next to efficiency and safety benefits, the portfolio of digital initiatives in our refineries contributed to more than 20 kt of CO_2 reductions in 2023.

The retail loyalty application delivery rollout was extended to Austria and Bulgaria, and during 2023 doubled its users to 850,000. Loyalty members visit filling stations more often and are more likely to buy premium fuels than non-members. In addition to the EV charger rollout, the end of 2023 saw the launch of OMV's eMotion mobile app in Austria. Drivers of electric vehicles now have a user-friendly interface to locate nearby OMV operated charging stations and a wide range of roaming community partners, manage charging sessions, and securely and easily process payments.

Energy

The Energy segment consists of E&P, the Gas Marketing & Power, and the Low Carbon Business. E&P includes exploration and production of hydrocarbons. Gas Marketing & Power operates the full natural gas value chain, with natural gas sales, logistics, and the power business activities in Romania. The Low Carbon Business concentrates on geothermal energy, Carbon Capture and Storage (CCS), and renewable power.

At a glance

		2023	2022	Δ
Clean Operating Result	in EUR mn	4,357	8,001	–46%
thereof Gas Marketing & Power	in EUR mn	609	305	100%
Special items	in EUR mn	–586	–111	n.m.
Operating Result	in EUR mn	3,771	7,890	–52%
Capital expenditure[1]	in EUR mn	1,582	1,464	8%
Exploration expenditure	in EUR mn	248	202	23%
Exploration expenses	in EUR mn	222	250	–11%
Production cost	in USD/boe	9.67	8.20	18%
Total hydrocarbon production	in kboe/d	364	392	–7%
Total hydrocarbon sales volumes	in kboe/d	345	379	–9%
Proved reserves as of December 31	in mn boe	1,136	1,037	10%
Average Brent price	in USD/bbl	82.64	101.32	–18%
Average realized crude oil price[2,3]	in USD/bbl	79.21	95.04	–17%
Average realized natural gas price[2,4]	in EUR/MWh	29.09	53.78	–46%

Note: As of 2023, the Gas & Power Eastern Europe business was transferred from Fuels & Feedstock to the Energy business segment and is now reported together with Gas Marketing Western Europe under "Gas Marketing & Power." For comparison only, 2022 figures are presented in the new structure.

[1] Capital expenditure including acquisitions

[2] Average realized prices include hedging effects.

[3] As of Q2/22, the transfer price at OMV Petrom between the Energy segment and the F&F segment is based on Brent instead of Urals.

[4] The average realized natural gas price is converted to MWh using a standardized calorific value across the portfolio of 10.8 MWh for 1,000 cubic meters of natural gas.

Financial performance

The **clean Operating Result** declined to EUR 4,357 mn in 2023 (2022: EUR 8,001 mn), primarily due to negative market effects of EUR 3,070 mn as a consequence of substantially lower oil and gas prices. Sales volumes decreased more than production due to the timing of lifting schedules in Libya, Norway, and Tunisia. Moreover the missing contribution from Russia following the change in the consolidation method affected the results. The result of Gas Marketing & Power doubled to EUR 609 mn thanks to a strong contribution of Gas Marketing Western Europe, where stronger results from storage and trading and less supply losses were only partly offset by a provision for impending losses associated with secured pipeline capacity and a lower LNG contribution. The contribution of Gas & Power Eastern Europe decreased due to lower natural gas margins, but was partially offset by a better power result driven by the reversal of a provision and higher sales volumes outside of Romania.

Net **special items** amounted to EUR –586 mn in 2023 (2022: EUR –111 mn), with the majority arising from valuation effects of commodity derivatives in the natural gas business and due to the net effect of impairments and impairment reversals of E&P assets, partially compensated for by positive inventory valuation effects and a write-up of a natural gas storage asset in Germany. Accordingly, the **Operating Result** declined to EUR 3,771 mn (2022: EUR 7,890 mn).

Production cost excluding royalties increased to USD 9.7/boe in 2023 (2022: USD 8.2/boe), mainly driven by inflationary cost pressure, the change in the consolidation method of Russian operations as of March 1, 2022, a positive one-off effect related to a tax audit at OMV Petrom in Q2/22, and lower production.

The **total hydrocarbon production** volume decreased by 27 kboe/d to 364 kboe/d, caused partly by the change in the consolidation method of Russian operations as of March 1, 2022. Natural decline and production shutdowns in Norway and natural decline in Romania also affected production. Production increased in New Zealand after the commissioning of new wells, in the United Arab Emirates after a revision of OPEC+ quota restrictions, and in Libya where production had been affected by force majeure in 2022.

Total hydrocarbon sales volumes dropped by a larger extent than total production volumes to 345 kboe/d (2022: 379 kboe/d). The deviation between production and sales volumes is explained by the timing of lifting schedules in Libya, Tunisia, and Norway.

In 2023, the **average Brent price** reached USD 82.6/bbl, a decrease of 18% compared to the prior-year period. The Group's **average realized crude price** declined by 17%. The **average realized gas price** in EUR/MWh came down by 46% to EUR 29.1/MWh, while the benchmark price at the THE declined by 66%.

Capital expenditure including capitalized E&A rose to EUR 1,582 mn in 2023 (2022: EUR 1,464 mn), a consequence of a higher activity level. Organic capital expenditure was primarily directed at projects in Romania, Norway, and the United Arab Emirates. **Exploration expenditure** was EUR 248 mn in 2023, up by almost a quarter from the 2022 level. It was mainly directed at activities in Malaysia, Romania, and Austria.

Production

	2023				2022			
	Oil and NGL	**Natural gas**[1]		**Total**	Oil and NGL	Natural gas[1]		Total
	in mn bbl	in bcf	in mn boe	in mn boe	in mn bbl	in bcf	in mn boe	in mn boe
Romania[2]	20.0	115.7	21.4	41.4	20.9	122.0	22.6	43.5
Austria	3.0	18.0	3.0	6.0	3.3	19.7	3.3	6.6
Norway	13.4	84.5	14.1	27.5	14.7	102.2	17.0	31.7
Libya	11.2	—	—	11.2	10.4	—	—	10.4
Tunisia	1.1	13.6	2.3	3.3	0.9	14.7	2.4	3.4
Yemen	0.1	—	—	0.1	0.6	—	—	0.6
Kurdistan Region of Iraq	1.0	17.4	2.9	3.9	1.0	15.8	2.6	3.6
United Arab Emirates	16.7	—	—	16.7	15.4	—	—	15.4
New Zealand	3.6	53.8	9.0	12.6	3.0	47.1	7.8	10.8
Malaysia[2]	0.7	57.9	9.7	10.4	0.6	60.0	10.0	10.6
Russia	—	—	—	—	—	37.7	6.3	6.3
Total	**70.7**	**361.0**	**62.3**	**133.0**	**70.8**	**419.2**	**72.1**	**143.0**

[1] To convert natural gas from cf to boe, the following conversion factor was applied in all countries: 1 boe = 6,000 cf. In Romania, the following factor was used: 1 boe = 5,400 cf.
[2] The figures above include 100% of all fully consolidated companies.

Business overview

The Energy segment consists of E&P, Gas Marketing & Power, and the Low Carbon Business. Its E&P activities include exploration & appraisal, development, and production of crude oil, natural gas liquids, and natural gas.

Energy operates its natural gas business across the value chain, from the wellhead to the end customer, with a fully integrated natural gas sales and logistics business. It also includes power business activities and a gas-fired power plant in Romania.

Energy plays a key role in developing the sustainable resources for the future. The Low Carbon Business concentrates on geothermal energy, Carbon Capture and Storage (CCS), and renewable power solutions.

In 2023, Energy launched the SPARK program with the aim of delivering sustained cash flow improvement. In three months, over 500 SPARK initiatives were generated and included in the Energy Business Plan. The Energy Free Cash Flow improved materially in 2023 due to successful SPARK initiatives. From 2024 onwards, that improvement is expected to increase.

E&P business

The key strategic focus of the E&P business remains to increase the share of natural gas over that of crude oil and reduce carbon intensity across the portfolio. In 2023, E&P progressed well with its major natural gas development projects: Neptun (Romania), Jerun (Malaysia), and Berling (Norway).

Total average hydrocarbon production came in at 364 kboe/d for 2023, with a natural gas share of around 47%.

A key element in OMV's strategy in the Energy segment is to actively manage and optimize the upstream asset portfolio for the three core regions, Central and Eastern Europe, Middle East and Africa, and North Sea. In this context, on February 27, 2023, OMV announced the start of the sales process for the divestment of its E&P assets in the Asia-Pacific region: a 50% stake in Sapura OMV Upstream Sdn. Bhd. and 100% of the shares in OMV New Zealand Limited. On January 31, 2024, OMV signed an agreement to divest its 50% shareholding in Malaysia's SapuraOMV Upstream Sdn. Bhd. to TotalEnergies for an overall cash consideration of USD 903 mn. This amount includes the full repayment of the outstanding USD 350 mn shareholder loan granted by OMV to SapuraOMV, as well as net working capital and other elements with the consideration being subject to closing adjustments. The divestment is anticipated to close around the end of the first half of 2024, in particular subject to regulatory approvals. The sales process for 100% of the shares in OMV New Zealand will continue separately.

In Yemen, the sales process for OMV's assets in the country is ongoing.

Central and Eastern Europe

In Romania, 45 new wells and sidetracks were drilled, 497 workover jobs, and 720 subsurface abandonments were performed in 2023.

For the first time in Europe, OMV Petrom used the Ultra Short Radius (USR) technology for drilling. Applied to existing wells with available surface facilities, this technology reduces the overall CAPEX by 40–50%, compared to standard vertical wells. The first USR well was spud in 2023.

The major planned maintenance works were successfully and safely finalized, on time and on budget, for both offshore and onshore facilities. OMV Petrom continued to focus on the most profitable barrels through assessing selective divestments opportunities.

By the end of 2023, about 77% of OMV Petrom's E&P internal electricity consumption was covered by producing electrical and thermal energy mainly out of equity gas that couldn't be monetized and from own renewable energy sources.

In 2023, OMV Austria placed significant emphasis on several projects like the Wittau Development, Strasshof Tief 17, natural gas storage expansion, the Alkali smart oil recovery (SOR) pilot and Flysch. Wittau represents the largest natural gas discovery in Austria in 40 years. The Strasshof Tief 17 well was spud in November 2023.

The Alkali SOR pilot was commissioned in Q2/23 to inject soft water, viscous, and alkali water into the reservoirs – we expect better injectivity and increased recovery. Flysch Phase 1 is a drilling project with the aim of confirming the further development potential of hydrocarbon deposits in Flysch source rock with selected production-enhancing technologies. With the development of the 16th natural gas storage facility, OMV Austria has not only strengthened the security of supply for our customers, but has also shown how quickly OMV can respond to changing market situations.

In addition, OMV Austria continuously optimized its plants in order to reduce the CO_2 footprint. Gas optimization projects and the increased workover capacities counteract the natural decline in production and contribute to the Austrian energy supply.

Middle East and Africa

In 2023, the Middle East and Africa region delivered strong production results despite a challenging security situation in Kurdistan and Yemen and ongoing quota restrictions.

In the UAE, strong production output was achieved due to OPEC+ quota restrictions revision and the continued high uptime and reliability of the offshore facilities in Umm Lulu and SARB. In May 2023, the first delivery of Umm Lulu (ULL) crude oil to OMV's Schwechat refinery was achieved, the first ULL cargo to Europe.

In Kurdistan, the Khor Mor drilling campaign was finalized successfully. The expansion project advanced at a great pace in 2023 and is nearing completion.

In Tunisia, stable production at the Nawara natural gas field was maintained.

In Yemen, the security situation remains challenging, with drone attacks carried out and further threats made toward crude oil shipping operations. Production was disrupted during the whole of 2023. Subsequently, ongoing projects have been paused and activities in the field reduced to maintenance, inspection, and preservation operations.

North Sea

In Norway, several new production wells came on stream during 2023. On the Gullfaks field, nine wells were delivered during the year and handed over to production.

On the Edvard Grieg field, the second infill campaign was successfully completed during the year, with two new wells and one sidetrack being delivered.

The Solveig Phase 2 project, which is a subsea tie-back to the Edvard Grieg platform, was approved by the Norwegian Ministry of Energy and is currently progressing according to plan.

OMV submitted the Plan for Development and Operation (PDO) for the Berling field development in December 2022. The development concept is a subsea production facility with tie-back to the Åsgard B platform. The PDO was approved by the Norwegian authorities in June 2023. The production of natural gas and condensate is estimated to start up in 2027/28.

The Hywind Tampen offshore wind project was officially commissioned by Crown Prince Haakon of Norway in August 2023, and the wind farm is now delivering renewable wind power to the Gullfaks field.

Asia-Pacific

In Malaysia, the Jerun natural gas project is progressing according to plan with excellent safety performance. Over 11 mn hours have been worked without accidents.

In New Zealand, OMV safely completed three major drilling campaigns to redevelop and optimize the Māui and Pohokura natural gas assets. The operations team focused on asset integrity and maintenance projects and is implementing a number of emissions reduction initiatives across OMV sites. At Pohokura, site preparations commenced for the routine turnaround occurring every four years and the drilling of an infill well in Q3/24.

Key projects

Neptun (Romania, OMV Petrom 50%)

Together with its partner Romgaz, OMV Petrom made significant progress in 2023 with regards to the development of its key growth project, Neptun Deep, first with the final investment decision (FID) and subsequently with obtaining the endorsement of the field development plan (FDP) from the regulator. In the second half of the year, the company also awarded the contracts for the main offshore facilities development and for the drilling part, which, together with some other smaller contracts signed, cover more than 80% of the execution agreements. The next steps are related to completing the award of the main contracts and obtaining all the necessary permits. OMV Petrom plans to start drilling in 2025 and have first gas in 2027. The natural gas from Neptun Deep will make Romania the largest natural gas producer in the European Union and will double the current natural gas production of OMV Petrom.

Other major projects (Romania, OMV Petrom 100%)

The successful testing of two exploration wells in 2023, together with previous years' successful exploration well, led to the discovery of large resources, estimated at 35 mn barrels of oil equivalent. The wells are currently in experimental production; based on findings, further development wells are planned to be spud within the coming years.

In addition, projects valued at over EUR 20 mn, namely FRD Bradesti Opportunity Phase 1, Tank Farm Independenta NFA Safeguarding, and Abramut Gas Plant Revamp have been successfully matured, with the first two securing the final investment decision.

Wittau (Austria, OMV 100%)

A successful exploration discovery made by OMV near Vienna in mid-2023 was followed by fast-track maturation and concept selection. The FID is expected to be taken in 2024 after front-end engineering and tendering activities are completed.

Umm Lulu and SARB (United Arab Emirates, OMV 20%)

Development drilling continued during the year, using up to five rigs in total. Nine wells were delivered in SARB and nine wells were drilled in Umm Lulu.

Ghasha concession (United Arab Emirates, OMV 5%)

On the Dalma project, activities on the onshore and offshore Engineering, Procurement, and Construction (EPC) packages continued, with first gas targeted for 2025. The FID was attained on the Hail & Ghasha mega project and the major contracts were awarded.

Gullfaks (Norway, OMV 19%)

Norway's first floating wind farm Hywind Tampen was completed, with the remaining four wind turbines installed and started up. Nine wells were drilled in the Gullfaks annual activity program.

Gudrun (Norway, OMV 24%)
The water injection project Gudrun Phase 2 started on the Gudrun field in the North Sea. The Improved Oil Recovery (IOR) project will increase the oil recovery from the main reservoir on the field and extend the life span of production by two years, changing the drainage strategy from pressure depletion to pressure support by water injection.

Edvard Grieg (Norway, OMV 20%)
The Edvard Grieg Infill Phase 2 project was completed as planned.

The Solveig Phase 2 subsea development is on track, with the major contracts awarded and detailed design engineering completed.

Berling (Hades/Iris) (Norway, OMV 30%)
The OMV operated offshore project achieved the FID and the Norwegian Petroleum Directorate approved the PDO. An offshore seismic acquisition campaign was completed, as was umbilical and line pipe manufacturing. Production start-up is expected in 2028.

SK408 (Malaysia, OMV 40%)
In Malaysia, the SapuraOMV operated Jerun natural gas project is progressing well and within budget. The platform jacket was completed and installed, and the six offshore wells were drilled. The 80-kilometer export pipeline was laid. Fabrication of the platform topsides is nearing mechanical completion onshore. The forecast for first gas remains Q3/24.

Exploration and appraisal highlights

In 2023, OMV, OMV Petrom, and SapuraOMV drilled fifteen exploration and appraisal wells in seven different countries. Thirteen of these wells were completed before year-end, while the other two were either drilling or testing in early January 2024.

OMV operated or participated in a number of key wells, the highlight of the year being the operated Wittau Tief natural gas discovery in the Vienna Basin, Austria. This well was successfully tested and development plans are greatly advanced. The well was completed as a future producer and the next well on the structure is scheduled for the second half of 2024. The second in a sequence of deep natural gas exploration wells in Austria was spud in the Strasshof area. Expectations are that this well will reach final target depth in Q1/24.

Two non-operated natural gas discoveries were made onshore Tunisia, which, combined with the 2022 Anbar natural gas discovery, will likely form a new concession that will tie into the OMV operated Nawara facility.

In Norway, two operated wells were drilled, both yielding uncommercial discoveries. A third infrastructure led well (Solan/Ludvig) was successfully drilled at year-end and will be completed as a producer and tied into the Gullfaks facility.

In the UAE, OMV participated in non-operated appraisal activity in the Ghasha and SARB concessions.

In New Zealand, a natural gas appraisal well on Māui East was drilled and completed as a future producer.

In Romania, OMV Petrom drilled three wells, two operated and one non-operated. One resulted in a natural gas discovery that has been completed and in production since May. The other two were dry and have been plugged and abandoned.

In Mexico, SapuraOMV participated in two non-operated exploration wells on Block 30. One was announced as a material oil discovery and plans are underway to drill an appraisal well in the second half of 2024. The second well was unable to reach the primary target due to operational issues and was plugged and abandoned.

Earlier in 2023, OMV Norge was awarded new licenses in core areas in Norway and once again applied during the APA round, with a focus on near-infrastructure natural gas opportunities.

In Bulgaria, OMV Petrom assumed operatorship of the Han Asparuh license, immediately adjacent to the recent giant natural gas discoveries in offshore Türkiye.

Exploration and appraisal expenditure increased in 2023 to EUR 248 mn (2022: EUR 202 mn), largely to accelerate the drilling of deep natural gas opportunities in Austria.

Reserves development

Proved reserves (1P) as of December 31, 2023, increased to 1,136 mn boe (thereof OMV Petrom: 424 mn boe), with a one-year Reserve Replacement Rate (RRR) of 174% in 2023 (2022: –80% due to the exclusion of reserves in Russia after OMV ceased fully consolidating and equity accounting Russian entities). The three-year rolling average RRR is 56% (2022:

40%). Significant additions to proved reserves were realized in Romania, with a commitment to executing the Neptun Deep project in the Black Sea, as well as additions in the United Arab Emirates through the maturation of the Hail and Ghasha development and encouraging reservoir performance in other producing assets. Proved plus probable reserves (2P) decreased to 1,807 mn boe (thereof OMV Petrom: 694 mn boe) as net additions, mainly in the UAE, did not fully replace produced volumes.

Gas Marketing & Power

Gas Marketing Western Europe

OMV markets and trades natural gas in eight European countries. In 2023, natural gas sales volumes amounted to 85 TWh (2022: 111.2 TWh). The foundation of the natural gas sales business is a diverse supply portfolio, which consists of equity gas from Austria and Norway (amounting to 30.7 TWh in 2023) and a variety of international suppliers. In addition to mid- and long-term activities, short-term activities at Europe's main international trading hubs and the EU joint natural gas purchasing platform complement OMV's supply portfolio.

Gas supply, marketing, and trading

OMV's Gas Marketing & Trading sales activities are focused on a diverse customer portfolio in the large-scale industry and municipality segments in Austria, Germany, Hungary, the Netherlands, and Belgium. Italy, Slovenia, and France are covered by opportunistic origination activities. The LNG business is an essential pillar of our business. OMV fully utilized its allotted capacity at the Gate regasification terminal in the Netherlands. Two long-term LNG supply contracts starting from 2026 and 2029 until 2036 have been concluded and refer to non-Russian natural gas only. This makes the LNG business a very important building block for OMV's diversification of its natural gas supply portfolio, thereby enhancing supply security.

Even in 2023, the European natural gas market was still impacted by the energy market crisis stemming from the war in Ukraine, with very volatile natural gas prices and unpredictable supply curtailments from Russia. This situation is expected to continue.

The Gas Task Force, established in 2022 to minimize the adverse effects of the war in Ukraine, is making good progress on securing a continuous and diversified supply stream. This involves regular reporting of the security of supply status regarding OMV's portfolio in terms of the overall natural gas supply situation, storage filling levels, and a continuous definition and adjustment of hedging strategies that mitigate the inherent price risk of natural gas supply disruptions. Natural gas supply diversification strategies were defined and executed accordingly, and OMV again successfully secured additional natural gas transportation capacities. Furthermore, OMV was able to fully utilize the capacity of its storage facilities. These measures succeeded in securing OMV's portfolio and in increasing the resilience of the supply situation for the coming years. This will mitigate the impact of erratic Russian natural gas supply on OMV's natural gas sales portfolio in Germany and Austria.

Gas logistics

OMV operates natural gas storage facilities in Austria and Germany with a capacity of 30 TWh. Additionally, OMV holds a 65% stake in the Central European Gas Hub (CEGH), the leading natural gas trading hub in Central and Eastern Europe.

Due to the previous mild winter in 2022, European storage system operators were able to start the new storage year in April 2023 with a relatively high storage level of 56% (April 1, 2022: 27%). A significant number of new international and national legal requirements and a consistently high degree of price volatility dominated the energy market. In this challenging environment, OMV Gas Storage still managed to win several new customers in 2023, expand the design capacity, and fill the OMV storage facilities to a maximum level of 104.5% in Austria and 99% in Germany.

At the Central European Gas Hub, 575.1 TWh of natural gas was nominated at the Virtual Trading Point (VTP) in 2023. This volume corresponds to approximately 7 times Austria's annual natural gas consumption.

Gas & Power Eastern Europe

In Q1/23, Energy integrated the Gas Marketing East business from OMV Petrom. Synergies depend on both external and internal factors, and the aim is always to deliver the best results. Gas & Power Eastern Europe is developing operations in six countries, while also having market access to other countries close to Romania.

Following an unprecedented year on the energy market in 2022, with record high prices for both natural gas and power, market prices substantially decreased in 2023, accompanied by continued volatility. In Romania, the same trend with significantly lower prices compared to 2022 did not, however, translate into demand recovery. Consumption in Romania of natural gas and power across the full year was lower compared to the previous year, with industrial users' offtake continuing to decline throughout the year and only some uplift at the end.

Regulations introduced by Romanian authorities in 2022 were in place during 2023 as well, meaning the natural gas and power markets continued to be highly regulated.

The Gas & Power Eastern Europe natural gas sales volumes to third parties reached 37.9 TWh in 2023, 6% higher compared to 35.8 TWh in 2022, making it a very strong performance. To complement equity natural gas supply, OMV Petrom sourced valuable volumes from third parties, thus successfully covering all its diverse sales channels.

Opportunities in neighboring countries are continuously scanned. In 2023, the first natural gas purchase contract with Botaş (Türkiye) was concluded, which is valid until March 2025. A memorandum of understanding to expand collaboration in the field of liquified natural gas (LNG) in Southeast Europe was also signed, thus contributing to security of supply for our own portfolio and that of the country in question.

On the power side, the net electrical output of the Brazi power plant decreased to 4.2 TWh, –17% compared to 2022, which was a record year for production. The Brazi power plant covered around 7% of the national power generation mix, with the contribution impacted by a planned outage of the entire capacity from March to the beginning of July 2023. It was the largest planned outage since the start of operations in 2012, and included the first major inspection of the steam turbine. After the outage, the power plant delivered exceptional output, with record high production levels.

In addition, activities on neighboring power markets have been expanded, making a significant contribution to the strong power result and continuing to strengthen our regional footprint.

Significant progress was achieved on renewable projects, including the partnership with Complexul Energetic Oltenia for four PV projects with a total capacity of around 450 MW, for which the financing contracts were signed with the Ministry of Energy, and the purchase of PV project rights with a future total capacity of around 710 MW. This builds momentum in achieving our strategic targets to transition to low and zero carbon.

In January 2024, OMV Petrom announced the purchase of a 50% stake in Electrocentrale Borzesti from RNV Infrastructure, which holds around 1 GW of renewable energy projects (950 MW wind and 50 MW solar). The projects will be developed further, built, and run in collaboration with RNV Infrastructure.

Additionally, OMV Petrom and Renovatio intend to invest roughly EUR 1.3 bn, including project financing, in Romanian renewable energy by 2027. OMV Petrom's contribution for the acquisition and development of these projects is estimated to be up to EUR 350 mn. The closing of the transactions is expected to take place in the first half of 2024, after fulfilment of certain conditions.

Low Carbon Business

In the Energy division, the Low Carbon Business (LCB) team is looking at options to explore and commercially develop geothermal energy potential, as well as carbon capture and storage (CCS) solutions. In addition, the unit is working on expanding OMV's photovoltaic asset base. Furthermore, solutions for subsurface energy storage, e.g., with hydrogen, are being investigated. The activities in LCB have experienced considerable momentum in the past year, making a noticeable impact at both national and international levels. A variety of initiatives have started, and several projects have been launched and/or executed. These projects are mainly in the R&D or initial investment phase. The investments are expected to ramp up after 2024.

Geothermal

As one of the achievements in geothermal activities in Austria, OMV and Wien Energie have joined forces to transform the way we heat our buildings. In a joint venture called "deeep," the two companies are working closely to make deep geothermal energy a reality in the greater Vienna area. The aim is to develop deep geothermal plants with an output of up to 200 MW, thereby generating climate-neutral district heating for the equivalent of up to 200,000 Viennese households. The partners are also planning to implement up to seven deep geothermal plants in Vienna as part of the drilling programs. The first deep geothermal plant in the area of Aspern is to be realized together by the partners in the joint venture. The plant will generate up to 20 MW of climate-neutral district heating – in combination with heat pumps from Wien Energie. Approval procedures are currently underway, and drilling is due to start toward the end of 2024. The plant is scheduled to go into operation in 2027.

New technologies are essential to accelerate growth in our low carbon business, so OMV acquired a 6.5% stake in Canadian privately owned company Eavor

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

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

Carbon Capture and Storage (CCS)
CCS solutions are explored based on Energy's subsurface knowledge, capabilities, and asset base. Aker BP and OMV (Norge) AS have entered into a collaboration agreement for CCS and have been awarded a license for CO_2 storage in accordance with the CO_2 Storage Regulations on the Norwegian Continental Shelf (NCS). The license awarded to Aker BP and OMV is located in the Norwegian North Sea and is named Poseidon. Aker BP (50%) and OMV (Norge) AS (50%) have an interest in the license, which will be operated by Aker BP. The license comes with a work program and a drill or drop decision by 2025. As a first milestone, a 3D seismic survey was successfully finalized. The Poseidon license could potentially provide storage of more than 5 mn t of CO_2 per year. The intention is to inject CO_2 captured from multiple identified industrial emitters in North-West Europe, including from Borealis' various industrial sites in Europe.

In addition to the license that OMV holds together with Aker BP, activities are continuing on further license applications and opportunities to build up a project portfolio and establish OMV as a key player in CCS on the Norwegian Continental Shelf (NCS). OMV collaborates on these activities in line with applicable regulatory and legal requirements, in conjunction with industry and research partners.

Renewable energy (wind and solar)
The LCB team is working on expanding the renewables asset base with a focus on captive use within the OMV Group. Wherever local regulations permit, the aim is to produce renewable energy and feed it into the electricity grid for use by third parties. The potential for doing this in the countries where OMV has business operations is currently being evaluated. Several renewable power generation projects are being pursued in Romania in the Gas & Power Eastern Europe business.

For more details, please see the Gas & Power Eastern Europe section.

Innovation and new technologies

The Energy Technology unit provides key expertise and cutting-edge technologies to ensure the achievement of OMV's strategic goal of decarbonization and becoming a net-zero emissions company by 2050.

Technology scouting, open innovation, and development is performed by a highly integrated team covering the entire value chain of energy projects: surface, subsurface, and laboratory. This is carried out in close collaboration with all OMV business locations including OMV Petrom and OMV (Norge) AS, external partners like Wien Energie, and renowned universities like Stanford, the University of Texas, and Montanuniversität Leoben.

Multidisciplinary project teams focus on evaluating technologies and performing essential work for the energy transition by building and providing expertise for future technology applications in geothermal energy, carbon capture, utilization, and storage, plus renewable energy.

Development of state-of-the-art online monitoring, emission control technologies, artificial intelligence and machine learning subsurface workflows, and water treatment ensure safe, sustainable, and stable operations worldwide.

The Energy Technology team demonstrates its position as a reliable technology and R&D partner by delivering technology to product solutions, supporting major field developments in the UAE for ADNOC, and enabling stable natural gas production and supply through the deployment of technology for the OMV Petrom Neptun Deep project in Romania.

The OMV Tech Center & Lab (TCL) in Austria and the OMV Petrom Upstream Laboratory (ICPT) in Romania are highly specialized energy technology centers and laboratories that support all OMV assets globally to ensure safe and sustainable operations. Experts covering the fields of geosciences, physics, chemistry, geochemistry, microbiology, environmental sciences, reservoir and materials science focus on technology testing, improvement, and laboratory solutions to enable the implementation of new renewable energy technologies. Technologies that OMV successfully implements are showcased to the public at the OMV Innovation & Technology Center (ITC) in Austria.

Digitalization

The OMV Energy digitalization journey started in 2018, and since then we have brought to life innovative platforms, created a data ecosystem, and established a citizen developer community. We have built solid foundations on which we enable digital solutions, deriving value for OMV Energy.

In Q1/23, the Energy department established the Operations Cockpit in Gänserndorf, Austria. The cockpit is a multidisciplinary on-call task force, integrating our experts from various technical disciplines across the globe. They use the latest digital tools and technology to connect with and support our local teams in the field to solve operational challenges, even when separated by great distances.

The construction of the first automated onshore rig in OMV's portfolio in Romania is well underway. The automatic rig will improve HSSE performance by moving people outside the risk zones of the rig and will increase drilling efficiency by reducing time and costs due to a more effective execution of tasks by dedicated machines. It is envisaged that the overall drilling cost per well will be cut by almost 10% and CO_2 emissions will also be reduced due to the efficiency of automation. The first well to be drilled using the new rig is due to start in Q2/24.

Leveraging the digitalization potential of OMV's drilling activities, we formed a Joint Industry Project (Smart Shaker) and piloted technology for continuous, AI-assisted, well cuttings monitoring of drilling activities in real time. This technology will increase the safety and efficiency of our drilling operations.

In 2023, we finalised the implementation of the innovative DELFI environment across all our operated ventures. The subsurface data and interpretation platform allows multidisciplinary teams to collaborate on the same data, both on site and remotely. Over the course of the year, more than 280 users and around 1.05 petabytes of data were migrated to the new, secure, public-cloud platform using over 80 individual applications for subsurface work.

Building on our simulation services workflows, in cooperation with Stanford University, we developed and implemented AI algorithms for optimized well placement. The algorithms can handle vertical and horizontal wells, and are independent of reservoir fluids, so they will be used for future CCS and geothermal development projects as well.

After successful implementation of a waterflood modeling solution on two reservoirs in Austria (leading to an annual production volume increase of 0.75%) at the end of 2022, the solution was deployed on three more fields in Romania in 2023. The technique targets increased production and reduced water-cut and field decline by building and scaling streamlined surveillance models for optimized waterflooding.

The e-Permit2Work project seeks to digitize the permit processes across our sites, thereby increasing the efficiency, traceability, and auditability of work carried out. The solution was piloted in Austria and deployments in our operated sites will continue in 2024.

Outlook

Market environment

In 2024, OMV expects the average Brent crude oil price to be around USD 80/bbl (2023: USD 83/bbl). For 2024, the average realized gas price is anticipated to be around EUR 25/MWh (2023: EUR 29/MWh), with a THE price forecast of between EUR 30/MWh and 35/MWh (2023: EUR 41/MWh).

Group

In 2024, organic CAPEX[1] is projected to come in at around EUR 3.8 bn (2023: EUR 3.7 bn), including non-cash effective CAPEX related to leases of around EUR 0.2 bn.

Chemicals & Materials

In 2024, the ethylene indicator margin Europe is expected to be around EUR 490/t (2023: EUR 507/t). The propylene indicator margin Europe is forecast at around EUR 370/t (2023: EUR 389/t).

In 2024, the steam cracker utilization rate in Europe is expected to be around 85% (2023: 80%).

In 2024, the polyethylene indicator margin Europe is forecast to be around EUR 320/t (2023: EUR 322/t). The polypropylene indicator margin Europe is expected to be around EUR 320/t (2023: EUR 355/t).

In 2024, the polyethylene sales volumes excluding JVs are projected to be around 1.9 mn t (2023: 1.63 mn t). The polypropylene sales volumes excluding JVs are expected to be around 2.0 mn t (2023: 1.86 mn t).

Organic CAPEX related to Chemicals & Materials is predicted to be around EUR 1.0 bn in 2024 (2023: EUR 1.2 bn).

Fuels & Feedstock

In 2024, the OMV refining indicator margin Europe is expected to be around USD 8/bbl (2023: USD 11.7/bbl).

In 2024, fuels and other sales volumes in OMV's markets in Europe are projected to be higher than in 2023 (2023: 16.3 mn t). Commercial margins are forecast to be below those in 2023. Retail margins are forecast to be slightly below the 2023 level.

In 2024, the utilization rate of the European refineries is expected to be around 95% (2023: 85%).

Organic CAPEX in Fuels & Feedstock is forecast at around EUR 0.8 bn in 2024 (2023: EUR 1.0 bn).

Energy

OMV expects total hydrocarbon production in 2024 to be between 330 kboe/d and 350 kboe/d (2023: 364 kboe/d), depending on the timing of the divestment of the assets in Malaysia, the situation in Libya, and also due to natural decline.

Organic CAPEX for Energy is anticipated to come in at around EUR 1.9 bn in 2024 (2023: EUR 1.5 bn).

In 2024, Exploration and Appraisal (E&A) expenditure is expected to be around EUR 200 mn (2023: EUR 248 mn).

For information about the longer-term outlook, see the Strategy chapter.

[1] Organic capital expenditure is defined as capital expenditure including capitalized Exploration and Appraisal expenditure and excluding acquisitions and contingent considerations.

Risk Management

As an international oil, gas, and chemicals company with operations extending from hydrocarbon exploration and production through to the trading and marketing of mineral oil products, chemical products, and natural gas, 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 the 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 in order to achieve OMV's long-term strategic goals.

Risk management governance

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

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

The Executive Board takes a proactive stance in overseeing and enhancing OMV's risk management processes as well as ensuring a strong risk culture across the OMV Group. A cross-functional committee chaired by the OMV Group CFO with senior management members of the OMV Group – the Risk Committee – ensures that the risk management process effectively captures and manages material risks across the OMV Group. OMV has an effective independent Corporate Risk Management function within the CFO area that reports directly to the Executive Board and is independent from the business lines.

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 over time. 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 & Insurance Management departments. These departments ensure 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 overseeing and managing 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.

Financial and non-financial risks are regularly identified, assessed, and reported through the Group's Enterprise-Wide Risk Management (EWRM) process.

The main purpose of the OMV Group's EWRM process is to deliver value through risk-based management and decision-making, which is ensured by applying a "three lines of defense" model (1. business management, 2. risk management and oversight functions, 3. internal audit). The assessment of financial, operational, and strategic risks helps the Group leverage business opportunities in a systematic manner. This systematic approach 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 at subsidiaries in more than 20 countries. The OMV Group is constantly enhancing the EWRM process based on internal and external requirements, for instance developing ESG (Environmental, Social, and Governance) reporting standards and frameworks.

OMV's EWRM process has been set up in accordance with the ISO 31000 standard and 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 risks associated with the Group's strategy. The process also includes companies that are not fully consolidated. The EWRM process uses common risk terminology and language across the OMV Group to facilitate effective risk communication, whereby ESG risks play a key role in the OMV risk taxonomy. Twice a year, the results of this process are consolidated and presented to the Executive Board and the Audit Committee of the Supervisory Board. In compliance with the Austrian Code of

Corporate Governance, the effectiveness of the EWRM system is evaluated by an external auditor on an annual basis. The key financial and non-financial risks identified with respect to OMV's mid-term planning 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 climate change, changes in technology, 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, gas, and chemicals company, OMV has a significant exposure to oil, natural gas, and chemicals prices. Substantial FX exposure includes the USD, RON, NOK, NZD, and SEK. The Group has an economic net USD long position, mainly resulting from oil production sales. The comparatively less significant exposure in RON, NOK, NZD, and SEK originates from expenses in local currencies in the respective countries.

Management of commodity 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., commodity prices, currencies) on the OMV Group's cash flow and liquidity is reviewed regularly 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 commodity 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, for example from the potential negative impact of falling oil and natural gas prices in the Energy division. In the Fuels & Feedstock and Chemicals & Materials businesses, OMV is especially exposed to volatile refining and chemicals margins, natural gas prices, and CO_2 emissions certificates, as well as inventory risks. Corresponding optimization and hedging activities are undertaken in order to mitigate those risks. They include margin hedges as well as stock hedges. An optimization, trading, and hedging risk control governance system defines clear mandates including risk thresholds for such activities.

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 expenses from floating rate deposits and borrowings.

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 OMV Group level. In light of a challenging geopolitical and economic environment with high inflation, volatile commodity prices, rising interest rates, and distorted supply chains, special attention is paid to early warning signals like changes in payment behavior. Given the events in the banking sector in the first quarter of 2023, OMV has implemented even tighter monitoring of its banking counterparties and of respective exposures in addition to its standard credit risk management processes.

Operational risks

The nature of OMV's business operations exposes the Group to various health, safety, security, and environmental (HSSE) risks. Such risks include the potential impact of natural disasters, 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 in accordance with the Group's defined risk management process. Control and mitigation of assessed risks take 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.

Project risks

In implementing its Strategy 2030, OMV will invest in both organic and inorganic growth projects following a mature project risk management process, identifying, analyzing, and monitoring project risks on a regular basis. OMV has vast experience in managing major capital projects and mitigating project risks.

OMV may experience operational, political, technological, or other risks beyond its control, both its own and belonging to its contractual partners, which may delay or hinder the progress of its projects.

By way of example, the execution of major onshore and offshore projects in Romania, Norway, and the UAE may be affected by changes to the respective regulatory or fiscal frameworks, by the unavailability of contractors, or the lack of qualified staff. Project costs may be negatively impacted by price inflation, labor shortages, or the disruption or reorganization of supply chains. Projects, in particular in recycling and sustainable fuels and feedstocks, may be affected by insufficient availability of required feedstock supply, by the inability to commercially scale up new technologies, or by the lack of regulatory clarity. In new business areas in particular, OMV may more often invest through partnerships and joint ventures, which may expose the Company to increased governance and credit risks and may negatively impact project execution. The effect of any of these risks may have a material adverse impact on OMV's business, results of operations, and financial condition.

ESG risk

OMV places special emphasis on five Sustainability focus areas: Climate Change; Natural Resources Management; People; Ethical Business Practices; and Health, Safety, and Security.

OMV Executive Board members regularly (at least quarterly) discuss current and upcoming environmental, climate, and energy-related policies and regulations, related developments in the fuels, chemicals, and natural gas markets, the financial implications of emission certificate trading schemes, 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, landslides), the impact of the Company on the environment, and the mitigation actions that will ensure a successful transition to a low-carbon environment (e.g., carbon emission reductions, compliance with new regulatory requirements). The short- and mid-term physical vulnerabilities related to climate change are identified and reported in the EWRM process. Additionally, OMV has performed a robust climate and vulnerability assessment for most of its main assets to identify its resilience to physical risks related to climate change using the Intergovernmental Panel on Climate Change (IPCC) scenarios corresponding to the time horizon suggested by the EU taxonomy.

OMV's operations impact our employees and the communities where we operate. As a signatory to the United Nations Global Compact, OMV follows the Human Rights Due Diligence Process, including the assessment of the human rights risk associated with our current and future business activities, and taking risk management actions. This ongoing process makes use of external resources and expertise, and includes external stakeholders, in particular impacted groups.

IT risks

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 IT 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. OT (Operational Technology) related risks are reflected in the assessment of process safety risks. Additionally, OMV recognizes the emergence of AI-related risks and is actively integrating measures within existing security controls to address potential disruptions and vulnerabilities associated with artificial intelligence.

Strategic risks

In order to identify strategic risks that might have potentially long-term effects on the Company's objectives, OMV continuously monitors its internal and external environment.

Geopolitical and regulatory risks

OMV thoroughly monitors geopolitical developments, including the ongoing Russian war on Ukraine and any additional sanctions and countersanctions resulting from it, as well as recent attacks on Israel that have raised concerns about regional stability and their potential impact on OMV's business activities. Nevertheless, it is important to note that, as it currently stands, OMV's operations in the MENA region remain unaffected by these developments.

The Company regularly reviews the impact of potential further escalations on its business activities. Continued and/or intensified disruptions in Russian commodity flows to Europe, for example, could result in further increases in European energy prices. Sanctions on Russia and countersanctions issued by Russia could lead to further disruptions in global supply chains and shortages of products related to energy, raw materials, agriculture, and metals, and consequently lead to further increases in operational costs.

In light of potential further, or even full, natural gas supply disruptions from Russia, e.g., due to discontinuation of the gas transit agreement between Ukraine and Russia, OMV has diversified both gas supply sources and gas supply routes to ensure secure energy supply to its customers. Supported by warmer than average weather in Europe, increased renewable power generation, and elevated gas price levels, households and industry have reduced gas consumption in 2023 leading to lower gas demand, and more gas in storage in Central Europe than expected. In July 2023, OMV managed to secure around 40 TWh of additional transport capacities to Austria at the transfer points Oberkappel (pipeline from Germany) and Arnoldstein (pipeline from Italy) for both the current gas year and for the period from October 1, 2023 to September 30, 2026. For the period from October 1, 2026 to September 30, 2028, OMV booked around 20 TWh of transport capacities at the aforementioned transfer points. OMV continues to closely monitor developments and regularly evaluates the potential impact on the Group's cash flow and liquidity position.

High volatility in natural gas prices can potentially lead to peak liquidity demands to satisfy margin calls for exchange trading activities at short notice. OMV has unused committed and uncommitted credit facilities to meet such short-term requirements if needed. OMV is responding to the situation with targeted measures to safeguard the Company's economic stability as well as the secure supply of energy.

As a direct consequence of the energy crisis in Europe, regulatory measures like regulated/capped prices for gas and power, subsidy schemes, and over-taxation or the EU solidarity contribution have been implemented in some of the countries OMV is active in. If energy prices in Europe remain at high levels, there is a risk that further regulatory and fiscal interventions may impact OMV financials.

In addition to the above-mentioned geopolitical tensions, OMV's operations are exposed to further geopolitical risks such as the expropriation and nationalization of property, restrictions on foreign ownership, civil strife and acts of war or terrorism, and political uncertainties, for example in Libya, Yemen, or Tunisia, as well as other countries where OMV operates and has financial investments. However, OMV has extensive experience in dealing with the political environment in emerging economies. Also, possible regulatory changes may lead to disruptions or limitations in production or an increased tax burden. OMV continuously observes political and regulatory developments in all markets that affect OMV's operations. Country-specific risks are assessed before entering new countries.

Macroeconomic risks

Geoeconomic fragmentation, trade restrictions, and disruptions to global supply chains could lead to further cost increases for OMV. Coupled with rising interest rates, this situation has the potential to also negatively impact economic growth, which in turn could affect demand for OMV's products.

Climate change-related risks

OMV consistently evaluates the Group's exposure to risks related to climate change, in addition to the market price risk from European Emission Allowances. Such risks comprise the potential impact of acute or chronic events like more frequent extreme weather events, 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, and therefore integrates the related risks and opportunities into the development of the Company's business strategy. Measures implemented to manage or mitigate such risks are set out in the relevant sections of this report, particularly in Sustainability and Strategy.

Business transformation risks

OMV's transformation into a leading provider of sustainable fuels, chemicals, and materials, as well as sustainable energy solutions, is influenced by a variety of uncertainties. Such risks include the availability of skilled employees, technology and scale-up risks, availability of sustainable feedstock in sufficient quality and quantity, and governance risks related to joint ventures and partnerships.

Personnel risks

Through systematic employee succession and development planning, OMV's People & Culture department aims to develop and attract suitable managerial employees to meet future growth requirements and mitigate personnel risks.

For further details on risk management and the use of financial instruments, please refer to Note 30 of the Consolidated Financial Statements.

For further details on climate change-related risks and their management, see the OMV Sustainability Report, as well as Note 2 of the Consolidated Financial Statements.

For further details on health, safety, security, and environmental risks, please refer to the chapter Health, Safety, Security, and Environment in the Directors' Report.

Other Information

Information required by section 267 Paragraph 3a in connection with section 243a Paragraph 1 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.[1]

3. ÖBAG holds 31.5% and MPPH holds 24.9% of the capital stock.[1]

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 Paragraph 1 of the Arbeitsverfassungsgesetz (Austrian Labor Constitution Act). Resolutions concerning the dismissal of members of the Supervisory Board pursuant to section 87 Paragraph 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.

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 of the 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 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.

7.b) On June 2, 2021, the Annual General Meeting authorized the Executive Board for a period of five years from the adoption of the resolution, therefore, until and including June 1, 2026, subject to the approval of the Supervisory Board, to dispose of or utilize repurchased treasury shares or treasury shares already held by the Company to grant to employees, executive employees and/or members of the Executive Board/management boards of the Company or its affiliates including for purposes of share transfer programs, in particular long-term incentive plans including equity deferrals or other stock ownership plans, and to

[1] On December 21, 2022, Abu Dhabi National Oil Company (ADNOC) has announced its plan to take over the 24.9% stake in OMV Aktiengesellschaft from MPPH, subject to regulatory approvals. On February 28, 2024, following all conditions under the share purchase agreement between MPPH and ADNOC having been fulfilled, all of the 24.90% of the shares in OMV Aktiengesellschaft were transferred from MPPH to ADNOC.

thereby exclude the general purchasing right 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.

8. As at balance sheet date, a total of 142,007 own shares (EUR 142,007), or 0.04% of the capital stock, were held. During the reporting period, 59,667 shares, equivalent to 0.02% of the capital stock, with a value of EUR 2.32 mn were used for share-based compensations. The difference of EUR 1.66 mn between this amount and the historic repurchase value was written to the capital reserve.

9. As of December 31, 2023, OMV has outstanding perpetual hybrid notes in the nominal amount of EUR 2,500 mn which are subordinated to all other creditors. According to IFRS, the net proceeds of the hybrid notes in the amount of EUR 2,483 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:

(i) The hybrid notes of tranche 1, with a first call date in 2021, were called and redeemed at their principal amount (plus interest accrued) on November 30, 2021.

(ii) The hybrid notes of tranche 2 bear a fixed interest rate of 6.250% per annum until, but excluding, December 9, 2025, which is the first call date of tranche 2. From December 9, 2025 (including), tranche 2 will bear an interest rate per annum at the relevant five-year swap rate for the relevant interest period plus a specified margin and a step-up of 100 basis points.

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 principal amount of EUR 500 mn. The hybrid bond bears a fixed interest rate of 2.875% per annum until, but excluding, June 19, 2024. From June 19, 2024 (including), until, but excluding, June 19, 2028, the hybrid notes will bear interest at a rate corresponding to the relevant five-year swap rate plus a specified margin. From June 19, 2028 (including), the notes will bear an interest rate per annum at the relevant five-year swap rate for the relevant interest period plus a specified margin and a step-up of 100 basis points. 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 Annual 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 hybrid notes of tranche 1 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 hybrid notes of tranche 2 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, 2023, 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 notes are redeemed. In the case of a change of control, for example, 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.

10. The material financing agreements to which OMV is a party and bonds issued by OMV contain typical change of control clauses.

11. 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.

12. 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.

Non-financial declaration according to Section 267a Austrian Commercial Code

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

Subsequent events

Please refer to Note 39 in the Consolidated Financial Statements.

Vienna, March 5, 2024

The Executive Board

Alfred Stern m.p.
Chairman of the Executive Board
and Chief Executive Officer

Reinhard Florey m.p.
Chief Financial Officer

Martijn van Koten m.p.
Executive Vice President Fuels & Feedstock

Daniela Vlad m.p.
Executive Vice President Chemicals & Materials

Berislav Gaso m.p.
Executive Vice President Energy

3

CONSOLIDATED CORPORATE GOVERNANCE REPORT

Consolidated Corporate Governance Report

As a publicly listed company with its headquarters in Austria, OMV 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 of the company, 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. OMV's compliance with the ACCG was last evaluated externally by independent advisors for the 2022 financial year. The report on the evaluation is available at www.omv.com and confirms OMV's compliance with the ACCG in relation to all so-called "comply or explain" rules (the "C-rules") and all recommended rules (the "R-rules"). In relation to C-rules 27 and 28, explanations concerning the structure of the remuneration of the OMV Executive Board and the Supervisory Board are given in the Remuneration Policy. The implementation of the policy and the performance outcomes of the financial year under review are set out in the Remuneration Report for OMV's Executive Board and Supervisory Board, which has been prepared annually since the 2020 financial year. The Remuneration Policy and the Remuneration Report are published on www.omv.com. The next external evaluation of compliance with the ACCG is scheduled to be carried out for the 2024 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 and were publicly listed on the London Stock Exchange until October 25, 2023, the relevant Corporate Governance Report can be found at 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 OMV as the parent company and the consolidated Corporate Governance Report are combined in one report.

Executive Board

Alfred Stern, *1965

Date of initial appointment: April 1, 2021
End of the current period of tenure: August 31, 2026
Chairman of the Executive Board and Chief Executive Officer
Alfred Stern was in charge of the Chemicals & Materials segment until January 31, 2023, with Daniela Vlad joining the Executive Board on February 1, 2023 and taing over this responsibility.

Alfred Stern has been Chairman of the Executive Board and Chief Executive Officer of OMV Aktiengesellschaft since September 2021. Prior to joining the OMV Group in April 2021 as Board Member for the Chemicals & Materials segment, he was CEO of Borealis since July 2018. During his 14 years at Borealis, Alfred Stern held a series of other executive positions at Borealis, and before his appointment as CEO of Borealisas Board Member for the Polyolefins and Innovation & Technology divisions. He started his career at DuPont de Nemours, which led to extensive international experience in Switzerland, Germany, and the US across the spectrum of Research and Development, Sales and Marketing, and Quality and Business Management.

Alfred Stern studied at the Montanuniversität Leoben in Austria. He holds a PhD in Material Science and a Master's in Polymer Engineering and Science.

Functions in major subsidiaries of the OMV Group

Company	Function
OMV Petrom S.A.	President of the Supervisory Board
Borealis AG	Chairman of the Supervisory Board (until April 18, 2023)
OMV Downstream GmbH	Managing Director (until January 31, 2023)

Reinhard Florey, *1965

Date of initial appointment: July 1, 2016
End of the current period of tenure: June 30, 2025
Chief Financial Officer
Reinhard Florey headed the Energy segment on an interim basis from January 1, 2023, to February 28, 2023, after which Berislav Gaso became an Executive Board member on March 1, 2023 and took over this responsibility.

Reinhard Florey graduated in mechanical engineering and economics from Graz University of Technology while also completing his music studies at the University of Music and Performing Arts Graz. He started his career in corporate and strategy consulting.

From 2002 to 2012, he worked in various positions worldwide for Thyssen Krupp Steel. Prior to his appointment to the Executive Board of OMV his most recent post was as Chief Financial Officer and deputy Chief Executive Officer of Outukumpu Oyj.

Functions in major subsidiaries of the OMV Group

Company	Function
OMV Petrom S.A.	Member of the Supervisory Board
OMV Petrom Global Solutions SRL	President of the Supervision Body
Borealis AG	Member of the Supervisory Board
SapuraOMV Upstream Sdn. Bhd.	Chairman of the Board of Directors (from January 1, 2023 to March 8, 2023)
OMV Downstream GmbH	Managing Director (from January 1, 2023 to February 28, 2023)
OMV Exploration & Production GmbH	Managing Director (from January 1, 2023 to February 28, 2023)
OMV Austria Exploration & Production GmbH	Chairman of the Supervisory Board (from January 1, 2023 to March 8, 2023)

Functions in companies not included in the consolidated financial statements

Company	Function
Bayport Polymers LLC	Member of the Board of Non-Executive Directors (since June 21, 2023)
Wiener Börse AG	Member of the Supervisory Board
Alfred Umdasch Privatstiftung	Member of the Foundation Baord

Daniela Vlad, *1970

Date of initial appointment: February 1, 2023
End of the current period of tenure: January 31, 2026
Executive Board member for the Chemicals & Materials business segment.

Romanian-born Daniela Vlad holds a Master's degree in Chemical Engineering from the Technical University of Timisoara in Romania and a cum laude Master in Business Administration from Twente University in the Netherlands. Following her studies, she held management positions at Shell and Philips, and most recently was responsible for key global businesses at AkzoNobel, including Powder Coatings and Industrial Coatings.

Thanks to her many years of international experience in the chemicals industry and in leading strategic transformations, Daniela Vlad combines chemical and financial know-how with experience in the field of sustainable technical solutions.

Functions in major subsidiaries of the OMV Group

Company	Function
Borealis AG	Chairwoman of the Supervisory Board (since April 19, 2023)
OMV Downstream GmbH	Managing Director (since February 1, 2023)

Functions in companies not included in the consolidated financial statements

Company	Function
Borouge PLC	Member of the Board of Non-Executive Directors (since June 6, 2023)

Martijn van Koten, *1970

Date of initial appointment: July 1, 2021
End of the current period of tenure: June 30, 2026
Executive Board member for the Fuels & Feedstock business segment.

Martijn van Koten was born in the Netherlands, where he studied chemical engineering at Delft University of Technology.

He began his professional career at Shell in 1994, taking on several management and technical positions in the refining and downstream business in the UK, Germany, and the Netherlands. Starting 2004, Martijn van Koten assumed the General Manager positions at the Shell production facilities in Sweden and Singapore, before becoming Vice President Manufacturing East & Middle East in Singapore in 2009 and Vice President Supply & Distribution Americas in the USA in 2013.

In 2013, Martijn van Koten joined Borealis in Austria as Executive Board Member Operations, HSE & PTS. From 2018 to June 2021, he was the Borealis Executive Board member for the Base Chemicals & Operations business segment.

Functions in major subsidiaries of the OMV Group

Company	Function
OMV Petrom S.A.	Deputy Chairman of the Supervisory Board
Borealis AG	Member of the Supervisory Board
OMV Downstream GmbH	Managing Director

Functions in companies not included in the consolidated financial statements

Company	Function
Abu Dhabi Oil Refining Company (Takreer)	Member of the Board of Non-Executive Directors

Berislav Gaso, *1974

Date of initial appointment: March 1, 2023
End of the current period of tenure: February 28, 2026
Executive Board member for the Energy business segment

Berislav Gaso holds a Master's degree in Mechanical Engineering from the Technical University of Munich, Germany, and a PhD in Business Administration from the University of St. Gallen, Switzerland. After working as a junior partner at McKinsey & Company, he held various management positions in the MOL Group. Before he joined OMV, he was Executive Vice President in charge of the MOL Group’s Exploration & Production division.

Functions in major subsidiaries of the OMV Group

Company	Function
OMV Petrom S.A.	Member of the Supervisory Board (since March 17, 2023)
SapuraOMV Upstream Sdn. Bhd.	Chairman of the Board of Directors (since March 9, 2023)
OMV Downstream GmbH	Managing Director (since March 1, 2023)
OMV Exploration & Production GmbH	Managing Director (since March 1, 2023)
OMV Austria Exploration & Production GmbH	Chairman of the Supervisory Board (since March 9, 2023)

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.

Supervisory Board

OMV's Supervisory Board consists of ten members elected by the Annual General Meeting (shareholders' representatives) and five members delegated by the Group's Works Council. Two of the current shareholders' representatives were elected at the 2019 Annual General Meeting (AGM), one at the 2021 AGM, six at the 2022 AGM, and one at the 2023 AGM. The members of OMV's Supervisory Board in 2023 and their appointments to supervisory boards of other domestic or foreign listed companies, as well as any management functions held, are shown below.

Mark Garrett, *1962
Chairman (until May 31, 2023)
(Ad Interim Group CEO Archroma Management GbmH since May 1, 2023)
Seats: Umicore, Orica (since January 15, 2023)

Lutz Feldmann, *1957
Chairman (since May 31, 2023)
(Independent business consultant)
Seats: EnBW Energie Baden-Württemberg AG

Edith Hlawati, *1957
Deputy Chairwoman
(Chief Executive Officer, Österreichische Beteiligungs AG)
Seats: VERBUND AG, Telekom Austria AG, Österreichische Post AG (until April 20, 2023), EuroTeleSites AG (since September 22, 2023)

Saeed Al Mazrouei, *1980
Deputy Chairman
(Deputy Chief Executive Officer, Direct Investments, Mubadala Investment Company until August 31, 2023; Managing Director and CEO, Abu Dhabi Investment Council since September 1, 2023)
Seats: Abu Dhabi Commercial Bank (ADCB)

Alyazia Ali Al Kuwaiti, *1979
(Executive Director Energy, Mubadala Investment Company until August 31, 2023; Executive Director UAE Industries, UAE Investments Platform since September 1, 2023)
No seats in domestic or foreign listed companies

Stefan Doboczky, *1967
(Chief Executive Officer, Heubach Group)
No seats in domestic or foreign listed companies

Jean-Baptiste Renard, *1961
(Independent business consultant)
No seats in domestic or foreign listed companies

Karl Rose, *1961
(Independent business consultant)
No seats in domestic or foreign listed companies

Elisabeth Stadler, *1961
(Chief Executive Officer, VIENNA INSURANCE GROUP AG – Wiener Versicherung Gruppe until June 30, 2023)
Seats: voestalpine AG, Österreichische Post AG (since April 20, 2023)

Robert Stajic, *1979
(Executive Director, Österreichische Beteiligungs AG)
Seats: VERBUND AG

Gertrude Tumpel-Gugerell, *1952
Seats: Commerzbank Aktiengesellschaft, VIENNA INSURANCE GROUP AG – Wiener Versicherung Gruppe, AT&S Austria Technologie & Systemtechnik Aktiengesellschaft

Delegated by the Group's Works Council (employee representatives)

Alexander Auer, *1969
Hubert Bunderla, *1965
Mario Mayrwöger, *1976 (until July 5, 2023)
Alfred Redlich *1966 (since August 30, 2023)
Nicole Schachenhofer, *1976
Angela Schorna, *1980

More detailed information about all members of OMV's Supervisory Board, including their professional careers, can be downloaded from OMV's website at 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 the 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 six women and four non-Austrian nationals (as per December 31, 2023). The members of the Supervisory Board are aged between 43 and 71.

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 with regard to its members elected by the Annual 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 Annual General Meeting declared their independence from the Company and its Executive Board during the 2023 financial year and up to the time of making such declarations (C-rule 53 of the ACCG). Under C-rule 54 of the ACCG, Mark Garrett, Lutz Feldmann, Stefan Doboczky, Jean-Baptiste Renard, Karl Rose, Elisabeth Stadler 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 2023 financial year and up to the time of making such declarations. Furthermore, the above-mentioned members of the Supervisory Board were nominated for 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.

Positions and committee memberships in 2023[1]

Name	Supervisory Board and committees 2023[1]						Term of office
	SB	PNC	PPC	AC	RC	STC	
Mark Garrett	C	C	-	M	C	-	September 29, 2020, to 2023 AGM
Lutz Feldmann	C	C	-	M	C	-	May 31, 2023, to 2027 AGM
Edith Hlawati	DC	DC	-	-	DC	-	June 3, 2022, to 2026 AGM
Saeed Al Mazrouei	DC	DC	DC	-	DC	-	June 2, 2021, to 2024 AGM
Alyazia Ali Al Kuwaiti	M	M	M	DC	-	M	May 22, 2018, to 2024 AGM
Stefan Doboczky	M	-	M	M	-	C	May 14, 2019, to 2025 AGM
Jean-Baptiste Renard	M	-	C	-	-	DC	June 3, 2022, to 2025 AGM
Karl Rose	M	-	M	-	-	-	May 18, 2016, to 2024 AGM
Elisabeth Stadler	M	-	-	DC	M	M	May 14, 2019, to 2025 AGM
Robert Stajic	M	-	DC	M	-	M	June 3, 2022, to 2025 AGM
Gertrude Tumpel-Gugerell	M	-	-	C	M	-	May 19, 2015, to 2024 AGM
Alexander Auer	M	M	M	M	-	-	Since September 1, 2021
Hubert Bunderla	M	M[2]	M[2]	M	-	M[3]	Since January 18, 2021
Mario Mayrwöger	M	-	-	-	-	M	June 7, 2022, to July 5, 2023
Alfred Redlich	M	M[3]	M[3]	-	-	-	Since August 30, 2023
Nicole Schachenhofer	M	-	M	-	-	M	Since January 18, 2021
Angela Schorna	M	-	-	M	-	M	Since March 23, 2018

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

[2] Until September 4, 2023

[3] Since September 4, 2023

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. Five 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 2023). In 2023, 9 meetings of the Supervisory Board and 26 committee meetings were held. In particular, the Executive Board and the Supervisory Board discussed OMV's strategy. Saeed Al Mazrouei attended less than half of the meetings of the Portfolio and Project Committee and the Remuneration Committee.

Attendance at Supervisory Board and committee meetings in 2023 was as follows:

Attendance of Supervisory Board and committee meetings in 2023[1]

Name	SB	PNC	PPC	AC	RC	STC
Mark Garrett[2]	2/2	2/2		2/3	3/3	
Lutz Feldmann[3]	7/7	1/1		2/3	3/3	
Edith Hlawati	9/9	3/3				
Saeed Al Mazrouei	4/7[4]	2/3	0/7		2/6	
Alyazia Ali Al Kuwaiti	7/7[4]	3/3	4/7	4/6		4/4
Stefan Doboczky	7/9		7/7	5/6		4/4
Jean-Baptiste Renard	9/9		7/7			4/4
Karl Rose	9/9		7/7			
Elisabeth Stadler	8/9			3/6	4/6	2/4
Robert Stajic	9/9		7/7	6/6		4/4
Gertrude Tumpel-Gugerell	7/9			6/6	6/6	
Alexander Auer	9/9	3/3	7/7	6/6		
Hubert Bunderla	8/9	3/3	5/5[5]	5/6		1/2
Mario Mayrwöger[6]	4/4					2/2
Alfred Redlich[7]	4/4		2/2			
Nicole Schachenhofer	9/9		7/7			4/4
Angela Schorna	8/9			5/6		4/4

[1] Abbreviations: SB = Supervisory Board, PNC = Presidential and Nomination Committee, PPC = Portfolio and Project Committee, AC = Audit Committee, RC = Remuneration Committee, STC = Sustainability and Transformation Committee

[2] Until May 31, 2023

[3] Since May 31, 2023

[4] Due to a conflict of interest, it was not possible to attend the meetings on July 27, 2023 and September 6, 2023.

[5] Until September 4, 2023

[6] Until July 5, 2023

[7] Since August 30, 2023

Pursuant to C-rule 36 of the ACCG, the Supervisory Board is tasked with discussing the efficiency of its activities annually, in particular its organization and working practices (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 for appointments to the Supervisory Board. There were three meetings of the Presidential and Nomination Committee in 2023, in which discussions focused on Executive and Supervisory Board matters.

Audit Committee

This committee performs the duties set out in section 92 (4a) of the Austrian Stock Corporation Act. The committee held six meetings during the reporting 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, the presentation of the annual financial statements, and the procedure for the selection of the statutory auditor (Group auditor). Gertrude Tumpel-Gugerell is the financial expert on the Audit Committee within the meaning of section 92 (4a) (1) of the Austrian Stock Corporation Act.

The Audit Committee monitors the auditors' independence and reviews a breakdown of the audit fees and fees for additional services besides auditing activities. In the financial year 2023, KPMG Austria GmbH Wirtschaftsprüfungs- und Steuergesellschaft (including members of their network within the meaning of section 271b of the Austrian Commercial Code) received EUR 5.40 mn for the annual audit, EUR 0.84 mn for other assurance services, EUR 2.50 mn for tax advisory services, and EUR 0.74 mn for other engagements.

Portfolio and Project Committee

This committee supports the Executive Board in preparing for complex decisions on key issues where necessary and reports on these decisions and any recommendations to the Supervisory Board. In 2023, seven meetings of the Portfolio and Project Committee were held, in which investment and M&A projects in particular were discussed.

Sustainability and Transformation Committee

The purpose of the Sustainability and Transformation Committee is to support the Supervisory Board in reviewing and monitoring OMV's strategy with regard to sustainability, as well as ESG-related standards, performance, and processes. It also focuses on performance specifically in terms of HSSE (Health, Safety, Security, and Environment) and in particular regarding climate change. Furthermore, the committee serves to support and oversee the process of transformation toward a more sustainable business model, including the cultural integration of strategically significant acquisitions. The committee held four meetings during the reporting year.

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 six times during 2023. Executive Board members were invited to attend parts of some of the meetings of the Remuneration Committee.

The hkp/// group was hired by the Remuneration Committee to provide remuneration advice to the committee on the appropriate structure and level of Executive Board compensation in line with regulatory requirements and market practice.

The hkp/// group also provided advice on the creation of OMV's Remuneration Report. The consulting company did not advise the OMV Executive Board on matters relating to Executive Board remuneration, ensuring independence within the meaning of the Austrian Code of Corporate Governance.

Conflicts of interest and dealings by members of the Supervisory Board requiring approval in accordance with section 95(5) (12) of the Austrian Stock Corporation Act

During the reporting year, Supervisory Board member Elisabeth Stadler was chairwoman of the executive board of a company with which insurance and related contracts under standard market and industry terms and conditions (including consideration) existed. Although this business relationship does not raise concerns in relation to a potential conflict of interest, the relevant Supervisory Board approvals were obtained when Elisabeth Stadler was elected to the Supervisory Board.

It is noted that Lutz Feldmann is Chairman of the Supervisory Board of EnBW Energie Baden-Württemberg AG whose business activities overlap with those of the OMV Group in individual areas (particularly in the area of trading and sales of natural gas and e-mobility). In an overall view of the corporate groups concerned, these overlaps do not appear to be material and therefore, in the company's opinion, do not constitute a deviation from C Rule 45 of the Austrian Corporate Governance Code, according to which Supervisory Board members may not assume any functions on the boards of enterprises which are competitors of OMV.

Should specific situations arise that trigger a conflict of interest on the part of a Supervisory Board member in an individual case, the available instruments are applied (in particular disclosure of the conflict, abstention from voting, prohibition of participation, restriction of information) in order to ensure a legally compliant approach.

Employee representative participation

The Group's Works Council holds regular meetings with the Executive Board in order to exchange information about employees and on developments affecting them. Furthermore, the Group's 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 Annual General Meeting). Therefore, out of the 15 Supervisory Board members, 5 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 on 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 they have not been elected, then this person must be declared as a Supervisory Board member.

Diversity, Equity, and Inclusion 2023

Diversity is an enormous strength that OMV actively leverages to create business value. OMV strongly believes that culturally diverse teams are more creative, resourceful, and knowledgeable, and that they generate broader perspectives, ideas, and options. Diversity, Equity, and Inclusion (DEI), therefore, have a strong impact on people and teams, improving engagement and job satisfaction, and directly contributing to the Group's profitability and sustainability.

The OMV Group is therefore expanding its DEI focus to include a broader range of diversity aspects, such as age, nationality, and special needs. Ultimately, OMV's goal is to encourage and support all forms of diversity in the workforce and create an environment of respect where all employees are valued. This means having an inclusive culture in which the same opportunities and level of psychological safety are in place for all people to feel supported and be successful, regardless of their nationality, gender, age, or social and health background.

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 aim is to increase the proportion of women in management roles from 24.4%[1] currently to 25% by 2025, and to 30% by 2030, through a number of initiatives such as mentoring, succession planning, specific training, and those that promote a healthy work-life balance.

The proportion of women in the Group as a whole is 27.7% (2022: 27%). A total of 24.4%[1] (2022: 21.6%) of employees in management and executive positions are female. In OMV's leadership development programs, the proportion of women was 42.8% in 2023 (2022: 49%). In OMV's Upstream integrated graduate development program for technical skill pools, the proportion of women was 27% in 2023 (2022: 21%). Diversity has been incorporated into all leadership development programs and embedded into the OMV People & Culture Strategy.

The OMV Group further strengthened its DEI strategy by establishing a governance framework. The structure includes five volunteer-based workstreams, led by employees across OMV, OMV Petrom, and Borealis. These dedicated workstreams focus on gender, generations, parenting/caregiving, people with disabilities, and LGBTQIA+ inclusion, thus ensuring holistic representation.

Throughout 2023, several events were organized to increase awareness of and ambition to focus on our DEI goals. The OMV Group hosted an International Women's Week, LGBTQIA+ Ally Week, and the International Day of Persons with Disability (Purple Light Up event).

The OMV Group was audited by myAbility, an organization aimed at evaluating and enhancing workplace accessibility and inclusivity for people with disabilities. The audit results were used to create a detailed roadmap to improve work space accessibility for our employees.

The New Parent Program in Austria was continued, focusing on equipping future parents with information on parental leave and part-time models, associated long-term financial aspects, and giving useful tips about returning to work after the leave period. The program's target group includes all expecting parents to encourage more equal distribution of childcare responsibilities. The OMV Group was awarded the Family-Friendly Employer Award, which reaffirms the organization's dedication to accommodating the needs of working parents. OMV's headquarters in Vienna has two company kindergartens attended by children of OMV employees.

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.

To enhance communication and knowledge-sharing related to DEI initiatives, the OMV Group created a dedicated DEI SharePoint site. The platform serves as a

[1] Advanced & Executive Level

central hub for employees to access resources, stay informed about ongoing initiatives, and actively participate in fostering an inclusive workplace.

The Executive Board and Supervisory Board consider the described measures and programs for fostering 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 regularly 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 paid to the balance of gender, age, and international experience, in addition to professional skills.

Since Daniela Vlad started on February 1, 2023, there has again been one woman on the Executive Board of OMV. As of December 31, 2023, the Executive Board members of OMV Aktiengesellschaft are between 49 and 58 years old, come from four different countries, and have acquired extensive international management experience.

With regard to the election of Supervisory Board members, the selection of potential 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, industry and technical expertise, and internationality of members is taken into consideration.

On December 31, 2023, the Supervisory Board of OMV included six women, corresponding to a share of 40%. In line with the strategic orientation of the Company, particular focus will be given to further strengthening industry-specific expertise and the internationality of the Supervisory Board. With members aged between 43 and 71, 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 2022 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).

Vienna, March 5, 2024

The Executive Board

Alfred Stern m.p.	Reinhard Florey m.p.
Daniela Vlad m.p.	Martijn van Koten m.p.
Berislav Gaso m.p.	

4

CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

105 — 239

Auditor’s Report[1]

Report on the Consolidated Financial Statements

Audit Opinion

We have audited the consolidated financial statements of

OMV Aktiengesellschaft, Vienna,

and its subsidiaries (the Group), which comprise the Consolidated Statement of Financial Position as of December 31, 2023, the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and the Notes to the Consolidated Financial Statements, except for “Oil and Gas Reserve Estimation and Disclosures (unaudited)”.

In our opinion, the consolidated financial statements comply with the legal requirements and present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, and the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code) as well as other legal or regulatory requirements.

Basis for our Opinion

We conducted our audit in accordance with the EU Regulation 537/2014 (“AP Regulation”) and Austrian Standards on Auditing. These standards require the audit to be conducted in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the “Auditor’s Responsibilities” section of our report. We are independent of the audited Group in accordance with Austrian company law and professional regulations, and we have fulfilled our other responsibilities under those relevant ethical requirements. We believe that the audit evidence we have obtained up to the date of the auditor’s report is sufficient and appropriate to provide a basis for our audit opinion on 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 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, however, we do not provide a separate opinion thereon.

[1] This English language audit report is a translation provided for information purposes only. The original German text shall prevail in the event of any discrepancies between the English translation and the German original. We do not accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

Disclosures on the effects of climate change and the energy transition

Refer to Note 2 – Effects of climate change and the energy transition.

Risk for the Consolidated Financial Statements

As part of its strategy 2030 presented in 2022, the Group is fully committed to supporting and accelerating the energy transition. The Group aims to achieve carbon neutrality by 2050.

In Note 2 of the consolidated financial statements the Group describes how the management considers both climate-related impacts and emission reduction targets in key areas of the consolidated financial statements and how this impacts the valuation of assets and measurement of liabilities.

OMV considers two different scenarios:

- the base case, whose assumptions in terms of demand and oil and gas prices are consistent with IEA announced pledges scenario (APS), is used for the mid-term planning as well as for estimates for various areas of the consolidated financial statements, including impairment testing of non-financial assets and the measurement of provisions; and
- the “net zero emissions by 2050” case, whose assumptions are consistent with the IEA net zero emissions (NZE) scenario, is used to perform a sensitivity analysis for the valuation of non-financial assets and the measurement of provisions.

These scenarios differ in the underlying expectations about the pace of the future worldwide decarbonization and lead to different assumptions for demand and prices of oil and gas as well as CO_2 prices.

The main areas impacted by the effects of climate change and the energy transition are:

- the recoverability of assets;
- the useful lives of assets; and
- the valuation of provisions for decommissioning and restoration obligations.

The disclosures on the above areas have high public attention and involve a high degree of judgment and significant macroeconomic assumptions. Therefore, we have identified the disclosures on the effects of climate change and the energy transition as a key audit matter.

Our response

We evaluated the disclosures on the effects of climate change and the energy transition as follows:

- We assessed the design and implementation of internal controls in the estimation process, with a focus on how the effect of climate change and net zero commitment was considered for the key assumptions in the impacted areas of the consolidated financial statements.
- We implemented a climate change panel comprising a group of experienced international KPMG partners with specific climate change, technical audit and accounting expertise to provide an independent challenge to our key decisions and conclusions with respect to the key assumptions to this key audit matter.
- We performed inquiries to understand the impacts of the net zero commitment and climate-related risks on the consolidated financial statements.
- We evaluated whether the impact of net zero commitment, as assessed by the Group, was reflected in the respective assumptions applied in the measurement of recoverable amount of assets, the useful lives of assets, and the valuation of provisions for decommissioning and restoration obligations.
- We compared the assumptions for oil and gas as well as CO_2 prices used in the sensitivity analysis with publicly available information (the IEA net zero emissions scenario).
- We read the Sustainability Report and assessed whether there are inconsistencies between this report and the consolidated financial statements on climate-related issues.
- We evaluated the accuracy, completeness, and relevance of these disclosures in the consolidated financial statements.

Recoverability of oil and gas assets in property, plant, and equipment

Refer to Note 2 – Effects of climate change and the energy transition, Note 3 – Accounting policies, judgments, and estimates, Note 8 – Depreciation, amortization, impairments, and write ups, and Note 17 – Property, plant, and equipment.

Risk for the Consolidated Financial Statements

The carrying value of oil and gas assets in property plant, and equipment amounts to EUR 8,927 mn as of December 31, 2023.

The assets' operational performance and external factors have a significant impact on the estimated future cash flows and therefore the recoverable amount of the oil and gas assets. The recoverable amount is highly judgmental and complex to estimate. The key assumptions considered by the Group in assessing the value in use include oil and gas prices, CO_2 prices, oil and gas reserves, and discount rates. As described in Note 2 and Note 3.2.j, these significant assumptions are forward-looking and can be affected by future economic and market conditions, including matters related to climate change and the energy transition.

The Group recorded a net impairment reversal of EUR 57 mn on oil and gas assets in property, plant, and equipment as of December 31, 2023.

There is a risk for the consolidated financial statements that the valuation of oil and gas assets in property, plant, and equipment is misstated.

Our response

We assessed the recoverability of oil and gas assets in property, plant, and equipment as follows:

- We obtained an understanding and evaluated the design and implementation of key internal controls over the process for evaluating the recoverable amount of oil and gas assets. Our work included testing control activities over the identification of triggering events and the determination of key management assumptions underlying the recoverable amount of the assets tested.

Future cash flows

- We compared the main assumptions (future oil and gas prices, future CO_2 prices, production volumes, future production costs) used within the future cash flow models to those included in mid-term planning approved by the Supervisory Board.
- We assessed the consistency of the assumptions on future productions costs by calculating cost-to-production ratios and comparing them year over year.

Price assumptions

- We assessed the reasonableness of future short and long-term oil and gas price assumptions by comparing these to publicly available industry information, especially the IEA's announced pledges scenario and those adopted by other energy companies.
- We examined the CO_2 price assumptions included in the future cash flows by comparing them with current market data and publicly available information (especially from the IEA).

Recoverability of oil and gas assets in property, plant, and equipment (continued)

Our response (continued)

Oil and gas reserves

- We obtained an understanding of the Group's Petroleum Resource Evaluation Standard and performed a walkthrough of the reserve estimation process and controls.
- We assessed the competence, authority, and objectivity of internal reservoir engineers responsible for estimating oil and gas reserves through understanding their relevant professional qualifications and experience.
- We compared production forecasts to the internal evaluations of proved and probable oil and gas reserves.
- We reviewed for selected assets prior period reserve estimates made by the independent expert DeGolyer & MacNaughton and inquired differences to internal estimations.
- We inquired for selected assets the reasons for significant changes in oil and gas reserves.

Discount rates

- With the assistance of our valuation specialists, we assessed input assumptions for determining discount rates by comparing them with market and industry-specific benchmarks.

Other procedures

- We assessed the management's identification of indicators for impairments and reversals of impairment.
- We assessed the determination of cash generating units based on how cash flows are generated and based on industry practice.
- We verified the mathematical accuracy of the cash flow models.
- We assessed the adequacy of the disclosures in the consolidated financial statements.

Recoverability of equity-accounted investments

Refer to Note 3 – Accounting policies, judgments, and estimates, Note 8 – Depreciation, amortization, impairments, and write-ups, and Note 18 – Equity-accounted investments.

Risk for the Consolidated Financial Statements

The carrying value of equity-accounted investments amounts to EUR 6,668 mn as of December 31, 2023, including mainly ADNOC Refining and Trading CGU (Abu Dhabi Oil Refining Company and ADNOC Global Trading LTD), "Borouge investments" (Borouge PLC and Borouge 4 LLC) and Baystar (Bayport Polymers LLC).

The assessment of the recoverable amount of equity-accounted investments requires judgment and estimates in the following areas:

- determining whether there is an indication that the investment should be impaired, or there is an indication that an impairment loss recognized in prior periods may no longer exist or may have decreased; and
- measuring any such impairment loss or impairment reversal.

The key assumptions considered by the Group in assessing the recoverable amount of the equity-accounted investment Baystar include margin forecasts, future production volumes, discount rates as well as perpetual growth rates. Despite the successful operational launch of the cracker of Baystar in 2022 there is still a risk remaining in relation to cash flow projections due to equipment calibration of the cracker and the operational launch of the polymerization plant "Bay 3". In order to address this risk, the Group estimates the recoverable amount using the discounted cash flow method. Given the complexity of the impairment model, the estimation uncertainty over input data and parameters used and the immanent judgment, the recoverability of the equity-accounted investment Baystar is considered as a key audit matter.

For the investment Borouge PLC, which is listed on the Abu Dhabi stock exchange, there is a risk that the market value will fall below the carrying amount of the investment.

For the investment Borouge 4 LLC, which is in the process of constructing a chemical plant in Abu Dhabi, there is a risk of significant delays in the construction of the plant.

For the ADNOC Refining and Trading CGU there is a risk that an existing indicator for impairment is not detected.

Overall, there is a risk for the consolidated financial statements that the valuation of equity-accounted investments is misstated.

Our response

We assessed the recoverability of equity-accounted investments as follows:

- We obtained an understanding over the process regarding the identification of indicators for impairment and the determination of key assumptions underlying the recoverable amount of the equity-accounted investments.
- We compared the carrying amount for Borouge PLC with the proportionate market capitalization.
- We used the Group's documentation for Borouge 4 LLC to assess whether significant delays in the construction process had occurred and discussed with management.
- We assessed management's analysis of indicators for impairment for the ADNOC Refining and Trading CGU.
- We assessed the adequacy of the disclosures in the consolidated financial statements.

For Baystar we performed the following steps:

- We compared the main assumptions for volumes sold and industry margins used within the future cash flow models to those included in available budgets.
- We analyzed margin forecasts with external market data and other publicly available information.
- We challenged the assumptions in the discounted cash flow model by performing a sensitivity analysis, considering a range of likely outcomes based on various scenarios.
- With the assistance of our valuation specialists, we assessed a range of reasonable input assumptions for determining discount rates and perpetual growth rates.
- We verified the mathematical accuracy of the valuation models.

Valuation of provisions for decommissioning and restoration obligations

Refer to Note 3 – Accounting policies, judgments, and estimates and Note 25 – Provisions.

Risk for the Consolidated Financial Statements
Provisions for decommissioning and restoration obligations of EUR 4,148 mn are recorded in the consolidated financial statements as of December 31, 2023.

As described in Note 3.2s, the Group's core activities regularly lead to obligations related to dismantling and removal, asset retirement, and soil remediation activities. Most of these activities are planned to occur many years in the future and may also be affected by climate-risk matters and energy transition, while decommissioning technologies, costs, and regulations are constantly changing.

The estimation of provisions for decommissioning and restoration obligations is thus a judgmental area as it involves a number of key estimates related to future costs and timing of decommissioning, inflation, and discount rate assumptions.

There is a risk for the consolidated financial statements that the valuation of provisions for decommissioning and restoration obligations is misstated.

Our response
We assessed the valuation of provisions for decommissioning and restoration obligations as follows:

- We obtained an understanding, evaluated the design and implementation, and tested the operating effectiveness of key internal controls over the Group's process to calculate the present value of the estimated future costs for decommissioning and restoration obligations in accordance with local regulation and requirements.
- We assessed the completeness and accuracy of the assets subject to decommissioning and restoration obligations, especially by understanding the process to determine whether a legal or constructive obligation exists at the reporting date and by comparing the significant additions to property, plant, and equipment to the Group's assessment of new decommissioning and restoration obligations.

Future costs and timing of decommissioning
- We confirmed that the estimated dates used for decommissioning are consistent with assumptions in other areas, especially impairment testing on oil and gas assets and estimation of oil and gas reserves.
- We verified the supporting evidence for any material revision in cost estimates during the period.

Discount and inflation rates
- With the support of our valuation specialists, we analyzed inflation rates and discount rates by comparing them with market and industry-specific benchmarks.

Other procedures
- We tested the mathematical accuracy of the decommissioning and restoration obligation calculation.
- We assessed the adequacy of the disclosures in the consolidated financial statements.

Accounting for complex transactions in the gas supply and trading function

Refer to Note 3 – Accounting policies, judgments, and estimates, Note 30 – Risk Management, and Note 31 – Fair value hierarchy.

Risk for the Consolidated Financial Statements
The Group's activities are exposed to a number of market risks including gas price and volume risks, which are managed using gas forward and future contracts, classified as derivative financial instruments or for which the own-use exemption is applied.

As of December 31, 2023, derivative assets related to gas sales and purchases were EUR 709 mn and derivative liabilities were EUR 386 mn.

We considered the accounting in the gas supply and trading function as a key audit matter due to the volume of gas supply and trading transactions, complexity of underlying accounting systems, significant judgements required for the own-use exemption application, and different types of transactions including those requiring offsetting adjustments due to the nature of the supply and trading contractual arrangements.

There is a risk for the consolidated financial statements that derivative assets and liabilities as well as provisions for contracts, for which the own-use exemption is applied, are misstated.

Our response
We evaluated the accounting for complex transactions in the gas supply and trading function as follows:

- We obtained an understanding, evaluated the design and implementation, and tested the operating effectiveness of key internal controls in the gas supply and trading function.
- We inspected significant long-term supply contract agreements.
- We evaluated the completeness, integrity, and accuracy of gas supply and trading transactional data.
- We assessed whether the methodology adopted for the accounting of gas trading and supply derivative financial instruments are consistent with IFRS 9 – Financial Instruments and IAS 32 – Financial Instruments: Presentation.
- We assessed the accounting treatment of different types of supply and trading portfolios.
- We recalculated the impact of offsetting adjustments impacting consolidated statement of financial position, consolidated income statement, and consolidated statement of comprehensive income.

Other Matter

The audit of the consolidated financial statements of OMV Aktiengesellschaft as of December 31, 2022, was performed by another auditor, who expressed an unqualified audit opinion on the consolidated financial statements dated March 9, 2023.

Other Information

Management is responsible for other information. Other information is all information provided in the annual report, other than the consolidated financial statements, the group management report and the auditor’s report.

Our opinion on the consolidated financial statements does not cover other information and we do not provide any kind of assurance thereon.

In conjunction with our audit, it is our responsibility to read this other information and to assess whether, based on knowledge gained during our audit, it contains any material inconsistencies with the consolidated financial statements or any apparent material misstatement of fact.

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

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code) as well as other legal or regulatory requirements and for such internal controls as management determines are necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Management is also responsible for assessing the Group’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 intents to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 audit opinion. Reasonable assurance represents a high level of assurance, but provides no guarantee that an audit conducted in accordance with the AP Regulation and Austrian Standards on Auditing (and therefore ISAs), will always detect a material misstatement, if any. Misstatements may result from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the AP Regulation and Austrian Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.

Moreover:

- We identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, we design and perform audit procedures responsive to those risks and obtain sufficient and appropriate audit evidence to serve as a basis for our audit opinion. The risk of not detecting material misstatements resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.
- We obtain an understanding of internal controls 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 Group's internal controls.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- We 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 Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the respective note in the consolidated financial statements. If such disclosures are not appropriate, we will modify our audit 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 Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the consolidated financial statements, including the notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- We communicate with the Audit Committee regarding, amongst other matters, the planned scope and timing of our audit as well as significant findings, including any significant deficiencies in internal control that we identify during our audit.
- We communicate to the Audit Committee that we have complied with the relevant professional requirements in respect of our independence, that we will report any relationships and other events that could reasonably affect our independence and, where appropriate, the related safeguards.
- From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit i.e. key audit matters. We describe these key audit matters in our auditor’s report unless laws or other legal regulations preclude public disclosure about the matter or when in very rare cases, we determine that a matter should not be included in our audit report because the negative consequences of doing so would reasonably be expected to outweigh the public benefits of such communication.

Report on Other Legal and Regulatory Requirements

Group Management Report

In accordance with Austrian company law, the Group management report is to be audited as to whether it is consistent with the consolidated financial statements and prepared in accordance with legal requirements.

Management is responsible for the preparation of the Group management report in accordance with Austrian company law and other legal or regulatory requirements.

We have conducted our audit in accordance with generally accepted standards on the audit of group management reports.

Opinion

In our opinion, the Group management report is consistent with the consolidated financial statements and has been prepared in accordance with legal requirements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

Statement

Based on our knowledge gained in the course of the audit of the consolidated financial statements and our understanding of the Group and its environment, we did not note any material misstatements in the Group management report.

Additional information in accordance with Article 10 AP Regulation

We were elected as auditors at the Annual General Meeting on May 31, 2023, and were appointed by the Supervisory Board on June 5, 2023 to audit the consolidated financial statements of the Group for the financial year ending on December 31, 2023.

We have been auditors of the Group since the consolidated financial statements at December 31, 2023.

We declare that our opinion expressed in the "Report on the Consolidated Financial Statements" section of our report is consistent with our additional report to the Audit Committee, in accordance with Article 11 AP Regulation.

We declare that we have not provided any prohibited non-audit services (Article 5 Paragraph 1 AP Regulation) and that we have ensured our independence throughout the course of the audit, from the audited Group.

Engagement Partner

The engagement partner is Mr Karl Braun.

Vienna

March 6, 2024

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Karl Braun m.p.
Wirtschaftsprüfer
(Austrian Chartered Accountant)

Consolidated Income Statement for 2023

Consolidated Income Statement

In EUR mn

	Note	2023	2022
Sales revenues	5, 6	**39,463**	**62,298**
Other operating income	7	742	1,644
Net income from equity-accounted investments	7, 18	326	869
Total revenues and other income		**40,531**	**64,811**
Purchases (net of inventory variation)	19	–24,222	–39,298
Production and operating expenses		–4,004	–4,542
Production and similar taxes		–925	–1,663
Depreciation, amortization, impairments and write-ups	8	–2,463	–2,484
Selling, distribution, and administrative expenses		–3,006	–2,689
Exploration expenses	8, 9	–222	–250
Other operating expenses	10	–462	–1,639
Operating Result		**5,226**	**12,246**
Dividend income	33	10	11
Interest income	12, 33	473	269
Interest expenses	12, 33	–415	–417
Other financial income and expenses[1]	12, 33	–138	–1,345
Net financial result		**–70**	**–1,481**
Profit before tax prior to solidarity contribution		**5,156**	**10,765**
Solidarity contribution on refined crude oil	13	–552	—
Profit before tax		**4,604**	**10,765**
Taxes on income and profit	14	–2,687	–5,590
Net income for the year		**1,917**	**5,175**
thereof attributable to stockholders of the parent		1,480	3,634
thereof attributable to hybrid capital owners		72	71
thereof attributable to non-controlling interests		366	1,470
Basic Earnings Per Share in EUR	15	**4.53**	**11.12**
Diluted Earnings Per Share in EUR	15	**4.52**	**11.11**

[1] Includes in 2022 impairment of EUR 1,004 mn related to the financing agreements for Nord Stream 2.

Consolidated Statement of Comprehensive Income for 2023

Consolidated Statement of Comprehensive Income

In EUR mn

	Note	2023	2022
Net income for the year		**1,917**	**5,175**
Currency translation differences		**–542**	**603**
Gains (+)/losses (–) arising during the year	23	–542	250
Reclassification of gains (–)/losses (+) to the income statement	7, 10	–0	354
Gains (+)/losses (–) on hedges	30	**–360**	**40**
Gains (+)/losses (–) arising during the year		–320	377
Reclassification of gains (–)/losses (+) to the income statement		–40	–338
Share of other comprehensive income of equity-accounted investments	18	**–4**	**0**
Total of items that may be reclassified (“recycled”) subsequently to the income statement		**–907**	**643**
Remeasurement gains (+)/losses (–) on defined benefit plans	25	**–58**	**263**
Gains (+)/losses (–) on equity investments	20	**–2**	**2**
Gains (+)/losses (–) on hedges that are subsequently transferred to the carrying amount of the hedged item	30	**–27**	**–67**
Share of other comprehensive income of equity-accounted investments	18	**5**	**6**
Total of items that will not be reclassified (“recycled”) subsequently to the income statement		**–83**	**204**
Income taxes relating to items that may be reclassified (“recycled”) subsequently to the income statement		83	–5
Income taxes relating to items that will not be reclassified (“recycled”) subsequently to the income statement		14	–26
Total income taxes relating to components of other comprehensive income	23	**97**	**–30**
Other comprehensive income for the year, net of tax	23	**–893**	**817**
Total comprehensive income for the year		**1,025**	**5,992**
thereof attributable to stockholders of the parent		737	4,381
thereof attributable to hybrid capital owners		72	71
thereof attributable to non-controlling interests		216	1,540

Consolidated Statement of Financial Position as of December 31, 2023

Assets

In EUR mn

	Note	2023	2022
			restated[1]
Intangible assets	16	1,779	2,510
Property, plant, and equipment	17	20,081	19,317
Equity-accounted investments	18	6,668	7,294
Other financial assets	20	1,704	1,999
Other assets	21	165	115
Deferred taxes	27	1,164	1,150
Non-current assets		**31,559**	**32,384**
Inventories	19	3,529	4,834
Trade receivables	20	3,455	4,222
Other financial assets	20	2,130	3,929
Income tax receivables		48	97
Other assets	21	1,351	1,632
Cash and cash equivalents	28	6,920	8,090
Current assets		**17,432**	**22,803**
Assets held for sale	22	1,671	1,676
Total assets		**50,663**	**56,863**

[1] Comparative information dated December 31, 2022, has been restated. For further details see Note 3 – Accounting policies, judgments, and estimates.

Equity and Liabilities

In EUR mn

	Note	2023	2022 restated[1]
Share capital		327	327
Hybrid capital		2,483	2,483
Reserves		15,428	16,339
Equity of stockholders of the parent		**18,238**	**19,149**
Non-controlling interests	24	7,131	7,478
Total equity	23	**25,369**	**26,628**
Provisions for pensions and similar obligations	25	966	997
Bonds	26	5,534	6,030
Lease liabilities	26	1,404	1,322
Other interest-bearing debts	26	1,043	1,359
Provisions for decommissioning and restoration obligations	25	4,079	3,714
Other provisions	25	422	377
Other financial liabilities	26	316	489
Other liabilities	26	102	124
Deferred taxes	27	962	1,194
Non-current liabilities		**14,826**	**15,607**
Trade payables	26	3,955	5,259
Bonds	26	540	1,290
Lease liabilities	26	181	155
Other interest-bearing debts	26	427	128
Income tax liabilities		859	2,449
Provisions for decommissioning and restoration obligations	25	69	82
Other provisions	25	777	939
Other financial liabilities	26	1,424	2,172
Other liabilities	26	1,613	1,527
Current liabilities		**9,846**	**14,001**
Liabilities associated with assets held for sale	22	622	626
Total equity and liabilities		**50,663**	**56,863**

[1] Comparative information dated December 31, 2022, has been restated. For further details see Note 3 – Accounting policies, judgments, and estimates.

Consolidated Statement of Changes in Equity in 2023

Consolidated Statement of Changes in Equity in 2023[1]

In EUR mn

	Share capital	Capital reserves	Hybrid capital	Revenue reserves	Currency translation differences
January 1, 2023	**327**	**1,517**	**2,483**	**15,076**	**–370**
Net income for the year	—	—	—	1,551	—
Other comprehensive income for the year	—	—	—	–46	–474
Total comprehensive income for the year	**—**	**—**	**—**	**1,505**	**–474**
Dividend distribution and hybrid coupon	—	—	—	–1,746	—
Share-based payments	—	3	—	—	—
Increase (+)/decrease (–) in non-controlling interests	—	—	—	—	—
Reclassification of cash flow hedges to balance sheet	—	—	—	—	—
December 31, 2023	**327**	**1,520**	**2,483**	**14,835**	**–844**

Consolidated Statement of Changes in Equity in 2022[1]

In EUR mn

	Share capital	Capital reserves	Hybrid capital	Revenue reserves	Currency translation differences
January 1, 2022	**327**	**1,514**	**2,483**	**12,008**	**–910**
Net income for the year	—	—	—	3,705	—
Other comprehensive income for the year	—	—	—	206	543
Total comprehensive income for the year	**—**	**—**	**—**	**3,911**	**543**
Dividend distribution and hybrid coupon	—	—	—	–847	—
Share-based payments	—	4	—	—	—
Increase (+)/decrease (–) in non-controlling interests	—	—	—	5	–2
Reclassification of cash flow hedges to balance sheet	—	—	—	—	—
December 31, 2022	**327**	**1,517**	**2,483**	**15,076**	**–370**

[1] See Note 23 – Equity of stockholders of the parent and Note 24 – Non-controlling interests

Hedges	Share of other compr. income of equity-accounted investments	Treasury shares	Equity of stockholders of the parent	Non-controlling interests	**Total equity**
200	**–82**	**–2**	**19,149**	**7,478**	**26,628**
—	—	—	1,551	366	**1,917**
–223	1	—	–743	–150	**–893**
–223	**1**	**—**	**808**	**216**	**1,025**
—	—	—	–1,746	–609	**–2,355**
—	—	1	3	—	**3**
—	—	—	—	36	**36**
23	—	—	23	9	**32**
–0	**–81**	**–2**	**18,238**	**7,131**	**25,369**

Hedges	Share of other compr. income of equity-accounted investments	Treasury shares	Equity of stockholders of the parent	Non-controlling interests	**Total equity**
173	**–86**	**–3**	**15,505**	**6,491**	**21,996**
—	—	—	3,705	1,470	**5,175**
–6	4	—	746	71	**817**
–6	**4**	**—**	**4,451**	**1,540**	**5,992**
—	—	—	–847	–621	**–1,467**
—	—	1	4	—	**4**
—	—	—	3	45	**48**
33	—	—	33	23	**56**
200	**–82**	**–2**	**19,149**	**7,478**	**26,628**

Consolidated Statement of Cash Flows for 2023

Consolidated Statement of Cash Flows

In EUR mn

	Note	2023	2022
Net income for the year		**1,917**	**5,175**
Depreciation, amortization, impairments and write ups	8	2,619	2,667
Deferred taxes	14	175	85
Current taxes	14	2,512	5,505
Income taxes paid		–3,920	–4,266
Tax refunds		41	68
Losses (+)/gains (–) from disposal of non-current assets and businesses	7, 10	–2	–344
Income from equity-accounted investments and other dividend income	7, 20, 33	–336	–879
Dividends received from equity-accounted investments and other companies	18, 37	793	812
Interest expenses	12, 33	148	154
Interest paid		–181	–182
Interest income	12, 33	–459	–264
Interest received		400	247
Increase (+)/decrease (–) in personnel provisions	25	–102	–13
Net change in other provisions and emissions certificates	2, 25	–72	–195
Other changes	28	1,106	1,274
Cash flow from operating activities excluding net working capital effects		**4,638**	**9,843**
Decrease (+)/increase (–) in inventories	19	1,320	–2,188
Decrease (+)/increase (–) in receivables	20, 21	1,043	–397
Increase (+)/decrease (–) in liabilities	26	–1,293	501
Changes in net working capital components		**1,071**	**–2,084**
Cash flow from operating activities		**5,709**	**7,758**
Investments			
Intangible assets and property, plant, and equipment	16, 17	–3,487	–2,943
Investments, loans, and other financial assets	20	–635	–736
Acquisitions of subsidiaries and businesses net of cash acquired		–52	—
Disposals			
Cash inflows in relation to non-current assets and financial assets		183	1,487
Cash inflows from the sale of subsidiaries and businesses, net of cash disposed	4	965	440
Cash disposed due to the loss of control		—	–214
Cash flow from investing activities		**–3,027**	**–1,966**
Repayments of long-term borrowings	28	–1,477	–1,047
Increase (+)/decrease (–) in short-term borrowings	28	40	–184
Increase in non-controlling interest	24	—	30
Decrease in non-controlling interest		–1	–1
Dividends paid to stockholders of the parent (incl. hybrid coupons)	23	–1,746	–847
Dividends paid to non-controlling interests	24	–587	–612
Cash flow from financing activities		**–3,771**	**–2,660**
Effect of foreign exchange rate changes on cash and cash equivalents		–25	–72
Net increase (+)/decrease (–) in cash and cash equivalents		**–1,114**	**3,060**
Cash and cash equivalents at beginning of year	28	8,124	5,064
Cash and cash equivalents at end of year	28	7,011	8,124
Thereof cash disclosed within Assets held for sale		91	35
Cash and cash equivalents presented in the consolidated statement of financial position		**6,920**	**8,090**

Notes to the Consolidated Financial Statements

Basis of Preparation and Accounting Policies

1 Basis of preparation

OMV Aktiengesellschaft (registered in the Austrian Register of Companies with its office based at Trabrennstraße 6–8, 1020 Vienna, Austria) is an integrated, international oil, gas, and chemicals company with activities in the divisions Chemicals & Materials, Fuels & Feedstock, and Energy.

These financial statements have been prepared and are in **compliance with International Financial Reporting Standards (IFRSs) as adopted by the EU and in accordance with the supplementary accounting regulations pursuant to Sec. 245a, Para. 1 of the Austrian Commercial Code (UGB)**. The financial year corresponds to the calendar year.

The consolidated financial statements are in general based on the historical cost principle, except for certain items that have been measured at fair value as described in Note 3 – Accounting policies, judgments, and estimates. The accounting policies adopted are consistent with those of the previous financial year, except where otherwise indicated.

The consolidated financial statements for 2023 have been prepared in million EUR (EUR mn, EUR 1,000,000). Accordingly, there may be rounding differences.

The consolidated financial statements comprise the financial statements of OMV Aktiengesellschaft and the entities it controls (its subsidiaries) as at December 31, 2023. The financial statements of all consolidated companies are prepared in accordance with uniform Group-wide accounting policies. A list of subsidiaries, equity-accounted investments, and other investments is included under Note 40 – Direct and indirect investments of OMV Aktiengesellschaft, including consolidation method, business segment, place of business, and interest held by OMV.

The consolidated financial statements for 2023 are subject to approval and release for publication by the Supervisory Board on March 7, 2024.

2 Effects of climate change and the energy transition

OMV has considered the short- and long-term effects of climate change and the energy transition in preparing the consolidated financial statements. They are subject to uncertainty, and they may have a significant impact on the assets and liabilities currently reported by the Group.

The Group is exposed to physical climate risks as well as risks associated with the energy transition, including risks for stranded assets, decrease in demand for fossil products, and regulatory risks. The risks from climate change and their management are described in the Directors' Report, section Risk Management.

OMV's targets and commitments to decarbonization

In 2022, OMV defined quantitative short-, medium-, and long-term targets for its emissions reductions and committed to becoming a net-zero emissions company by 2050 (Scopes 1, 2, and 3). For Scope 1 and 2 emissions, OMV is aiming for an absolute reduction of at least 30% by 2030 and of at least 60% by 2040. For Scope 3 emissions, OMV is striving for a reduction of at least 20% by 2030 and of 50% by 2040.[1] These absolute GHG emissions reductions and the increase in zero-carbon product energy sales are the key to reducing the carbon intensity of OMV's energy supply, pursuing a decline of at least 20% by 2030 and of at least 50% by 2040.[2]

[1] The following Scope 3 categories are included: category 11 – Use of sold products for energy supply, category 1 – Purchased goods (feedstocks), and category 12 – End of life of sold products for non-energy use.

[2] The base for the emissions reduction targets are the Group's emissions in 2019 adjusted for the emissions of Borealis in which OMV acquired a majority stake in 2020.

Voluntary carbon offset credits are only used to a limited extent. The maximum acceptable GHG emission reduction contribution from carbon offsets to achieve the absolute 2030 and 2040 GHG targets is 5% of the total absolute required emissions reduction. To achieve the net-zero status by 2050, carbon offsets shall only be used to neutralize the remaining gross emissions that can otherwise not be eliminated.

According to the most recent mid-term planning, OMV plans to invest organic capital expenditure in excess of EUR 8 bn in 2024–2028 for projects relating to sustainable business transformation, development of low-carbon business solutions, and energy efficiency measures.

Effects on estimation uncertainty

The significant accounting estimates performed by management incorporate the future effects of OMV's own strategic decisions and commitments to having its portfolio aligned with the energy transition targets, short and long-term impacts of climate risks and the energy transition to lower carbon energy sources, together with management's best estimate on global supply and demand, including forecast commodities prices.

Nevertheless, there is significant uncertainty surrounding the changes in the mix of energy sources over the next 30 years and the extent to which such changes will meet the ambitions of the Paris Agreement. While companies can commit to such ambitions, financial reporting under IFRS requires the use of assumptions that represent management's current best estimate of the range of expected future economic conditions, which may differ from such targets. These assumptions include expectations about future worldwide decarbonization efforts and the transition of economies to net zero emissions.

OMV uses two different scenarios: the base case and the "net zero emissions by 2050" case. The scenarios differ in the underlying expectations of the pace of the future worldwide decarbonization and lead to different assumptions for demand, prices, and margins of fossil commodities.

The **base case** is built on a scenario developed by the internal Market Intelligence department and assumes that all decarbonization pledges announced by governments around the world will be implemented in full and on time. In this scenario, the temperature increase by 2100 will be limited to 1.7°C with a probability of 50%. The underlying demand and price developments of fossil commodities are in line with the Announced Pledges Scenario (APS) which was modeled by the International Energy Agency (IEA).[1] The base case is used for mid-term planning as well as for estimates relating to the measurement of various items in the Group financial statements, including impairment testing of non-financial assets and the measurement of provisions.

The **"net zero emissions by 2050"** case which is based on a faster decarbonization path than the base case is used for calculating sensitivities in order to recognize the uncertainty of the pace of the energy transition and to better understand the financial risk of the energy transition on the existing assets of OMV. The assumptions used in this case are in line with the Net Zero Emissions by 2050 (NZE) scenario modeled by the IEA.[1] It shows a pathway for the global energy sector to achieve net zero GHG emissions by 2050 and is compatible with limiting the temperature increase to 1.5°C.

For investment decisions, business cases are calculated using the price and demand assumptions according to the base case. These assumptions are the same as for mid-term planning and impairment tests. In addition, a stress test based on the commodity price assumptions of the "net zero emissions by 2050" scenario is mandatory for all investment decisions in order to assess the risk of stranded assets in this decarbonization scenario.

[1] Based on the World Energy Outlook 2022 report published by the IEA.

Recoverability of assets
The following table summarizes the carrying amounts of the Group's intangible assets (incl. goodwill), PPE, and at-equity-accounted investments disaggregated according to the type of assets as at December 31, 2023:

Carrying amounts as of December 31, 2023

in EUR mn

	Segment	Intangible assets (incl. goodwill)	Property, plant and equipment	Equity-accounted investments
Chemical production and recycling (incl. C&M part of refineries)	C&M	975	5,643	4,747
Refining	F&F	101	3,255	1,655
Retail	F&F	23	1,129	—
Oil and gas exploration and evaluation	Energy	270	—	—
Oil and gas production	Energy	356	9,313	264
Gas storages and power plant	Energy	17	523	0
Other		38	217	2
Total		**1,779**	**20,081**	**6,668**

Commodity price assumptions have a significant impact on the recoverable amounts of E&A assets, PPE, and goodwill. For the impairment tests, the price set as defined for mid-term planning and derived from the base case as described above was used. Costs for CO_2 emissions are taken into account to the extent that carbon pricing schemes are in place in the respective countries. Disclosures on the impairment tests are included in Note 3.2j – Accounting policies, judgments, and estimates and Note 8 – Depreciation, amortization, impairments and write-ups.

The base case price assumptions and the EUR–USD exchange rates used for impairment testing are listed below (in 2023 real terms for 2023 and 2022 real terms for 2022):

2023 Price assumptions for base case and impairment testing

	2024	2025	2026	2027	2028	2030	2040	2050
Brent oil price (USD/bbl)	78	71	65	64	59	59	55	55
EUR–USD exchange rate	1.10	1.10	1.15	1.15	1.15	1.15	1.15	1.15
Brent oil price (EUR/bbl)	71	65	57	56	52	52	48	48
Gas price THE (EUR/MWh)	44	38	34	25	22	22	22	22
CO_2 price EUA (EUR/t)	92	99	106	112	118	130	144	144

2022 Price assumptions for base case and impairment testing

	2023	2024	2025	2026	2027	2030	2040	2050
Brent oil price (USD/bbl)	78	72	66	60	59	59	55	55
EUR–USD exchange rate	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10
Brent oil price (EUR/bbl)	71	65	60	55	54	54	50	50
Gas price THE (EUR/MWh)	89	62	44	33	25	22	22	22
CO_2 price EUA (EUR/t)	83	89	94	99	104	117	129	107

Sensitivities based on the “net zero emissions by 2050” climate scenario have been calculated to test the resilience of assets against risks from the energy transition. The assumptions used in the sensitivity analysis are included in the table below (prices in 2023 real terms):

2023 Price assumptions for “net zero emissions by 2050” sensitivities

	2024	2025	2026	2027	2028	2030	2040	2050
Brent oil price (USD/bbl)	58	52	47	46	45	35	26	18
EUR–USD exchange rate	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15
Brent oil price (EUR/bbl)	53	48	41	40	39	31	22	16
Gas price THE (EUR/MWh)	29	27	25	18	16	16	13	11
CO_2 prices (EUR/t):								
EUA/Advanced economies with net zero pledges	102	109	115	121	127	138	201	251
Emerging and developing economies with net zero pledges	46	54	62	69	76	89	157	201
Other emerging and developing economies	5	5	5	5	9	24	82	181

The “net zero emissions by 2050” sensitivities were calculated using a simplified method and are based on a DCF model in line with the impairment testing calculations. The cash flows of oil and gas assets are based on adjusted mid-term planning for the next five years and life of field planning for the remaining years until abandonment. The “net zero emissions by 2050” case does not include any changes to input factors other than prices and volumes. The calculation considers an earlier economic cut-off date for oil and gas fields if the revenues impacted by lower prices are not sufficient to cover the costs. But it especially does not take into account any restructurings, cost reduction measures, divestments or other changes in the business plans that are not included in the base case. The amounts presented therefore should not be seen as a best estimate of an expected impairment impact following such a scenario.

The CO_2 costs considered for oil and gas assets are based on the CO_2 prices in the IEA NZE by 2050 scenario and 100% of OMV’s share of direct emissions from 2031 onward.

The sensitivities calculated based on the “net zero emissions by 2050” case indicate that there is a risk of impairments of oil and gas assets. The carrying amounts of the oil and gas assets with proved reserves (incl. E&P at-equity investments) would have to be decreased by EUR 4.4 bn and goodwill would decrease by EUR 0.3 bn. In addition, all oil and gas assets with unproved reserves would be abandoned with a pre-tax loss of EUR 0.3 bn. Total post-tax impact on profit or loss would be EUR 3.6 bn.

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

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

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

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

Useful lives

The pace of the energy transition may have an impact on the remaining useful lives of assets. Fixed assets in the C&M business will be fully depreciated over the next 5 to 15 years. The depreciable fixed assets in the refineries will in average be fully depreciated over the next 9 years and in retail over the next 5 to 10 years. Demand for petroleum and chemical products is expected to stay robust over this period of time. It is therefore predicted that the energy transition will not have a material impact on the expected useful lives of property, plant, and equipment in the F&F and C&M segments.

In the Energy segment, oil and gas assets are depreciated using the unit-of-production method as described in Note 3.2h which is based on proved reserves. According to the current production plans, 40% of proved reserves as at December 31, 2023, will be left by 2030, 9% by 2040, and less than 2% by 2050. The existing oil and gas assets with proved reserves (without considering any future investments) will therefore be significantly depreciated by 2030 and, with the exception of one field, fully depreciated by 2050.

Decommissioning provisions

The carrying amounts and maturity profile of decommissioning provisions are as follows:

Estimation of maturities and cash outflows of decommissioning and restoration obligations[1]

In EUR mn

	2023	
	Carrying amount	Undiscounted inflated costs
≤1 year	69	78
1–10 years	1,239	1,762
11–20 years	2,421	4,673
21–30 years	233	730
>30 years	185	679
Total	**4,148**	**7,922**

[1] Mainly related to decommissioning and restoration obligations in the Energy business segment

The speed of the energy transition influences the timing of the decommissioning of oil and gas facilities. In the “net zero emissions by 2050” scenario, some oil and gas fields could be shut down earlier. Given the low real interest rates used in the calculation and assuming a similar yearly abandonment capacity, there would not be any material impact on the book value of the decommissioning provisions.

For refinery and chemical sites built on owned land, no decommissioning provisions are recognized because these plants are long-lived assets that will continue to be used in an energy transition scenario. For OMV’s European refinery sites, there are significant investments planned in the next years with the goal of transforming them in the direction of renewable fuels and chemical feedstock production with deeper chemicals integration. Furthermore, ADNOC Refining is expected to continue to operate under a Paris-aligned scenario because of its favorable positioning in the market.

Deferred tax assets

In the “net zero emissions by 2050” scenario, deferred tax assets related to additional impairments would for the most part be considered recoverable. No material effects with respect to the net deferred tax asset position of the Austrian tax group would be expected.

Impact on ability to pay dividend

The management assessed the impact of the “net zero emissions by 2050” scenario on the ability of OMV Aktiengesellschaft to pay dividend. The potential impairment loss in this scenario 2023 would not impact the ability to pay dividends in 2024 because of the strong result and financial reserves at the level of the standalone financial statements of OMV Aktiengesellschaft which are the basis for dividend payments.

Emissions certificates and CO_2 costs

Directive 2003/87/EC of the European Parliament and the European Council established a greenhouse gas emissions trading scheme, requiring member states to draw up national plans to allocate emissions certificates. Under this scheme, affected OMV Group companies are entitled to a yearly allocation of free emissions certificates.

The New Zealand government established a greenhouse gas emissions trading scheme under the Climate Change Response Act 2002. Under this scheme, New Zealand companies are not entitled to receive free emissions certificates. OMV has purchased certificates to meet its own use liability. Apart from purchased certificates, each sale of gas to domestic customers in New Zealand creates an obligation for OMV. To meet this obligation, OMV receives emission certificates from these customers. The certificates received are treated as pass-through items.

In Germany, the Fuel Emissions Trading Act (BEHG; Brennstoffemissionshandelsgesetz) is the basis for the national emissions trading scheme for the heating and transport sectors. It obliges companies that place fuels on the market to acquire fee-based certificates from the German Emissions Trading Authority (DEHSt, Deutsche Emissionshandelsstelle). The certificates are currently not eligible for trading and there are no free allocations.

Total expensed CO_2 costs and carbon taxes amounted to EUR 368 mn in 2023 (2022: EUR 392 mn). The provisions for CO_2 emissions are presented within current other provisions and amounted to EUR 437 mn in 2023 (2022: EUR 469 mn). The accounting policies for emissions certificates are described in Note 3 – Accounting policies, judgments, and estimates.

In 2024, OMV expects to surrender 7,614 thousand emissions certificates from European Trading Scheme, 3,708 thousand BEHG certificates and 2,769 thousand NZ certificates for (not yet externally verified) emissions, of which 2,671 thousand emissions certificates are expected to be received from customers in New Zealand.

Emissions certificates[1]

Number of certificates, in thousands

	2023			2022		
	European Trading Scheme	NZ Trading Scheme	DE Trading Scheme	European Trading Scheme	NZ Trading Scheme	DE Trading Scheme
Certificates held as of January 1	**13,569**	**1,901**	**3,183**	**11,731**	**252**	**3,617**
Free allocation for the year	5,541	—	—	7,742	—	—
Certificates surrendered[2]	–9,743	–2,292	–3,504	–10,792	–2,567	–3,833
Net purchases and sales during the year	3,429	156	3,793	4,889	293	3,398
Certificates received from customers	—	2,314	—	—	3,924	—
Changes in the consolidated group[3]	–1,292	—	—	—	—	—
Certificates held as of December 31	**11,506**	**2,079**	**3,472**	**13,569**	**1,901**	**3,183**

[1] One certificate entitles the holder to emit 1 t of green house gases (in CO_2e) during a defined period of time.
[2] According to verified emissions for the prior year.
[3] Relates to the sale of the nitrogen business in Borealis. For details refer to Note 4 – Changes in Group structure.

3 Accounting policies, judgments, and estimates

1) Significant judgments and estimates

Preparation of the consolidated financial statements requires management to make estimates and judgments that affect the amounts reported for assets, liabilities, income, and expenses, as well as the amounts disclosed in the notes. These estimates and assumptions are based on historical experience and other factors that are deemed reasonable at the date of preparation of these financial statements. Actual outcomes could differ from these estimates.

Significant estimates and assumptions were required in particular with regards to the effects of the climate crisis and energy transition. These estimates and assumptions are described below in Note 2 – Effects of climate change and the energy transition.

In addition, estimates and assumptions with significant impact on the OMV Group result were made with respect to oil and gas reserves, the recoverability of assets, provisions, lease contracts, and taxes on income.

These are described together with the relevant accounting policies in section 2 of this note and highlighted in gray.

2) Significant accounting policies

a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. Assets and liabilities of subsidiaries acquired are included at their fair value at the time of acquisition. The non-controlling interests are measured at the proportionate share of the acquiree's identifiable net assets.

Goodwill is calculated as the excess of the aggregate of the consideration transferred, the amount recognized for non-controlling interest in the acquiree, and the fair value of the equity previously held by OMV in the acquired entity over the net identifiable assets acquired and liabilities assumed. Goodwill is recorded as an asset and tested for impairment at least yearly. Impairments are recorded immediately through profit or loss; subsequent write-ups are not possible. Any gain on a bargain purchase is recognized in profit or loss immediately.

b) Sales revenue

Revenue is generally recognized when control over a product or a service is transferred to a customer. It is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

When goods such as crude oil, LNG, oil and chemical products and similar goods are sold, the delivery of each quantity unit normally represents a single performance obligation. Revenue is recognized when control of the goods has transferred to the customer, which is the point in time when legal ownership and the risk of loss have passed to the customer, and is determined on the basis of the Incoterm agreed in the contract with the customer. These sales are conducted with normal credit terms according to the industry standard.

Revenue from the production of crude oil, in which OMV has an interest with other producers, is recognized according to the sales method. This means that revenue is recognized based on the actual sales to third parties, regardless of the Group's percentage interest or entitlement. An adjustment of production costs is recognized at average cost for the difference between the costs associated with the output sold and the costs incurred based on entitlement to output, with a counter entry in the other assets or liabilities.

In the F&F retail business, revenues from the sale of fuels are recognized when products are supplied to customers. Depending on whether OMV is principal or agent in the sale of shop merchandise, revenue and costs related to such sales are presented gross or net in the income statement. OMV is principal if it controls the goods before they are transferred to the customer, which is mainly indicated by OMV having the inventory risk. At filling stations, payments are due immediately at the time of purchase or, in the case of payments using fuel cards, in the month following the purchase.

OMV's gas and power supply contracts include a single performance obligation that is satisfied over the agreed delivery period. Revenue is recognized according to the consumption by the customer and in line with the amount OMV has a right to invoice.

In some customer contracts for the delivery of natural gas, the fees charged to the customer comprise a fixed charge plus a variable fee depending on the volumes delivered. These contracts contain only one performance obligation which is to stand-ready for the delivery of gas over a certain period. The revenue from the fixed charges and the variable fees is recognized in line with the amount chargeable to the customer. Gas and power deliveries are billed and paid on a monthly basis.

Gas storage contracts contain a stand-ready obligation to provide storage services over an agreed period of time. Revenue is recognized according to the amount OMV has a right to invoice. These services are billed and paid on a monthly basis.

There are some customer contracts at OMV for the delivery of oil and gas and for the provision of gas storage services that have a term of more than one year. In principle, IFRS 15 requires the disclosure of the total amount of transaction prices allocated to unperformed performance obligations for such contracts. Contracts for the delivery of oil contain variable prices based on market prices on the delivery date, as is common in the oil industry. For these contracts it therefore is not possible to allocate the transaction price to unsatisfied performance obligations. For gas delivery and gas storage contracts OMV applies the practical expedient according to IFRS 15.121 (b), based on which this information need not be disclosed for contracts where revenue is recognized in the amount the entity has a right to invoice. OMV, therefore, does not disclose this information.

c) Revenues from other sources

Revenues from other sources include revenues from commodity contracts that are within the scope of IFRS 9. Sales and purchases of commodities are reported net, when the forward sales and purchase contracts are determined to be for trading purposes and not for the final physical delivery.

In addition, revenues from other sources include an adjustment of revenues because the national oil company's profit share is considered as income tax in certain production sharing agreements in the E&P business (see Note 3.2f), and realized and unrealized results from the hedging of sales transactions.

d) Exploration expenses

Exploration expenses relate exclusively to the E&P business in the Energy segment and comprise the costs associated with unproved reserves. These include geological and geophysical costs for the identification and investigation of areas with possible oil and gas reserves and administrative, legal, and consulting costs in connection with exploration. They also include all impairments on exploration wells where no proved reserves could be demonstrated.

e) Research and development

Expenditure related to research activities is recognized as an expense in the period in which it is incurred. Research and development (R&D) expenses, which are presented in the income statement in the line Other operating expenses, include all direct and indirect materials, personnel and external services costs incurred in connection with the focused search for new insights related to the development and significant improvement of products, services and processes and in connection with research activities. Development costs are capitalized if the recognition criteria according to IAS 38 are fulfilled.

f) Exploration and production sharing agreements

Exploration and production sharing agreements (EPSAs) are contracts for oil and gas licenses in which the oil or gas production is shared between one or more oil companies and the host country/national oil company in defined proportions. Exploration expenditures are carried by the oil companies as a rule and recovered from the state or the national oil company through so-called "cost oil" in a successful case only. Under certain EPSA contracts the host country's/national oil company's profit share represents imposed income taxes and is treated as such for the purpose of the income statement presentation.

g) Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are recognized at costs of acquisition or construction (including costs of major inspection and general overhauls). The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset when a decommissioning provision is recognized (see Note 3.2s). Costs for replacing components are capitalized and carrying values of the replaced parts are derecognized. Costs relating to minor maintenance and repairs are treated as expenses in the year in which they are incurred.

Intangible assets and depreciable property, plant, and equipment (except for oil and gas assets, see Note 3.2h) are amortized or depreciated on a straight-line basis over the useful economic life.

Useful life		Years
Intangible assets		
Software		3–7 or license duration
Concessions, licenses, contract-related intangible assets, etc.		3–20 or contract duration
Business-specific property, plant and equipment		
C&M	Chemical production facilities	15–20
F&F	Pipelines	20–30
	Storage tanks	40
	Refinery facilities	25
	Filling stations	5–20
Energy	Oil and gas wells	Unit-of-production method
	Gas power plant	8–30
Other property, plant and equipment		
Production and office buildings		20–50
Other technical plant and equipment		10–20
Fixtures and fittings		3–15

h) Oil and gas assets

E&P activities are recorded using the successful efforts method. The acquisition costs of geological and geophysical studies before the discovery of proved reserves, are recognized in the period in which they are incurred. The costs of wells are capitalized and reported as intangible assets until the existence or absence of potentially commercially viable oil or gas reserves is determined. Wells that are not commercially viable are expensed. The costs of exploration wells whose commercial viability has not yet been determined continue to be capitalized as long as the following conditions are fulfilled:

- Sufficient oil and gas reserves have been discovered that would justify completion as a production well.
- Sufficient progress is being made in assessing the economic and technical feasibility to justify beginning field development in the near future.
- The period for which the entity has the right to explore in the specific area has not expired.

Significant estimates and judgments: Recoverability of unproved oil and gas assets

There may be cases when costs related to unproved oil and gas properties remain capitalized over longer periods while various appraisal and seismic activities continue in order to assess the size of the reservoir and its commerciality. Further decisions on the optimum timing of such developments are made from a resource and portfolio point of view. As soon as there is no further intention to develop a discovery, the assets are immediately impaired.

Exploratory wells in progress at year-end that are determined to be unsuccessful subsequent to the statement of financial position date are treated as non-adjusting events, meaning that the costs incurred for such exploratory wells remain capitalized in the financial statements of the reporting period under review and will be expensed in the subsequent period.

License acquisition costs and capitalized exploration and appraisal activities are not amortized as long as they are related to unproved reserves, but tested for impairment when there is an indication of potential impairment. Once the reserves are proved and commercial viability is established, the related assets are reclassified into tangible assets. Development expenditure on the construction, installation, or completion of infrastructure facilities such as platforms and pipelines and drilling development wells is capitalized within tangible assets.

Once production starts, depreciation commences. Capitalized exploration and development costs are generally depreciated based on proved developed reserves by applying the unit-of-production method; only capitalized exploration rights and acquired reserves are amortized on the basis of total proved reserves, unless a different reserves basis is more adequate. Depreciation of economically successful exploration and production assets is reported as depreciation, amortization, impairment charges and write-ups.

Significant estimate: Oil and gas reserves
The oil and gas reserves are estimated by the Group's petroleum experts in accordance with industry standards and reassessed at least once per year. In addition, external reviews are performed regularly. In 2023, the reserves of all material oil and gas assets (as of December 31, 2022), except for those in Tunisia, the Kurdistan region of Iraq (KRI), Malaysia and Yemen were externally reviewed by DeGolyer and MacNaughton (D&M). The reserves of the oil and gas assets in Tunisia, KRI, and Malaysia were externally reviewed the year before.

The results of the external reviews did not show significant deviations from the internal estimates, apart from a few exceptional cases. In the case of significant deviations, OMV performs further analysis, involving additional independent experts where necessary.

Oil and gas reserve estimates have a significant impact on the assessment of the recoverability of the carrying amounts of the Group's oil and gas assets. Downward revisions of these estimates could lead to impairment of the asset's carrying amount. In addition, changes to the estimates of oil and gas reserves impact prospectively the amount of amortization and depreciation.

i) Associated companies and joint arrangements

Associated companies are those entities in which the Group has significant influence, but no control or joint control over the financial and operating policies. Joint arrangements, which are arrangements of which the Group has joint control together with one or more parties, are classified into joint ventures or joint operations. Joint ventures are joint arrangements in which the parties that share control have rights to the net assets of the arrangement. Joint operations are joint arrangements in which the parties that share joint control have rights to the assets, and obligations for the liabilities, relating to the arrangement.

Investments in associated companies and joint ventures are accounted for using the equity method, under which the investment is initially recognized at cost and subsequently adjusted for the Group's share of the profit or loss less dividends received and the Group's share of other comprehensive income and other movements in equity.

Significant joint exploration and production activities in the E&P business in the Energy segment are conducted through joint operations that are not structured through a separate vehicle. For these joint operations, OMV recognizes in the consolidated financial statements its share of the assets held and liabilities and expenses incurred jointly with the other partners, as well as the Group's income from the sale of its share of the output and any liabilities and expenses that the Group has incurred in relation to the joint operation. Acquisitions of interests in a joint operation, in which the activity of the joint operation constitutes a business, are accounted for according to the relevant IFRS 3 principles for business combination accounting (see Note 3.2a).

In addition, there are contractual arrangements similar to joint operations that are not jointly controlled and therefore do not meet the definition of a joint operation according to IFRS 11. This is the case when the main decisions can be taken by more than one combination of affirmative votes of the involved parties or where one other party has control. OMV assesses whether such arrangements are within or outside the scope of IFRS 11 on the basis of the relevant legal arrangements such as concession, license or joint operating agreements which define how and by whom the relevant decisions for these activities are taken. The accounting treatment for these arrangements is basically the same as for joint operations. As acquisitions of interests in such arrangements are not within the scope of IFRS 3, OMV's accounting policy is to treat such transactions as asset acquisitions.

j) Impairment of assets

Intangible assets, property, plant and equipment (including oil and gas assets) and investments in associated companies and joint ventures are tested for impairment whenever events or changes in circumstances indicate that an asset may be impaired. Impairment tests are performed on the level of the asset or the smallest group of assets that generates cash inflows that are largely independent of those from other assets or groups of assets, called cash-generating units (CGUs).

If assets are determined to be impaired, the carrying amounts are written down to their recoverable amount, which is the higher of fair value less costs of disposal or value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. The cash flows are generally derived from the recent budgets and planning calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated.

The fair value less costs of disposal is determined on the basis of recent market transactions, if available. If no such transactions can be identified, an appropriate valuation model is used.

If the reasons for impairment no longer apply in a subsequent period, a reversal is recognized in profit or loss. The increased carrying amount related to the reversal of an impairment loss shall not exceed the carrying amount that would have been determined (net of amortization and depreciation) had no impairment loss been recognized in prior years.

Significant estimates and judgments: Recoverability of assets

Evaluating whether assets or CGUs are impaired or whether past impairments should be reversed, requires the use of various estimates and assumptions such as price and margin developments, production volumes and discount rates.

Changes in the economic situation, expectations of climate-related risks or other facts and circumstances might require a revision of these assumptions and could lead to impairments of assets or reversals of impairments within the next financial year. The management performs this analysis for each material CGU. The impairments and reversals recognized in the reporting period are presented in Note 8 – Depreciation, amortization, impairments and write-ups.

The price and margin assumptions used in impairment testing are reviewed annually by management and approved by the Supervisory Board as part of mid-term planning (MTP). They are based on management's best estimate and consistent with external sources. Whereas prices in the near term are anchored in recent forward prices and market developments, long-term price assumptions are developed using a variety of long-term forecasts by reputable experts and consider long-term views of global supply and demand. OMV's long-term assumptions take into consideration the impacts of climate change and the energy transition to lower-carbon energy sources (see Note 2).

The key valuation assumptions for the recoverable amounts of E&P assets are prices and margins, production volumes, exchange, and discount rates. The production profiles were estimated based on reserves estimates (see Note 3.2h) and past experience and represent management's best estimate of future production. The cash flow projections for the first five years are based on the mid-term plan and thereafter on "life of field" planning and therefore cover the whole life span of the field.

In the F&F and C&M business segments, the main assumptions for the calculation of the recoverable amounts are the relevant margins and volumes plus discount, inflation, and growth rates. The value in use calculation is based on the cash flows of the five-year mid-term plan and a terminal value.

The price sets used for the value in use calculations are included in Note 2 – Effects of climate change and the energy transition.

k) Assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts are to be realized by sale rather than through continued use. This is the case when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. At OMV, these conditions are normally considered not to be fulfilled before binding offers from interested parties are received.

Non-current assets and disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets once classified as held for sale are no longer amortized or depreciated and investments in associates and joint ventures are no longer accounted for at equity.

l) Leases

As a lessee, OMV recognizes lease liabilities and right-of-use assets for lease contracts according to IFRS 16. It applies the recognition exemption for short-term leases and leases in which the underlying asset is of low value and therefore does not recognize right-of-use assets and lease liabilities for such leases. Leases to explore for and use oil and natural gas, which comprise mainly land leases used for such activities, are not in the scope of IFRS 16. The rent for these contracts is recognized as expense on a straight-line basis over the lease term.

Non-lease components are separated from the lease components for the measurement of right-of-use assets and lease liabilities. Lease liabilities are recognized at the present value of fixed lease payments and lease payments that depend on an index or rate over the determined lease term with the applicable discount rate. Right-of-use assets are recognized at the value of the lease liability plus prepayments and initial direct costs and presented within property, plant and equipment.

Significant estimates and judgments: Leases

OMV has a significant number of contracts in which it leases filling stations. Many of those contracts include prolongation and termination options. Prolongation options or periods after termination options are included in the lease term if it is reasonably certain that the lease will be prolonged or not terminated. When determining the lease term, the Group takes into account all relevant facts and circumstances that create an economic incentive for shortening or prolonging the lease term using the available options. When assessing the lease term of leases in filling stations for periods covered by prolongation or termination options, the assumption was applied that the lease term will not exceed 20 years.

Optional periods not taken into account in the measurement of the leases, exist mainly for E&P equipment in Romania, office buildings, a plot of land in Belgium and gas storage caverns in Germany. The prolongation option for the office buildings and the gas storage caverns can only be exercised in the distant future.

m) Non-derivative financial assets

At initial recognition, OMV classifies its financial assets as subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). The classification depends on both the Group’s business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. All regular way trades are recognized and derecognized on the trade date, i.e., the date that the Group commits to purchasing or selling the asset.

Debt instruments are mainly measured **at amortized cost** and to a small extent **at fair value.**

OMV recognizes allowances for expected credit losses (ECLs) for all financial assets measured at amortized costs. The ECL calculation is based on the external or internal credit ratings of the counterparty and associated probabilities of default. Available forward-looking information is taken into account, if it has a material impact on the amount of the valuation allowance recognized.

ECLs are recognized in two stages. Where there has not been a significant increase in the credit risk since initial recognition, credit losses are measured at twelve-month ECLs. The twelve-month ECL is the credit loss that could result from default events that are possible within the next twelve months. The Group considers a financial asset to have low credit risk when its credit risk rating is equivalent to the definition of “investment grade”.

Where there has been a significant increase in the credit risk since initial recognition, a loss allowance is required for the lifetime ECL, i.e., the expected credit losses resulting from possible default events over the expected life of a financial asset. For this assessment, OMV considers all reasonable and supportable information that is available without undue cost or effort. Furthermore, OMV assumes that the credit risk on a financial asset has significantly increased if it is more than 30 days past due. If credit quality improves for a lifetime ECL asset, OMV reverts to recognizing allowances on a twelve-month ECL basis. A financial asset is considered to be in default when the financial asset is 90 days past due, unless there is reasonable and supportable information demonstrating that a more lagging default criterion is appropriate. A financial asset is written off when there is no reasonable expectation that the contractual cash flows will be recovered.

For trade receivables and contract assets from contracts with customers, a simplified approach is adopted, where the impairment losses are recognized at an amount equal to lifetime expected credit losses. If there are credit insurances or securities held against the balances outstanding, the ECL calculation is based on the probability of default of the insurer/securer for the insured/secured element of the outstanding balance and for the remaining amount on the probability of default of the counterparty.

Non-derivative financial assets classified as **at fair value through profit or loss (FVTPL)** include trade receivables from sales contracts with provisional pricing and investment funds because the contractual cash flows do not solely represent payments of principal and interest on the principal amount outstanding. Furthermore, this measurement category includes portfolios of trade receivables held with an intention to sell them. These assets are measured at fair value, with any gains or losses arising on remeasurement recognized in profit or loss.

Equity instruments are either measured **at fair value through profit or loss (FVTPL) or at fair value through OCI (FVOCI)**. OMV decided irrevocably to classify as investments at FVOCI the majority of its non-listed equity investments, which are held for strategic purposes and not trading.

OMV derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Significant estimates and judgments: Fair value and recoverability of financial assets

The management periodically assesses the receivable related to expenditure recoverable from the Romanian state regarding obligations for decommissioning and restoration costs in OMV Petrom SA. The assessment process takes into consideration aspects such as the history of amounts claimed, documentation process-related requirements, potential litigation, and arbitration proceedings.

OMV has a contractual position toward Gazprom from the redetermination of the reserves of the Yuzhno Russkoye gas field, which was taken over as part of the acquisition of the participation in this field in 2017. According to this agreement, the volume of gas reserves in the Yuzhno Russkoye field is contractually defined and if the reserves are higher or lower than what was assumed in the agreement, either OMV could be obligated to compensate Gazprom (but would have profited in the future from higher sales volumes) or Gazprom could be obligated to compensate OMV. The payment for the reserve redetermination is linked to the actual amount of the gas reserves.

A fair value calculation based on three different scenarios, one of them based on an internal estimate by OMV, led to a positive value. In the current difficult political and legal environment in Russia, however, OMV does not expect this contractual position to be recoverable and measures this receivable with a value of zero (2022: zero).

Details on the valuation of the investments measured at fair value through profit or loss in the Yuzhno Russkoye gas field can be found in Note 20 – Financial assets.

n) Derivative financial instruments and hedge accounting

Derivative financial instruments are used to hedge risks resulting from changes in currency exchange rates, commodity prices, and interest rates and for trading purposes. Derivative instruments are recognized at fair value. Unrealized gains and losses are recognized as income or expenses, except where hedge accounting according to IFRS 9 is applied.

Those derivatives qualifying and designated as hedges are either

- a fair value hedge when hedging exposure to changes in the fair value of a recognized asset or liability,
- a cash flow hedge when hedging exposure to variability in cash flows that is attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction, or
- a net investment hedge when hedging the foreign exchange risk in a net investment in a foreign operation.

For cash flow hedges, the effective part of the changes in fair value is recognized in other comprehensive income, while the ineffective part is recognized immediately in the income statement. Where the hedging of cash flows results in the recognition of a non-financial asset or liability, the carrying value of that item will be adjusted for the accumulated gains or losses recognized directly in OCI.

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in OCI and accumulated in the reserve for currency translation differences. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss. Gains and losses accumulated in equity are reclassified to profit or loss when the foreign operation is disposed of or sold.

Contracts to buy or sell non-financial items that can be settled net in cash or another financial instrument are accounted for as financial instruments and measured at fair value. Associated gains or losses are recognized in profit or loss. However, contracts that are entered into and continue to be held for the purpose of the receipt or delivery of non-financial items in accordance with the Group's expected purchase, sale, or usage requirements are not accounted for as derivative financial instruments, but as executory contracts.

OMV has contracted several long-term power purchase agreements, which were entered into and continue to be held for own use. They are therefore accounted for as executory contracts.

o) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction, or production of qualified assets are capitalized until these assets are substantially ready for their intended use or sale. All other costs of borrowing are expensed in the period in which they are incurred.

p) Government grants

Government grants are recognized as income or deducted from the carrying amount of the related assets, where it is reasonable to expect that the granting conditions will be met and that the grants will be received.

q) Inventories

Inventories are recognized at the lower of cost and net realizable value. Costs incurred are generally determined based on the individual costs for goods that are not interchangeable, the average price method for oil and gas inventories, or the FIFO method for chemical products. Costs of production comprise directly attributable material and labor costs as well as fixed and variable indirect material and production overhead costs. In refineries, a carrying capacity approach is applied according to which the production costs are allocated to product groups on the basis of their relative market values at the end of the period.

r) Cash and cash equivalents

Cash and cash equivalents include cash balances, bank accounts and highly liquid short-term investments with low realization risk, i.e., negligible short-term exchange and interest risks. The maximum maturity at the time of acquisition for such investments is three months.

s) Provisions

A provision is recorded for present obligations toward third parties when it is probable that an obligation will occur, and the settlement amount can be estimated reliably. Provisions for individual obligations are based on the best estimate of the amount necessary to settle the obligation, discounted to the present value in the case of long-term obligations.

Decommissioning and environmental obligations:
The Group's core activities regularly lead to obligations related to dismantling and removal, asset retirement and soil remediation activities. These decommissioning and restoration obligations are principally of material importance in the Energy segment (oil and gas wells, surface facilities) and in connection with filling stations on third-party property. At the time the obligation arises, it is provided for in full by recognizing the present value of future decommissioning and restoration expenses as a liability. An equivalent amount is capitalized as part of the carrying amount of long-lived assets. Any such obligation is calculated on the basis of best estimates. The unwinding of discounting leads to interest expense and accordingly to increased obligations at each statement of financial position date until decommissioning or restoration. For other environmental risks and measures, provisions are recognized if such obligations are probable, and the amount of the obligation can be estimated reliably.

Significant estimates and judgments: Decommissioning provisions

The most significant decommissioning obligations of the Group are related to the plugging of wells, the abandonment of facilities, and the removal and disposal of offshore installations. The majority of these activities are planned to occur many years in the future, while decommissioning technologies, costs, regulations and public expectations are constantly changing. Estimates of future restoration costs are based on reports prepared by Group experts or by partner companies and on past experience. Any significant downward changes in the expected future costs or postponement in the future affect both the provision and the related asset, to the extent that there is sufficient carrying amount. Otherwise, the provision is reversed to income. Significant upward revisions trigger the assessment of the recoverability of the underlying asset.

Provisions for decommissioning and restoration costs require estimates of discount and inflation rates, which have material effects on the amounts of the provision. The assumptions used are disclosed in Note 25 – Provisions.

Pensions and similar obligations: OMV 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 therefore no provision is recognized. The reported expense corresponds to the contributions payable for the period.

In contrast, participants in **defined benefit plans** are entitled to pensions at certain levels and are generally based on years of service and the employee's average compensation. These defined benefit plans expose the Group to actuarial risks, such as longevity risk, interest rate risk, inflation risk (as a result of the indexation of the pension), and market risk. Defined benefit pension obligations are accounted for by recognizing provisions for pensions.

Employees of Austrian Group companies whose service began before December 31, 2002, are entitled to severance payments upon termination of employment or upon reaching the normal retirement age. The entitlements depend on years of service and final compensation levels. Entitlement to severance payments for employees whose service began after December 31, 2002, are covered by defined contribution plans. Similar obligations to entitlement to severance payments also exist in other countries, where the Group provides employment.

Employees in Austria and Germany are entitled to jubilee payments after completion of a given number of years of service. These plans are non-contributory and unfunded.

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 thus takes future increases in remuneration into account. Actuarial gains and losses for defined benefit pension and severance payment obligations are recognized in full in the period in which they occur in other comprehensive income. Such actuarial gains and losses are not reclassified to profit or loss in subsequent periods. Actuarial gains and losses on obligations for jubilee payments are recognized in profit or loss. Net interest expenses are calculated on the basis of the net defined benefit obligation and disclosed as part of the financial result. The difference between the return on plan assets and interest income on plan assets included in the net interest expenses is recognized in other comprehensive income.

Provisions for voluntary and mandatory separations under restructuring programs are recognized if a detailed plan has been approved by management and communicated to those affected prior to the statement of financial position date and an irrevocable commitment is thereby established. Expenses related to such restructuring programs are included in the line Other operating expenses in the Consolidated Income Statement. Voluntary modifications to employees' remuneration arrangements are recognized on the basis of the expected number of employees accepting the employing company's offer. Provisions for obligations related to individual separation agreements that lead to fixed payments over a defined period of time are recognized at the present value of the obligation.

Significant estimates and judgments: Pensions and similar obligations

The projected unit credit method of calculating provisions for pensions, severance and jubilee entitlements requires estimates of discount rates, future increases in salaries and future increases in pensions. For current actuarial assumptions for calculating expected defined benefit entitlements and their sensitivity analysis see Note 25 – Provisions.

The biometrical basis for calculating provisions for pensions, severance and jubilee entitlements of Austrian Group companies is provided by AVÖ 2018 P – Angestellte - Rechnungsgrundlagen für die Pensionsversicherung (Biometric Tables for Pension Insurance), using the variant for salaried employees. In other countries, similar actuarial parameters are used. Employee turnover was computed based on age or years of service, respectively. The expected retirement age used for calculations is based on the relevant country's legislation.

Provisions for onerous contracts are recognized for contracts in which the unavoidable costs of meeting a contractual obligation exceed the economic benefits expected to be received under the contract. These provisions are measured at the lower amount of the cost of fulfilling the contract and any potential penalties or compensation arising in the event of non-performance.

Significant estimates and judgments: Provisions for onerous contracts

OMV concluded several long-term, non-cancellable contracts in the past that became onerous due to the negative development of market conditions. This led to the recognition of onerous contract provisions in the Group's financial statements for the unavoidable costs of meeting the contract obligations.

The estimates used for calculating the positive contributions that partly cover the fixed costs were based on external sources and management expectations. For more details see Note 25 – Provisions.

t) Emission allowances

Emission allowances are measured at cost and presented within other short-term assets. Certificates received free of charge from government authorities (EU Emissions Trading Scheme for greenhouse gas emission allowances) are recognized with an acquisition cost of zero.

The emissions caused create an obligation to surrender emission rights. A provision is created for this obligation, which is valued at the acquisition costs of the emissions certificates held, forward prices of open forward purchases and, for any remaining shortfall, at the market value.

OMV voluntarily changed its accounting policy for emissions certificates in the reporting period (see section 3 of this note).

u) Non-derivative financial liabilities

Liabilities are carried at amortized cost, with the exception of derivative financial instruments, which are recognized at fair value. Long-term liabilities are discounted using the effective interest rate method.

Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently measured at the higher of the amount of the loss allowance determined according to the expected credit losses model and the amount initially recognized less the cumulative income recognized according to IFRS 15.

v) Taxes on income and deferred taxes

In addition to corporate income taxes and trade earnings taxes, typical E&P taxes from oil and gas production like the country/national oil company's profit share for certain EPSAs (see Note 3.2f) are disclosed as income taxes. Deferred taxes are recognized for temporary differences.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the unused tax losses, unused tax credits and deductible temporary differences can be utilized.

Significant estimates and judgments: Recoverability of deferred tax assets

The recognition of deferred tax assets requires an assessment of when those assets are likely to reverse, and an evaluation as to whether or not there will be sufficient taxable profits available to offset the assets when they reverse. This assessment of recoverability requires assumptions regarding future taxable profits and is therefore uncertain. At OMV, this assessment is based on detailed tax plannings that covers the life span of fields in E&P entities and a five-year period in the other entities.

Changes in the assumptions regarding future taxable profits can lead to an increase or decrease in the amount of deferred tax assets recognized, which has an impact on the net income in the period in which the change occurs.

w) Long Term Incentive (LTI) Plans and Equity Deferral

The fair value of share-based compensation expense arising from the Long-Term Incentive (LTI) Plan – OMV's main equity settled plan – is estimated using a model based on the expected target achievements and the expected share prices. For cash-settled awards, a provision based on the fair value of the amount payable is built up over the vesting period, so that by the end of the vesting period the fair value of the bonus shares to be granted is fully provided for. The provision is remeasured at the end of each reporting period up to the date of settlement, with any changes in fair value recognized in profit or loss. For share-settled awards, the grant date fair value is recognized as an expense (including income tax), with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to subsequent changes in parameters other than market parameters.

In addition, the Equity Deferral part of the annual bonus is settled in shares. Accordingly, the related expense is recognized against equity. For share-based awards, the award is settled net of tax to the participants.

x) Fair value measurement

The fair value is the amount for which an asset or liability could be transferred at the measurement date, based on the assumption that such transfers take place between participants in principal markets and, where applicable, taking highest and best use into account.

Fair values are determined according to the following hierarchy:

Level 1: Quoted prices in active markets for identical assets or liabilities. For the OMV Group, this category will, in most cases, only be relevant for securities, bonds, investment funds and futures contracts.

Level 2: Valuation technique using directly or indirectly observable inputs. In order to determine the fair value for financial instruments within Level 2, usually forward prices of crude oil or natural gas, interest rates and foreign exchange rates are used as inputs to the valuation model. In addition counterparty credit risk and volatility indicators, if applicable, are taken into account.

Level 3: Valuation techniques such as discounted cash flow models using significant unobservable inputs (e.g., long-term price assumptions and reserves estimates).

y) Foreign currency translation

Monetary foreign currency balances are measured at closing rates, and exchange gains and losses accrued at the statement of financial position date are recognized in the income statement.

The financial statements of Group companies with functional currencies that differ from the Group's presentation currency are translated using the closing rate method. Differences arising from statement of financial position items translated at closing rates are disclosed in other comprehensive income. Income statement items are translated at average rates for the period. The use of average rates for the income statement creates additional differences compared to the application of the closing rates in the statement of financial position, and these are directly adjusted in other comprehensive income.

The main rates applied in translating currencies to EUR were as follows:

Foreign currency translation

	2023		2022	
	Statement of financial position date	Average	Statement of financial position date	Average
Bulgarian lev (BGN)	1.956	1.956	1.956	1.956
Czech crown (CZK)	24.724	24.004	24.116	24.566
Hungarian forint (HUF)	382.800	381.850	400.870	391.290
New Zealand dollar (NZD)	1.750	1.762	1.680	1.658
Norwegian krone (NOK)	11.241	11.425	10.514	10.103
Romanian leu (RON)	4.976	4.947	4.950	4.931
Swedish krona (SEK)	11.096	11.479	11.122	10.630
US dollar (USD)	1.105	1.081	1.067	1.053

3) Changes in accounting policies

The Group adopted the following new standards and amendments starting on January 1, 2023:

- IFRS 17 Insurance Contracts and Amendments to IFRS 17
- Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies
- Amendments to IAS 8: Definition of Accounting Estimates
- Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments did not have any material impact on OMV's Group financial statements.

Amendments to IAS 12: International Tax Reform Pillar Two Model Rules

The Group has applied the mandatory temporary exception to recognizing and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes since the amendments were published in May 2023.

The mandatory temporary exception applies retrospectively. The retrospective application does not have any impact on the Group's consolidated financial statements because no new legislation to implement the top-up tax was enacted or substantively enacted as of December 31, 2022, in any jurisdiction in which the Group operates and no related deferred tax was recognized on that date.

Voluntary changes in accounting policies

OMV voluntarily changed its accounting policy for the presentation of purchased emissions certificates and provisions for CO_2 emissions in the balance sheet. Whereas the assets related to purchased emission certificates were netted with the provisions for CO_2 emissions in the past, OMV started presenting these items gross in the balance sheet from December 31, 2023. The reason for the change was to improve the transparency of these balance sheet items. As of December 31, 2023, this change led to an increase in other assets and other provisions of EUR 400 mn.

The following table summarizes the impact on the consolidated statement of financial position of the comparative period. A restated consolidated statement of financial position as of January 1, 2022, was not published in the primary financial statements because the change had only a minor impact on the Group's assets and liabilities.

Consolidated Statement of Financial Position

In EUR mn

	As previously reported	Adjustments	As restated
		2022	
Other assets	1,198	434	1,632
Current assets	**22,369**	**434**	**22,803**
Total assets	**56,429**	**434**	**56,863**
Other provisions	505	434	939
Current liabilities	**13,567**	**434**	**14,001**
Total equity and liabilities	**56,429**	**434**	**56,863**
		2021	
Other assets	621	376	997
Current assets	**18,595**	**376**	**18,971**
Total assets	**53,798**	**376**	**54,174**
Other provisions	360	376	736
Current liabilities	**13,677**	**376**	**14,053**
Total equity and liabilities	**53,798**	**376**	**54,174**

4) Amendments to IFRSs not yet mandatory

OMV has not applied the following amendments to standards that have been issued but are not yet effective. They are not expected to have any material effects on the Group's financial statements. EU endorsement is still pending in some cases.

Amendments to IFRSs	IASB effective date
Amendments to IAS 1: Classification of Liabilities as Current and Non-Current	January 1, 2024
Amendments to IFRS 16: Lease Liability in a Sale and Leaseback	January 1, 2024
Amendments to IAS 1: Non-Current Liabilities with Covenants	January 1, 2024
Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements	January 1, 2024
Amendments to IAS 21: Lack of Exchangeability	January 1, 2025

4 Changes in Group structure

A full list of OMV investments and changes in the consolidated group can be found in Note 40 – Direct and indirect investments of OMV Aktiengesellschaft. Major changes to the consolidated Group are described below.

Chemicals & Materials

On July 5, 2023, the sale of the nitrogen business unit in the Borealis Group, including fertilizer, technical nitrogen, and melamine products, to AGROFERT, a.s. was completed, valuing the business on an enterprise value basis at EUR 810 mn. To reflect the fair value less cost of disposal, based on the Sales Purchase Agreement with AGROFERT, a.s., an impairment of EUR 57 mn was recognized. The impairment is included in the line “Depreciation, amortization, impairments and write-ups” in the consolidated income statement.

Fuels & Feedstock

On June 30, 2023, OMV closed the transaction to sell its shares in OMV Slovenija trgovina z nafto in naftnimi derivati, d.o.o. to the MOL Group. The initial purchase price before customary closing adjustments amounted to EUR 311 mn (for the 92.25% OMV stake). In 2023, the transaction led to a gain recognized in other operating income of EUR 221 mn.

Cash flow impact of changes in Group structure

Cash flow from investing activities contained an inflow of EUR 661 mn related to the divestment of the Borealis nitrogen business, consisting of EUR 849 mn consideration received less EUR 188 mn cash disposed.

The divestment of OMV’s filling station and wholesale business in Slovenia resulted in an inflow of EUR 272 mn (EUR 276 mn consideration received less EUR 4 mn cash disposed).

Further details are presented in the following tables:

Cash impact from sale of subsidiaries and businesses

In EUR mn

	2023
Consideration received	1,169
Less cash disposed of	–204
Net cash inflows from disposal of subsidiaries and businesses	**965**

Net assets of disposed subsidiaries and businesses

In EUR mn

	2023
Non-current assets	860
Current assets	751
Non-current liabilities	149
Current liabilities	367
Net assets	**1,095**

Segment Reporting

5 Segment Reporting

Changes in segment reporting

As of January 1, 2023, the Group introduced a new corporate structure, designed to fully enable the delivery of Strategy 2030. Following the reorganization and starting from Q1/23, the Group reports on the following business segments: Chemicals & Materials, Fuels & Feedstock (formerly Refining & Marketing), and Energy (formerly Exploration & Production).

As part of the introduction of the new corporate structure, Gas & Power Eastern Europe, which includes Supply, Marketing, and Trading of gas in Romania and Türkiye and one gas-fired power plant in Romania, was transferred from Fuels & Feedstock to the Energy business segment. Internal reporting and relevant information provided to the chief operating decision-maker in order to assess performance and allocate resources have been updated to reflect the current organizational structure.

Business operations and key markets

For business management purposes, OMV is divided into three operating business segments as well as the segment Corporate and Other (C&O). Each segment represents a strategic unit and operates in different markets. Each Business Segment is managed independently. Strategic business decisions are made by the Executive Board of OMV. With the exception of C&O, the reportable segments of OMV are the same as the operating segments.

The **Chemicals & Materials** (C&M) Business Segment is one of the world's leading providers of advanced and circular polyolefin solutions and a European market leader in base chemicals and plastics recycling.

OMV Group has a production capacity, including joint ventures, of 7.0 mn t of base chemicals, 6.3 mn t of polyolefins and 0.4 mn t of compounding. The majority of production is located in Europe, with two overseas manufacturing facilities in the United States, one in Brazil and one in South Korea. In addition, OMV holds minority stakes in various equity-accounted investments, the most significant ones being Borouge (United Arab Emirates), a Borealis' joint venture with ADNOC that operates the largest petrochemical complex in the world, and the Baystar joint venture (Pasadena, United States), which has operated an ethane cracker since 2022 and started up an additional polyethylene plant using the unique Borstar® technology in 2023.

OMV group is pursuing various initiatives in mechanical and chemical recycling and renewable polyolefins. Borealis is building a propane dehydrogenation plant in Belgium to leverage expected growth in propylene demand in Europe. The new facility will have a production capacity of 0.7 mn t of propylene. Together with ADNOC, Borealis is building Borouge 4 (Ruwais, United Arab Emirates), an ethane-based steam cracker with a capacity of 1.5 mn t (OMV share 0.6 mn t) and polyolefin plants with a capacity of 1.4 mn t (OMV share 0.6 mn t) using the unique Borstar® technology.

The **Fuels & Feedstock** (F&F) Business segment refines and markets crude oil and other feedstock. It operates refineries with an annual capacity of 17.8 mn t in Schwechat (Austria), Burghausen (Germany), and Petrobrazi (Romania). In these refineries, crude oil is processed into petroleum products, which are sold to commercial and private customers.

OMV has a strong position in the markets located within the areas of its supply, serving commercial customers, and operating a retail business of 1,666 filling stations.

OMV holds minority stakes in various equity-accounted investments, the most significant being the 15% participation in ADNOC Refining (United Arab Emirates) with an annual capacity of 7.1 mn t (OMV share).

Energy engages in the business of oil and gas exploration, development and production. The activities of this business segment also cover gas supply, marketing, trading, and logistics in Western and Eastern Europe and the Group's power business activities, with one gas-fired power plant in Romania. In addition, low carbon business activities such as geothermal energy, Carbon Capture and Storage (CCS), and further renewable power solutions are covered by the Energy business segment.

Group management, financing and insurance activities as well as certain service functions are concentrated in the **Corporate & Other** (C&O) segment.

One of the key measures of operating performance for the Group is the Clean CCS Operating Result. Total assets include intangible assets as well as property, plant, and equipment. Sales to external customers are split up according to geographical areas on the basis of where the risk is transferred to customers. The net revenues of commodity trading activities within the scope of IFRS 9 and hedging results are reported in the country in which the reporting subsidiary is located. Accounting policies of the operating segments are the same as those described in the summary of significant accounting policies, with certain exceptions for intra-group sales and cost allocations by the parent company, which are determined in accordance with internal OMV policies. Management is of the opinion that the transfer prices of goods and services exchanged between segments correspond to market prices. Business transactions not attributable to operating segments are included in the results of the C&O segment.

The disclosure of special items is considered appropriate in order to facilitate analysis of ordinary business performance. To reflect comparable figures, certain items affecting the result are added back or deducted. These items can be divided into four subcategories: personnel restructuring, unscheduled depreciation and write-ups, asset disposals, and other.

Furthermore, to enable effective performance management in an environment of volatile prices and comparability with peers, the CCS effect is eliminated from the accounting result. The CCS effect, also called inventory holding gains and losses, is 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 volatile energy markets, measuring of the costs of petroleum products sold based on historical values (e.g. weighted average cost) can have distorting effects on reported results. This performance measurement enhances the transparency of results and is commonly used in the oil industry. OMV, therefore, publishes this measure in addition to the Operating Result determined according to IFRS.

Segment reporting

In EUR mn

	2023						
	C&M	F&F	Energy	C&O	**Total**	Consoli-dation	**OMV Group**
Sales revenues[1]	9,650	20,186	17,038	471	**47,346**	–7,883	**39,463**
Intersegmental sales	–1,305	–2,433	–3,694	–451	**–7,883**	7,883	**—**
Sales to third parties	**8,345**	**17,753**	**13,344**	**20**	**39,463**	**—**	**39,463**
Other operating income	129	336	208	69	**742**	—	**742**
Net income from equity-accounted investments	101	296	–71	—	**326**	—	**326**
Depreciation and amortization	541	425	1,434	40	**2,439**	—	**2,439**
Impairment losses (incl. exploration & appraisal)	126	7	231	1	**365**	—	**365**
Write-ups	—	—	189	0	**189**	—	**189**
Operating Result	**–120**	**1,671**	**3,771**	**–65**	**5,257**	**–31**	**5,226**
Special items for personnel restructuring	5	0	—	—	**6**	—	**6**
Special items for unscheduled depreciation and write-ups	135	—	–91	—	**44**	—	**44**
Special items for asset disposal	12	–221	—	—	**–208**	—	**–208**
Other special items	62	74	677	14	**827**	—	**827**
Special items	**214**	**–146**	**586**	**14**	**668**	**—**	**668**
Clean Operating Result	**94**	**1,525**	**4,357**	**–51**	**5,925**	**–31**	**5,894**
CCS effect	—	126	—	—	**126**	4	**130**
Clean CCS Operating Result	**94**	**1,651**	**4,357**	**–51**	**6,050**	**–27**	**6,024**
Segment assets[2]	6,618	4,508	10,488	246	**21,859**	—	**21,859**
Additions to PPE/IA[3]	1,110	986	1,585	54	**3,736**	—	**3,736**
Equity-accounted investments[4]	4,747	1,655	266	—	**6,668**	—	**6,668**

[1] Including intersegmental sales
[2] Property, plant and equipment (PPE), intangible assets (IA), not including assets reclassified to assets held for sale
[3] Excluding additions to assets reclassified to held for sale and additions to decommissioning assets.
[4] Excluding assets held for sale

Segment reporting information from earlier periods has been adjusted consequently to comply with IFRS 8.29. The tables below depict the segment reporting information as restated after the reorganization and as reported in 2022:

Segment reporting

In EUR mn

	2022 restated						
	C&M	F&F	Energy	C&O	**Total**	Consoli-dation	**OMV Group**
Sales revenues[1]	13,450	22,382	35,256	424	**71,512**	–9,214	**62,298**
Intersegmental sales	–1,181	–2,525	–5,101	–407	**–9,214**	9,214	**—**
Sales to third parties	**12,269**	**19,857**	**30,155**	**17**	**62,298**	**—**	**62,298**
Other operating income	548	702	336	58	**1,644**	—	**1,644**
Net income from equity-accounted investments	332	477	60	—	**869**	—	**869**
Depreciation and amortization	533	396	1,504	41	**2,474**	—	**2,474**
Impairment losses (incl. exploration & appraisal)	7	14	826	7	**853**	—	**853**
Write-ups	266	68	327	—	**660**	—	**660**
Operating Result	**2,039**	**2,438**	**7,890**	**–86**	**12,281**	**–35**	**12,246**
Special items for personnel restructuring	—	2	1	4	**8**	—	**8**
Special items for unscheduled depreciation and write-ups	–263	–47	252	—	**–58**	—	**–58**
Special items for asset disposal	–315	–409	—	—	**–724**	—	**–724**
Other special items	–4	28	–142	31	**–87**	—	**–87**
Special items	**–582**	**–426**	**111**	**36**	**–861**	**—**	**–861**
Clean Operating Result	**1,457**	**2,012**	**8,001**	**–50**	**11,420**	**–35**	**11,385**
CCS effect	—	–202	—	—	**–202**	–8	**–210**
Clean CCS Operating Result	**1,457**	**1,810**	**8,001**	**–50**	**11,218**	**–43**	**11,175**
Segment assets[2]	5,964	3,954	11,675	234	**21,826**	—	**21,826**
Additions to PPE/IA[3]	1,285	805	1,533	41	**3,664**	—	**3,664**
Equity-accounted investments[4]	5,179	1,765	350	—	**7,294**	—	**7,294**

[1] Including intersegmental sales

[2] Property, plant and equipment (PPE), intangible assets (IA), not including assets reclassified to assets held for sale

[3] Excluding additions to assets reclassified to held for sale and additions to decommissioning assets.

[4] Not including assets held for sale

Segment reporting

In EUR mn

	2022 reported						
	C&M	R&M	E&P	C&O	**Total**	Consoli-dation	**OMV Group**
Sales revenues[1]	13,450	28,634	30,857	424	**73,365**	–11,067	**62,298**
Intersegmental sales	–1,181	–2,818	–6,661	–407	**–11,067**	11,067	**—**
Sales to third parties	**12,269**	**25,816**	**24,197**	**17**	**62,298**	**—**	**62,298**
Other operating income	548	857	181	58	**1,644**	—	**1,644**
Net income from equity-accounted invest-ments	332	477	60	—	**869**	—	**869**
Depreciation and amortization	533	422	1,478	41	**2,474**	—	**2,474**
Impairment losses (incl. exploration & appraisal)	7	15	825	7	**853**	—	**853**
Write-ups	266	68	327	—	**660**	—	**660**
Operating Result	**2,039**	**3,392**	**6,936**	**–86**	**12,281**	**–35**	**12,246**
Special items for personnel restructuring	—	2	1	4	**8**	—	**8**
Special items for unscheduled depreciation and write-ups	–263	–47	252	—	**–58**	—	**–58**
Special items for asset disposal	–315	–409	—	—	**–724**	—	**–724**
Other special items	–4	–321	207	31	**–87**	—	**–87**
Special items	**–582**	**–774**	**460**	**36**	**–861**	**—**	**–861**
Clean Operating Result	**1,457**	**2,618**	**7,396**	**–50**	**11,420**	**–35**	**11,385**
CCS effect	—	–202	—	—	**–202**	–8	**–210**
Clean CCS Operating Result	**1,457**	**2,415**	**7,396**	**–50**	**11,218**	**–43**	**11,175**
Segment assets[2]	5,964	4,223	11,407	234	**21,826**	—	**21,826**
Additions to PPE/IA[3]	1,285	826	1,512	41	**3,664**	—	**3,664**
Equity-accounted investments[4]	5,179	1,765	350	—	**7,294**	—	**7,294**

[1] Including intersegmental sales
[2] Property, plant and equipment (PPE), intangible assets (IA), not including assets reclassified to assets held for sale.
[3] Excluding additions to assets reclassified to held for sale and additions to decommissioning assets
[4] Not including assets held for sale

In 2023, **special items for unscheduled depreciation and write-ups** were mainly attributable to the net effect of impairments and write-ups of E&P assets, an impairment of the Borealis nitrogen business, as well as the write-up of the natural gas storage asset in Germany. For further details on impairments and write-ups see Note 8 – Depreciation, amortization, impairments and write-ups.

Special items for asset disposals were mainly related to the sale of OMV's filling station and wholesale business in Slovenia. For further details see Note 7 – Other operating income.

Other special items mainly consisted of temporary valuation effects and a partial impairment of exploration & appraisal assets included in OMV's initial purchase price allocation of its share in Pearl Petroleum Company Limited (investment accounted for at-equity).

Information on geographical areas

In EUR mn

	2023			2022		
	Sales to third parties	Segment assets[1]	Equity-accounted investments[2]	Sales to third parties	Segment assets[1]	Equity-accounted investments[2]
Austria	9,097	4,918	13	14,911	4,365	16
Belgium	814	2,384	29	987	1,950	45
Germany	6,302	1,301	30	14,102	1,200	31
New Zealand	451	676	—	598	864	—
Norway	1,045	1,056	—	1,584	1,219	—
Romania	6,728	6,013	—	10,149	5,437	—
United Arab Emirates	1,459	1,682	5,638	1,644	1,677	6,073
Rest of CEE[3]	5,677	568	—	7,548	554	—
Rest of Europe	5,545	1,859	24	7,454	1,848	22
Rest of the world[4]	2,344	1,072	934	3,322	2,162	1,107
Allocated	**39,463**	**21,529**	**6,668**	**62,298**	**21,274**	**7,294**
Unallocated assets	—	330	—	—	552	—
Total	**39,463**	**21,859**	**6,668**	**62,298**	**21,826**	**7,294**

[1] Property, plant and equipment (PPE), intangible assets (IA), not including assets reclassified to assets held for sale
[2] Equity-accounted investments are allocated based on the seat of the registered office of the parent company, not including assets held for sale.
[3] Including Türkiye
[4] Rest of the world: principally Algeria, Argentina, Brazil, Canada, Chile, China, Colombia, Cuba, Egypt, India, Libya, Malaysia, Mexico, Morocco, Nigeria, Peru, Qatar, Russia (only until February 2022), Saudi Arabia, South Africa, South Korea, Tunisia, United States of America, and Yemen

Unallocated assets contained goodwill in the amount of EUR 330 mn (2022: EUR 342 mn) related to the cash-generating unit "Middle East and Africa" as this CGU operates in more than one geographical area. In 2022, unallocated assets also included goodwill in the amount of EUR 210 mn related to cash generating unit SapuraOMV. In 2023 the disposal group SapuraOMV was reclassified to "held for sale". For further details, please refer to Note 22 – Assets and liabilities held for sale.

Notes to the Income Statement

6 Sales revenues

Sales revenues

In EUR mn

	2023	2022
Revenues from contracts with customers	37,451	53,827
Revenues from other sources[1]	2,012	8,472
Sales revenues	**39,463**	**62,298**

[1] The decrease in revenues from other sources is mainly driven by commodity trading transactions.

Revenues from contracts with customers

In EUR mn

	Chemicals & Materials	Fuels & Feedstock	Energy	Corporate & Other	**OMV Group**
			2023		
Crude oil, NGL, and condensates	—	508	1,050	—	**1,558**
Natural gas and LNG	—	4	10,947	—	**10,950**
Fuel, heating oil, and other refining products	—	14,928	—	—	**14,928**
Chemical products	8,193	40	—	—	**8,233**
Other goods and services[1]	135	872	756	18	**1,782**
Revenues from contracts with customers	**8,329**	**16,351**	**12,753**	**18**	**37,451**
			2022		
Crude oil, NGL, and condensates	—	860	1,519	—	**2,379**
Natural gas and LNG	—	4	19,905	—	**19,909**
Fuel, heating oil, and other refining products	—	16,390	—	—	**16,390**
Chemical products	12,160	54	—	—	**12,214**
Other goods and services[1]	126	977	1,817	16	**2,935**
Revenues from contracts with customers	**12,286**	**18,285**	**23,240**	**16**	**53,827**

[1] Mainly retail non-oil business in Fuels & Feedstock and power sales in Energy

7 Other operating income and net income from equity-accounted investments

Other operating income and net income from equity-accounted investments

In EUR mn

	2023	2022
Foreign exchange gains from operating activities	200	298
Gains from the disposal of businesses, subsidiaries, tangible and intangible assets	237	766
Residual other operating income	305	579
Other operating income	**742**	**1,644**
Income from equity-accounted investments	580	937
Expenses from equity-accounted investments	–254	–68
Net income from equity-accounted investments	**326**	**869**

Foreign exchange gains from operating activities were mainly impacted by the development of the USD foreign exchange rate in 2023 and 2022.

Gains from the disposal of businesses, subsidiaries, tangible and intangible assets related mostly to gains from divestment of OMV's filling station and wholesale business in Slovenia. For further details see Note 4 – Changes in Group structure.

2022 gains were mostly related to gains from the sale of the filling station business in Germany (EUR 409 mn) and gains from the Borouge PLC IPO (EUR 341 mn).

Residual other operating income decreased in 2023 in relation to compensation from the Romanian state for the sale of natural gas and electricity at capped prices as well as the elimination of the subsidies supporting voluntary price reductions for the sale of diesel and gasoline. These measures were introduced in 2022 via several Government Emergency Ordinances in order to mitigate the consequences of the energy crisis.

In addition, residual other operating income included storage income related to Erdöl-Lagergesellschaft m.b.H. of EUR 42 mn (2022: EUR 34 mn). 2022 contained insurance income of around EUR 200 mn related to the incident at OMV Schwechat refinery in June 2022.

Income from equity-accounted investments was mainly impacted by the Abu Dhabi Oil Refining Company and the Borouge investments. **Expenses from equity-accounted investments** were predominantly stemming from Bayport Polymers LLC, as well as from an impairment within Pearl Petroleum Company Limited. For further details see Note 18 – Equity-accounted investments.

8 Depreciation, amortization, impairments and write-ups

Impairment losses are part of the income statement line "Depreciation, amortization, impairments and write-ups", except for impairment losses related to exploration and appraisal assets, which are shown in "Exploration expenses". The following tables provide a reconciliation to the amounts reported in the income statement.

Depreciation, amortization, impairments (excluding exploration & appraisal) and write-ups

In EUR mn

	2023	2022
Depreciation and amortization	2,439	2,474
Write-ups	–189	–660
Impairment losses (excl. exploration & appraisal)	213	670
Depreciation, amortization, impairment losses (excluding exploration & appraisal) and write-ups	**2,463**	**2,484**

Impairment losses (including exploration & appraisal)

In EUR mn

	2023	2022
Impairment losses (excl. exploration & appraisal)	213	670
Impairment losses (exploration & appraisal)	152	183
Impairment losses (including exploration & appraisal)	**365**	**853**

Depreciation, amortization, impairments and write-ups – split by function

In EUR mn

	2023	2022
Depreciation and amortization	**2,439**	**2,474**
attributable to exploration expenses	—	—
attributable to production and operating expenses	2,152	2,200
attributable to selling, distribution and administrative expenses	287	274
Write-ups	**–189**	**–660**
attributable to exploration expenses	–1	—
attributable to production and operating expenses	–116	–660
attributable to selling, distribution and administrative expenses	–72	–0
Impairment losses (incl. exploration & appraisal)	**365**	**853**
attributable to exploration expenses	158	183
attributable to production and operating expenses	203	660
attributable to selling, distribution and administrative expenses	4	10

Impairments and write-ups in Chemicals & Materials

On July 5, 2023, the sale of the nitrogen business unit in the Borealis Group, including fertilizer, technical nitrogen, and melamine products, to AGROFERT, a.s. was completed. To reflect the fair value less cost of disposal, based on the Sales Purchase Agreement with AGROFERT, a.s., an impairment of EUR 57 mn was recognized.

Additionally, the acquisition of the additional 48.55% stake in Renasci N.V. as of November 30, 2023, triggered a reassessment, which led to an impairment in the amount of EUR 54 mn, of which EUR 23 mn was allocated to the equity-accounted investment BlueAlp Holding B.V.

In 2022, a write-up of EUR 266 mn was recognized related to the sale of the nitrogen business unit of the Borealis group. The valuation was based on a binding offer from AGROFERT, a.s. dated June 2, 2022, to reflect the fair value less cost to sell.

Impairments and write-ups in Fuels & Feedstock

In 2022, there was a net write-up of EUR 67 mn of the ADNOC Refining and Trading CGU, mainly related to the impairment testing triggered by the positive near-term margin outlook for refining margins in the Middle East.

Impairments and write-ups in Energy

A write-up of EUR 114 mn was recognized in some CGUs in Libya following stabilized production in recent years. The recoverable amount, which was determined on the basis of the value in use, was EUR 821 mn. The after-tax discount rate used was 13.25%.

An impairment test was performed for the Etzel gas storage facility in Germany in 2023, resulting in a write-up of EUR 72 mn due to the improved market environment for gas storage facilities in Europe. The recoverable amount, which was determined on the basis of the value in use, was EUR 154 mn. The discount rate used was 5.25%.

Impairment losses in 2023 included impairments of EUR 152 mn mainly related to unsuccessful exploration wells and expired exploration licenses in Malaysia and Norway.

Other impairments in 2023 were primarily related to unsuccessful workovers and obsolete or replaced assets in Romania (EUR 55 mn).

In Q4/22, OMV updated its commodity price assumptions. Whereas European gas prices increased for the near and long-term, the expected production volume of some oil and gas assets in Romania decreased due to higher expected natural decline rates and operating costs increased. These effects led to pre-tax impairments of EUR 117 mn (net of write-ups) of some development and production oil and gas assets, related to assets in Romania, New Zealand, and Austria.

In 2022, impairment losses attributable to exploration and appraisal (EUR 183 mn) were mainly related to unsuccessful exploration wells and exploration licenses in Norway, New Zealand, Romania, and Australia.

Additionally, impairments in 2022 included mainly unsuccessful workovers, obsolete or replaced assets in Romania (EUR 84 mn), and a production license in Libya (EUR 70 mn).

The planned sale of OMV’s relevant operating entities in Yemen in Q2/22 led to the reclassification to “held for sale”, which triggered a pre-tax impairment of EUR 48 mn.

9 Exploration expenses

The following financial information represents the amounts included in the Group totals relating to the exploration and appraisal of oil and natural gas resources. All such activities are recorded within the Energy segment.

Exploration and appraisal of mineral resources

In EUR mn

	2023	2022
Impairment losses (exploration & appraisal)	152	183
Other exploration expenses	70	67
Exploration expenses	**222**	**250**
Net cash used in operating activities	75	103
Net cash used in investing activities	171	149

10 Other operating expenses

Other operating expenses

In EUR mn

	2023	2022
Foreign exchange losses from operating activities	182	268
Losses from the disposals of businesses, subsidiaries, tangible and intangible assets	31	685
Losses from fair value changes of financial assets	—	432
Net impairment losses on financial assets measured at amortized cost	38	43
Personnel reduction schemes	9	3
Research and development expenses	76	65
Residual other operating expenses	125	142
Other operating expenses	**462**	**1,639**

Foreign exchange losses from operating activities were mainly impacted by the development of the USD foreign exchange rate in 2023 and 2022.

Losses from the disposals of businesses, subsidiaries, tangible and intangible assets contained in 2022 mostly losses from the deconsolidation of Russian entities in the amount of EUR 658 mn.

Losses from fair value changes of financial assets in 2022 contained losses related to asset from reserves redetermination rights with respect to the acquisition of interests in the Yuzhno Russkoye field.

Net impairment losses on financial assets measured at amortized cost were mainly related to impairments of receivables in Tunisia amounting to EUR 26 mn (2022: EUR 20 mn).

Residual other operating expenses contained expenses relating to various digitalization initiatives amounting to EUR 22 mn (2022: EUR 40 mn) as well as expenses related to minimum stockholding obligation outsourced to Erdöl-Lagergesellschaft m.b.H. in the amount of EUR 46 mn (2022: EUR 45 mn).

11 Personnel expenses

Personnel expenses

In EUR mn

	2023	2022
Wages and salaries	1,365	1,314
Costs of defined benefit plans	31	30
Costs of defined contribution plans	62	77
Personnel reduction schemes	9	3
Other employee benefits	250	275
Taxes and social contributions	305	309
Personnel expenses	**2,023**	**2,009**

Share-based payments were part of **other employee benefits**. For further information please refer to Note 34 – Share-based payments.

Additional details on **defined benefit plans** are included in Note 25 – Provisions.

12 Net financial result

Interest income

In EUR mn

	2023	2022
Cash and cash equivalents	355	193
Discounted receivables	14	5
Other financial and non-financial assets	35	20
Loans	69	51
Interest income	**473**	**269**

Interest income on cash and cash equivalents in 2023 was primarily related to interest income on RON, USD and EUR bank deposits.

Interest income from loans included EUR 59 mn (2022: EUR 32 mn) from the loan agreement with Bayport Polymers LLC. In 2022, this position additionally contained EUR 17 mn related to the Nord Stream 2 financing agreement. For further details see Note 20 – Financial assets.

Interest expenses

In EUR mn

	2023	2022
Bonds	104	120
Lease liabilities	36	30
Other financial and non-financial liabilities	49	47
Provisions for decommissioning and restoration obligations	204	196
Provisions for jubilee payments, personnel reduction schemes, and other employee benefits	5	3
Provisions for pensions and severance payments	33	14
Provisions for onerous contracts	5	14
Other	3	11
Interest expenses, gross	**437**	**435**
Capitalized borrowing costs	–23	–18
Interest expenses	**415**	**417**

For further details on **bonds** see Note 26 – Liabilities.

For OMV Petrom SA, the **unwinding expenses for decommissioning provisions** are included net of the unwinding income from receivables recoverable from the Romanian state. For further details see Note 20 – Financial assets.

Interest expenses on provisions for decommissioning and restoration obligations in 2023 were impacted by unwinding effects in the amount of EUR 181 mn (2022: EUR 131 mn), the increase being due to overall higher provision levels during 2023. The remaining part of the interest expenses on provisions for decommissioning and restoration obligations related entirely to the negative reassessment effects of receivables recoverable from the Romanian state amounting to EUR 23 mn (2022: EUR 65 mn).

The **interest expenses on pension provisions** were netted against interest income on pension plan assets, which amounted to EUR 19 mn (2022: EUR 6 mn).

Furthermore, the interest expenses included the unwinding effects from the **provisions for onerous contracts** for the associated transportation commitments of OMV Gas Marketing & Trading GmbH. For further details see Note 25 – Provisions.

Capitalized borrowings costs applied to the carrying value of qualifying assets were mainly related to the propane dehydrogenation plant under construction at the Borealis production site in Kallo, Belgium, and construction of the ReOil® and co-processing plants in Austria.

Other financial income and expenses

In EUR mn

	2023	2022
Carrying amount of sold trade and other receivables	–11,825	–10,857
Proceeds on sold trade and other receivables	11,748	10,811
Financing charges for factoring and securitization	**–77**	**–46**
Net foreign exchange gains (+)/losses (–)	–29	95
Other	–32	–1,393
Other financial income and expenses	**–138**	**–1,345**

In 2023, the **net foreign exchange result** was predominantly impacted by USD.

The position **Other** in 2023 was mainly related to negative fair value adjustments of investments in Russia in the amount of EUR 23 mn (2022: EUR 370 mn). In 2022, this position also included the impairment of the Nord Stream 2 loan (EUR 1,004 mn). For further details see Note 20 – Financial assets.

13 Solidarity contribution on refined crude oil

As a direct consequence of the energy crisis in Europe, regulatory measures like price caps, subsidy schemes, and the EU solidarity contribution have been implemented in some of the countries the OMV Group is active in. The Council Regulation (EU) 2022/1854 introduced a solidarity contribution, which was transposed into the local legislation of the member states and applies to 2022 and/or 2023.

On May 12, 2023, law no. 119/2023 for the approval of the Government Emergency Ordinance 186/2022 to implement the EU regulation regarding the solidarity contribution was published in the Official Gazette in Romania. For companies that produce and refine crude oil, the law introduced the obligation to pay a contribution of RON 350 for each tonne of crude oil processed during 2022 and 2023.

In 2023, a solidarity contribution in the total amount of EUR 552 mn was recognized for the quantities of crude oil processed during 2022 (EUR 300 mn) and 2023 (EUR 252 mn).

The aim of the EU regulation was to introduce a solidarity contribution that tackles surplus profits. However, the solidarity contribution in Romania was not based on profits but rather on quantities of processed crude oil and therefore does not fall within the scope of IAS 12 – Income taxes. Due to its specific nature, the solidarity contribution in Romania was not presented in the Consolidated Income Statement as part of the operating result, but as a separate line above the "Taxes on income and profit" line.

14 Taxes on income and profit

Taxes on income and profit

In EUR mn

	2023	2022
Profit before tax	**4,604**	**10,765**
Current taxes	2,512	5,505
thereof related to previous years	–57	37
Deferred taxes	175	85
Taxes on income and profit	**2,687**	**5,590**

Taxes on income and profit accounted for in other comprehensive income

In EUR mn

	2023	2022
Deferred taxes	–97	30
Current taxes	—	—
Taxes on income and profit accounted for in other comprehensive income	**–97**	**30**

Changes in deferred taxes[1]

In EUR mn

	2023	2022
Deferred taxes January 1	–78	–87
Deferred taxes December 31	–114	–78
Changes in deferred taxes	**–36**	**9**
Deferred taxes accounted for in OCI or directly in equity	87	–38
Changes in the consolidated group, currency translation differences and other changes[2]	52	132
Deferred tax expenses per income statement	**–175**	**–85**
The deferred taxes per income statement comprise the following elements:		
Change in tax rate	–4	–96
Release of and allocation to valuation allowance for deferred taxes	–327	–327
Adjustments within loss carryforwards (not recognized in prior years, expired loss carryforwards and other adjustments)	10	9
Reversal of temporary differences, including additions to and use of loss carryforwards	145	329

[1] Deferred tax balances also include deferred tax balances reclassified to held for sale.

[2] In 2022, these effects were mainly related to the deconsolidation of JSC GAZPROM YRGM Development (EUR 116 mn).

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).

Dividend income from domestic subsidiaries is in general exempt from taxation in Austria. Dividends from EU and EEA participations as well as from subsidiaries whose residence state has a comprehensive mutual administrative assistance agreement with Austria are exempt from taxation in Austria if certain conditions are met. Dividends from other foreign investments that are comparable to Austrian corporations, for which the Group holds a 10% investment share or more for a minimum period of one year, are also excluded from taxation at the level of the Austrian parent company.

The change in the valuation allowance of deferred taxes for the Austrian tax group was reported in the income statement, except to the extent that the deferred tax assets arose from transactions or events that were recognized outside profit or loss, i.e., in other comprehensive income or directly in equity.

Based on the EU Council Regulation 2022/1854, a solidarity contribution was introduced and was transposed into the local law of the member states. It respresents a contribution for surplus profits of companies operating in the crude petroleum, natural gas, coal, and refinery sectors and was applicable for 2022 and 2023. Certain Group companies in Austria and Germany are subject to the solidarity contribution, which is calculated based on taxable profit. Details with respect to the solidarity contribution in Romania are provided in Note 13 – Solidarity contribution on refined crude oil.

In Austria, the solidarity contribution (Energy Crisis Contribution) is calculated based on the taxable profits of the relevant companies, as determined under national tax rules, that are more than 10% higher (2022: 20% higher) than the average taxable profits generated in the period 2018 to 2021.

OMV Group companies in Germany were not subject to a solidarity contribution in 2023 and 2022, as the taxable profit of the relevant companies did not exceed the average taxable profit generated in the period 2018 to 2021.

In January 2024, despite the EU rules expiring at the end of 2023, the Austrian federal government announced plans to extend the solidarity contribution retroactively into 2024. Moreover, there are intentions to further reduce the threshold for excess profits to 5% in Austria.

The **effective tax rate** is the ratio of income tax to profit before tax. The tables below reconcile the effective tax rate and the standard Austrian corporate income tax rate of 24% (2022: 25%) showing the major influencing factors.

Tax rate reconciliation

	2023		2022	
	In EUR mn	In %	In EUR mn	In %
Theoretical taxes on income based on Austrian income tax rate	**1,105**	**24.0**	**2,691**	25.0
Tax effect of:				
Differing foreign tax rates	1,359	29.5	2,755	25.6
Non-deductible expenses	258	5.6	612	5.7
Non-taxable income and tax incentives	–128	–2.8	–160	–1.5
Income and expenses related to equity-accounted investments	–128	–2.8	–414	–3.8
Change in tax rate	4	0.1	96	0.9
Permanent effects within tax loss carryforwards	5	0.1	–9	–0.1
Tax write-downs and write-ups on investments in subsidiaries	–1	–0.0	–430	–4.0
Change in valuation allowance for deferred taxes	327	7.1	327	3.0
Taxes related to previous years	–5	–0.1	60	0.6
Other	–108	–2.4	61	0.6
Total taxes on income and profit	**2,687**	**58.4**	**5,590**	51.9

Differing foreign tax rates effects in 2023 mostly related to subsidiaries operating in tax jurisdictions with high corporate income tax rates (Norway, United Arab Emirates, and Libya). Decrease in the effects related to differing foreign tax rates as compared to 2022 was mostly due to the lower profit before tax of those subsidiaries.

Non-deductible expenses related mostly to the solidarity contribution on refined crude oil in Romania and permanent effects from depreciation, depletion, and amortization. 2022 was predominantly impacted by the losses from fair value changes of financial assets and effects related to the deconsolidation of JSC GAZPROM YRGM Development.

Non-taxable income and tax incentives in 2023 mainly related to the write-up of tangible assets, while in 2022 those effects related mostly to non-taxable gains on the sale of the filling station business in Germany.

Income and expenses related to at-equity accounted investments effects in 2023 were mainly related to the share of profit from equity-accounted investments. 2022 was primarily impacted by the share of profit from equity-accounted investments and the gains from the sucessful listing of Borouge PLC on the ADX (Abu Dhabi Securities Exchange).

Effects related to the change in tax rate in 2022 mainly related to the decrease in the deferred tax rate for Austrian entities. Based on the Eco Social Tax Reform Act, which was adopted by the National Council of Austria in January 2022, the corporate income tax rate was reduced from 25% to 24% in 2023 and further to 23% from 2024 onward.

Tax write-downs and write-ups on investments in subsidiaries in 2022 were mainly related to the tax impairment of the investment in JSC GAZPROM YRGM Development.

The **change in valuation allowance for deferred taxes** was predominately impacted by the increase in valuation allowances on deferred tax assets in Austria. For further details see Note 27 – Deferred Taxes.

Taxes related to previous years in 2022 were mainly related to the sale of the filling stations business in Germany and effects related to differences between the functional currency and tax currency of certain subsidiaries.

Other effects in 2023 related mostly to the reversal of outside basis differences with respect to Nitro business and tax credits. Those effects were partly offset by the solidarity contribution in Austria for 2023, amounting to EUR 18 mn. 2022 was mainly impacted by the solidarity contribution in Austria (EUR 90 mn).

Global Minimum Tax

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Group operates. Under this legislation, Group companies will be subject to Pillar Two income taxes on profits that are taxed at an effective tax rate of less than 15%. The legislation will be effective for the Group’s financial year beginning on January 1, 2024. The Group is in scope of the enacted or substantively enacted legislation and has performed an assessment of the Group’s potential exposure to Pillar Two income taxes.

The assessment of the potential exposure to Pillar Two income taxes is based on the most recent tax filings, country-by-country reporting, and financial statements of the constituent entities as well as on mid-term planning data. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which the Group operates are above 15% and no material exposure to Pillar Two income taxes is expected.

As disclosed in Note 3 – Accounting policies, judgments and estimates, section 3 – Changes in accounting policies, the Group has applied the mandatory temporary exception with respect to recognition and disclosure of information about deferred taxes related to Pillar Two income taxes.

15 Earnings Per Share

Earnings Per Share (EPS)

	2023		2022	
	Basic	Diluted	Basic	Diluted
Earnings attributable to stockholders of the parent in EUR mn	1,480	1,480	3,634	3,634
Weighted average number of shares outstanding	326,940,897	327,169,060	326,897,763	327,136,798
Earnings Per Share in EUR	**4.53**	**4.52**	**11.12**	**11.11**

The calculation of diluted Earnings per Share took into account the weighted average number of shares in issue following the conversion of all potentially diluting ordinary shares. This included 228,163 (2022: 239,035) contingently issuable bonus shares related to Long-Term Incentive Plans and the Equity Deferral.

Notes to the Statement of Financial Position

16 Intangible assets

Intangible assets

In EUR mn

	Concessions, software, licenses, rights	Development costs	Oil and gas assets with unproved reserves	Goodwill	**Total**
			2023		
Development of costs					
January 1	**1,330**	**572**	**1,811**	**585**	**4,298**
Currency translation differences	–3	–0	–28	–17	**–48**
Changes in the consolidated group	28	—	—	21	**49**
Additions	39	112	201	—	**352**
Transfers	20	14	–583	—	**–549**
Assets held for sale	–0	—	–243	–205	**–448**
Disposals	–28	–3	–195	—	**–225**
December 31	**1,385**	**695**	**963**	**384**	**3,428**
Development of amortization					
January 1	**769**	**86**	**934**	**—**	**1,788**
Currency translation differences	–2	—	–21	—	**–23**
Amortization	93	34	0	—	**127**
Impairments	11	3	158	—	**171**
Transfers	–0	—	–14	—	**–14**
Assets held for sale	–0	—	–173	—	**–173**
Disposals	–29	–3	–195	—	**–227**
Write-ups	—	—	–1	—	**–1**
December 31	**842**	**119**	**688**	**—**	**1,649**
Carrying amount January 1	562	486	878	585	**2,510**
Carrying amount December 31	**543**	**576**	**275**	**384**	**1,779**
			2022		
Development of costs					
January 1	**2,199**	**464**	**1,876**	**562**	**5,101**
Currency translation differences	–236	—	36	28	**–172**
Changes in the consolidated group	–662	—	–36	—	**–699**
Additions	31	110	172	—	**313**
Transfers	5	—	–141	—	**–136**
Assets held for sale	–0	—	27	—	**27**
Disposals	–6	–2	–122	–6	**–136**
December 31	**1,330**	**572**	**1,811**	**585**	**4,298**
Development of amortization					
January 1	**979**	**52**	**909**	**—**	**1,940**
Currency translation differences	–85	–0	25	—	**–60**
Changes in the consolidated group	–234	—	–36	—	**–270**
Amortization	108	31	0	—	**140**
Impairments	6	3	179	—	**189**
Transfers	–0	—	–24	—	**–24**
Assets held for sale	–1	—	1	—	**–0**
Disposals	–5	–1	–121	—	**–127**
December 31	**769**	**86**	**934**	**—**	**1,788**
Carrying amount January 1	1,220	411	967	562	**3,161**
Carrying amount December 31	**562**	**486**	**878**	**585**	**2,510**

On October 31, 2023, the Borealis Group acquired 100% of the shares in Rialti S.p.A. This led to EUR 29 mn of **changes in the consolidated group**, including EUR 21 mn goodwill. The fair values of the acquired assets and liabilities are preliminary and may be adjusted later. An additional EUR 29 mn was included in the consolidation group, resulting from the change of consolidation method of Renasci N.V. after Borealis increased its stake from 27.42% to 50.01% as of January 11, 2023. In 2022, the changes in the consolidated group included EUR 428 mn from the deconsolidation of JSC GAZPROM YRGM Development.

Additions to intangible assets in 2023 included EUR 37 mn (2022: EUR 37 mn) of additions for internally generated assets, mainly related to capitalized development costs.

In 2023, **transfers** were mainly related to OMV Petrom following the final investment decision for the Neptun Deep project. Consequently, the related oil and gas assets in the amount of EUR 483 mn were reclassified from intangible assets to property, plant, and equipment.

The intangible assets of the SapuraOMV disposal group with a total carrying amount of EUR 275 mn were reclassified to **assets held for sale**. For details see Note 22 – Assets and liabilities held for sale. In 2022, intangible assets amounting to EUR 27 mn were transferred back from assets held for sale, mainly related to OMV's share in the Maari field in New Zealand.

Further details on **impairments and write-ups** can be found in Note 8 – Depreciation, amortization, impairments and write-ups.

Goodwill arising from business combinations has been allocated to the following CGUs and groups of CGUs, for impairment testing:

Goodwill allocation

In EUR mn

	2023	2022
Middle East and Africa	330	342
SapuraOMV	—	210
Goodwill allocated to Energy	**330**	**552**
Retail Slovakia	7	7
Refining Austria	26	26
Goodwill allocated to Fuels & Feedstock	**33**	**33**
Polypropylene[1]	21	—
Goodwill allocated to Chemicals & Materials	**21**	**—**
Goodwill	**384**	**585**

[1] Related to the acquisition of Rialti S.p.A.

In 2023, the goodwill related to the SapuraOMV disposal group was reclassified to assets held for sale. For details refer to Note 22 – Assets and liabilities held for sale. The remaining goodwill allocated to Energy decreased due to unfavorable currency translation differences.

Goodwill impairment tests based on a value in use calculation were performed and did not lead to any impairments. For the impairment test of the goodwill allocated to the Middle East and Africa, an after-tax discount rate of 10.00% (2022: 10.47%) was used.

An after-tax discount rate of 16.42% (2022: 12.67%) related to the goodwill allocated to the Middle East and Africa would lead to zero headroom.

For details on contractual obligations for the acquisition of intangible assets, refer to Note 17 – Property, plant, and equipment.

17 Property, plant, and equipment

Property, plant, and equipment including right-of-use assets

In EUR mn

	Land and buildings	Oil and gas assets with proved reserves	Plant and machinery	Other fixtures, fittings, and equipment	Assets under construction	**Total**
			2023			
Development of costs						
January 1	**3,512**	**26,549**	**12,002**	**2,043**	**2,061**	**46,168**
Currency translation differences	–9	–700	–21	–4	–5	**–738**
Changes in the consolidated group	11	—	53	2	12	**78**
Additions	143	1,265	491	95	1,389	**3,383**
New obligations and change in estimates for decommissioning	4	309	12	0	—	**326**
Transfers	–33	592	848	121	–969	**559**
Assets held for sale	–6	–1,431	0	–0	–8	**–1,444**
Disposals	–18	–160	–195	–79	–2	**–454**
December 31	**3,606**	**26,425**	**13,191**	**2,178**	**2,479**	**47,878**
Development of depreciation						
January 1	**1,805**	**17,205**	**6,378**	**1,457**	**6**	**26,851**
Currency translation differences	–5	–467	–6	–3	0	**–480**
Changes in the consolidated group	–1	—	–4	–0	—	**–5**
Depreciation	159	1,330	674	150	—	**2,314**
Impairments	0	59	29	1	12	**101**
Transfers	–37	16	34	2	—	**14**
Assets held for sale	–6	–370	—	–0	–3	**–380**
Disposals	–13	–158	–191	–67	–1	**–429**
Write-ups	–2	–116	–70	–0	—	**–188**
December 31	**1,900**	**17,498**	**6,844**	**1,540**	**15**	**27,798**
Carrying amount January 1	1,706	9,344	5,624	586	2,055	**19,317**
Carrying amount December 31	**1,705**	**8,927**	**6,347**	**637**	**2,464**	**20,081**

Property, plant, and equipment including right-of-use assets

In EUR mn

	Land and buildings	Oil and gas assets with proved reserves	Plant and machinery	Other fixtures, fittings and equipment	Assets under construction	Total
			2022			
Development of costs						
January 1	**3,398**	**25,042**	**11,254**	**1,989**	**1,511**	43,195
Currency translation differences	–17	174	–169	–3	–4	**–20**
Additions	111	1,244	678	51	1,268	**3,352**
New obligations and change in estimates for decommissioning	4	–74	–21	0	—	**–90**
Transfers	69	127	539	88	–690	**133**
Assets held for sale	–18	236	–59	–12	–10	**136**
Disposals	–35	–200	–220	–68	–13	**–537**
December 31	**3,512**	**26,549**	**12,002**	**2,043**	**2,061**	46,168
Development of depreciation						
January 1	**1,698**	**15,451**	**6,085**	**1,383**	**8**	24,626
Currency translation differences	–8	18	–106	–3	0	**–98**
Depreciation	138	1,390	671	144	—	**2,342**
Impairments	6	595	8	2	8	**619**
Transfers	1	22	–8	6	2	**24**
Assets held for sale	–6	241	–55	–9	–1	**170**
Disposals	–24	–195	–211	–66	–9	**–505**
Write-ups	–0	–317	–7	—	–2	**–327**
December 31	**1,805**	**17,205**	**6,378**	**1,457**	**6**	26,851
Carrying amount January 1	1,700	9,591	5,169	606	1,503	**18,569**
Carrying amount December 31	**1,706**	**9,344**	**5,624**	**586**	**2,055**	19,317

The EUR 84 mn of **changes in the consolidated group** resulted mainly from the change in the consolidation method of Renasci N.V. after Borealis increased its stake from 27.42% to 50.01% as of January 11, 2023, and the acquisition by Borealis of 100% of the shares in Rialti S.p.A. on October 31, 2023.

The **transfers** were mainly related to OMV Petrom following the final investment decision for the Neptun Deep project. Consequently, the related oil and gas assets in the amount of EUR 483 mn were reclassified from intangible assets to property, plant, and equipment.

Property, plant and equipment with a total carrying amount of EUR 1,065 mn (2022: EUR 34 mn), mainly related to the SapuraOMV disposal group, were transferred to **assets held for sale**. For more details see Note 22 – Assets and liabilities held for sale.

Further details on **impairments and write-ups** can be found in Note 8 – Depreciation, amortization, impairments and write-ups.

Contractual obligations for acquisitions

In EUR mn

	2023	2022
Intangible assets	296	326
Property, plant, and equipment	3,345	1,410
Contractual obligations	**3,640**	**1,736**

In 2023, the contractual commitments for acquisitions of fixed assets were mainly related to activities in the segments Energy and Chemicals & Materials. The increase in commitments in 2023 was mainly related to the Neptun Deep project in Romania.

OMV as a lessee

Right-of-use assets included mainly leases for filling station sites and buildings, other land, vessels, pipelines, and office buildings. In addition, OMV leases the storage infrastructure related to the propane dehydrogenation (PDH) plant in Kallo, Belgium, a hydrogen plant at the Petrobrazi refinery in Romania, gas storage facilities in Austria and Germany, technical equipment, and vehicles.

Leases not yet commenced in 2023 but committed amounted to EUR 94 mn, mainly in the scope of the long-term charter and gas storage contracts (2022: EUR 10 mn).

Right-of-use assets recognized under IFRS 16

In EUR mn

	Land and buildings	Plant and machinery	Other fixtures, fittings and equipment	**Total**
		2023		
January 1	**581**	**504**	**149**	**1,233**
Changes in the consolidated group[1]	—	29	—	**29**
Additions	123	80	81	**283**
Depreciation	–82	–25	–69	**–176**
Other movements	–66	105	–11	**27**
December 31	**556**	**692**	**149**	**1,397**
		2022		
January 1	**555**	**42**	**174**	**771**
Additions	102	498	40	640
Depreciation	–63	–35	–64	–162
Other movements	–13	–1	–2	–16
December 31	**581**	**504**	**149**	**1,233**

[1] Mainly from the change in the consolidation method of Renasci N.V.

For information on lease liabilities see Note 26 – Liabilities.

18 Equity-accounted investments

Material associates and joint ventures

Borealis owns a 36% stake (2022: 36%) in **Borouge PLC** (PLC) and Abu Dhabi National Oil Company owns the remaining 54%. PLC is registered in Abu Dhabi and is the holding company for its 100% interest in **Abu Dhabi Polymers Company Limited (Borouge)** (ADP) and its 84.75% interest in **Borouge Pte. Ltd.** (PTE).

As of December 31, 2023, the fair value of the Group's interest in PLC, which is listed on the Abu Dhabi Securities Exchange of the United Arab Emirates (UAE), was EUR 6,586 mn, based on the quoted market price available on the UAE stock exchange. The corresponding book value of PLC was EUR 3,653 mn as of December 31, 2023.

The **"Borouge investments" (representing the total OMV share in PLC, ADP, PTE)** are a leading provider of innovative, value-creating plastic solutions for the energy, infrastructure, automotive, healthcare, and agriculture industries, as well as advanced packaging applications. They are also responsible for the marketing and sales of the products produced. As joint control is exercised, Borouge investments are accounted for as a joint venture.

Bayport Polymers LLC (Baystar), registered in Pasadena (incorporated in Wilmington), passed a significant milestone in October 2023 with the start-up of the new 625,000 metric t/year Borstar® polyethylene (PE) unit at the production site in Pasadena, Texas (United States). The goal is to deliver a broad range of products to meet the growing global demand for sustainable and highly energy-efficient plastic products. Baystar also started its operation of the new 1 mn metric t/year ethane cracker at Port Arthur, Texas (United States) in 2022. This cracker processes ethane, which is abundantly available and competitively priced in the United States and will supply the Baystar PE units. As OMV has joint control over Bayport Polymers LLC (50/50 share split) and rights to the net assets, it accounts for the company as a joint venture.

OMV also holds a 15% (2022: 15%) interest **in Abu Dhabi Oil Refining Company**, registered in Abu Dhabi, which runs a refinery hub with integrated petrochemicals. According to the contractual agreement between the shareholders, OMV has strong participation rights that represent a significant influence as per the definition in IAS 28. In 2022, a net write-up of EUR 67 mn was recognized for the ADNOC Refining & Trading CGU.

The tables below contain summarized financial information for the material associates and joint ventures.

Statement of comprehensive income – material associates

In EUR mn

	2023	2022
	Abu Dhabi Oil Refining Company	Abu Dhabi Oil Refining Company
Sales revenue	29,259	36,241
Net income for the year	**1,187**	**2,054**
Other comprehensive income	**11**	**2**
Total comprehensive income	1,198	2,056
Group's share of comprehensive income	180	308
Dividends received	206	116

Statement of financial position – material associates

In EUR mn

	2023	2022
	Abu Dhabi Oil Refining Company	Abu Dhabi Oil Refining Company
Non-current assets	16,216	17,084
Current assets	3,482	3,888
Non-current liabilities	5,636	6,363
Current liabilities	749	628
Equity	13,313	13,982
Group's share	1,997	2,097
OMV Group adjustments[1]	–553	–573
Carrying amount of investment	**1,444**	**1,524**

[1] Related to impairment of investment

Statement of comprehensive income – material joint ventures

In EUR mn

	2023		2022	
	Borouge investments	Bayport Polymers LLC	Borouge investments	Bayport Polymers LLC
Sales revenue	5,356	577	5,938	601
Depreciation, amortization, impairments and write-ups	–760	–135	–771	–62
Interest income	25	2	19	1
Interest expenses	–204	–107	–111	–23
Taxes on income and profit	–301	–0	–446	—
Net income for the year	**815**	**–317**	**1,055**	**–116**
Other comprehensive income	**–4**	**—**	**20**	**—**
Total comprehensive income	811	–317	1,075	–116
Group's share of comprehensive income	280	–158	407	–58
Dividends received	455	—	592	—

Statement of financial position – material joint ventures

In EUR mn

	2023		2022	
	Borouge investments	Bayport Polymers LLC	Borouge investments	Bayport Polymers LLC
Non-current assets	6,271	3,894	6,842	4,002
Current assets	1,823	352	2,758	188
thereof cash and cash equivalents	320	41	1,072	30
Non-current liabilities	3,165	2,683	4,070	2,443
thereof non-current financial liabilities (excl. other liabilities and provisions)	2,988	2,681	3,884	2,441
Current liabilities	815	343	964	352
thereof current financial liabilities (excl. trade payables, other liabilities, and provisions)	8	195	4	206
Equity	4,114	1,219	4,566	1,396
Group's share	1,489	610	1,656	698
Goodwill	1,986	—	2,058	—
OMV Group adjustments[1]	263	–24	316	–24
Carrying amount of investment	**3,737**	**586**	**4,030**	**674**

[1] OMV Group adjustments related to Borouge investments mainly referred to purchase price adjustments of EUR 377 mn (2022: EUR 448 mn) related to non-current assets and EUR 113 mn (2022: EUR 131 mn) related to non-current liabilities.

Carrying amount reconciliation

In EUR mn

	2023			2022		
	Associate	Joint Ventures		Associate	Joint Ventures	
	Abu Dhabi Oil Refining Company	Borouge investments	Bayport Polymers LLC	Abu Dhabi Oil Refining Company	Borouge investments	Bayport Polymers LLC
January 1	**1,524**	**4,030**	**674**	**1,181**	**4,061**	**688**
Currency translation differences	–54	–117	–22	83	248	44
Transfers	—	—	—	—	337[2]	—
Additions and other changes	—	—	92[1]	—	—	—
Net income	178	281	–158	308	400	–58
Write-ups (+)/Impairments (–)	—	—	—	67	—	—
Other comprehensive income	2	–1	—	—	7	—
Disposals and other charges	—	—	—	—	–430[3]	—
Dividends distributed	–206	–455	—	–116	–592	—
December 31	**1,444**	**3,737**	**586**	**1,524**	**4,030**	**674**

[1] Refers to capital contribution.
[2] Mainly comprises the direct share in PTE, which is part of Borouge investments and therefore included in the material joint ventures from 2022 onwards.
[3] Refers to partial disposal of ADP and PTE as a result of ADX listing in 2022.

Individually immaterial associates and joint ventures

OMV holds a 55.6% (2022: 55.6%) share in **Erdöl-Lagergesellschaft m.b.H** (ELG), registered in Lannach, which holds the majority of the emergency stock of crude and petroleum products in Austria. In spite of holding the majority of voting rights in the general assembly, OMV does not have control over ELG. Any major decisions on financial and operating policies are delegated to the standing shareholder's committee, in which a quorum of two thirds of the share capital is required for decisions.

OMV has a 40% interest (2022: 40%) through Borealis in **Borouge 4 LLC**, registered in Abu Dhabi. The company executes the ongoing Borouge 4 project by developing an ethane-based steam cracker, two polyolefin plants, a 1-Hexene unit, a cross-linked polyethylene plant (XPLE) and an in-depth study for a carbon capture unit. It was previously part of the 40% direct interest in ADP but was scoped out of the Initial Public Offering in June 2022, and was therefore transferred to this newly founded company. However, it is intended to recontribute Borouge 4 at a later point. Given that no board-reserved matters, which affect all relevant activities, can be decided without an affirmative vote by Borealis, OMV has joint control over Borouge 4 LLC and accounts for it as a joint venture.

OMV exercises joint control over **Abu Dhabi Petroleum Investments LLC** (ADPINV, OMV's interest 25%, 2022: 25%), registered in Abu Dhabi, and **Pak-Arab Refinery Limited** (PARCO; indirect interest of OMV amounts to 10%, 2022: 10%), registered in Karachi, and accounts for both investments at-equity. ADPINV is a holding company for its 40% interest in PARCO. As unanimous consent of the parties is required for decisions about relevant activities and OMV has rights to the net assets based on the legal structure, OMV classifies the companies as joint ventures according to IFRS 11.

Furthermore, OMV has a 10% interest (2022: 10%) in **Pearl Petroleum Company Limited**, registered in Road Town, British Virgin Islands, which is involved in the exploration and production of hydrocarbons in the Kurdistan region of Iraq. According to the joint venture agreement OMV has significant influence within the meaning of IAS 28, as unanimous consent is required for some strategic decisions. Therefore, Pearl is accounted for using the equity method even though OMV's share is just 10%. In 2023, exploration & appraisal assets included in OMV's initial purchase price allocation of its share in Pearl were partly impaired.

Through Borealis, OMV acquired additional stakes in **Renasci N.V.** (Renasci) in 2023. As control was obtained, Renasci is no longer classified as an associated company. Part of the identified assets of Renasci are shares in associated companies: a 21.25% share in **BlueAlp Holding B.V.** based in Groot-Ammers (Netherlands) and a 25% share in **Petrogas International B.V.** based in Eindhoven (Netherlands). For further details, please refer to Note 40 – Direct and indirect investments of OMV Aktiengesellschaft.

In 2023, an impairment was recognized for the investment in BlueAlp Holding B.V. For further details please refer to Note 8 – Depreciation, Amortization, Impairments and Write-ups.

Statement of comprehensive income for individually immaterial associates and joint ventures – Group's share

In EUR mn

	2023		2022	
	Associates	Joint ventures	Associates	Joint ventures
Sales revenue	5,797	360	5,889	461
Net income for the year	23	2	189	30
Other comprehensive income	—	—	0	–2
Total comprehensive income	23	2	190	27

Carrying amount reconciliation for individually immaterial associates and joint ventures

In EUR mn

	2023		2022	
	Associates[1]	Joint ventures	Associates[1]	Joint ventures
January 1	**568**	**498**	**541**	**416**
Currency translation differences	–15	–33	–8	–13
Changes in the consolidated group[2]	7	—	–89	—
Transfers	—	—	—	–337[3]
Additions and other changes	—	2	24	409[4]
Net income	23	2	189	30
Impairments	–23	—	—	—
Other comprehensive income	—	—	0	–2
Disposals and other changes	–1	–2	–1	—
Dividends distributed	–102	–23	–88	–5
December 31	**458**	**443**	**568**	**498**

[1] Including associated companies accounted at-cost.
[2] Changes in the consolidated group in 2022 represented the deconsolidation of OJSC Severneftegazprom.
[3] Mainly comprises the transfer of the direct share in PTE, which is part of "Borouge investments" and therefore included in material joint ventures from 2022 onwards.
[4] Refers mainly to the capital contribution to Borouge 4 LLC.

19 Inventories

Inventories

In EUR mn

	2023	2022
Crude oil	585	824
Natural gas	367	936
Other raw materials	639	677
Work in progress	219	231
Finished petroleum products	795	1,112
Other finished products[1]	923	1,053
Inventories	**3,529**	**4,834**

[1] The balance of other finished products is mainly attributable to the finished products of the Borealis Group, i.e., polyolefins and base chemicals.

Purchases (net of inventory variation)

In EUR mn

	2023	2022
Costs of goods and materials	20,600	34,811
Inventory changes[1]	3,550	4,047
Write-downs to net realizable value and write-offs of inventories	479	466
Reversal of inventory write-downs	–407	–25
Purchases (net of inventory variation)	**24,222**	**39,298**

[1] Mainly related to petrochemical products

The lines “Write-downs to net realizable value and write-offs of inventories” in 2022 and 2023 and “Reversal of inventory write-downs” in 2023 were mainly related to gas in storage.

20 Financial assets

Financial assets

In EUR mn

	Valued at fair value through profit or loss	Valued at fair value through other comprehen-sive income	Valued at amortized cost	**Total carrying amount**	thereof short-term	thereof long-term
			2023			
Trade receivables from contracts with customers	99	—	2,571	**2,670**	2,670	—
Other trade receivables	—	—	785	**785**	785	—
Total trade receivables	**99**	**—**	**3,356**	**3,455**	**3,455**	**—**
Equity investments	1	56	—	**57**	—	57
Investment funds	28	—	—	**28**	—	28
Bonds	—	—	285	**285**	245	39
Derivatives designated and effective as hedging instruments	—	52	—	**52**	50	2
Other derivatives	890	—	—	**890**	692	198
Loans	—	—	910	**910**	5	905
Other sundry financial assets	2	—	1,610	**1,612**	1,139	474
Total other financial assets	**921**	**108**	**2,805**	**3,834**	**2,130**	**1,704**
Financial assets	**1,020**	**108**	**6,160**	**7,288**	**5,584**	**1,704**
			2022			
Trade receivables from contracts with customers	136	—	3,351	**3,487**	3,487	—
Other trade receivables	—	—	735	**735**	735	—
Total trade receivables	**136**	**—**	**4,086**	**4,222**	**4,222**	**—**
Equity investments	24	19	—	**42**	—	42
Investment funds	26	—	—	**26**	—	26
Bonds	—	—	52	**52**	32	20
Derivatives designated and effective as hedging instruments	10	370	—	**380**	263	116
Other derivatives	2,867	—	—	**2,867**	2,114	753
Loans	—	—	711	**711**	82	628
Other sundry financial assets	—	—	1,850	**1,850**	1,437	413
Total other financial assets	**2,927**	**389**	**2,612**	**5,928**	**3,929**	**1,999**
Financial assets	**3,063**	**389**	**6,699**	**10,150**	**8,151**	**1,999**

Financial assets at fair value through profit or loss mainly consisted of financial assets held for trading.

Starting March 1, 2022, investments in the Russian entities JSC GAZPROM YRGM Development (YRGM) and OJSC Severneftegazprom (SNGP) were accounted for at fair value through profit or loss according to IFRS 9 following their deconsolidation, which was triggered by the Russian war on Ukraine.

As of December 31, 2022, the fair value of the investments in YRGM and SNGP was further reduced to a book value of EUR 23 mn, leading to an additional loss of EUR 370 mn in the financial result.

On December 19, 2023, the Russian President signed a decree regarding the Yuzhno-Russkoye field. According to this decree, OMV's shareholdings in Russian entities and consequently its interests in the gas field are to be transferred to new Russian companies. Those companies will ultimately be held by the insurance company JSC SOGAZ and Gazprom. The proceeds from the transfer of the OMV interest to JSC SOGAZ are to be paid into a Russian special account. At first glance, this decree equals a unilateral and irreversible expropriation by seizing the interests of OMV in return for compensation that will be determined by Russia and placed in accounts that will eventually be under Russian control. OMV is examining the current facts and further developments and considering steps to protect its rights.

Based on this latest development and the unchanged situation with regard to the Russian war on Ukraine, OMV considers its investments in YRGM and SNGP to have a fair value of nil as of December 31, 2023, leading to a further negative fair value adjustment in the financial result for 2023 in the amount of EUR 23 mn.

The position **loans** in 2023 included loans and the related accrued interests under a member loan agreement with Bayport Polymers LLC in the amount of EUR 701 mn (2022: EUR 657 mn). In addition, the position included EUR 155 mn from a drawdown and the related interest accrued from a shareholder loan agreement (SHL) entered into on February 3, 2023, with Borealis AG as the lender and Borouge 4 LLC as the borrower to part finance Borouge 4 LLC's CAPEX requirements for Borouge 4. The SHL is structured as a facility with a five-year tenor. Borealis retains the right to accelerate the prepayment of the outstanding amounts at the point of reintegration into Borouge PLC.

Other sundry financial assets included expenditure recoverable from the Romanian State amounting to EUR 399 mn (2022: EUR 326 mn) related to obligations for decommissioning and environmental costs in OMV Petrom SA. The receivables consisted of EUR 391 mn (2022: EUR 318 mn) for costs relating to decommissioning and EUR 8 mn (2022: EUR 8 mn) for costs relating to environmental remediation.

On October 2, 2020, as party in the privatization agreement, OMV AG initiated arbitration proceedings against the Romanian Ministry of Environment, in accordance with the ICC Rules, regarding certain claims unpaid by the Ministry of Environment in relation to well decommissioning and environmental restoration obligations amounting to EUR 31 mn. On August 30, 2022, the Arbitral Tribunal issued the Final Award on the arbitration and requested the Ministry of Environment to reimburse to OMV Petrom SA the amount of EUR 31 mn and related interest. In October 2022, the Ministry of Environment challenged the award at the Paris Court of Appeal, a procedure that was still ongoing as of December 31, 2023.

In Q4/22, OMV Aktiengesellschaft, as party in the privatization agreement, initiated two other arbitration proceedings against the Romanian Ministry of Environment, in accordance with the ICC Rules, which have been further consolidated in a single case, regarding certain claims unpaid by the Ministry of Environment in relation to well decommissioning and environmental remediation works. Such claims amount to EUR 47 mn and as of December 31, 2023, the arbitration procedure is ongoing.

In 2022 this position also included receivables related to insurance proceeds of around EUR 200 mn with regards to the incident at the crude distillation unit at the Schwechat refinery in June 2022, which was fully paid in 2023.

Additionally, other sundry financial assets contained receivables towards partners in the Exploration & Production business as well as seller participation notes and complementary notes in Carnuntum DAC (see Note 38 – Unconsolidated structured entities – for further details).

Equity investments measured at FVOCI

In EUR mn

	2023			2022		
Investment	Fair value	Fair value adjustment through OCI	Dividend recognized as income	Fair value	Fair value adjustment through OCI	Dividend recognized as income
Eavor Technologies Inc.	34	—	—	—	—	—
Hycamite TCD Technologies Ltd.	5	—	—	—	—	—
APK Pensionskasse AG	2	–1	—	2	–0	0
Wiener Börse AG	6	–1	1	7	3	1
FSH Flughafen-Schwechat-Hydranten-Gesellschaft GmbH & Co OG	2	—	—	2	—	0
WAV Wärme Austria VertriebsgmbH	—	—	1	2	—	0
Bockatech Ltd.	5	—	—	3	—	—
Everen Limited	0	—	3	0	—	4
Other	2	—	0	2	—	0
Equity investments measured at FVOCI	**56**	**–2**	**4**	**19**	**2**	**6**

Probability of default

	Equivalent to external credit rating	Probability of default	
		2023	2022
Risk Class 1	AAA, AA+, AA, AA–, A+, A, A–	0.13%	0.13%
Risk Class 2	BBB+, BBB, BBB–	0.44%	0.44%
Risk Class 3	BB+, BB, BB–	1.18%	1.18%
Risk Class 4	B+, B, B–	8.52%	8.52%
Risk Class 5	CCC/C	29.54%	29.54%
Risk Class 6	SD/D	100.00%	100.00%

For further details on credit risk management see Note 30 – Risk Management.

Impairments of trade receivables

In EUR mn

	2023	2022
January 1	**65**	**51**
Amounts written off	–3	–4
Net remeasurement of expected credit losses	41	23
Currency translation differences	–1	0
Reclassification to assets held for sale	–1	–4
Changes in the consolidated group	–0	–1
December 31	**101**	**65**

The **net remeasurement of expected credit losses** was mainly related to the trade receivables from contracts with customers and increased due to re-evaluation of receivables in Tunisia.

Credit quality of trade receivables

In EUR mn

	2023	2022
Risk Class 1	1,155	1,457
Risk Class 2	855	1,239
Risk Class 3	873	927
Risk Class 4	252	333
Risk Class 5	268	153
Risk Class 6	53	42
Total gross carrying amount	**3,457**	**4,151**
Expected credit losses	–101	–65
Total	**3,356**	**4,086**

Impairments of other financial assets at amortized cost

In EUR mn

	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
		2023		
January 1	**10**	**44**	**1,311**	**1,365**
Amounts written off	–1	—	–5	**–6**
Net remeasurement of expected credit losses	4	–11	140	**133**
Currency translation differences	–0	–1	–3	**–5**
December 31[1, 2]	**13**	**32**	**1,442**	**1,487**
		2022		
January 1	**9**	**31**	**211**	**251**
Amounts written off	0	—	–5	**–5**
Net remeasurement of expected credit losses	2	12	1,100	**1,114**
Currency translation differences	0	2	4	**6**
December 31[1, 2]	**10**	**44**	**1,311**	**1,365**

[1] “Lifetime ECL credit impaired” included fully impaired gross carrying amount of loan receivables including accrued interest related to the financing agreements for the Nord Stream 2 pipeline project in the amount of EUR 1.2 bn (2022: EUR 1.1 bn).

[2] “12-month ECL” included an amount of EUR 1 mn (2022: EUR 1 mn) and “Lifetime ECL credit impaired” an amount of EUR 8 mn (2022: EUR 9 mn) related to expenditure recoverable from the Romanian State, which are outside the scope of IFRS 9.

Credit quality of other financial assets at amortized cost

In EUR mn

	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	**Total**	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	**Total**
	2023				2022			
Risk Class 1	826	—	—	**826**	1,014	86	80	**1,180**
Risk Class 2[1]	751	—	8	**759**	702	—	9	**710**
Risk Class 3	1,140	94	77	**1,312**	826	—	2	**827**
Risk Class 4	2	—	—	**2**	4	—	—	**4**
Risk Class 5[2]	36	—	1,245	**1,281**	35	—	1,112	**1,147**
Risk Class 6	—	—	112	**112**	0	—	109	**109**
Total gross carrying amount	**2,755**	**94**	**1,442**	**4,292**	**2,580**	**86**	**1,311**	**3,977**
Expected credit losses[3]	–13	–32	–1,442	**–1,487**	–10	–44	–1,311	**–1,365**
Total	**2,742**	**62**	**—**	**2,805**	**2,570**	**42**	**—**	**2,612**

[1] “12-month ECL” included an amount of EUR 401 mn (2022: EUR 327 mn) and “Lifetime ECL credit impaired” an amount of EUR 8 mn (2022: EUR 9 mn) related to expenditure recoverable from the Romanian State, which are outside the scope of IFRS 9.

[2] “Lifetime ECL credit impaired” included fully impaired gross carrying amount of loan receivables including accrued interests related to the financing agreements for the Nord Stream 2 pipeline project in the amount of EUR 1.2 bn (2022: EUR 1.1 bn).

[3] “12-month ECL” included an amount of EUR 1 mn (2022: EUR 1 mn) and “Lifetime ECL credit impaired” an amount of EUR 8 mn (2022: EUR 9 mn) related to expenditure recoverable from the Romanian State, which are outside the scope of IFRS 9.

21 Other assets

Other assets

In EUR mn

	2023		2022	
	Short-term	Long-term	Short-term	Long-term
Prepaid expenses	89	13	84	15
Advance payments on fixed assets	184	—	72	14
Other payments on account	124	25	194	16
Receivables from other taxes and social security	202	40	395	40
Contract assets	—	8	—	8
Emission rights[1]	630	—	657	—
Emission rights to be received from customers[1]	42	—	36	—
Other non-financial assets	81	80	194	22
Other assets	**1,351**	**165**	**1,632**	**115**

[1] For further details refer to Note 2 – Effects of climate change and the energy transition.

The increase in “Advance payments on fixed assets” is mainly attributable to the Neptun Deep project in Romania.

OMV voluntarily changed its accounting policy for the presentation of purchased emissions certificates and provisions for CO_2 emissions in the balance sheet. For more details refer to Note 3 – Accounting policies, judgments, and estimates.

“Other non-financial assets” in 2022 mainly consisted of receivables from Romanian authorities in relation to compensation for the sales of natural gas at capped prices to clients that were allocated to the Company as a Supplier of Last Resort and for electricity sales at capped prices. It also included receivables in relation to the subsidies for half of the 0.50 RON per liter voluntary price reduction for the sale of diesel and gasoline in Romania, which applied only in 2022.

22 Assets and liabilities held for sale

Assets and liabilities held for sale

In EUR mn

	Sapura OMV	Yemen	
	Energy		OMV Group
		2023	
Intangible assets	272	—	272
Property, plant, and equipment	1,059	8	1,067
Other assets incl. deferred taxes	4	2	6
Non-current assets	**1,335**	**10**	**1,345**
Inventories	1	21	22
Trade receivables	30	0	30
Other assets	153	31	184
Cash at bank and in hand	88	3	91
Current assets	**272**	**55**	**327**
Total assets	**1,607**	**65**	**1,671**
Provisions for pensions and similar obligations	—	15	15
Provisions for decommissioning and restoration obligations	6	—	6
Other liabilities incl. provisions	0	10	10
Deferred taxes	319	—	319
Non-current liabilities	**325**	**25**	**351**
Trade payables	208	9	217
Provisions for decommissioning and restoration obligations	2	—	2
Other liabilities incl. provisions	36	17	52
Current liabilities	**245**	**26**	**271**
Total liabilities	**571**	**51**	**622**

Assets and liabilities held for sale

In EUR mn

	Nitrogen business unit	Rosier	Total	OMV retail business Slovenia	Other	Total			
		C&M			**F&F**		**Energy**	**C&O**	**OMV Group**
					2022				
Intangible assets	3	0	3	0	0	0	—	—	3
Property, plant and equipment	658	4	662	121	13	134	20	3	819
Equity-accounted investments	6	—	6	—	—	—	—	—	6
Other assets incl. deferred taxes	27	1	28	—	4	4	—	—	32
Non-current assets	**694**	**5**	**699**	**121**	**17**	**139**	**20**	**3**	**860**
Inventories	275	33	308	46	1	48	16	—	371
Trade receivables	150	8	159	63	—	63	0	—	221
Other assets	151	2	153	6	—	6	30	—	189
Cash at bank and in hand	12	4	16	5	—	5	14	—	35
Current assets	**588**	**47**	**635**	**120**	**1**	**121**	**59**	**—**	**816**
Total assets	**1,282**	**52**	**1,334**	**241**	**19**	**260**	**79**	**3**	**1,676**
Provisions for pensions and similar obligations	49	—	49	0	—	0	14	—	63
Lease liabilities	7	1	8	27	—	27	—	—	35
Provisions for decommissioning and restoration obligations	11	—	11	0	1	1	—	—	13
Other liabilities incl. provisions and deferred taxes	37	1	38	1	—	1	20	—	59
Non-current liabilities	**105**	**1**	**106**	**29**	**1**	**30**	**34**	**—**	**170**
Trade payables	229	9	238	22	—	22	12	—	272
Other liabilities incl. provisions	124	3	127	43	1	44	13	—	184
Current liabilities	**353**	**12**	**365**	**65**	**1**	**66**	**25**	**—**	**456**
Total liabilities	**458**	**13**	**471**	**94**	**2**	**96**	**59**	**—**	**626**

Chemicals & Materials

On January 2, 2023, the sale of Rosier to the YILDIRIM Group's YILFERT Holding was completed without having a material impact on the Consolidated Income Statement.

On July 5, 2023, the sale of the nitrogen business unit in the Borealis Group, including fertilizer, technical nitrogen, and melamine products to AGROFERT, a.s. was completed. For further information on the transaction see Note 4 – Changes in Group structure and on the valuation see Note 8 – Depreciation, amortization, impairments and write-ups.

Fuels & Feedstock

On May 31, 2023, OMV closed the transaction to sell 17 Avanti filling stations in Germany without having a material impact on the Consolidated Income Statement.

On June 30, 2023, OMV closed the transaction to sell its shares in OMV Slovenija trgovina z nafto in naftnimi derivati, d.o.o. to the MOL Group. The initial purchase price before customary closing adjustments amounted to EUR 311 mn (for the 92.25% OMV stake). For further details regarding the effects of the sale please refer to Note 4 – Changes in Group structure.

Energy

As of December 31, 2023, assets held for sale and liabilities associated with assets held for sale in the Energy segment were related to the SapuraOMV disposal group and Yemen operating entities.

On December 4, 2023, the Executive Board of OMV decided to enter into negotiations with interested bidders – within the framework of the ongoing competitive bidder process conducted by OMV – on the commercial terms and contractual documentation for the potential sale of 50% of the shares in SapuraOMV Upstream Sdn. Bhd. ("SapuraOMV"), which led to the reclassification to "held for sale". The reclassification did not lead to an impairment loss. Further information is included in Note 39 – Subsequent events.

As of December 31, 2023, the remaining part of assets held for sale and liabilities associated with assets held for sale in the Energy segment was related to Yemen operating entities, which were reclassified to "held for sale" in 2022. In both 2023 and 2022, the measurement at fair value less cost of disposal led to an impairment.

23 Equity of stockholders of the parent

Capital stock

The **capital stock** of OMV Aktiengesellschaft consists of 327,272,727 (2022: 327,272,727) fully paid no par value shares with a total nominal value of EUR 327,272,727 (2022: 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 2023, 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 of the 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

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.

Hybrid capital

The **hybrid capital** recognized in equity in the amount of EUR 2,483 mn consists of perpetual, subordinated hybrid notes. According to IFRS, the net proceeds of the hybrid notes 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:

- The hybrid notes of tranche 1, with the first call date in 2021, were called and redeemed at their principal amount (plus interest accrued) on November 30, 2021.

- The hybrid notes of tranche 2 bear a fixed interest rate of 6.250% per annum until, but excluding, December 9, 2025, which is the first call date of tranche 2. From December 9, 2025 (including), tranche 2 will bear an interest rate per annum at the relevant five-year swap rate for the relevant interest period plus a specified margin and a step-up of 100 basis points.

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 principal amount of EUR 500 mn. The hybrid bond bears a fixed interest rate of 2.875% per annum until, but excluding, June 19, 2024. From June 19, 2024 (including), until, but excluding, June 19, 2028, the hybrid notes will bear interest at a rate corresponding to the relevant five-year swap rate plus a specified margin. From June 19, 2028 (including), the notes will bear an interest rate per annum at the relevant five-year swap rate for the relevant interest period plus a specified margin and a step-up of 100 basis points. 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 Annual 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:

- 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 hybrid notes of tranche 1 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.

- 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 hybrid notes of tranche 2 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, 2023, 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 notes are redeemed. In the case of a change of control, for example, 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.

Revenue reserves

The net income and losses of all companies, which are in the scope of consolidation are included in the Group's **revenue reserves**, adjusted for the purpose of consolidation.

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 June 2, 2021, the Annual General Meeting authorized the Executive Board for a period of five years from the adoption of the resolution, therefore, until and including June 1, 2026, subject to the approval of the Supervisory Board, to dispose of or utilize repurchased treasury shares or treasury shares already held by the Company to grant to employees, executive employees and/or members of the Executive Board/management boards of the Company or its affiliates including for purposes of share transfer programs, in particular long-term incentive plans including equity deferrals or other stock ownership plans, and to thereby exclude the general purchasing right 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.

The **gains and losses recognized directly in other comprehensive income and their related tax effects** were as follows:

Tax effects relating to each component of other comprehensive income

In EUR mn

	2023			2022		
	Pre-tax expense (–) income (+)	Tax expense (–) benefit (+)[1]	Net-of-tax expense (–) income (+)	Pre-tax expense (–) income (+)	Tax expense (–) benefit (+)[1]	Net-of-tax expense (–) income (+)
Currency translation differences	–542	–0	–542	603	–2	602
Gains (+)/losses (–) on hedges	–360	83	–277	40	–3	37
Remeasurement gains (+)/losses (–) on defined benefit plans	–58	7	–51	263	–35	228
Gains (+)/losses (–) on equity investments	–2	1	–2	2	1	3
Gains (+)/losses (–) on hedges that are subsequently transferred to the carrying amount of the hedged item	–27	6	–21	–67	8	–58
Share of other comprehensive income of equity-accounted investments	0[2]	n.a.	0	6[2]	n.a.	6
Other comprehensive income for the year	**–989**	**97**	**–893**	**847**	**–30**	**817**

[1] Including valuation allowances for deferred tax assets for the Austrian tax group. For further details please refer to Note 14 – Taxes on income and profit.

[2] Represents net-of-tax amounts

On May 31, 2023, the payment of a total dividend of EUR 5.05 per share was approved at the Annual General Meeting, of which EUR 2.80 per eligible share represents the regular dividend and EUR 2.25 per eligible share a special dividend. The total dividend for the financial year 2022 was paid in June 2023 and amounted to EUR 1,652 mn. In 2022, the dividend payment for the financial year 2021 amounted to EUR 752 mn (EUR 2.30 per share). The interest paid for hybrid bonds in 2023 amounted to EUR 94 mn (2022: EUR 94 mn).

On January 31, 2024, the Executive Board of OMV Aktiengesellschaft proposed a total dividend of EUR 5.05 per share for the financial year 2023. The proposed total dividend comprises a regular dividend of EUR 2.95 per share and a special dividend of EUR 2.10 per share, which are subject to approval at the Annual General Meeting in 2024.

Treasury shares

	Number of shares	In EUR mn
January 1, 2022	**261,326**	**2.9**
Disposals	–59,652	–0.7
December 31, 2022	**201,674**	**2.2**
Disposals	–59,667	–0.7
December 31, 2023	**142,007**	**1.6**

Development of number of shares in issue

	Number of shares	Treasury shares	Shares in issue
January 1, 2022	**327,272,727**	**261,326**	**327,011,401**
Used for share-based compensations	—	–59,652	59,652
December 31, 2022	**327,272,727**	**201,674**	**327,071,053**
Used for share-based compensations	—	–59,667	59,667
December 31, 2023	**327,272,727**	**142,007**	**327,130,720**

24 Non-controlling interests

Subgroups with material NCI

In EUR mn

	2023			2022		
Subgroups	% NCI	Net income allocated to NCI	Accumulated NCI	% NCI	Net income allocated to NCI	Accumulated NCI
OMV Petrom Group	49%	398	3,848	49%	1,023	3,980
Borealis Group	25%	–21	3,021	25%	424	3,212
SapuraOMV Group	50%	–13	251	50%	21	274
Other subsidiaries	n.a.	2	10	n.a.	1	13
OMV Group	**n.a.**	**366**	**7,131**	**n.a.**	**1,470**	**7,478**

The proportion of ownership corresponds to the proportion of voting rights of the non-controlling interests (NCI) in all cases.

The main activities of the **OMV Petrom Group**, the largest energy company in Southeastern Europe, are oil and gas exploration and production (in Romania, Bulgaria, and Georgia), refining of crudes (in Romania), marketing of petroleum products (in Romania, Bulgaria, Serbia, and Moldova) and marketing of natural gas as well as production and sales of electricity (in Romania and neighboring countries). On November 3, 2022, OMV Petrom SA completed the share capital increase, and as a result the non-controlling interests in the OMV Petrom Group increased by EUR 39 mn. The cash received from third-party shareholders amounted to EUR 30 mn in 2022 and was shown in the Consolidated Statement of Cash Flows in the line item “Increase in non-controlling interest”.

The **Borealis Group** is one of the world’s leading providers of advanced and circular polyolefin solutions, a European market leader in polyolefins recycling, and a major producer of base chemicals. The majority of Borealis’ production is located in Europe, with two overseas manufacturing facilities in the United States, one in Brazil and one in South Korea.

The **SapuraOMV Group** is an oil and gas company based in Malaysia with strong growth prospects consisting of sizeable discovered resources and a strong portfolio of exploration prospects. In addition to Malaysia, it has access to exploration blocks in New Zealand, Australia, and Mexico. The SapuraOMV Group has been reclassified to assets and liabilities associated with assets held for sale in 2023 (see Note 22 – Assets and liabilities held for sale).

The following tables summarize the financial information of the subgroups with material non-controlling interests:

Statement of comprehensive income of subgroups with material NCI[1]

In EUR mn

	2023		2022	
	OMV Petrom Group	Borealis Group	OMV Petrom Group	Borealis Group
Sales revenue	7,845	7,770	12,440	11,686
Net income for the year	815	33	2,089	1,690
Total comprehensive income	811	–438	2,079	1,941
Attributable to NCI	396	–138	1,019	488
Dividends paid to NCI	498	88	436	175

[1] Figures refer to subgroup level, i.e., including at-equity consolidation and after elimination of intercompany transactions and balances within the subgroup.

Statement of financial position as of December 31 of subgroups with material NCI[1]

In EUR mn

	2023		2022	
	OMV Petrom Group	Borealis Group	OMV Petrom Group[2]	Borealis Group
Non-current assets	7,109	11,489	6,509	11,043
Current assets	4,579	4,779	5,308	5,177
Assets held for sale	—	—	3	1,334
Non-current liabilities	2,064	2,611	1,647	2,782
Current liabilities	1,710	1,595	1,989	1,472
Liabilities associated with assets held for sale	—	—	—	471

[1] Figures refer to subgroup level, i.e. including at-equity consolidation and after elimination of intercompany transactions and balances within the subgroup.
[2] Comparative information dated December 31, 2022, has been restated. For further details see Note 3 – Accounting policies, judgments, and estimates.

Statement of cash flows of subgroups with material NCI[1]

In EUR mn

	2023		2022	
	OMV Petrom Group	Borealis Group	OMV Petrom Group	Borealis Group
Operating cash flow	2,045	945	2,299	1,572
Investing cash flow	–1,158	–359	–629	–58
Financing cash flow	–1,071	–480	–872	–824
Net increase (+)/decrease (–) in cash and cash equivalents	–198	105	795	691

[1] Figures refer to subgroup level, i.e., including at-equity consolidation and after elimination of intercompany transactions and balances within the subgroup.

25 Provisions

Provisions

In EUR mn

	Pensions and similar obligations	Decommissioning and restoration obligations	Other provisions	Total
January 1, 2023	**997**	**3,796**	**1,316**	**6,110**
Currency translation differences	0	–94	–4	**–98**
Changes in the consolidated group	1	—	–0	**1**
Usage and releases	–58	–304	–973	**–1,336**
Payments to funds	–104	—	—	**–104**
Allocations	138	757	855	**1,751**
Transfers	–9	0	8	**–0**
Reclassified to liabilities associated with assets held for sale[1]	—	–7	–3	**–10**
December 31, 2023	**966**	**4,148**	**1,200**	**6,313**
thereof short-term as of December 31, 2023	—	69	777	**846**
thereof short-term as of January 1, 2023	—	82	939	**1,021**

[1] Related to the SapuraOMV disposal group. For more details refer to Note 22 – Assets and Liabilities held for sale.

Pensions and similar obligations include mainly provisions for pensions, severances, and jubilee bonuses. More information on material IAS 19 employee benefits is included in the Provisions for pensions and similar obligations section.

Decommissioning and restoration details are included in the section Provisions for decommissioning and restoration obligations.

Other provisions mainly include provisions for onerous contracts, provisions for emissions certificates, and other personnel provisions. More information is provided in the Other provisions section.

Provisions for pensions and similar obligations accounted for according to IAS 19

The following tables include details on funded and unfunded pension plans (mainly Austria, Germany, Sweden, and Belgium), severance plans (mainly in Austria), and medical plans (in Belgium).

The majority of the pension commitments of several OMV companies have been transferred to country-specific external pension funds. Pension commitments were calculated based on country- and plan-specific assumptions. Refer to Note 3 – Accounting policies, judgments, and estimates for more details.

Pensions and similar obligations

In EUR mn

	2023	2022
Present value of funded pension obligations	853	832
Fair value of plan assets	–598	–526
Provisions for funded pension obligations	**255**	**305**
Present value of unfunded pension obligations	479	470
Present value of obligations for severance and other plans	145	135
Provisions for pensions, severance, and other plans	**879**	**910**
Present value of obligations for other long-term benefits	87	87
Total provisions for pensions and similar obligations	**966**	**997**

Present value of obligations

In EUR mn

	2023		2022	
	Pensions	Severance and other plans	Pensions	Severance and other plans
Present value of obligations as of January 1	**1,302**	**135**	**1,639**	**150**
Current service costs	21	4	24	10
Interest costs	46	6	18	2
Amounts recognized in the income statement	**67**	**9**	**42**	**12**
Adjustments due to changes in demographic assumptions	0	–0	–0	1
Adjustments due to changes in financial assumptions	–20	1	–334	–16
Experience adjustments	72	12	56	3
Total remeasurements of the period (OCI)	**52**	**13**	**–279**	**–12**
Actual benefit payments	–89	–13	–91	–10
Changes in the consolidated group	—	1	—	—
Currency translation differences	–1	–0	–10	0
Reclassification to liabilities associated with assets held for sale	—	—	—	–5
Present value of obligations as of December 31	**1,332**	**145**	**1,302**	**135**

Fair value of plan assets

In EUR mn

	2023	2022
Fair value of plan assets as of January 1	526	595
Interest income	19	6
Return on plan assets (OCI)	6	–39
Actual benefit payments	–57	–54
Actual employer contributions	104	18
Currency translation differences	–1	–0
Fair value of plan assets as of December 31	**598**	**526**

The majority of pension commitments are attributable to plans in Austria and Belgium and were transferred to external pension funds managed by APK Pensionskasse AG in Austria and Vivium, Towers Watson LifeSight and KBC Asset Management in Belgium. The investment of plan assets in Austria is governed by section 25 of the 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. The investment plans in Belgium follow the investment strategy of the respective insurance company as well as local legal regulations.

The allocation of plan assets was mainly in debt securities and insurance contracts. Aside from the insurance contracts, which are not quoted, the majority of plan assets are invested in liquid active markets for which quoted prices are available.

Expected contributions to post-employment benefit plans for the year 2024 total EUR 26 mn. Moreover, defined benefit contributions related to 2023 in the amount of EUR 24 mn are expected to be paid in 2024.

Provisions and expenses

In EUR mn

	2023		2022	
	Pensions	Severance and other plans	Pensions	Severance and other plans
Provisions as of January 1	**775**	**135**	**1,044**	**150**
Current service costs	21	4	24	10
Net interest costs	27	6	12	2
Amounts recognized in the income statement	**48**	**9**	**36**	**12**
Adjustments due to changes in demographic assumptions	0	–0	–0	1
Adjustments due to changes in financial assumptions	–20	1	–334	–16
Experience adjustments	72	12	56	3
Return on plan assets	–6	—	39	—
Total remeasurements of the period (OCI)	**46**	**13**	**–240**	**–12**
Actual benefit payments	–32	–13	–37	–10
Actual employer contributions	–104	—	–18	—
Changes in the consolidated group	—	1	—	—
Currency translation differences	0	–0	–10	0
Reclassification to liabilities associated with assets held for sale	—	—	—	–5
Provisions as of December 31	**734**	**145**	**775**	**135**

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

	2023		2022	
	Pensions	Severance and other plans	Pensions	Severance and other plans
Capital market interest rate	3.25–5.00%	3.75–6.25%	3.20–5.40%	3.50–8.00%
Future increases in salaries	2.69–5.00%	3.25–4.00%	3.40–5.00%	3.40–4.90%
Future increases in pensions	1.75–3.50%	—	2.25–3.50%	—

The following actuarial assumptions for calculating pension expenses and expected defined benefit entitlements are considered as material and are stress tested within the following ranges. The increase or decrease compared to the values accounted for defined benefit obligations in relative deviation terms and in absolute values are as follows:

Sensitivities – percentage change

	2023					
	Capital market interest rate		Future increases in salaries		Future increases in pensions	
	+1.00%	–1.00%	+0.50%	–0.50%	+0.50%	–0.50%
Pensions	–9.65%	11.38%	1.60%	–1.54%	7.23%	–6.59%
Severance and other plans	–7.25%	8.47%	3.42%	–3.27%	—	—

Sensitivities – absolute change

In EUR mn

	2023					
	Capital market interest rate		Future increases in salaries		Future increases in pensions	
	+1.00%	–1.00%	+0.50%	–0.50%	+0.50%	–0.50%
Pensions	–128	151	21	–20	96	–88
Severance and other plans	–10	11	5	–4	—	—

Duration profiles and average duration of defined benefit obligations as of December 31

In EUR mn

	2023			
			Duration profiles	Duration
	1–5 years	6–10 years	>10 years	in years
Pensions	392	357	582	11
Severance and other plans	52	54	38	8

Allocation of plan assets as of December 31

	2023	2022
Asset category		
Equity securities	17%	15%
Debt securities	33%	29%
Cash and money market investments	5%	5%
Insurance contracts	36%	36%
Other	10%	15%
Total	**100%**	**100%**

Provisions for decommissioning and restoration obligations

The production facilities and properties of all Group companies are subject to a variety of environmental protection laws and regulations in the countries where they operate. The estimated cost of known environmental obligations has been provided in accordance with the Group's accounting policies. Provisions for decommissioning and restoration are recognized if an obligation exists at the statement of financial position date.

Management believes that compliance with current laws and regulations and future more stringent laws and regulations will not have a material negative impact on the Group's results, financial position, or cash flows in the near future.

Provisions for decommissioning and restoration obligations

In EUR mn

	Carrying amount
January 1, 2023	**3,796**
Currency translation differences	–94
New obligations	15
Increase arising from revisions in estimates	534
Reduction arising from revisions in estimates	–151
Unwinding of discounting	201
Reclassification to liabilities associated with assets held for sale	–7
Usage, disposals, and other changes	–147
December 31, 2023	**4,148**
thereof short-term as of December 31, 2023	69
thereof short-term as of January 1, 2023	82

The **increase arising from revisions in estimates** was mainly driven by decreased real interest rates for RON and EUR compared to 2022. Additional impacts stemmed from higher cost estimates, especially in Romania.

The decommissioning provisions related to the SapuraOMV disposal group were reclassified to **liabilities associated with assets held for sale**. For details see Note 22 – Assets and liabilities held for sale.

Main assumptions for calculating decommissioning and restoration obligations as of December 31[1]

	2023		
	Discount rate	Inflation rate	Real discount rate
Eurozone (EUR)	2.00–2.25%	2.25%	–0.25–0.00%
New Zealand (NZD)	4.25–4.75%	2.25%	2.00–2.50%
Norway (NOK)	3.25–3.50%	2.25%	1.00–1.25%
Romania (RON)	6.25%	3.50%	2.75%
United States (USD)	3.75–4.00%	2.00%	1.75–2.00%

[1] Based on the main currencies of the underlying obligations. Multiple discount rates per currency arise due to different maturities.

A decrease of 1 percentage point in the real discount rates used to calculate the decommissioning provisions would lead to an additional provision of EUR 602 mn; in the opposite case the provision would decrease by EUR 504 mn. For the estimation of maturities and cash outflows of decommissioning and restoration obligations refer to Note 2 – Effects of climate change and the energy transition.

The provisions for decommissioning and restoration costs included obligations attributable to OMV Petrom SA amounting to EUR 1,786 mn (2022: EUR 1,397 mn). Part of the obligations is to be recovered from the Romanian state in accordance with the privatization agreement. For further information see Note 20 – Financial assets.

Other provisions

Other provisions

In EUR mn

	2023		2022	
	Short-term	Long-term	Short-term	Long-term
Environmental costs	16	119	11	77
Onerous contracts	64	194	64	176
Other personnel provisions	146	9	149	18
Emissions certificates	437	—	469	—
Residual other provisions	114	100	247	105
Other provisions	**777**	**422**	**939**	**377**

As at December 31, 2023, the **provision for environmental costs** included EUR 57 mn relating to the provision for soil remediation at the Arpechim refinery site in Romania. The increase compared to 2022 was mainly related to the newly recognized provision at Borealis to cover future transport and removal costs of contaminated soil at the Kallo location (Belgium) in the amount of EUR 22 mn.

The **provisions for onerous contracts** were mainly related to associated transportation commitments of OMV Gas Marketing & Trading GmbH.

The provision for onerous contracts related to the Gate LNG obligation of OMV Gas Marketing & Trading GmbH was fully released in the course of 2023, due to favorable LNG market conditions (2022: EUR 32 mn).

At the end of 2023, the provision for the related non-cancellable transportation commitments of OMV Gas Marketing & Trading GmbH amounted to EUR 258 mn (2022: EUR 188 mn). The increase in provision was mainly driven by additional transport capacities that were booked in order to secure alternative supply routes for Austria, as well as changes in underlying parameters (tariffs, discount rate, etc.). The calculation is based on the difference between the fixed costs for using the capacities and the net profit from usage expected to be generated by using the capacities. The discount rate applied was 2.00% (2022: 2.53%). Besides the discount rate, the key assumptions are the gas prices at the relevant gas hubs which are based on forward rates or on management's best estimates of future prices.

Other personnel provisions included short-term provisions related to personnel reduction schemes of EUR 14 mn (2022: EUR 13 mn). The remaining amount was mainly related to provisions for bonuses.

OMV voluntarily changed its accounting policy for the presentation of purchased emissions certificates and provisions for CO_2 emissions in the consolidated statement of financial positions. For more details on emissions certificates and the change to the accounting policy refer to Note 2 – Effects of climate change and the energy transition – and Note 3 – Accounting policies, judgments, and estimates respectively.

Residual other provisions decreased in 2023 mainly in connection with other risks assessed by the Group in the area of gas and power taxation in Romania.

26 Liabilities

Liabilities

In EUR mn

	2023			2022		
	Short-term	Long-term	**Total**	Short-term	Long-term	**Total**
Bonds	540	5,534	**6,073**	1,290	6,030	**7,320**
Other interest-bearing debts	427	1,043	**1,470**	128	1,359	**1,487**
Lease liabilities	181	1,404	**1,585**	155	1,322	**1,476**
Trade payables	3,955	—	**3,955**	5,259	—	**5,259**
Other financial liabilities	1,424	316	**1,740**	2,172	489	**2,662**
Other liabilities	1,613	102	**1,715**	1,527	124	**1,652**
Liabilities	**8,140**	**8,398**	**16,538**	**10,531**	**9,325**	**19,856**

Other interest-bearing debts predominantly referred to bank loans, but also included private placements and other funding instruments.

Lease liabilities increased mainly due to the leasing contracts for storage infrastructure related to the propane dehydrogenation plant (PDH) in Kallo, Belgium and a new leasing contract related to a charter vessel, Navigator Aurora, to source Borealis crackers in Sweden and Finland. For further details on lease contracts please refer to Note 17 – Property, plant and equipment.

For further details on cash and non-cash effective changes in bonds, other interest-bearing debts, and lease liabilities please refer to Note 28 – Consolidated Statement of Cash Flows.

OMV participates in several supplier finance programs under which its suppliers may elect to receive early payment of their invoice from a bank by factoring their receivable from the Group to the bank. Under the arrangement, the bank agrees to pay amounts to a supplier participating in the program in respect of invoices owed by the Group and receives settlement from OMV later. The principal purpose of these programs is to facilitate efficient payment processing and enable the consenting suppliers to sell their receivables due from OMV to a bank before their maturity. The Group has not derecognized the majority of the original liabilities to which the arrangement applies because neither was legal release obtained nor was the original liability substantially modified while entering into the arrangement. Most liabilities remain within trade payables and other financial liabilities until payment. From OMV's perspective, these arrangements do not significantly extend payment terms beyond the normal terms agreed with other suppliers that are not participating in the programs. Consequently, cash effects are included in the cash flow from operating activities.

Bonds

International corporate bonds

In EUR mn

			2023	2022
Nominal	Coupon	Repayment	Carrying amount December 31	Carrying amount December 31
EUR 750,000,000	0.00% fixed	06/16/2023	—	749
EUR 500,000,000	0.75% fixed	12/04/2023	—	500
EUR 500,000,000	1.50% fixed	04/09/2024	505	504
EUR 500,000,000	0.00% fixed	07/03/2025	499	498
EUR 300,000,000	1.75% fixed	12/10/2025	309	315
EUR 1,000,000,000	1.00% fixed	12/14/2026	997	996
EUR 750,000,000	3.50% fixed	09/27/2027	753	752
EUR 500,000,000	2.00% fixed	04/09/2028	506	506
EUR 500,000,000	1.875% fixed	12/04/2028	500	499
EUR 750,000,000	0.75% fixed	06/16/2030	749	748
EUR 750,000,000	2.375% fixed	04/09/2032	759	758
EUR 500,000,000	1.00% fixed	07/03/2034	497	496
International corporate bonds			**6,073**	**7,320**

Bonds and other interest-bearing debts

As at December 31, 2023, the OMV Group was in compliance with all financial covenants and had significant headroom compared to the thresholds stipulated by the loan agreements.

Bonds and other interest-bearing debts

In EUR mn

	2023	2022
Short-term loan financing	106	65
Short-term component of long-term financing	860	1,353
Total short-term	**967**	**1,417**
Maturities of long-term financing		
2024/2023 (short-term component of long-term financing)	860	1,353
2025/2024	1,149	823
2026/2025	1,189	1,149
2027/2026	875	1,185
2028/2027	1,158	871
2029/2028 and subsequent years	2,205	3,360
Total for 2024/2023 onward	**7,436**	**8,742**

Breakdown of bonds and other interest-bearing debts

In EUR mn

		2023		2022	
			Weighted average interest rate		Weighted average interest rate
Bonds and other long-term interest-bearing debts[1]					
Fixed rates	EUR	6,911	1.53%	8,148	1.34%
	USD	265	4.06%	319	4.24%
Total		**7,176**	**1.63%**	**8,467**	**1.45%**
Variable rates[2]	EUR	45	4.85%	49	3.13%
	USD	183	6.64%	190	5.04%
	Other currencies	32	0.45%	36	0.45%
Total		**260**	**5.57%**	**274**	**4.10%**
Other short-term interest-bearing debts					
EUR		52	—	65	0.07%
NOK		54	—	—	—
Total		**106**	**—**	**65**	**0.07%**

[1] Including short-term components of long-term debts
[2] Rates at year-end

Other financial liabilities

Other financial liabilities

In EUR mn

	Short-term	Long-term	**Total**
		2023	
Derivative financial liabilities	386	150	**536**
Liabilities on derivatives designated and effective as hedging instruments	33	34	**67**
Liabilities on other derivatives	353	116	**469**
Other sundry financial liabilities	1,038	166	**1,204**
Other financial liabilities	**1,424**	**316**	**1,740**
		2022	
Derivative financial liabilities	1,263	353	**1,615**
Liabilities on derivatives designated and effective as hedging instruments	41	4	**44**
Liabilities on other derivatives	1,222	349	**1,571**
Other sundry financial liabilities	910	137	**1,047**
Other financial liabilities	**2,172**	**489**	**2,662**

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted cash flows:

Financial liabilities (undiscounted cash flows)

In EUR mn

	≤1 year	1–5 years	>5 years	Total
		2023		
Bonds	597	3,845	2,113	**6,555**
Other interest-bearing debt	459	857	231	**1,547**
Lease liabilities	219	588	1,231	**2,038**
Trade payables	3,955	—	—	**3,955**
Derivative financial liabilities	393	157	—	**550**
Other sundry financial liabilities[1]	1,039	82	139	**1,260**
Financial liabilities (undiscounted cash flows)	**6,662**	**5,529**	**3,713**	**15,904**
		2022		
Bonds	1,351	3,394	3,160	**7,905**
Other interest-bearing debts	141	1,018	393	**1,552**
Lease liabilities	186	514	1,131	**1,831**
Trade payables	5,259	—	—	**5,259**
Derivative financial liabilities	1,260	350	—	**1,610**
Other sundry financial liabilities[1]	910	100	102	**1,111**
Financial liabilities (undiscounted cash flows)	**9,107**	**5,375**	**4,786**	**19,268**

[1] Including the book value of the financial guarantees issued by Borealis to Bayport Polymers LLC; for further details on the guarantees and the maximum exposure related to it please refer to Note 30 – Risk management.

Other liabilities

In EUR mn

	Short-term	Long-term	Total
		2023	
Other taxes and social security liabilities	1,168	—	**1,168**
Payments received in advance	79	31	**109**
Contract liabilities	165	66	**231**
Other sundry liabilities	202	5	**208**
Other liabilities	**1,613**	**102**	**1,715**
		2022	
Other taxes and social security liabilities	1,040	—	**1,040**
Payments received in advance	57	14	**71**
Contract liabilities	148	79	**227**
Other sundry liabilities	282	32	**314**
Other liabilities	**1,527**	**124**	**1,652**

In 2023, **Other taxes and social security liabilities** was mainly impacted by the introduction of the solidarity tax on refined crude oil in Romania. Further details are included in Note 13 – Solidarity tax on refined crude oil.

The decrease in **other sundry liabilities** in 2023 was mainly impacted by lower non-financial liabilities related to oil product exchange contracts concluded between the OMV Group and the national stockholding company in Germany. Furthermore, 2022 was additionally impacted by a product exchange contract between the OMV Group and the national stockholding company in Slovakia. For more details please refer to Note 30 – Risk management.

Contract liabilities

In EUR mn

	2023	2022
January 1	**227**	**228**
Revenue recognized that was included in the contract liability balance at the beginning of the period	–140	–126
Increases due to cash received, excluding amounts recognized as revenue during the period	144	125
December 31	**231**	**227**

The **contract liabilities** consisted mainly of non-refundable prepayments of storage fees received from Erdöl-Lagergesellschaft m.b.H., Lannach on the basis of long-term service contracts, as well as of sold vouchers and cash received for customer loyalty programs from OMV's retail business.

27 Deferred taxes

Deferred taxes

In EUR mn

	Deferred tax assets total	Deferred tax assets not recognized	Deferred tax assets recognized	Deferred tax liabilities
		2023		
Intangible assets	141	1	140	199
Property, plant, and equipment	57	9	48	2,259
Inventories	49	—	49	34
Derivatives	81	—	81	206
Receivables and other assets	92	20	73	313
Deferred taxes reclassified to assets and liabilities associated with assets held for sale	127	124	3	319
Provisions for pensions and similar obligations	212	94	118	106
Provisions for decommissioning, restoration obligations and environmental costs	1,247	15	1,233	0
Other provisions	122	—	122	1
Liabilities	354	37	317	10
Tax impairments according to section 12 (3)/2 of the Austrian Corporate Income Tax Act (KStG)	574	—	574	—
Tax loss carryforwards	1,536	1,088	448	—
Outside basis differences	144	—	144	17
Total	**4,737**	**1,387**	**3,350**	**3,464**
Netting (same tax jurisdictions)			–2,183	–2,183
Deferred taxes reclassified to assets and liabilities associated with assets held for sale			–3	–319
Deferred taxes as per statement of financial position			**1,164**	**962**
		2022		
Intangible assets	159	—	159	244
Property, plant, and equipment	120	3	117	2,564
Inventories	38	—	38	56
Derivatives	226	—	226	683
Receivables and other assets[1]	85	20	65	337
Deferred taxes reclassified to assets and liabilities associated with assets held for sale	153	135	18	52
Provisions for pensions and similar obligations	204	89	116	107
Provisions for decommissioning, restoration obligations and environmental costs	1,217	14	1,203	0
Other provisions[1]	152	—	152	32
Liabilities	350	0	350	16
Tax impairments according to section 12 (3)/2 of the Austrian Corporate Income Tax Act (KStG)	684	—	684	—
Tax loss carryforwards	1,635	816	819	—
Outside basis differences	120	—	120	54
Total	**5,143**	**1,076**	**4,067**	**4,145**
Netting (same tax jurisdictions)			–2,916	–2,916
Deferred taxes reclassified to assets and liabilities associated with assets held for sale			–1	–35
Deferred taxes as per statement of financial position			**1,150**	**1,194**

[1] Comparative information dated December 31, 2022, has been restated. Deferred tax liabilities (DTL) related to Receivables and other asset and deferred tax assets (DTA) related to Other provisions were increased by EUR 39 mn. For more information see Note 3 – Accounting policies, judgements and estimates.

Deferred taxes were mainly related to different valuation methods, differences in impairments, write-offs, write-ups, and depreciation and amortization, as well as different definitions of costs.

The decrease in DTL related to intangible and tangible assets was mainly driven by the reclassification of SapuraOMV to “held for sale”. For further details see Note 22 – Assets and liabilities held for sale.

As of December 31, 2023, deductible temporary differences for which no DTA was recognized amounted to EUR 929 mn (2022: EUR 783 mn).

The overall net DTA position of tax jurisdictions that suffered a tax loss either in the current or preceding year amounted to EUR 503 mn, of which EUR 464 mn is attributable to the Austrian tax group (2022: EUR 682 mn, of which Austrian tax group EUR 522 mn).

In both 2023 and the previous year, a valuation allowance for the DTA of the Austrian tax group was recognized. The DTA recognized for the Austrian tax group as of December 31, 2023, reflects the expected utilization of deductible temporary differences of balance sheet items and tax losses carried forward based on the mid-term plan for the period 2024–2028. Limitation to the usage of tax losses of 75%, as stipulated by the Austrian Corporate Income Tax Act, was considered in the assessment of the recoverable DTA within and after the planning period.

As of December 31, 2023, OMV recognized **tax loss carryforwards** of EUR 6,257 mn before allowances (2022: EUR 6,877 mn), of which EUR 1,842 mn (2022: EUR 3,460 mn) is considered recoverable for the calculation of deferred taxes.

Eligibility of losses to be carried forward expires as follows:

Tax loss carryforwards[1]

In EUR mn

	2023		2022	
	Base amount (before allowances)	thereof not recognized	Base amount (before allowances)	thereof not recognized
2023	—	—	18	18
2024	2	2	2	2
2025	11	11	11	11
2026	3	3	3	3
2027	52	3	56	3
2028	2	2	—	—
After 2028/2027	2	2	2	0
Unlimited	6,185	4,393	6,784	3,379
Tax losses carryforward	**6,257**	**4,415**	**6,877**	**3,417**

[1] Tax loss carryforwards related to disposal groups reclassified to held for sale are excluded.

The majority of **tax loss carryforwards not recognized** referred to the Austrian tax group and France.

As of December 31, 2023, the aggregate amount of temporary differences associated with fully consolidated and equity-accounted investments for which deferred tax liabilities have not been recognized amounted to EUR 9,317 mn (2022: EUR 10,352 mn). The exception criteria as per IAS 12 for not recognizing these deferred tax liabilities is deemed to be fulfilled due to the fact that the Group is able to control or influence the relevant decisions with respect to the timing of the reversal and it is not probable that temporary differences will reverse in the foreseeable future or the Group intends to reinvest undistributed profits. Capital gains on disposals of investments may be realized on various levels of the Group depending on the structuring of potential divestments. Due to the complexity of the Group and the associated tax implications, simplifying assumptions for the calculation have been made that aim to diminish cascade effects.

Supplementary Information on the Financial Position

28 Consolidated Statement of Cash Flows

Cash and cash equivalents

In EUR mn

	2023	2022
Cash at bank and in hand	884	808
Short-term deposits	6,126	7,316
Cash and cash equivalents	**7,011**	**8,124**

Significant non-cash items

In 2022, the line “Other changes” in the consolidated statement of cash flows included non-cash effects related to the impairment of the Nord Stream 2 loan. Moreover the line contained impacts from the deconsolidation of JSC GAZPROM YRGM Development (YRGM) and OJSC Severneftegazprom (SNGP) as well as the fair value changes related to the investments in YRGM and SNGP and the contractual position toward Gazprom from the redetermination of the reserves of the Yuzhno Russkoye gas field.

In 2023 and 2022, non-cash additions to fixed assets mainly included effects of new lease contracts and the reassessment of decommissioning and restoration obligations.

Cash flow from investing activities

For details about the cash flow effect from divestments of subsidiaries and businesses please refer to Note 4 – Changes in Group structure.

Cash flow from financing activities

The line “Repayments of long-term borrowings” comprised the repayment of bonds with a nominal value of EUR 1,250 mn.

Changes in liabilities arising from financing activities (incl. liabilities associated with assets held for sale)

In EUR mn

	2023			
	Bonds	Other interest-bearing debts	Lease liabilities	**Total**
January 1	**7,320**	**1,487**	**1,524**	**10,331**
Repayments of long-term borrowings	–1,250	–44	–184	**–1,477**
Decrease (–)/increase (+) in short-term borrowings	—	40	—	**40**
Total cash flows related to financing activities	**–1,250**	**–3**	**–184**	**–1,437**
Currency translation differences	—	–22	–4	**–25**
Changes in the consolidated group	—	24	–23	**1**
Difference between interest expenses and interest paid	3	–15	1	**–11**
Other changes	—	—	272[1]	**272**
Total non-cash changes	**3**	**–14**	**247**	**236**
December 31	**6,073**	**1,470**	**1,587**	**9,130**

[1] Mainly related to new lease agreements

Changes in liabilities arising from financing activities (incl. liabilities associated with assets held for sale)

In EUR mn

	2022			
	Bonds	Other interest-bearing debts	Lease liabilities	**Total**
January 1	**8,070**	**1,765**	**1,191**	**11,026**
Repayments of long-term borrowings	–750	–114	–183	**–1,047**
Decrease (–)/increase (+) in short-term borrowings	—	–184	—	**–184**
Total cash flows related to financing activities	**–750**	**–298**	**–183**	**–1,230**
Currency translation differences	—	31	2	**33**
Changes in the consolidated group	—	—	–123	**–123**
Difference between interest expenses and interest paid	0	–11	1	**–11**
Other changes	—	—	636[1]	**636**
Total non-cash changes	**0**	**20**	**515**	**535**
December 31	**7,320**	**1,487**	**1,524**	**10,331**

[1] Mainly related to new lease agreements

The total cash outflow related to lease liabilities amounted to EUR 218 mn (2022: EUR 212 mn).

As of December 31, 2023, the Group had available EUR 5,310 mn of undrawn committed borrowing facilities that can be used for future activities (December 31, 2022: EUR 5,291 mn).

Financing commitments provided to related parties are detailed in Note 37 – Related parties.

29 Contingent liabilities

OMV recognizes provisions for litigations if these are more likely than not to result in obligations. Management is of the opinion that litigations, to the extent not covered by provisions or insurance, there is either no present obligation and/or the outflow is remote and/or they will not materially affect the Group's financial position.

OMV entered into guarantees as part of the ordinary course of the Group's business, mainly under credit facilities granted by banks, without cash collateral. No material losses are likely to arise from these. Further information on financial guarantees is included in Note 30 – Risk management.

On April 16, 2020, the Bulgarian Commission on Protection of Competition announced the initiation of an investigation into how prices are determined on the fuel market. OMV Bulgaria EOOD is a subject of this investigation, among other major manufacturers and retailers on the Bulgarian market. During 2020, two requests for information were received from authorities and the responses were submitted in due time. There were no additional requests from the authorities in 2021, 2022, and 2023, but the investigation is not yet finalized. The sanctions for antitrust infringements are up to 10% of the total company's turnover of the respective undertaking for the financial year prior to the sanctioning decision. At the date of these financial statements, OMV is not able to evaluate the outcome of the investigation and no provision was recorded in this respect.

As of December 31, 2023, one other proceeding was pending against OMV that related to local service contractors in one of the subsidiaries. OMV's share of the claimed amount is around USD 330 mn. Management currently does not believe that any of the alleged matters will have a material effect on the financial position or results of operations. However, this assessment is based on assumptions deemed reasonable by management including those about future events and uncertainties. The outcome of these matters is ultimately uncertain, such that unanticipated events and circumstances might cause management to change these assumptions and give rise to a material adverse effect on the financial position in the future.

30 Risk management

Capital risk

OMV's financial steering framework is built upon the principles of operational efficiency, capital efficiency, financing efficiency, and sustainable portfolio management. With the focus on strengthening OMV's balance sheet, delivering a positive free cash flow and growing its profitability, the financial steering framework represents sustainable, risk-monitored and future-oriented value creation for OMV and its stakeholders.

OMV manages its capital structure to safeguard its capital base in order to preserve investor, creditor and capital market confidence, as well as to provide a sustainable financial foundation for the future operational development of the Group. OMV's financing strategy focuses on cash flow and financial stability. Principal targets are a positive free cash flow after dividends and a strong investment grade credit rating on the basis of a healthy balance sheet and a long-term leverage ratio (defined as net debt including leases/(equity + net debt including leases) of below 30%.

Capital management – key performance measures

In EUR mn (unless otherwise stated)

	2023	2022
Bonds	6,073	7,320
Lease liabilities	1,587	1,524
Other interest-bearing debts	1,470	1,487
Debt	**9,130**	**10,331**
Cash and cash equivalents	7,011	8,124
Net debt[1]	**2,120**	**2,207**
Equity	**25,369**	**26,628**
Leverage ratio[2] in %	**8**	**8**

[1] Including items that were reclassified to assets or liabilities held for sale

[2] The leverage ratio is defined as (net debt including leases)/(equity + net debt including leases).

Liquidity risk

For the purpose of assessing liquidity risk, yearly budgeted operating and financial cash flows of the Group are monitored and analyzed on a monthly basis. Thus, every month the Group generates a forecasted net change in liquidity, which is then compared to the total month end balances of money market deposits and loans, as well as to maturities of the current portfolio and the available liquidity reserves of the same month. This analysis provides the basis for financing decisions and capital commitments.

To ensure that the OMV Group remains solvent at all times and retains the necessary financial flexibility, liquidity reserves in the form of committed credit lines and short term uncommitted money market lines are maintained. As of December 31, 2023, the average weighted maturity of the Group's debt portfolio (excluding lease liabilities) was 4.3 years (as of December 31, 2022: 4.6 years).

The OMV Group's operational liquidity management is mainly handled via cash pooling systems, which enable optimum use of existing cash and liquidity reserves to the benefit of every individual member of the cash pooling system and the Group as a whole.

High volatility in commodity prices can potentially lead to peak liquidity demands in order to satisfy margin calls for exchange traded activities at short notice. In order to monitor and actively manage the OMV Group's exposure to margin calls and associated liquidity risk, a number of targeted measures were implemented in 2023. Trading units of the Group are required to perform regular stress tests to evaluate the effect of predefined, extreme commodity prices on credit exposures and margin requirements. Additionally, preference is given to over-the-counter transactions vs. exchange traded instruments when entering new transactions.

Details of the OMV Group's financial liabilities are shown in Note 26 – Liabilities.

Financial guarantee contracts
In 2023, Borealis AG granted a guarantee for the funding of Borouge 4 LLC under the Italian Export Credit Agency agreement.

In addition, Borealis and its joint venture partner TotalEnergies granted a guarantee for a Revolving Credit Facility (RCF) used by Bayport Polymers LLC (Baystar) as a liquidity instrument to conduct its ordinary cause of business.

On April 19, 2022, Bayport Polymers LLC, which is accounted for using the equity method, partially re-paid the loan to the Group in the amount of EUR 602 mn. The repayment was financed from the two tranches of senior notes in the amount of EUR 324 mn and EUR 278 mn, which mature in 2027 and 2032, respectively. Senior notes issued by Bayport Polymers LLC are fully guaranteed by Borealis AG.

Furthermore, in 2022, Borealis provided a parental guarantee for a lease of railcars.

For further details see the Credit Risk Management section.

Market risk
Derivative and non-derivative instruments are used to manage market price risks resulting from changes in commodity prices, foreign exchange rates and interest rates, which could have a negative effect on assets, liabilities or expected future cash flows.

For the purpose of mitigating market price risks, the Group enters into derivative financial instruments such as OTC swaps, options, futures and forwards.

Swaps do not involve an investment at the time the contracts are concluded; settlement normally takes place at the end of the quarter or month. The premiums on purchased options are payable when the contract is concluded; where options are exercised, payment of the difference between the strike price and average market price for the period takes place at contract expiration.

Commodity price risk management refers to analysis, assessment, reporting and hedging of market price risk exposure arising from non-trading and trading activities, covering production (oil, gas, power, and feedstock prices), refining (refinery margin, inventories up to a defined threshold), oil and gas marketing activities (marketing margin, inventories up to a defined threshold), and producing power (spark spreads) in addition to proprietary trading positions.

Limited proprietary trading activities may be performed for the purpose of creating market access within the oil, power, and gas markets up to a defined threshold.

Hedges are generally placed in the legal entities where the underlying exposure exists. When certain conditions are met, the Group may elect to apply IFRS 9 hedge accounting principles in order to recognize the offsetting effects on profit or loss of changes in the fair value of the hedging instruments at the same time as the hedged items.

Derivatives are mostly used for economic hedging purposes and not as speculative investments. However, where derivatives are not designated as hedging instruments (i.e., hedge accounting is not applied), they are valued at fair value through profit or loss for accounting purposes.

The following tables show the fair values of derivative financial instruments together with their notional amounts. The notional amount, recorded gross, is the amount of a derivative’s underlying asset, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of the transactions outstanding at year-end and are not indicative of either the market risk or the credit risk.

Nominal and fair value of open derivative financial instruments

In EUR mn

	2023			2022		
	Nominal	Fair value assets	Fair value liabilities	Nominal	Fair value assets	Fair value liabilities
Commodity price risk						
Oil incl. oil products	1,120	27	–8	1,337	47	–35
Gas	31	—	—	10	—	–3
Power	411	13	–59	351	320	–2
Commodity hedges (designated in hedge relationship)[1]	**1,562**	**39**	**–67**	**1,697**	**367**	**–41**
Oil incl. oil products	10,614	2	–40	7,808	5	–22
Gas	16,104	714	–386	17,730	2,365	–1,374
Power	262	47	–29	779	282	–133
Other[2]	190	98	–3	220	209	–2
Commodity hedges	**27,171**	**861**	**–458**	**26,537**	**2,862**	**–1,531**
Foreign currency risk						
USD	159	3	–0	266	7	–0
SEK	123	7	—	157	—	–4
Foreign currency hedges (designated in hedge relationship)[1]	**282**	**10**	**–0**	**423**	**7**	**–4**
USD	702	5	–11	1,207	4	–10
NOK	817	23	–0	2,493	1	–26
SEK	35	0	–0	26	0	–0
Other	153	1	–0	246	1	–4
Foreign currency hedges	**1,707**	**29**	**–11**	**3,972**	**5**	**–39**
Interest rate risk						
Interest rate hedges (designated in hedge relationship)[1]	100	3	—	103	6	—

[1] Including ineffective part of hedges designated in a hedging relationship
[2] Includes derivatives for European Emission Allowances

The Group's hedging reserve disclosed in the Consolidated Statement of Changes in Equity relates to the following hedging instruments:

Cash flow hedging – Impact of hedge accounting

In EUR mn

	Forecast purchases	Forecast sales	Foreign currency	Interest rate	Total
	Commodity price risk		**Foreign currency risk**	**Interest rate risk**	
			2023		
Cash flow hedge reserve as of January 1 (net of tax)	245	8	3	7	**264**
Gains (+)/losses (–) of the period recognized in OCI	–326	–24	5	–2	**–347**
Amounts reclassified to the income statement	–62	24	1	–4	**–40**
Amounts reclassified to the balance sheet	42	—	—	—	**42**
Tax effects	80	–0	–1	1	**80**
Cash flow hedge reserve as of December 31 (net of tax)	**–21**	**9**	**7**	**2**	**–2**
Hedge ineffectiveness recognized in the income statement	—	0	—	—	**0**
			2022		
Cash flow hedge reserve as of January 1 (net of tax)	243	–9	–6	2	**230**
Gains (+)/losses (–) of the period recognized in OCI	360	–40	–16	7	**310**
Amounts reclassified to the income statement	–422	63	21	—	**–338**
Amounts reclassified to the balance sheet	57	—	6	—	**63**
Tax effects	8	–5	–3	–2	**–2**
Cash flow hedge reserve as of December 31 (net of tax)	**245**	**8**	**3**	**7**	**264**
Hedge ineffectiveness recognized in the income statement	–1	1	—	—	**–1**

Reserve for unrealized exchange gains (+)/losses (–) for net investment hedge[1]

In EUR mn

	Foreign currency risk	
	2023	2022
Reserve as of January 1 (net of tax)	**–13**	**–5**
Valuation of the USD loans	6	–13
Amounts reclassified to the income statement	—	2
Tax effects	–1	3
Reserve as of December 31 (net of tax)	**–9**	**–13**

[1] Included in currency translation differences within other comprehensive income

At December 31, 2023, and December 31, 2022, the Group held the following items designated in a fair value hedge relationship:

Impact of fair value hedge accounting on the income statement and statement of financial position

In EUR mn

Hedged Item	Carrying amount	Cumulative amount of fair value hedge adjustment included in the carrying amount of the hedged item	Effective gains (+) /losses (–) of the period recognized in the income statement	Line item in the statement of financial positions
	Liabilities			
		2023		
Non-financial liability	28	–8	1	Other liabilities
		2022		
Non-financial liability	132	2	–6	Other liabilities

At December 31, 2023, and December 31, 2022, the Group held the following cash flow, fair value, and net investment hedging relationships. The table shows the profile of the timing (maturity) of the nominal amount of the hedging instruments:

Impact of hedge accounting on the statement of financial position

In EUR mn

	Forecast purchases	Forecast sales	Recognized liability	Net investment hedge	Foreign currency	Interest hedges	
	Commodity price risk			**Foreign currency risk**		**Interest rate risk**	**Total**
				2023			
Nominal value	1,447	85	29	109	282	100	**2,052**
Below one year	1,251	85	29	44	282	100	**1,792**
More than one year	196	—	—	64	—	—	**260**
Fair value – assets	39		—	n.a.	10	3	**52**
Fair value – liabilities	66		1	n.a.	0	—	**67**
				2022			
Nominal value	1,168	385	145	150	423	103	**2,374**
Below one year	999	385	145	38	423	—	**1,989**
More than one year	169	—	—	113	—	103	**385**
Fair value – assets	357		10	n.a.	7	6	**380**
Fair value – liabilities	37		4	n.a.	4	—	**44**

The fair value assets and liabilities shown above are presented in the line items Other financial assets and Other financial liabilities in OMV’s Consolidated Statement of Financial Position.

Commodity price risk

European Emission Allowances

All of OMV's business segments are exposed to fluctuations in the price of greenhouse gas emissions (GHG emissions) under the EU Emissions Trading Scheme (ETS). European Emission Allowance purchases are always executed in due time and it is OMV's highest priority to fulfill all legal obligations under the ETS. OMV monitors price risks from emission allowances and manages them using derivative instruments (forwards) traded bilaterally on the secondary market (known as over-the-counter or OTC transactions).

Electricity prices

OMV's business segments are exposed to fluctuations in electricity prices and, hence, closely monitor related price risks. OMV's business segments hedge parts of the forecasted electricity purchases using derivative instruments and power purchase agreements (PPAs) in order to smooth out the effects from potentially extreme market price movements.

Chemicals & Materials

For petrochemical production, some of the forecasted cracker feedstock purchases and finished product sales are hedged through refined oil product swaps. Cash flow hedge accounting is applied to those derivatives, except for the derivatives that are used to limit the price risk on the inventory held for immediate consumption. Contracts not designated as cash flow hedges are classified as fair value through profit or loss and stated at fair value.

Borealis hedges its forecasted electricity purchases using electricity swaps. For these derivatives cash flow hedge accounting is applied.

Fuels & Feedstock

Fuels & Feedstock is exposed to market price risks arising from trading and non-trading activities, covering production, refining and marketing activities associated with crude oil and oil products in addition to limited proprietary trading positions aiming to create market access within oil and oil product markets.

In Fuels & Feedstock, derivative instruments are used for both hedging selected product sales and reducing exposure to price risks on inventory fluctuations. Crude oil and product swaps are used to hedge the refining margin (crack spread), which is the difference between crude oil prices and bulk product prices.

Furthermore, exchange-traded oil futures as well as OTC contracts (contracts for difference and swaps) are used to hedge short-term purchase and sales market price risks.

Energy

In order to protect the Group's result and cash flow against the potential negative impact of falling oil and gas prices, and to ensure sufficient liquidity headroom in order to enable the Group's growth strategy, OMV uses financial derivatives to secure favorable oil and gas prices. When doing so, OMV enters into derivative positions, selling forward parts of its future production, thereby locking in future oil and gas prices and reducing exposure to market prices in the periods for which the hedges are concluded. No such hedges were concluded in 2023 and 2022.

Furthermore, operational commodity price risk management in Energy includes hedging of market price risk exposure arising from non-trading and trading activities of gas marketing (hedge of the price risk on inventory fluctuations and the differences in terms and conditions of purchases and sales), as well as limited proprietary trading positions for the purpose of creating market access within the gas markets.

For all these derivative instruments no hedge accounting was applied.

Hedge Accounting of commodity hedges in Chemicals & Materials and Fuels & Feedstock

In the Chemicals & Materials and Fuels & Feedstock business segments, OMV is particularly exposed to volatile refining margins and inventory risks. In order to mitigate these risks, appropriate hedging activities are taken, which include margin hedges, stock hedges, feedstock and commodity hedges. Additionally, cash flow hedge accounting is applied to forecast electricity purchases and forecast natural gas purchases. Furthermore, a part of the hedges conducted for future sales and purchases of the crackers has been designated as a cash flow hedge.

The risk management objective is to harmonize the pricing of product sales and purchases in order to remain within an approved range of priced stocks at all times, by means of undertaking stock hedges so as to mitigate the price exposure. The range is a defined maximum deviation from the target stock level, as set out in the Annual Plan for hedging activities.

In terms of refinery margin hedges, crude oil and products are hedged separately with the aim of protecting future margins. Endorsed mandates are documented and defined within the Annual Plan for hedging activities.

For refinery margin hedges, only the product crack spread is designated as the hedged item, buying Brent crude oil on a fixed basis and selling the product also on a fixed basis. The crack spread for different products is a separately identifiable component and can therefore represent the specific risk component designated as a hedged item. There are limits set for the volume of planned hedged sales to avoid over-hedging.

For refinery margin hedges, hedge accounting is applied to a limited extent.

In 2023, physical oil product exchange contracts were concluded between the OMV Group and national stockholding companies in Germany. In order to reduce the risk of market price fluctuations between the withdrawal and return of products, derivative swap deals (sell fix, buy floating at the time of withdrawal and buy fix, sell floating at the time of return) were concluded and designated in a fair value hedge relationship (hedge of a recognized liability). In 2022 product exchange transactions with the Austrian, German and Slovakian national stockholding company were concluded.

Stock hedges are used to mitigate price exposure whenever actual priced stock levels deviate from target levels. Forecast sales for oil products and forecast purchase transactions for crude oil and oil products are designated as the hedged item. Historically, Brent crude oil has formed the largest risk component of the stock price, however in some cases oil products are also used for stock hedges. In such cases, the Platts/Argus product price is used as the risk component. Other components like product crack spreads and other local market cost components are not hedged. The hedging relationships are established with a hedge ratio of 1:1, as the underlying risk of the commodity derivatives are identical to the hedged risk components. Hedge ineffectiveness can arise from timing differentials between derivative and hedged item delivery and pricing differentials (derivatives are valued on the future monthly average price (or other periods) and sales/purchases on the pricing on the date of the transaction/delivery).

For “Forecast purchases” and the “Hedge of a recognized liability” the hedge ineffectiveness is included in the line item Purchases (net of inventory variation) in OMV’s Consolidated Income Statement. The hedge ineffectiveness and recycling of “Forecast sales” for hedges where a risk component of the non-financial item is designated as the hedged item in the hedging relationship, is shown in line item ‘Sales revenues’ in OMV’s Consolidated Income Statement.

Foreign exchange risk management

OMV operates in many countries and currencies, therefore industry-specific activities and the corresponding foreign exchange rate risks need to be analyzed precisely. The USD represents OMV’s biggest risk exposure, due to movement of the USD against the EUR and also against OMV Group’s other main currencies (RON, NOK, NZD, and SEK). Movements of these currencies against the EUR are also significant sources of risk. Other currencies have only a limited impact on cash flow and the operating result. The transaction risk to foreign currency cash flows is monitored on an ongoing basis. The Group’s long and short net position is reviewed on a semiannual basis as a minimum and the sensitivity is calculated. This analysis provides the basis for the management of transaction risks on currencies. Since OMV produces commodities that are mainly traded in USD, the OMV Group has an economic USD long position.

FX options, forwards and swaps are mainly used to hedge foreign exchange rate risks on outstanding receivables and payables. The market value of these instruments will move in the opposite direction to the value of the underlying receivable or liability if the relevant foreign exchange rate changes. When certain conditions are met, the Group may elect to apply IFRS 9 hedge accounting principles in order to recognize the offsetting effects on profit or loss of changes in the fair value of the hedging instruments at the same time as the hedged items. Certain hedges, that refer to a forecasted currency position are therefore classified as cash flow hedges and stated at fair value through other comprehensive income.

Translation risk is also monitored on an ongoing basis at Group level and the risk position is evaluated. Translation risk arises on the consolidation of subsidiaries, associated companies and joint ventures with functional currencies different from EUR. The largest exposure results from changes in RON, USD, NOK and SEK denominated assets against the EUR.

Foreign exchange translation differences relating to these net investments are recognized in other comprehensive income.

Borealis has hedged part of its investment in a joint venture that has USD as its functional currency, by designating certain external loans in USD as hedges of the Group’s investments in its foreign operations. The hedged risk in the net investment hedge is the risk of a weakening USD against the EUR that would result in a reduction in the carrying amount of the Group’s net investment in the joint venture in USD. The EUR/USD impact on the measurement of the loans is recognized in other comprehensive income.

To assess hedge effectiveness, the Group determines the economic relationship between the hedging instrument and the hedged item by comparing changes in the carrying amount of the debt that is attributable to a change in the spot rate with changes in the net investment in the foreign operation due to movements in the spot rate (the dollar-offset method). The Group's policy is to hedge the net investment only to the extent of the debt principal.

There is an economic relationship between the hedged item and the hedging instrument, as the net investment creates a translation risk that will match the foreign exchange risk on the USD borrowing. The Group has established a hedge ratio of 1:1, as the underlying risk of the hedging instrument is identical to the hedged risk component.

Interest rate management

OMV's debt portfolio as of December 31, 2023 had only limited exposure to changes in interest rates, with almost all liabilities having fixed interest rates. Any future financing activities will be exposed to the prevailing market conditions at the time and this could potentially lead to higher interest expenses.

To facilitate the management of interest rate risk, OMV's existing 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 can be used to convert fixed rate debt into floating rate debt and vice versa. The impact of interest rate swaps was not material neither in 2023 nor 2022.

The hedge ineffectiveness and recycling of interest rate swaps are both shown in the line item 'interest expenses' in OMV's Consolidated Income Statement.

Interest rate benchmark reform (IBOR Reform)

All transitions from interest rate benchmarks affected by IBOR reform to alternative benchmark rates have been completed at the reporting date.

Sensitivity analysis

For open hedging contracts, sensitivity analysis is performed to determine the effect of market price fluctuations (+/–10%) on market value. The sensitivity of the OMV Group's overall earnings differs from the sensitivity shown below, since the contracts concluded are used to hedge operational exposure.

The effect of market price fluctuations on the income statement or other comprehensive income depends on the type of derivative used and on whether hedge accounting is applied. Market price sensitivity for derivatives to which cash flow hedge accounting is applied is shown in the sensitivity table for other comprehensive income. Sensitivity to market price fluctuations for all other open derivatives is shown in the sensitivity tables for profit before tax.

Sensitivity analysis for open commodity derivatives affecting profit before tax

In EUR mn

	2023		2022	
	Market price +10%	Market price –10%	Market price +10%	Market price –10%
Oil incl. oil products	–4	4	4	–4
Oil incl. oil products – designated in a hedge relationship[1]	3	–3	14	–14
Gas	–34	34	10	–10
Power	2	–2	13	–13
Other[2]	28	–28	43	–43
Total	**–4**	**4**	**83**	**–83**

[1] Includes hedging instruments designated in a fair value hedge relationship related to product swaps with the national stockholding company in Germany. For further details see section Hedge Accounting of commodity hedges in Chemicals & Materials and Fuels & Feedstock.
[2] Includes derivatives for European Emission Allowances

Sensitivity analysis for open commodity derivatives affecting other comprehensive income before tax

In EUR mn

	2023		2022	
	Market price +10%	Market price –10%	Market price +10%	Market price –10%
Oil incl. oil products	–34	34	–39	39
Gas	2	–2	5	–5
Power	31	–31	48	–48
Commodity hedges (designated in a hedge relationship)	**–1**	**1**	**15**	**–15**

For financial instruments, sensitivity analysis is performed for changes in foreign exchange rates of currencies material to the Group. On Group level, the EUR–RON sensitivity not only includes the net RON exposure versus the EUR but also the net RON exposure versus the USD, since the USD–RON exposure can be split into EUR–RON and EUR–USD exposure. The same is true for the EUR–NOK, EUR–SEK and EUR–NZD exposure.

Sensitivity analysis for financial instruments affecting profit before tax[1]

In EUR mn

	2023		2022	
	10% appreciation of the EUR	10% depreciation of the EUR	10% appreciation of the EUR	10% depreciation of the EUR
EUR–RON	–12	12	8	–8
EUR–USD	1	–1	8	–8
EUR–NZD	–6	6	–2	2
EUR–NOK	7	–7	23	–23
EUR–SEK	–4	4	–3	3

[1] Refers only to financial instruments and is not the same as the Group's overall foreign exchange rate sensitivity in terms of operating result.

Sensitivity analysis for financial instruments affecting other comprehensive income before tax[1]

In EUR mn

	2023		2022	
	10% appreciation of the EUR	10% depreciation of the EUR	10% appreciation of the EUR	10% depreciation of the EUR
EUR–USD	28	–28	43	–43
EUR–SEK	–12	12	–16	16

[1] Including sensitivity of the net investment hedge

OMV regularly analyzes the impact of interest rate changes on interest income and expenses from floating rate deposits and borrowings. Currently, the effects of changes in interest rates are not considered to be a material risk.

Credit risk management

The main counterparty credit risks are assessed and monitored at Group and segment level using predetermined criteria and limits for all counterparties, banks, and security providers. On the basis of a risk assessment, counterparties, banks, and security providers are assigned a credit limit, an internal risk class, and a specific limit validity. The risk assessments are reviewed annually as a minimum or on an ad hoc basis. The credit risk processes are governed by guidelines at

OMV Group level stipulating the Group-wide minimum requirements. The main counterparties with contracts involving derivative financial instruments have investment grade credit ratings. OMV uses commercial trade insurance for parts of its receivables in some business areas to mitigate credit risk. Due to the high economic uncertainty resulting from the current geopolitical situation, special attention is paid to early warning signals like changes in payment behavior.

Credit risk is the risk that the OMV Group's counterparties will not meet their obligation under a financial instrument or customer contract, leading to a financial loss.

Credit risk exists in relation to the financial guarantee contracts issued by Borealis to Bayport Polymers LLC and Borouge 4 LLC, which are accounted for using the equity method, where the maximum outstanding exposure for Borealis as of December 31, 2023 amounted to EUR 1,234 mn plus interest (2022: EUR 638 mn plus interest).

In 2023, Borealis AG granted a guarantee for the funding of Borouge 4 LLC under the Italian Export Credit Agency agreement. The total guarantee amounts to EUR 1,155 mn plus interest. Based on the already drawn financing by Borouge 4 LLC the guaranteed amount as of December 31, 2023 totaled EUR 536 mn plus interest.

The guarantee granted to Bayport Polymers LLC of EUR 588 mn plus interest (2022: EUR 623 mn plus interest) terminates earliest upon payment and/or termination of the obligation in 2027 and 2032, respectively and could be called at any time.

In addition, in 2023 Borealis granted a guarantee for a Revolving Credit Facility (RCF) used by Bayport Polymers LLC as a liquidity instrument to conduct its ordinary course of business. The maximum amount of the credit facility is EUR 90 mn plus interest. At year end, the RCF was fully utilized by Bayport Polymers LLC.

Furthermore, in 2022 Borealis provided a parental guarantee for a lease of railcars by Bayport Polymers LLC with maximum exposure of EUR 20 mn (2022: EUR 15 mn).

In general, a payment under the guarantee agreement is triggered by the non-performance by the guaranteed party of the obligation covered by the guarantee. Therefore, a financial liability initially measured at fair value was recognized.

Maximum credit exposure[1]

In EUR mn

	2023	2022
Trade receivables	3,455	4,222
Investments	85	69
Bonds	285	52
Derivatives	942	3,247
Loans	910	711
Other sundry financial assets	1,612	1,850
Cash and cash equivalents	6,920	8,090
Financial guarantee contracts[2]	1,234	623
Total maximum credit exposure	**15,442**	**18,862**

[1] Excluding items reclassified to held for sale

[2] Maximum exposure of financial guarantee contracts based on drawdowns of financing facilities as of December 31, 2023 exclude interest accrued.

31 Fair value hierarchy

Fair value hierarchy of financial assets[1] and net amount of assets and liabilities held for sale at fair value

In EUR mn

	Carrying amount			Fair value level			
	Valued at amortized cost	Valued at fair value	**Total**	Level 1	Level 2	Level 3	**Total**
				2023			
Trade receivables	3,356	99	**3,455**	—	99	—	**99**
Equity investments	—	57	**57**	—	34	23	**57**
Investment funds	—	28	**28**	28	—	—	**28**
Bonds	285	—	**285**	—	—	—	**—**
Derivatives designated and effective as hedging instruments	—	52	**52**	—	52	—	**52**
Other derivatives	—	890	**890**	0	890	—	**890**
Loans	910	—	**910**	—	—	—	**—**
Other sundry financial assets	1,610	2	**1,612**	—	—	2	**2**
Net amount of assets and liabilities associated with assets held for sale	n.a.	13	**13**	—	13	—	**13**
Total	**6,160**	**1,141**	**7,301**	**28**	**1,088**	**25**	**1,141**
				2022			
Trade receivables	4,086	136	**4,222**	—	136	—	**136**
Equity investments	—	42	**42**	—	—	42	**42**
Investment funds	—	26	**26**	26	—	—	**26**
Bonds	52	—	**52**	—	—	—	**—**
Derivatives designated and effective as hedging instruments	—	380	**380**	—	380	—	**380**
Other derivatives	—	2,867	**2,867**	14	2,853	—	**2,867**
Loans	711	—	**711**	—	—	—	**—**
Other sundry financial assets	1,850	—	**1,850**	—	—	—	**—**
Net amount of assets and liabilities associated with assets held for sale	n.a.	882	**882**	—	58	824	**882**
Total	**6,699**	**4,334**	**11,032**	**40**	**3,427**	**866**	**4,334**

[1] Excluding assets that were reclassified to held for sale

Fair value hierarchy of financial liabilities and other liabilities at fair value[1]

In EUR mn

	Carrying amount			Fair value level			
	Valued at amortized cost	Valued at fair value	**Total**	Level 1	Level 2	Level 3	**Total**
				2023			
Trade payables	3,955	—	**3,955**	—	—	—	**—**
Bonds	6,073	—	**6,073**	—	—	—	**—**
Lease liabilities	1,585	—	**1,585**	—	—	—	**—**
Other interest-bearing debt	1,470	—	**1,470**	—	—	—	**—**
Liabilities on derivatives designated and effective as hedging instruments	—	67	**67**	—	67	—	**67**
Liabilities on other derivatives	—	469	**469**	37	432	—	**469**
Other sundry financial liabilities	1,204	—	**1,204**	—	—	—	**—**
Other liabilities at fair value[2]	—	28	**28**	—	28	—	**28**
Total	**14,287**	**564**	**14,851**	**37**	**528**	**—**	**564**
				2022			
Trade payables	5,259	—	**5,259**	—	—	—	**—**
Bonds	7,320	—	**7,320**	—	—	—	**—**
Lease liabilities	1,476	—	**1,476**	—	—	—	**—**
Other interest-bearing debt	1,487	—	**1,487**	—	—	—	**—**
Liabilities on derivatives designated and effective as hedging instruments	—	44	**44**	—	44	—	**44**
Liabilities on other derivatives	—	1,571	**1,571**	0	1,571	—	**1,571**
Other sundry financial liabilities	1,047	—	**1,047**	—	—	—	**—**
Other liabilities at fair value[2]	—	132	**132**	—	132	—	**132**
Total	**16,589**	**1,747**	**18,336**	**0**	**1,747**	**—**	**1,747**

[1] Excluding liabilities that were reclassified to held for sale

[2] Includes hedged items designated in a fair value hedge relationship related to product swaps with the national stockholding company in Germany. 2022 included additionally hedged items designated in a fair value hedge relationship related to product swaps with the national stockholding company in Slovakia.

Financial liabilities for which fair values are disclosed

In EUR mn

	Carrying amount	Fair value	Fair value level		
			Level 1	Level 2	Level 3
			2023		
Bonds	6,073	5,766	5,766	—	—
Other interest-bearing debt	1,470	1,349	—	1,349	—
Financial liabilities	**7,543**	**7,115**	**5,766**	**1,349**	**—**
			2022		
Bonds	7,320	6,747	6,747	—	—
Other interest-bearing debt	1,487	1,320	—	1,320	—
Financial liabilities	**8,807**	**8,067**	**6,747**	**1,320**	**—**

The table above shows the carrying amount and fair value of financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information of other financial assets and liabilities measured at amortized costs, as the carrying amount represents an adequate approximation to the fair value.

32 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset only when the Group has a current and legally enforceable right to set off the recognized amounts and when there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

OMV enters in the normal course of business into various master netting arrangements in the form of International Swaps and Derivatives Association (ISDA) agreements, European Federation of Energy Traders (EFET) agreements or other similar arrangements.

The tables below show the carrying amounts of recognized financial assets and financial liabilities that are subject to various netting arrangements. The net column would be in the Group's statement of financial position, if all set-off rights were exercised.

Offsetting of financial assets

In EUR mn

	Note	Financial instruments (gross)	Amounts set off in the statement of financial position	**Financial instruments in the statement of financial position (net)**	Liabilities with right of set-off (not offset)	**Net**
				2023		
Derivative financial instruments	20	3,359	–2,417	**942**	–122	**820**
Trade receivables	20	4,535	–1,081	**3,455**	–65	**3,390**
Other sundry financial assets	20	1,626	–13	**1,612**	–1	**1,611**
Total		**9,520**	**–3,511**	**6,009**	**–187**	**5,822**
				2022		
Derivative financial instruments		13,466	–10,219	**3,247**	–547	**2,700**
Trade receivables		6,086	–1,864	**4,222**	–106	**4,116**
Other sundry financial assets		1,892	–42	**1,850**	–1	**1,849**
Total		**21,444**	**–12,125**	**9,318**	**–654**	**8,664**

Offsetting of financial liabilities

In EUR mn

	Note	Financial instruments (gross)	Amounts set off in the statement of financial position	**Financial instruments in the statement of financial position (net)**	Assets with right of set-off (not offset)	**Net**
				2023		
Derivative financial instruments	26	2,953	–2,417	**536**	–122	**415**
Trade payables	26	5,035	–1,081	**3,955**	–65	**3,890**
Other sundry financial liabilities	26	1,217	–13	**1,204**	–1	**1,203**
Total		**9,206**	**–3,511**	**5,695**	**–187**	**5,508**
				2022		
Derivative financial instruments		11,835	–10,219	**1,615**	–547	**1,068**
Trade payables		7,123	–1,864	**5,259**	–106	**5,153**
Other sundry financial liabilities		1,089	–42	**1,047**	–1	**1,046**
Total		**20,046**	**–12,125**	**7,921**	**–654**	**7,267**

33 Result on financial instruments

Result on financial instruments

In EUR mn

	Amount	Financial instruments at fair value through profit or loss	Equity instruments designated as measured at fair value through other comprehensive income	Financial assets at amortized cost	Financial liabilities at amortized cost
			2023		
Fair value changes of financial assets and derivatives	**111**	111	—	—	—
Net impairment losses on financial assets	**–38**	—	—	–38	—
Result on financial instruments within operating result	**73**	**111**	**—**	**–38**	**—**
Dividend income	**10**	—	4	—	—
Interest income	**473**	—	—	473	—
Interest expenses	**–415**	–3	—	—	–148
Fair value changes of financial instruments	**–21**	–21	—	—	—
Fair value changes of FX derivatives	**–191**	–191	—	—	—
Financial charges for factoring and securitization	**–77**	–77	—	—	—
Impairments of financial instruments, net	**–5**	—	—	–2	—
Other	**–6**	–0	–1	0	–5
Result on financial instruments within financial result	**–232**	**–292**	**3**	**471**	**–153**
			2022		
Fair value changes of financial assets and derivatives	**1,029**	1,029	—	—	—
Net impairment losses on financial assets	**–43**	—	—	–43	—
Result on financial instruments within operating result	**986**	**1,029**	**—**	**–43**	**—**
Dividend income	**11**	—	11	—	—
Interest income	**269**	—	—	269	—
Interest expenses	**–417**	–4	—	—	–161
Fair value changes of financial instruments	**–374**	–374	—	—	—
Fair value changes of FX derivatives	**–186**	–186	—	—	—
Financial charges for factoring and securitization	**–46**	–46	—	—	—
Impairments of financial instruments, net	**–1,007**	—	—	–1,007	—
Other	**–12**	0	—	0	–12
Result on financial instruments within financial result	**–1,761**	**–609**	**11**	**–739**	**–173**

The **interest expenses** not allocated mainly referred to the unwinding of provisions. For further details see Note 12 – Net financial result.

34 Share-based payments

Long Term Incentive (LTI) plans

LTI plans with similar conditions are granted annually to the Executive Board and selected Senior Managers in the Group. On the vesting date, shares will be granted to the participants. The number of bonus shares is determined depending on the achievement of defined performance criteria. The performance criteria and their corresponding typical weightings for the Executive Board members are defined in the Remuneration Policy and as of 2022 are as follows: Relative Total Shareholder Return (30%), Clean CCS (Current Cost of Supply) ROACE (40%), ESG targets (30%). Based on predefined criteria (e.g., fatalities, Total Recordable Injury Rate (TRIR), process safety – also in comparison to industry benchmarks), a Health & Safety Malus of between 0.8 and 1.0 is applied to the overall target achievement for Executive Board members. In case of severe incidents, the Remuneration Committee may reduce the payout to zero. For Senior Managers, as of 2022, the following performance criteria apply: Relative Total Shareholder Return (30%), Free Cash Flow (35%), and ESG targets/Transformation targets (35%). 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 responsible governing body for Senior Managers has the discretion to adjust the threshold/target/maximum levels of the Free Cash Flow, in case of material changes in external factors such as oil and gas prices. The adjustment can be made in both directions.

Disbursement is made in cash or in shares. Since 2022, the OMV Petrom LTI plan payment has been made in shares only. 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 eligibility of the LTI plan lapses but they are still in active employment with the company, the shareholding requirement expires when the last LTI plan 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 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, disbursement takes the 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 payments in shares the grant date fair values are spread as expenses over the three years performance period with a corresponding increase in shareholders' equity. In the case of assumed cash-settlements a provision is made for the expected future costs of the LTI plans on the statement of financial position date based on fair values.

Long-Term Incentive Plans

	2023 plan	2022 plan	2021 plan	2020 plan
Start of plan	01/01/2023	01/01/2022	01/01/2021	01/01/2020
End of performance period	12/31/2025	12/31/2024	12/31/2023	12/31/2022
Vesting date	03/31/2026	03/31/2025	03/31/2024	03/31/2023
Shareholding requirement				
Executive Board Chairman	200% of annual gross base salary	200% of annual gross base salary	200% of annual gross base salary	200% of annual gross base salary
Executive Board Deputy Chairman	175% of annual gross base salary	175% of annual gross base salary	175% of annual gross base salary	175% of annual gross base salary
Other Executive Board members	150% of annual gross base salary	150% of annual gross base salary	150% of annual gross base salary	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
Expected shares as of December 31, 2023	**357,842**	**287,735**	**501,677**	**—**
Maximum shares as of December 31, 2023	**761,728**	**674,776**	**794,894**	**—**
Fair value of plan (in EUR mn) as of December 31, 2023[1]	**14**	**11**	**20**	**—**
Provision (in EUR mn) as of December 31, 2023[1]	**3**	**5**	**16**	**—**

[1] Excluding incidental wage costs

Equity Deferral

The Equity Deferral serves as a long-term compensation instrument for the members of the Executive Board that promotes retention and shareholder alignment in OMV. It combines 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 performance criteria and their typical weightings for the Executive Board are defined in the Remuneration Policy and are as follows: Reported Net Income (40%), Free Cash Flow (30%), Operational target (15%), and ESG target (15%). Based on predefined criteria (e.g., fatalities, TRIR, and process safety – also in comparison to industry benchmarks), a Health & Safety Malus of between 0.8 and 1.0 is applied to overall target achievement. In case of severe incidents, the Remuneration Committee may reduce the payout to zero.

The Annual Bonus is capped at 180% of the target Annual Bonus. A minimum of one-third of the Annual Bonus is granted in shares. The determined bonus achievement is settled on March 31 following the end of the period whereby at the statement of financial position date the target achievements and the share price is estimated (the latter on the basis of market quotes).

Given the volatility of commodity prices and market conditions inherent to the industry, the variable remuneration plans give the Remuneration Committee the authority (in line with general practices in the Oil and Gas industry) to adjust the threshold, target, and maximum levels of the financial targets based on oil/gas prices and EUR/USD exchange rates compared with assumptions at the time the targets were set. Adjustments can be applied in both directions. They are determined by the Remuneration Committee and published in the Remuneration Report. The granted shares after deduction of taxes are transferred to a trustee deposit, managed by the Company, to be held for three years.

In 2023, expenses amounting to EUR 3 mn were recorded with a corresponding increase in equity (2022: EUR 3 mn).

Personal investment held in shares[1]

	12/31/2023
Active Executive Board members	
Stern	24,434
Florey	49,930
van Koten	4,385
Former Executive Board members	
Pleininger[2]	14,933
Skvortsova[3]	6,636
Seele[4]	12,190
Gangl[5]	16,680
Total — Executive Board	**129,188**
Other Senior Managers	255,539
Total personal investment	**384,727**

[1] Personal investment held in shares refer to open LTI plans and Equity Deferral if shares are held in the OMV trustee deposit.
[2] Johann Pleininger resigned from the Executive Board effective December 31, 2022.
[3] Elena Skvortsova resigned from the Executive Board effective October 31, 2022.
[4] Rainer Seele resigned from the Executive Board effective August 31, 2021.
[5] Thomas Gangl took part in the LTIP 2020 as an Executive Board member. In 2021, he took part as both Executive Board member and Senior Manager. He resigned from the Executive Board effective March 31, 2021.

Total Expenses

In 2021, Borealis implemented a transitional LTI plan for 2021 and 2022 in order to bridge the cash gaps that arise from migrating to the new three-year plan. Transitional LTI plan allowances for 2021 and 2022 are based on the same KPIs as for the three-year LTI plan but measured on an annual basis and are settled in cash. Expenses related to all share-based payment transactions are summarized in the table below.

Expenses related to share-based payment transactions[1]

In EUR mn

	2023	2022
Cash settled	6	15
Equity settled	6	7
Total expenses arising from share based payment transactions	**12**	**22**

[1] Excluding incidental wage costs

Other Information

35 Average number of employees

Average number of employees[1]

	2023	2022
OMV Group excluding OMV Petrom Group and Borealis Group	6,724	6,664
OMV Petrom Group	7,711	7,837
Borealis Group	6,859	7,833
OMV Group	**21,295**	**22,334**

[1] Calculated as the average of the number of employees at month-end during the year

The decrease in the number of employees for the Borealis Group was mainly impacted by the sale of the nitrogen business unit in July 2023.

36 Expenses Group auditor

Expenses for services rendered by the Group auditor (including the international network within the meaning of section 271b UGB) comprised the following:

Expenses for services rendered by the Group auditor (including the international network)

In EUR mn

	2023		2022	
	Group auditor	thereof KPMG Austria GmbH Wirtschafts-prüfungs- und Steuerberatungs-gesellschaft	Group auditor[1]	thereof Ernst & Young Wirtschafts-prüfungsgesell-schaft m.b.H
Audit of Group accounts and year-end audit	5.40	2.38	3.47	1.58
Other assurance services	0.84	0.74	0.60	0.48
Tax advisory services	2.50	—	0.19	—
Other services	0.74	0.00	0.40	0.01
Total	**9.48**	**3.12**	**4.65**	**2.07**

[1] Borealis Group was audited by PwC Wirtschaftsprüfung GmbH, therefore not included in the expenses 2022.

37 Related parties

Under IAS 24, details of relationships with related parties and related enterprises not included in consolidation must be disclosed. Enterprises and individuals are considered to be related if one party is able to control or exercise significant influence over the business of the other. Österreichische Beteiligungs AG (ÖBAG), Vienna, holds an interest of 31.5% and Mubadala Petroleum and Petrochemicals Holding Company L.L.C., (MPPH), Abu Dhabi, holds an interest of 24.9% in OMV Aktiengesellschaft; both are related parties under IAS 24.

In 2023 and 2022, there were the following arm's-length supplies of goods and services (including the granting of licenses for the use of technologies belonging to the Group) between the Group and equity-accounted companies, excluding past gas purchases from OJSC Severneftegazprom, which were not based on market prices but on cost plus defined margin.

Transactions with equity-accounted investments – Sales and trade receivables

In EUR mn

	2023		2022	
	Sales and other income	Trade receivables	Sales and other income	Trade receivables
Abu Dhabi Oil Refining Company	1	1	2	2
ADNOC Global Trading LTD	4	0	3	1
Bayport Polymers LLC	6	3	8	3
Borouge investments[1]	519	106	677	151
Borouge 4 LLC	6	2	—	—
Recelerate GmbH	3	0	—	—
EEX CEGH Gas Exchange Services GmbH	1	0	1	0
Erdöl-Lagergesellschaft m.b.H.	148	—	119	59
GENOL Gesellschaft m.b.H.	138	22	141	22
Kilpilahden Voimalaitos Oy	4	0	8	0
Société d'Intérêt Collectif Agricole Laignes Agrifluides (SICA Laignes Agrifluides)[2]	1	—	5	—
Total	**833**	**135**	**963**	**237**

[1] Including Borouge PLC and Borouge Pte. Ltd in 2023 as well as Abu Dhabi Polymers Company Limited (Borouge) in 2022. For more details, see Note 18 – Equity-accounted investments.

[2] Deconsolidated on July 5, 2023, as part of the Borealis nitrogen business unit sale. For further information, please refer to Note 4 – Changes in Group structure.

Additional sales transactions in the amount of EUR 51 mn took place with Erdöl-Lagergesellschaft m.b.H., which are not disclosed in the above table as netting with expenses was applied in the income statement.

Transactions with equity-accounted investments – Purchases and trade payables

In EUR mn

	2023		2022	
	Purchases and services received	Trade payables	Purchases and services received	Trade payables
ADNOC Global Trading LTD	—	—	32	—
Bayport Polymers LLC	1	—	—	0
Borouge investments[1]	377	91	416	88
Recelerate GmbH	3	0	—	—
Chemiepark Linz Betriebsfeuerwehr GmbH[2]	2	—	3	0
Deutsche Transalpine Oelleitung GmbH	30	3	48	7
EPS Ethylen-Pipeline-Süd GmbH & Co KG	3	—	3	—
Erdöl-Lagergesellschaft m.b.H.	60	28	208	27
GENOL Gesellschaft m.b.H.	11	1	10	2
Kilpilahden Voimalaitos Oy	99	0	116	—
Neochim AD[2]	—	—	5	—
OJSC Severneftegazprom[3]	—	—	24	—
PetroPort Holding AB	4	0	4	0
Società Italiana per l'Oleodotto Transalpino S.p.A.	4	0	2	0
Salzburg Fuelling GmbH	2	0	—	—
Total	**596**	**125**	**873**	**124**

[1] Including Borouge PLC and Borouge Pte. Ltd in 2023 and Abu Dhabi Polymers Company Limited (Borouge) in 2022. For more details, see Note 18 – Equity-accounted investments.

[2] Deconsolidated on July 5, 2023, as part of the Borealis nitrogen business unit sale. For further information, please refer to Note 4 – Changes in Group structure.

[3] OJSC Severneftegazprom was deconsolidated on March 1, 2022, and reclassified to other investments at fair value through profit or loss (FVTPL).

Dividends distributed from equity-accounted investments

In EUR mn

	2023	2022
Abu Dhabi Oil Refining Company	206	116
Abu Dhabi Petroleum Investments LLC	23	5
ADNOC Global Trading LTD	96	43
Borouge investments[1]	455	592
Deutsche Transalpine Oelleitung GmbH	1	1
EEX CEGH Gas Exchange Services GmbH	1	1
GENOL Gesellschaft m.b.H.	1	0
Neochim AD[2]	1	1
Pearl Petroleum Company Limited	—	41
Società Italiana per l'Oleodotto Transalpino S.p.A.	1	1
Transalpine Ölleitung in Österreich Gesellschaft m.b.H.	1	1
Dividend distributed from equity-accounted investments	**787**	**803**

[1] Including Borouge PLC and Borouge Pte. Ltd in 2023 and Abu Dhabi Polymers Company Limited (Borouge) in 2022. For more details, see Note 18 – Equity-accounted investments.

[2] Deconsolidated on July 5, 2023, as part of the Borealis nitrogen business unit sale. For further information, please refer to Note 4 – Changes in Group structure

Other balances with equity-accounted investments

In EUR mn

	2023	2022
Kilpilahden Voimalaitos Oy	52	40
Bayport Polymers LLC	701	657
Borouge 4 LLC	155	—
Loan receivables	**909**	**697**
Bayport Polymers LLC	24	29
Freya Bunde-Etzel GmbH & Co. KG	8	8
C2PAT GmbH	1	—
Other financial receivables	**33**	**37**
Borouge investments[1]	8	8
Contract assets	**8**	**8**
Kilpilahden Voimalaitos Oy	11	11
Renasci N.V.	—	10
Advance payments	**11**	**21**
C2PAT GmbH & Co KG[2]	—	1
Bayport Polymers LLC	91	28
Borouge 4 LLC	1	—
Other financial liabilities	**92**	**29**
Erdöl-Lagergesellschaft m.b.H.	79	100
Contract liabilities	**79**	**100**
Erdöl-Lagergesellschaft m.b.H.	—	27
Other non-financial liabilities	**—**	**27**

[1] Including Borouge PLC and Borouge Pte. Ltd in 2023 and Abu Dhabi Polymers Company Limited (Borouge) in 2022. For more details, see Note 18 – Equity-accounted investments.

[2] Entity was deconsolidated on December 31, 2023. For more details, see Note 40 – Direct and indirect Investments of OMV Aktiengesellschaft.

As of December 31, 2023, undrawn financial commitments to Borouge 4 LLC totaling EUR 818 mn originated from a shareholder loan agreement (SHL) entered into on February 3, 2023, with Borealis AG as the lender and Borouge 4 LLC as the borrower to part finance the Borouge 4 CAPEX requirements of Borouge 4 LLC. EUR 148 mn out of the total EUR 967 mn commitment was drawn in 2023. The SHL is structured as a facility with a five-year tenor. Borealis retains the right to accelerate the repayment of the outstanding amounts at the point of reintegration into Borouge PLC. Furthermore, Borealis AG granted a guarantee for the funding of Borouge 4 LLC under the Italian Export Credit Agency agreement. The total guarantee amounts to EUR 1,155 mn plus interest. Based on the already drawn financing by Borouge 4 LLC, the guaranteed amount as of December 31, 2023 totaled EUR 536 mn plus interest.

Furthermore, Borealis granted a guarantee for a Revolving Credit Facility (RCF) used by Bayport Polymers LLC as a liquidity instrument to conduct its ordinary course of business, which was fully utilized at year-end. The maximum amount of the credit facility is EUR 181 mn plus interest, of which 50% (EUR 90 mn plus interest) is guaranteed by Borealis, while the remaining EUR 90 mn plus interest is guaranteed by the joint venture partner TotalEnergies.

In 2022, Bayport Polymers LLC repaid a loan to the Group, which was fully financed by two tranches of senior notes. Borealis provided a parental guarantee to Bayport Polymers LLC of EUR 588 mn plus interest for the full amount of the senior notes. Additionally, in 2022 Borealis provided a parental guarantee for the lease of railcars by Bayport Polymers LLC with a maximum exposure of EUR 20 mn (2022: EUR 15 mn).

Due to additional loan drawings, no undrawn financing commitments to Bayport Polymers LLC (December 31, 2022: EUR 46 mn) and Kilpilahden Voimalaitos Oy (December 31, 2022: EUR 10 mn) were reported as of December 31, 2023.

In 2023, a capital contribution to Bayport Polymers LLC amounting to EUR 92 mn was granted, of which EUR 68 mn was unpaid as of December 31, 2023, and shown as other financial liabilities.

The contract liabilities towards Erdöl-Lagergesellschaft m.b.H. are related to a long-term contract for rendering of services. In Q1/23, a non-financial liability toward

Erdöl-Lagergesellschaft m.b.H. in the amount of EUR 27 mn was settled via returning goods.

Government-related entities

Based on the OMV ownership structure, the Republic of Austria has an indirect relationship with OMV via ÖBAG and is therefore, together with companies under the control of the Republic of Austria, considered a related party. In its normal course of business, OMV has arm's length transactions mainly with Österreichische Post Aktiengesellschaft, VERBUND AG, Österreichische Bundesbahnen-Holding Aktiengesellschaft, Bundesbeschaffung GmbH, and their subsidiaries.

Via MPPH, OMV has an indirect relationship with the Emirate of Abu Dhabi, which, together with the companies under the control of Abu Dhabi, is also considered a related party. In 2023, there were supplies of goods and services, for instance to Compañía Española Distribuidora de Petróleos, S.A. (CEPSA), Abu Dhabi Company for Offshore Petroleum Operations Ltd, NOVA Chemicals Corporation (NOVA), and Abu Dhabi National Oil Company (ADNOC). Furthermore, OMV cooperates with ADNOC in several Exploration & Production arrangements and closed strategic equity partnerships with ADNOC, covering both the ADNOC Refining business and a Trading joint venture.

Key management personnel compensation

Remuneration received by active members of the Executive Board as of December 31, 2023

In EUR mn

	2023					
	Stern	Florey	Gaso[4]	van Koten	Vlad[8]	**Total**
Short-term benefits	**2.16**	**1.83**	**1.24**	**1.31**	**0.86**	**7.39**
Fixed (base salary)	0.99	0.81	0.50	0.58	0.53	**3.41**
Fixed (one-off payment)	—	—	0.63[5]	—	0.26[9]	**0.89**
Variable (cash bonus)[1]	1.16	0.97	—	0.70	—	**2.83**
Benefits in kind[2]	0.01	0.05[3]	0.11[6]	0.03[7]	0.07[10]	**0.26**
Post-employment benefits	**0.25**	**0.20**	**0.13**	**0.14**	**0.13**	**0.86**
Pension fund contributions	0.25	0.20	0.13	0.14	0.13	**0.86**
Share-based benefits	**0.68**	**1.04**	**—**	**0.31**	**—**	**2.04**
Variable (Equity Deferral 2022)	0.68	0.57	—	0.31	—	**1.56**
Variable (LTIP 2020)	—	0.48	—	—	—	**0.48**
Remuneration received by the Executive Board	**3.09**	**3.07**	**1.37**	**1.76**	**0.99**	**10.28**

[1] The variable components relate to target achievement in 2022, for which bonuses were paid in 2023.
[2] Including cash payments for allowances
[3] Including schooling costs and related taxes
[4] Berislav Gaso joined the Executive Board on March 1, 2023.
[5] Berislav Gaso received a compensation payment for forfeited remuneration in the 2023 financial year in settlement of the variable remuneration that was demonstrably forfeited due to the transfer from the MOL Group to OMV Aktiengesellschaft.
[6] Including relocation, rental costs, and related taxes
[7] Including car allowances
[8] Daniela Vlad joined the Executive Board on February 1, 2023.
[9] Daniela Vlad received a compensation payment for forfeited remuneration in the 2023 financial year in settlement of the variable remuneration that was demonstrably forfeited due to the transfer from AkzoNobel N.V. to OMV Aktiengesellschaft.
[10] Including relocation, rental costs, and related taxes

Remuneration received by former members of the Executive Board as of December 31, 2023

In EUR mn

	2023				
	Pleininger[3]	Skvortsova[5]	Seele[7]	Gangl[8]	Total
Short-term benefits	**1.52**	**1.04**	**0.72**	**—**	**3.28**
Fixed (base salary)	0.25	0.26	—	—	**0.51**
Fixed (one-off payment)	0.27[4]	—	—	—	**0.27**
Variable (cash bonus)[1]	1.00	0.70	0.72	—	**2.42**
Benefits in kind[2]	0.00	0.08[6]	—	—	**0.08**
Post-employment benefits	**0.12**	**0.07**	**—**	**—**	**0.19**
Pension fund contributions	0.12	0.07	—	—	**0.19**
Share-based benefits	**1.26**	**0.55**	**2.16**	**0.44**	**4.40**
Variable (Equity Deferral 2022)	0.65	0.31	0.32	—	**1.27**
Variable (LTIP 2020)	0.61	0.24	1.84	0.44	**3.13**
Remuneration received by former Executive Board members	**2.90**	**1.66**	**2.88**	**0.44**	**7.87**

[1] The variable components relate to target achievement in 2022, for which bonuses were paid in 2023.
[2] Including cash payments for allowances
[3] Johann Pleininger resigned from the Executive Board effective December 31, 2022 and his contract ended on April 30, 2023.
[4] Johann Pleininger received compensation for the shortened phase-out period for the period from May 1 until August 31, 2023.
[5] Elena Skvortsova resigned from the Executive Board effective October 31, 2022 and her contract ended on June 14, 2023.
[6] Including rental, advisory costs, and related taxes
[7] Rainer Seele resigned from the Executive Board effective August 31, 2021 and his contract ended on June 30, 2022.
[8] Thomas Gangl resigned from the Executive Board effective March 31, 2021.

Remuneration received by the Executive Board

In EUR mn

	2022								
	active members of the Executive Board as of December 31, 2022				former members of the Executive Board				
	Stern	Pleininger[2]	Florey	van Koten	Skvortsova[4]	Seele[6]	Gangl[7]	Leitner[9]	**Total**
Short-term benefits	**1.59**	**1.47**	**1.55**	**0.85**	**1.16**	**1.57**	**0.12**	**—**	**8.32**
Fixed (base salary)	0.99	0.75	0.81	0.58	0.58	0.55	—	—	**4.25**
Variable (cash bonus)[1]	0.59	0.71	0.69	0.25	0.50	1.02	0.12	—	**3.87**
Benefits in kind	0.01	0.01	0.05[3]	0.03	0.09[5]	0.01	—	—	**0.20**
Post-employment benefits	**0.25**	**0.19**	**0.20**	**0.14**	**0.14**	**0.14**	**—**	**—**	**1.06**
Pension fund contributions	0.25	0.19	0.20	0.14	0.14	0.14	—	—	**1.06**
Share-based benefits	**0.29**	**1.33**	**1.03**	**0.10**	**0.21**	**3.13**	**0.37**	**0.70**	**7.16**
Variable (Equity Deferral 2021)	0.29	0.44	0.34	0.10	0.21	0.43	0.05	—	**1.85**
Variable (LTIP 2019)	—	0.90	0.70	—	—	2.70	0.32[8]	0.70	**5.31**
Remuneration received by the Executive Board	**2.12**	**3.00**	**2.78**	**1.10**	**1.51**	**4.84**	**0.49**	**0.70**	**16.54**

[1] The variable components relate to target achievement in 2021, for which bonuses were paid in 2022.
[2] Johann Pleininger resigned from the Executive Board effective December 31, 2022 and his contract ended on April 30, 2023.
[3] Including schooling costs and related taxes
[4] Elena Skvortsova resigned from the Executive Board effective October 31, 2022 and her contract ended on June 14, 2023.
[5] Including rental, storage costs, and related taxes
[6] Rainer Seele resigned from the Executive Board effective August 31, 2021 and his contract ended on June 30, 2022.
[7] Thomas Gangl resigned from the Executive Board effective March 31, 2021.
[8] Thomas Gangl received additionally a cash payment in the amount of EUR 0.08 mn based on the Senior Manager LTIP 2019.
[9] Manfred Leitner resigned from the Executive Board effective June 30, 2019.

Remuneration received by top executives (excl. Executive Board)[1]

In EUR mn

	2023	2022
Salaries and bonuses	28.5	25.1
Pension fund contributions	1.5	1.4
Other post-employment benefits including termination benefits	2.5	1.1
Share-based benefits	6.4	5.8
Other long-term benefits	0.1	1.2
Remuneration received by top executives (excl. Executive Board)[2]	**39.0**	**34.6**

[1] In 2023, there were on average 51 top executives (2022: 47) based on the months of service in the Group.

[2] 2022 included remuneration of Martijn van Koten for his previous function as Executive Board member of the Borealis Group

The members of the Executive Board and the members of the Supervisory Board are covered by directors and officers liability insurance (D&O) and criminal legal expenses 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.

See Note 34 – Share-based payments for details on Long-Term Incentive Plans and Equity Deferral.

In 2023, remuneration expenses for the Supervisory Board amounted to EUR 1.0 mn (2022: EUR 1.1 mn).

38 Unconsolidated structured entities

OMV sells trade receivables in a securitization program to Carnuntum DAC, based in Dublin, Ireland. Although OMV continues to service the receivables, OMV does not control Carnuntum Ltd. OMV performs the collection of the receivables strictly according to the defined Credit & Collection Policy and any decisions related to overdue receivables may only be taken by the Purchaser. In 2023, OMV transferred trade receivables amounting to EUR 6,032 mn to Carnuntum DAC (2022: EUR 5,746 mn).

As of December 31, 2023, OMV held seller participation notes amounting to EUR 137 mn (2022: EUR 168 mn) and complementary notes amounting to EUR 108 mn (2022: EUR 105 mn) in Carnuntum DAC shown in other financial assets. As of December 31, 2023, the maximum exposure to loss from the securitization program was EUR 187 mn (2022: EUR 196 mn).

The seller participation notes are senior to a loss reserve and third-party investor participation. The complementary notes are senior to seller participation notes and are of the same seniority as the senior notes issued by the program. The risk retained by the OMV Group is insignificant and therefore the trade receivables sold are derecognized in their entirety. The receivables are sold at their nominal amount less a discount. The discount was recognized in profit or loss and amounted in total to EUR 53 mn in 2023 (2022: EUR 37 mn). Interest income on the notes held in Carnuntum DAC amounted to EUR 12 mn in 2023 (2022: EUR 5 mn). In addition, OMV received a service fee for the debtor management services provided for the receivables sold.

39 Subsequent events

On January 31, 2024, following a competitive bidding process, OMV signed an agreement to divest its 50% shareholding in Malaysia's SapuraOMV Upstream Sdn. Bhd. to TotalEnergies Holdings SAS for an overall cash consideration of USD 903 mn. This amount includes the full repayment of the outstanding USD 350 mn shareholder loan granted by OMV to SapuraOMV, as well as net working capital and other elements, with the consideration being subject to closing adjustments (Economic Effective Date December 31, 2022). The divestment is anticipated to close around the end of the first half of 2024, and will be subject to regulatory approvals in particular. The remaining 50% interest is held by SapuraEnergy.

40 Direct and indirect investments of OMV Aktiengesellschaft

Changes in the consolidated group

Name of company	Registered Office	Type of Change[1]	Effective date
Chemicals & Materials			
Rosier France S.A.S.	Arras	Deconsolidation	January 2, 2023
Rosier Nederland B.V.	Sas van Gent	Deconsolidation	January 2, 2023
Rosier S.A.	Moustier	Deconsolidation	January 2, 2023
BlueAlp Holding B.V.[2]	Groot-Ammers	First consolidation (S)	January 11, 2023
Renasci Oostende Holding N.V.	Ostend	First consolidation (S)	January 11, 2023
Renasci Oostende Recycling N.V.	Ostend	First consolidation (S)	January 11, 2023
Renasci Oostende SCP N.V.	Ostend	First consolidation (S)	January 11, 2023
Renasci N.V.	Ostend	Increase in shares[3]	January 11, 2023
Petrogas International B.V.[2]	Eindhoven	First consolidation (S)	January 11, 2023
Borealis Agrolinz Melamine Deutschland GmbH	Wittenberg	Deconsolidation	July 5, 2023
Borealis Agrolinz Melamine GmbH	Linz	Deconsolidation	July 5, 2023
Borealis Chimie S.A.S.	Courbevoie	Deconsolidation	July 5, 2023
Borealis L.A.T doo, Beograd	Belgrade	Deconsolidation	July 5, 2023
Borealis L.A.T France S.A.S.	Courbevoie	Deconsolidation	July 5, 2023
Borealis L.A.T GmbH	Linz	Deconsolidation	July 5, 2023
Borealis Produits et Engrais Chimiques du Rhin S.A.S.	Ottmarsheim	Deconsolidation	July 5, 2023
Feboran EOOD	Sofia	Deconsolidation	July 5, 2023
Neochim AD[2]	Dimitrovgrad	Deconsolidation	July 5, 2023
Kilpilahden Voimalaitos Oy[2]	Porvoo	First consolidation (I)	September 30, 2023
Circular Feedstock Walldürn GmbH	Walldürn	First consolidation (A)	October 6, 2023
Rialti S.p.A.	Taino	First consolidation (A)	October 31, 2023
Fuels & Feedstock			
OMV Renewable Fuels & Feedstock B.V.	Beveren	First consolidation	April 20, 2023
Avanti Deutschland GmbH	Berchtesgaden	Deconsolidation	May 31, 2023
OMV Switzerland Holding AG	Zug	Deconsolidation (I)	June 30, 2023
OMV SLOVENIJA trgovina z nafto in naftnimi derivati, d.o.o.	Koper	Deconsolidation	June 30, 2023
Energy			
Preussag Energie International GmbH	Burghausen	Deconsolidation (I)	June 30, 2023
POSEIDON EXL 005 ANS[4]	Lysaker	First consolidation	July 17, 2023
Deeep Tiefengeothermie GmbH[4]	Vienna	First consolidation	October 20, 2023
Assigned to multiple segments			
C2PAT GmbH & Co KG[2]	Vienna	Deconsolidation (M)	December 31, 2023

[1] "First consolidation" refers to newly formed companies, "First consolidation (A)" indicates the acquisition of a company, "First consolidation (S)" refers to companies included in the consolidation scope due to change in ownership of the parent company, and companies marked with "First consolidation (I)" have been included in the consolidation after originally not being consolidated due to immateriality. "Deconsolidation" refers to companies that have been excluded from the Group investments following a sale, "Deconsolidation (I)" refers to companies that were deconsolidated due to immateriality while "Deconsolidation (M)" refers to companies that were deconsolidated following a merger into another Group company.

[2] Company (previously) consolidated at-equity

[3] Interest in Renasci N.V. increased from 27.42% to 50.01% which led to the change in the consolidation method from at-equity to full consolidation, and then further to 98.56%. This also led to the addition of multiple entities to the consolidated group, these entities are marked with "First consolidation (S)" in the table. For further details please refer to the paragraph below.

[4] POSEIDON EXL 005 ANS and Deeep Tiefengeothermie GmbH have been included in the consolidated Group as a joint operations and are accounted for accordingly.

On January 11, 2023, Borealis further increased its stake in Renasci N.V. (Renasci) from 27.42% to 50.01%. Following the step acquisition, Borealis has the majority of shares, all with the same rights. Borealis obtained power and control of Renasci due to the fact that the relevant activities are directed by voting rights and that the veto rights are protective rights according to IFRS 10. As a result, Borealis obtained control of Renasci in line with IFRS 10, which led to the discontinuation of the use of the equity method according to IAS 28 and the application of the rules for business combination according to IFRS 3. On November 30, 2023, Borealis acquired an additional stake of 48.55% of the shares in Renasci, leading to a total shareholding of 98.56%.

For further information on major disposals refer to Note 4 – Changes in Group structure.

Number of consolidated companies

	2023			2022		
	Full consolidation	Equity consolidation	Joint operation[1]	Full consolidation	Equity consolidation	Joint operation[1]
January 1	**123**	**23**	**4**	**136**	**22**	**—**
Included for the first time	6	3	2	5	3	4
Change in consolidation type	1	–1	—	—	—	—
Deconsolidated during the year	–15	–2	—	–18	–2	—
December 31	**115**	**23**	**6**	**123**	**23**	**4**
thereof domiciled and operating abroad	82	18	5	88	17	4
thereof domiciled in Austria and operating abroad	10	—	—	10	—	—

[1] Accounting for OMV's share of assets, obligations for liabilities, share of income and expenses

List of investments

List of subsidiaries, equity-accounted investments, and other investments of OMV Aktiengesellschaft with an interest of at least 20%

	Parent company	**Type of consolidation[1]**	**Equity interest in % as of December 31, 2023**	Equity interest in % as of December 31, 2022
Chemicals & Materials				
AGRIPRODUITS S.A.S., Courbevoie (BAGRFR)	BCHIFR	NC	—	100.00
AZOLOR S.A.S., Bras-sur-Meuse	BCHIFR	NC-I	—	34.00
Bayport Polymers LLC, Pasadena[2]	BNOVUS	AEJ	50.00	50.00
BlueAlp Holding B.V., Groot-Ammers	BRENBE	AEA	21.25	
Borealis AB, Stenungsund (BABSWE)	BSVSWE	C	100.00	100.00
Borealis AG, Vienna (BORAAG)	BHOLAT	C	39.00	39.00
	OMVRM		32.67	32.67
	OMV AG		3.33	3.33
Borealis Agrolinz Melamine Deutschland GmbH, Wittenberg	BORAAG	C	—	100.00
Borealis Agrolinz Melamine GmbH, Linz (BAGMAT)	BORAAG	C	—	100.00
Borealis Antwerpen N.V., Zwijndrecht	BPOBE	C	—	90.00
	BORAAG		100.00	10.00
Borealis Argentina SRL, Buenos Aires	BORAAG	NC	98.00	98.00
	BSVSWE		2.00	2.00
BOREALIS ASIA LIMITED, Hong Kong	BORAAG	NC	100.00	100.00
Borealis BoNo Holdings LLC, Houston (BBNHUS)[2]	BUS	C	100.00	100.00
Borealis Brasil S.A., Itatiba	BORAAG	C	80.00	80.00
BOREALIS CHEMICALS ZA (PTY) LTD, Germiston	BORAAG	NC	100.00	100.00
Borealis Chile SpA, Santiago	BORAAG	NC	100.00	100.00

List of subsidiaries, equity-accounted investments, and other investments of OMV Aktiengesellschaft with an interest of at least 20%

	Parent company	Type of consoli-dation[1]	Equity interest in % as of December 31, 2023	Equity interest in % as of December 31, 2022
Borealis Chimie S.A.R.L., Casablanca	BORAAG	NC	100.00	100.00
Borealis Chimie S.A.S., Courbevoie (BCHIFR)	BFR	C	—	100.00
Borealis Circular Solutions Holding GmbH, Vienna (BCIRC)	BORAAG	C	100.00	100.00
Borealis Colombia S.A.S., Bogota	BORAAG	NC	100.00	100.00
Borealis Compounds Inc., Houston (BCOMUS)	BUS	C	100.00	100.00
Borealis Denmark ApS, Copenhagen	BORAAG	NC	100.00	100.00
Borealis Digital Studio B.V., Zaventem	BORAAG	NC	100.00	90.00
	BPOBE		—	10.00
Borealis Financial Services N.V., Mechelen	BORAAG	C	100.00	100.00
	BSVSWE		—	0.00
Borealis France S.A.S., Courbevoie (BFR)	BORAAG	C	100.00	100.00
Borealis Group Services AS, Bamble	BABSWE	C	100.00	100.00
Borealis Insurance A/S (captive insurance company), Copenhagen	BORAAG	C	100.00	100.00
Borealis ITALIA S.p.A., Monza	BORAAG	C	100.00	100.00
Borealis Kallo N.V., Kallo	BORAAG	C	100.00	0.06
	BPOBE		—	99.94
Borealis L.A.T Belgium B.V., Beringen	BLATAT	NC	—	100.00
Borealis L.A.T Bulgaria EOOD, Sofia	BLATAT	NC	—	100.00
Borealis L.A.T Czech Republic s.r.o., České Budějovice	BLATAT	NC	—	100.00
Borealis L.A.T doo, Beograd, Belgrade	BLATAT	C	—	100.00
Borealis L.A.T France S.A.S., Courbevoie	BFR	C	—	100.00
Borealis L.A.T GmbH, Linz (BLATAT)	BORAAG	C	—	100.00
Borealis L.A.T Greece Single Member P.C., Athens	BLATAT	NC	—	100.00
Borealis L.A.T Hrvatska d.o.o., Klisa	BLATAT	NC	—	100.00
Borealis L.A.T Hungary Kft., Budapest	BLATAT	NC	—	100.00
Borealis L.A.T Italia s.r.l., Milan	BORAAG	NC	—	100.00
Borealis L.A.T Polska Sp. z o.o., Warsaw	BLATAT	NC	—	100.00
Borealis L.A.T Romania s.r.l., Bucharest	BLATAT	NC	—	100.00
Borealis L.A.T Slovakia s.r.o., Chotin	BLATAT	NC	—	100.00
Borealis México, S.A. de C.V., Mexico City	BORAAG	NC	100.00	100.00
	BCOMUS		0.00	0.00
Borealis Middle East Holding GmbH, Vienna (BORMEH)	BORAAG	C	100.00	100.00
Borealis Plasticos, S.A. de C.V., Mexico City	BORAAG	NC	100.00	100.00
	BABSWE		—	0.00
	BCOMUS		0.00	
Borealis Plastik ve Kimyasal Maddeler Ticaret Limited Sirketi, Istanbul	BORAAG	NC	100.00	100.00
Borealis Plastomers B.V., Geleen	BORAAG	C	100.00	100.00
Borealis Poliolefinas da América do Sul Ltda., Itatiba	BORAAG	NC	99.99	99.99
	BSVSWE		0.01	0.01
Borealis Polska Sp. z o.o., Warsaw	BORAAG	NC	100.00	100.00
Borealis Polymere GmbH, Burghausen (BPODE)	BORAAG	C	100.00	100.00
Borealis Polymers N.V., Beringen (BPOBE)	BORAAG	C	100.00	100.00
	BSVSWE		—	0.00
Borealis Polymers Oy, Porvoo	BORAAG	C	100.00	100.00
Borealis Polyolefine GmbH, Schwechat (BPOAT)	BORAAG	C	100.00	100.00
	BSVSWE		0.00	0.00
Borealis Polyolefins d.o.o., Zagreb	BORAAG	NC	100.00	100.00
Borealis Polyolefins S.R.L., Bucharest	BORAAG	NC	100.00	100.00
Borealis Polyolefins s.r.o., Bratislava	BORAAG	NC	100.00	100.00

List of subsidiaries, equity-accounted investments, and other investments of OMV Aktiengesellschaft with an interest of at least 20%

	Parent company	Type of consoli-dation[1]	Equity interest in % as of December 31, 2023	Equity interest in % as of December 31, 2022
Borealis Produits et Engrais Chimiques du Rhin S.A.S., Ottmarsheim	BFR	C	—	100.00
Borealis Química España S.A., Barcelona	BORAAG	C	100.00	100.00
Borealis RUS LLC, Moscow	BORAAG	NC	100.00	100.00
Borealis s.r.o., Prague	BORAAG	NC	100.00	100.00
Borealis Services S.A.S., Paris	BFR	NC	100.00	100.00
Borealis Sverige AB, Stenungsund (BSVSWE)	BORAAG	C	100.00	100.00
Borealis Technology Oy, Porvoo	BORAAG	C	100.00	100.00
BOREALIS UK LTD, Manchester	BORAAG	C	100.00	100.00
Borealis USA Inc., Houston (BUS)	BORAAG	C	100.00	100.00
Borouge 4 LLC, Abu Dhabi	BORMEH	AEJ	40.00	40.00
Borouge PLC, Abu Dhabi (BOROLC)	BORMEH	AEJ	36.00	36.00
Borouge Pte. Ltd., Singapore	BOROLC	AEJ	84.75	84.75
	BORMEH		15.25	15.25
Chemiepark Linz Betriebsfeuerwehr GmbH, Linz	BAGMAT	NC-I	—	47.50
Circular Feedstock Walldürn GmbH, Walldürn[3]	OMVD	C	89.90	
DYM SOLUTION CO., LTD, Cheonan	BORAAG	C	100.00	99.75
Ecoplast Kunststoffrecycling GmbH, Wildon	BORAAG	C	100.00	100.00
EPS Ethylen-Pipeline-Süd Geschäftsführungs GmbH, Munich	OMVD	NC-I	15.46	15.46
	BPODE		7.73	7.73
EPS Ethylen-Pipeline-Süd GmbH & Co KG, Munich	OMVD	AEA	20.66	20.66
	BPODE		10.33	10.33
Etenförsörjning i Stenungsund AB, Stenungsund	BABSWE	C	80.00	80.00
Feboran EOOD, Sofia (BFEBGR)	BORAAG	C	—	100.00
Franciade Agrifluides S.A.S. (FASA), Blois	BCHIFR	NC-I	—	40.00
	BAGRFR		—	9.98
Hallbar Kemi i Stenungsund, Stenungsund	BABSWE	NC-I	20.00	20.00
Industrins Räddningstjänst i Stenungsund AB, Stenungsund	BABSWE	NC-I	25.00	25.00
KB Munkeröd 1:72, Stenungsund	BABSWE	NC	100.00	100.00
	BSVSWE		0.00	0.00
Kilpilahden Voimalaitos Oy, Porvoo[4]	BORAAG	AEA	20.00	20.00
mtm compact GmbH, Niedergebra	BORAAG	C	100.00	100.00
mtm plastics GmbH, Niedergebra	BORAAG	C	100.00	100.00
Neochim AD, Dimitrovgrad	BFEBGR	AEA	—	20.30
Novealis Holdings LLC, Houston (BNOVUS)	BBNHUS	C	50.00	50.00
	BSBHUS		50.00	50.00
OMV Borealis Holding GmbH, Vienna (BHOLAT)	OMVRM	C	100.00	100.00
Petrogas International B.V., Eindhoven	BRENBE	AEA	25.00	
PetroPort Holding AB, Stenungsund	BABSWE	AEJ	50.00	50.00
Recelerate GmbH, Herborn	BORAAG	NC-I	50.00	50.00
Renasci N.V., Ostend (BRENBE)[4]	BCIRC	C	98.56	27.42
Renasci Oostende Holding N.V., Ostend (BRHOBE)	BRENBE	C	100.00	
Renasci Oostende Recycling N.V., Ostend	BRHOBE	C	100.00	
Renasci Oostende SCP N.V., Ostend	BRHOBE	C	100.00	
Rialti S.p.A., Taino	BORAAG	C	100.00	
Rosier France S.A.S., Arras	BROSBE	C	—	100.00
Rosier Nederland B.V., Sas van Gent	BROSBE	C	—	100.00
Rosier S.A., Moustier (BROSBE)	BORAAG	C	—	98.09
Société d'Intérêt Collectif Agricole Laignes Agrifluides (SICA Laignes Agrifluides), Monéteau	BCHIFR	NC-I	—	39.97
	BAGRFR		—	9.93

List of subsidiaries, equity-accounted investments, and other investments of OMV Aktiengesellschaft with an interest of at least 20%

	Parent company	Type of consoli-dation[1]	Equity interest in % as of December 31, 2023	Equity interest in % as of December 31, 2022
Société d'Intérêt Collectif Agricole par Actions Simplifiée de Gouaix (SICA de Gouaix), Paris	BCHIFR	NC-I	—	25.00
	BLATAT		—	0.00
Star Bridge Holdings LLC, Port Murray (BSBHUS)[2]	BUS	C	100.00	100.00
STOCKAM G.I.E., Grand-Quevilly	BCHIFR	NC	—	99.00
	BAGRFR		—	1.00
Fuels & Feedstock				
Abu Dhabi Oil Refining Company, Abu Dhabi	OMVRM	AEA	15.00	15.00
Abu Dhabi Petroleum Investments LLC, Abu Dhabi (ADPINV)	OMVRM	AEJ	25.00	25.00
ADNOC Global Trading LTD, Abu Dhabi	OMVRM	AEA	15.00	15.00
Aircraft Refuelling Company GmbH, Vienna	OMVRM	NC-I	33.33	33.33
Autobahn - Betriebe Gesellschaft m.b.H., Vienna	OMVRM	NC-I	47.19	47.19
Avanti Deutschland GmbH, Berchtesgaden	OMVRM	C	—	100.00
BSP Bratislava-Schwechat Pipeline GmbH in Liqu., Vienna[5]	OMVRM	NC-I	26.00	26.00
BTF Industriepark Schwechat GmbH, Schwechat	BPOAT	NC	50.00	50.00
	OMVRM		50.00	50.00
Deutsche Transalpine Oelleitung GmbH, Munich	OMVD	AEA	32.26	32.26
DUNATÀR Köolajtermék Tároló és Kereskedelmi Kft., Budapest	OHUN	C	100.00	100.00
Erdöl-Lagergesellschaft m.b.H., Lannach[6]	OMVRM	AEA	55.60	55.60
GENOL Gesellschaft m.b.H., Korneuburg	OMVRM	AEA	29.00	29.00
KSW Beteiligungsgesellschaft m.b.H., Vienna (SWJS)	OMVRM	NC	—	100.00
KSW Elektro- und Industrieanlagenbau Gesellschaft m.b.H., Feldkirch	SWJS	NC-I	—	25.10
OMV - International Services Ges.m.b.H., Vienna	OMVRM	C	100.00	100.00
OMV BULGARIA OOD, Sofia	PETROM	C	99.90	99.90
	OMVRM		0.10	0.10
OMV Česká republika, s.r.o., Prague	OMVRM	C	100.00	100.00
OMV Deutschland Services GmbH, Burghausen (OMVDS)	OMVD	C	100.00	100.00
OMV Hungária Ásványolaj Korlátolt Felelösségü Társaság, Budapest (OHUN)	OMVRM	C	100.00	100.00
OMV PETROM Aviation S.R.L., Otopeni	PETROM	C	100.00	100.00
	ROMAN		0.00	0.00
OMV Petrom Biofuels SRL, Bucharest	PETROM	C	25.00	75.00
	OMVRM		75.00	25.00
OMV PETROM MARKETING SRL, Bucharest (ROMAN)	PETROM	C	100.00	100.00
OMV Refining & Marketing Middle East & Asia GmbH, Vienna	OMVRM	C	100.00	100.00
OMV Renewable Fuels & Feedstock B.V., Beveren	OMVRM	C	100.00	
OMV SLOVENIJA trgovina z nafto in naftnimi derivati, d.o.o., Koper	OMVRM	C	—	92.25
OMV Slovensko s.r.o., Bratislava	OMVRM	C	99.96	99.96
OMV SRBIJA d.o.o., Belgrade	PETROM	C	99.96	99.96
	OMVRM		0.04	0.04
OMV Supply & Trading Italia S.r.l., Trieste	OMVRM	C	100.00	100.00
OMV Supply & Trading Limited, London (OTRAD)	OMVRM	C	100.00	100.00
OMV Supply & Trading Singapore PTE LTD., Singapore	OTRAD	NC	100.00	100.00
OMV Switzerland Holding AG, Zug[4]	OGI	NC	100.00	100.00
Pak-Arab Refinery Limited, Karachi	ADPINV	AEJ	40.00	40.00
Petrom-Moldova S.R.L., Chisinau	PETROM	C	100.00	100.00
Routex B.V., Amsterdam	OMVRM	NC-I	20.00	20.00
Salzburg Fuelling GmbH, Salzburg[4]	OMVRM	NC-I	50.00	33.33

List of subsidiaries, equity-accounted investments, and other investments of OMV Aktiengesellschaft with an interest of at least 20%

	Parent company	Type of consoli-dation[1]	Equity interest in % as of December 31, 2023	Equity interest in % as of December 31, 2022
Società Italiana per l'Oleodotto Transalpino S.p.A., Trieste	OMVRM	AEA	32.26	32.26
SuperShop Marketing Korlátolt Felelősségű Társaság, Budapest	OHUN	NC-I	50.00	50.00
TGN Tankdienst-Gesellschaft Nürnberg GbR, Nuremberg	OMVD	NC-I	33.33	33.33
Transalpine Ölleitung in Österreich Gesellschaft m.b.H., Matrei in Osttirol	OMVRM	AEA	32.26	32.26
Energy				
Central European Gas Hub AG, Vienna (HUB)	OGI	C	65.00	65.00
Deeep Tiefengeothermie GmbH, Vienna	OGEO	PC	49.00	
EEX CEGH Gas Exchange Services GmbH, Vienna	HUB	AEA	49.00	49.00
Energy Infrastructure Limited, Wellington	NZEA	C	100.00	100.00
Energy Petroleum Holdings Limited, Wellington	NZEA	C	100.00	100.00
Energy Petroleum Investments Limited, Wellington	NZEA	C	100.00	100.00
Freya Bunde-Etzel GmbH & Co. KG, Bonn	OGSG	AEA	39.99	39.99
JSC GAZPROM YRGM Development, St. Petersburg[7]	OMVEP	NC-I	—	—
OJSC Severneftegazprom, Krasnoselkup	OMVEP	NC-I	24.99	24.99
OMV (Berenty) Exploration GmbH, Vienna	OMVEP	NC	100.00	100.00
OMV (IRAN) onshore Exploration GmbH, Vienna	OMVEP	C	100.00	100.00
OMV (Mandabe) Exploration GmbH, Vienna	OMVEP	NC	100.00	100.00
OMV (NAMIBIA) Exploration GmbH, Vienna	ONAFRU	NC	100.00	100.00
OMV (NORGE) AS, Stavanger (ONOR)	OMVEP	C	100.00	100.00
OMV (Tunesien) Production GmbH, Vienna	OMVEP	C	100.00	100.00
OMV (TUNESIEN) Sidi Mansour GmbH, Vienna	OMVEP	NC	100.00	100.00
OMV (Yemen Block S 2) Exploration GmbH, Vienna	OMVEP	C	100.00	100.00
OMV (YEMEN) Al Mabar Exploration GmbH, Vienna	OMVEP	NC	100.00	100.00
OMV (YEMEN) South Sanau Exploration GmbH, Vienna	OMVEP	NC	100.00	100.00
OMV Abu Dhabi E&P GmbH, Vienna	OMVEP	NC	100.00	100.00
OMV Abu Dhabi Offshore GmbH, Vienna	OMVEP	C	100.00	100.00
OMV Abu Dhabi Production GmbH, Vienna	OMVEP	C	100.00	100.00
OMV AUSTRALIA PTY LTD, Perth (OAUST)	OMV AG	C	100.00	100.00
OMV Austria Exploration & Production GmbH, Vienna (OEPA)	OMVEP	C	100.00	100.00
OMV Austria Geothermal GmbH, Vienna (OGEO)	OGREEN	C	100.00	100.00
OMV Barrow Pty Ltd, Perth	OAUST	NC	100.00	100.00
OMV Beagle Pty Ltd, Perth	OAUST	NC	100.00	100.00
OMV Beteiligungsverwaltungs GmbH, Vienna	OMV AG	NC	100.00	100.00
OMV Bina Bawi GmbH, Vienna	PETEX	NC	100.00	100.00
OMV Block 70 Upstream GmbH, Vienna	OMVEP	NC	100.00	100.00
OMV Croatia Geothermal GmbH, Vienna	OGREEN	NC	100.00	
OMV East Abu Dhabi Exploration GmbH, Vienna	OMVEP	NC	100.00	100.00
OMV Enerji Ticaret Anonim Şirketi, Istanbul[8]	OMVRM	C	100.00	100.00
OMV Exploration & Production GmbH, Vienna (OMVEP)	OMV AG	C	100.00	100.00
OMV EXPLORATION & PRODUCTION LIMITED, Douglas	OMVEP	NC	—	100.00
OMV Gas Logistics Holding GmbH, Vienna (OGI)	OMV AG	C	100.00	100.00
OMV Gas Marketing & Trading Belgium, Brussels	ECOGAS	C	100.00	100.00
OMV Gas Marketing & Trading Deutschland GmbH, Dusseldorf	ECOGAS	C	100.00	100.00
OMV Gas Marketing & Trading GmbH, Vienna (ECOGAS)	OMVRM	C	100.00	100.00
OMV Gas Marketing & Trading Hungária Kft., Budapest	ECOGAS	C	100.00	100.00
OMV Gas Marketing & Trading Italia S.r.l., Milan	ECOGAS	NC	100.00	100.00
OMV Gas Marketing Trading & Finance B.V., Amsterdam	OFS	C	100.00	100.00
OMV Gas Storage Germany GmbH, Cologne (OGSG)	OMVDS	C	100.00	100.00
OMV Gas Storage GmbH, Vienna	OGI	C	100.00	100.00

List of subsidiaries, equity-accounted investments, and other investments of OMV Aktiengesellschaft with an interest of at least 20%

	Parent company	Type of consoli-dation[1]	Equity interest in % as of December 31, 2023	Equity interest in % as of December 31, 2022
OMV Gaz Iletim A.S., Istanbul[8]	OMVRM	C	100.00	100.00
OMV Green Energy GmbH, Vienna (OGREEN)	OMVEP	C	100.00	100.00
OMV Jardan Block 3 Upstream GmbH, Vienna	OMVEP	NC	100.00	100.00
OMV Maurice Energy GmbH, Vienna	OMVEP	NC	100.00	100.00
OMV Middle East & Africa GmbH, Vienna	OMVEP	NC	100.00	100.00
OMV Myrre Block 86 Upstream GmbH, Vienna	OMVEP	NC	100.00	100.00
OMV New Zealand Limited, Wellington (NZEA)	OMVEP	C	100.00	100.00
OMV NZ Production Limited, Wellington	NZEA	C	100.00	100.00
OMV OF LIBYA LIMITED, Douglas	OMVEP	C	100.00	100.00
OMV Offshore (Namibia) GmbH, Vienna (ONAFRU)	OMVEP	NC	100.00	100.00
OMV Offshore Bulgaria GmbH, Vienna	PETROM	C	100.00	100.00
OMV Offshore Morondava GmbH, Vienna	OMVEP	NC	100.00	100.00
OMV Oil and Gas Exploration GmbH, Vienna	OMVEP	NC	100.00	100.00
OMV Oil Exploration GmbH, Vienna	OMVEP	C	100.00	100.00
OMV Oil Production GmbH, Vienna	OMVEP	C	100.00	100.00
OMV Orient Hydrocarbon GmbH, Vienna	OMVEP	NC	100.00	100.00
OMV Orient Upstream GmbH, Vienna	OMVEP	NC	100.00	100.00
OMV Petroleum Exploration GmbH, Vienna (PETEX)	OMVEP	NC	100.00	100.00
OMV Petroleum Pty Ltd, Perth	NZEA	NC	100.00	100.00
OMV PETROM E&P BULGARIA S.R.L., Bucharest	PETROM	C	100.00	100.00
OMV Petrom Energy Solution SRL, Bucharest	PETROM	NC	100.00	
OMV PETROM GEORGIA LLC, Tbilisi	PETROM	C	100.00	100.00
OMV Proterra GmbH, Vienna	OEPA	NC	100.00	100.00
OMV Russia Upstream GmbH, Vienna	OMVEP	C	100.00	100.00
OMV Upstream International GmbH, Vienna (OUPI)	OMVEP	C	100.00	100.00
Pearl Petroleum Company Limited, Road Town	OUPI	AEA	10.00	10.00
PEI Venezuela Gesellschaft mit beschränkter Haftung, Burghausen	OMVEP	NC	100.00	100.00
PETROM EXPLORATION & PRODUCTION LIMITED, Douglas	PETROM	NC	100.00	99.99
POSEIDON EXL 005 ANS, Lysaker	ONOR	PC	50.00	
Preussag Energie International GmbH, Burghausen[4]	OMVEP	NC	100.00	100.00
S. PARC FOTOVOLTAIC ISALNITA S.A., Târgu Jiu	PETROM	PC	50.00	50.00
S. PARC FOTOVOLTAIC ROVINARI EST S.A., Târgu Jiu	PETROM	PC	50.00	50.00
S. PARC FOTOVOLTAIC TISMANA 1 S.A., Târgu Jiu	PETROM	PC	50.00	50.00
S. SOLARIST TISMANA 2 S.A., Târgu Jiu	PETROM	PC	50.00	50.00
SapuraOMV Block 30, S. de R.L. de C.V., Mexico City	SEUPMY	C	99.00	99.00
	SEMXMY		1.00	1.00
SapuraOMV Upstream (Americas) Sdn. Bhd., Kuala Lumpur (SEAMMY)	SEUPMY	C	100.00	100.00
SapuraOMV Upstream (Australia) Sdn. Bhd., Kuala Lumpur (SEAUMY)	SEOCMY	C	100.00	100.00
SapuraOMV Upstream (Holding) Sdn. Bhd., Kuala Lumpur (SEUPMY)	SOUPMY	C	100.00	100.00
SAPURAOMV UPSTREAM (MALAYSIA) SDN. BHD., Kuala Lumpur	SEUPMY	C	100.00	100.00
SapuraOMV Upstream (Mexico) Sdn. Bhd., Kuala Lumpur (SEMXMY)	SEAMMY	C	100.00	100.00
SapuraOMV Upstream (NZ) Sdn. Bhd., Kuala Lumpur (SENZMY)	SEOCMY	C	100.00	100.00
SapuraOMV Upstream (Oceania) Sdn. Bhd., Kuala Lumpur (SEOCMY)	SEUPMY	C	100.00	100.00
SapuraOMV Upstream (Sarawak) Inc., Nassau	SEUPMY	C	100.00	100.00

List of subsidiaries, equity-accounted investments, and other investments of OMV Aktiengesellschaft with an interest of at least 20%

	Parent company	Type of consoli-dation[1]	Equity interest in % as of December 31, 2023	Equity interest in % as of December 31, 2022
SapuraOMV Upstream (Western Australia) Pty Ltd, Perth	SEAUMY	C	100.00	100.00
SapuraOMV Upstream JV Sdn. Bhd., Kuala Lumpur	SENZMY	NC	100.00	100.00
SapuraOMV Upstream Sdn. Bhd., Kuala Lumpur (SOUPMY)	OMVEP	C	50.00	50.00
Corporate & Other				
ASOCIATIA ROMANA PENTRU RELATIA CU INVESTITORII, Bucharest	PETROM	NC-I	20.00	20.00
Diramic Insurance Limited, Gibraltar	OMV AG	C	100.00	100.00
OMV Clearing und Treasury GmbH, Vienna	SNO	C	100.00	100.00
OMV Finance Services GmbH, Vienna (OFS)	SNO	C	100.00	100.00
OMV Finance Services NOK GmbH, Vienna	SNO	C	100.00	100.00
OMV Finance Solutions USD GmbH, Vienna	SNO	C	100.00	100.00
OMV Insurance Broker GmbH in Liqu., Vienna[5]	OMV AG	NC	100.00	100.00
OMV International Oil & Gas GmbH, Baar	OMV AG	C	100.00	100.00
OMV Petrom Global Solutions SRL, Bucharest	SNO	C	75.00	75.00
	PETROM		25.00	25.00
OMV Solutions GmbH, Vienna (SNO)	OMV AG	C	100.00	100.00
PETROMED SOLUTIONS SRL, Bucharest	PETROM	C	100.00	100.00
Assigned to multiple segments[9]				
C2PAT GmbH & Co KG, Vienna	BORAAG	AEJ	—	25.00
	OMVRM		—	25.00
C2PAT GmbH, Vienna	BORAAG	AEJ	25.00	25.00
	OMVRM		25.00	25.00
OMV Deutschland GmbH, Burghausen (OMVD)	OMVRM	C	90.00	90.00
	OMV AG		10.00	10.00
OMV Deutschland Marketing & Trading GmbH & Co. KG, Burghausen[10]	OMVD	C	99.99	99.99
	OMVDS		0.01	0.01
OMV Deutschland Operations GmbH & Co. KG, Burghausen	OMVD	C	99.99	99.99
	OMVDS		0.01	0.01
OMV Downstream GmbH, Vienna (OMVRM)	OMV AG	C	100.00	100.00
OMV PETROM SA, Bucharest (PETROM)	OMV AG	C	51.16	51.16

[1] Type of consolidation:
C Consolidated subsidiary
AEA Associated companies accounted at-equity
AEJ Joint venture accounted at-equity
PC Joint operation; accounting for OMV’s share of assets, obligations for liabilities, share of income and expenses
NC-I Other not consolidated investment; associated companies and joint ventures of relatively little importance to the assets and earnings of the consolidated financial statements
NC Not-consolidated subsidiary; shell or distribution companies of relative insignificance individually and collectively to the consolidated financial statements

[2] Incorporated in Wilmington

[3] Economic share 100.00%

[4] Type of consolidation was changed compared to 2022.

[5] Company’s legal name changed following the initiation of liquidation.

[6] Despite majority interest not being fully consolidated, but accounted for at-equity due to absence of control.

[7] Economic share 99.99%

[8] Segment assignment was changed compared to 2022.

[9] Assigned to the relevant segments in the segment reporting

[10] In the 2023 financial year, OMV Deutschland Marketing & Trading GmbH & Co. KG made use of the exemption provision for the preparation of the annual financial statement and director’s report, audit and disclosure pursuant to Section 264b HGB in conjunction with Section 325 HGB. The company's exemption is mentioned in its notes and published in the Federal Gazette with reference to this provision and an indication of the parent company.

All the companies that are not consolidated either have low business volumes or are distribution companies; the total sales, net income/losses, and equity of such companies represent less than 1% of the Group totals.

Material joint operations (IFRS 11)

Name	Nature of activities	Principal place of business	**% ownership December 31, 2023**	% ownership December 31, 2022
Nafoora – Augila[1]	Onshore development of hydrocarbons	Libya	100	100
Concession 103[1]	Onshore development and production of hydrocarbons	Libya	100	100
Pohokura	Offshore production of hydrocarbons	New Zealand	74	74
Neptun Deep	Offshore exploration and development for hydrocarbons	Romania	50	50
Nawara	Onshore development and production of hydrocarbons	Tunisia	50	50

[1] The percentage disclosed represents the second party share. The state-owned Libyan national oil corporation (NOC) is entitled to 88–90% of the production ("primary split").

Other significant arrangements

Name	Nature of activities	Principal place of business	**% ownership December 31, 2023**	% ownership December 31, 2022
NC 115[1]	Onshore development and production of hydrocarbons	Libya	30	30
NC 186[1]	Onshore development and production of hydrocarbons	Libya	24	24
SK 408[2]	Offshore development and production of hydrocarbons	Malaysia	40	40
Aasta Hansteen	Offshore production of hydrocarbons	Norway	15	15
Edvard Grieg	Offshore production of hydrocarbons	Norway	20	20
Gullfaks	Offshore production of hydrocarbons	Norway	19	19
Sarb & Umm Lulu	Offshore development and production of hydrocarbons	Abu Dhabi	20	20
Ghasha	Offshore exploration for and development of hydrocarbons	Abu Dhabi	5	5

[1] The percentage disclosed represents the second party share. The state owned Libyan national oil corporation (NOC) is entitled to 88–90% of the production ("primary split").
[2] SK408 is part of the SapuraOMV disposal group that was reclassified to held for sale.

Oil and Gas Reserve Estimation and Disclosures (unaudited)

The following tables provide supplementary information in respect of the Group's oil and gas activities. In the absence of detailed disclosure rules in this area under IFRS, the Group has elected to voluntarily disclose the data that would have been required under the ASC 932 as if it were reporting according to US GAAP.

To the extent that information refers to financial statements data, the information is based on the primary financial statements (IFRS financial statements).

Disclosed financial data refers to the Energy operating business segment excluding gas supply, marketing, trading and logistics. Further information on OMV's operating segments is included in Note 5 – Segment reporting.

The regional structure is presented below[1]:

Romania and Black Sea	Bulgaria, Kazakhstan (until May 2021) and Romania
Austria	Austria
Russia	Russia (until February 2022)
North Sea	Norway
Middle East and Africa	Iran (evaluation on hold), Kurdistan region of Iraq, Libya, Tunisia, United Arab Emirates, Yemen
New Zealand and Australia	Australia and New Zealand
Malaysia	SapuraOMV[2]

[1] The regions Central and Eastern Europe (including Romania, the Black Sea and Austria) and Asia-Pacific (including New Zealand, Australia and Malaysia) listed in the Director's Report are split further in this disclosure to provide the information in a more detailed manner.
[2] Including not only Malaysia but also SapuraOMV subsidiaries in New Zealand, Australia, and Mexico.

Acquisitions

There were no major acquisitions during 2023, 2022, and 2021.

Disposals and deconsolidation

There were no major disposals during 2023.

On March 1, 2022 OMV ceased to fully consolidate JSC GAZPROM YRGM Development due to the loss of control, following the Russian war on Ukraine.

On August 1, 2021, SapuraOMV Upstream Sdn. Bhd. sold its share in SapuraOMV Upstream (PM) Inc., which held interests in various producing assets located offshore Peninsular Malaysia.

On May 14, 2021, OMV Petrom finalized the sale of its 100% share in Kom-Munai LLP and Tasbulat Oil Corporation LLP (both based in Aktau, Kazakhstan).

Held for sale

On December 4, 2023 SapuraOMV was reclassified to "held for sale". Further information is included in Note 22 – Assets and liabilities held for sale and Note 39 – Subsequent events. The Oil and Gas Reserve Estimation and Disclosures below include full amounts of the disposal group.

Non-controlling interest

As OMV holds 51% of OMV Petrom, which is fully consolidated. Figures therefore include 100% of OMV Petrom's assets and results.

OMV has a share of 50% in SapuraOMV and it is fully consolidated; figures therefore include 100% of SapuraOMV's assets and results.

Equity-accounted investments

OMV holds a 10% interest in Pearl Petroleum Company Limited (Middle East and Africa region).

On March 1, 2022 OMV ceased to equity account its 24.99% interest in OJSC Severneftegazprom (Russia region) due to loss of significant influence, following the Russian war on Ukraine.

The disclosures of equity-accounted investments in the tables below represent the interest of OMV in the companies.

Further information on significant impacts

2023 was significantly impacted by final investment decisions (FID) for the execution of the Neptun Deep project in the Black Sea and the Hail and Ghasha development in the United Arab Emirates.

The subsequent tables may contain rounding differences.

Tables

a) Capitalized costs

Capitalized costs represent the sum of capitalized oil and gas assets, including other intangible assets and property, plant, and equipment such as land, plant and machinery, concessions, licenses, and rights.

Capitalized costs – subsidiaries

In EUR mn

	2023	2022	2021
Unproved oil and gas properties	1,197	1,811	2,137
Proved oil and gas properties	29,501	28,240	27,611
Total	**30,698**	**30,051**	**29,749**
Accumulated depreciation	–20,009	–19,411	–18,136
Net capitalized costs	**10,689**	**10,640**	**11,613**

Capitalized costs – equity-accounted investments

In EUR mn

	2023	2022	2021
Unproved oil and gas properties	146	151	164
Proved oil and gas properties	314	292	477
Total	**460**	**443**	**641**
Accumulated depreciation	–193	–76	–99
Net capitalized costs	**267**	**367**	**542**

b) Costs incurred

Costs incurred include all costs, capitalized or expensed, during the year in the Group's oil and gas property acquisition, exploration and development activities.

Costs incurred

In EUR mn

	Romania and Black Sea	Austria	Russia	North Sea	Middle East and Africa	New Zealand and Australia	Malaysia	**Total**
				2023				
Subsidiaries								
Acquisition of unproved properties	—	—	—	—	—	—	—	**—**
Exploration costs	35	61	—	62	28	25	38	**248**
Development costs	338	40	—	168	252	71	154	**1,024**
Costs incurred	**373**	**101**	**—**	**231**	**280**	**96**	**191**	**1,272**
Equity-accounted investments	**—**	**—**	**—**	**—**	**33**	**—**	**—**	**33**
				2022				
Subsidiaries								
Acquisition of unproved properties	—	—	—	—	—	—	—	**—**
Exploration costs	35	24	—	59	10	26	48	**202**
Development costs	327	21	—	159	171	188	102	**969**
Costs incurred	**362**	**45**	**—**	**219**	**181**	**214**	**150**	**1,171**
Equity-accounted investments	**—**	**—**	**2**	**—**	**27**	**—**	**—**	**29**
				2021				
Subsidiaries								
Acquisition of unproved properties	1	—	—	0	—	—	1	**3**
Exploration costs	41	6	—	81	25	26	30	**210**
Development costs	265	38	—	243	165	102	39	**852**
Costs incurred	**307**	**44**	**—**	**324**	**191**	**128**	**70**	**1,065**
Equity-accounted investments	**—**	**—**	**62**	**—**	**21**	**—**	**—**	**83**

c) Results of operations of oil and gas producing activities

The following tables represent only those revenues and expenses that occur directly in connection with OMV's oil and gas producing operations. The results of oil and gas activities should not be equated to Energy net income since interest costs, general corporate overhead costs, other costs, and power production, gas supply, marketing, trading, and logistics are not allocated. Further information on OMV's operating segments is included in Note 5 – Segment reporting. Income taxes are hypothetically calculated, based on the statutory tax rates and the effect of tax credits on investments and loss carryforwards.

Results of operations of oil and gas producing activities

In EUR mn

	Romania and Black Sea	Austria	Russia	North Sea	Middle East and Africa	New Zealand and Australia	Malaysia	**Total**
				2023				
Subsidiaries								
Sales to unaffiliated parties[1]	6	1	—	979	635	218	268	**2,107**
Intercompany sales	2,452	418	—	1,064	1,646	231	—	**5,812**
	2,458	**419**	**—**	**2,044**	**2,282**	**450**	**268**	**7,920**
Production costs	–575	–94	—	–197	–181	–83	–18	**–1,148**
Royalties	–501	–84	—	—	–283	–46	–10	**–925**
Exploration expenses[2]	–23	–8	—	–60	–16	–8	–107	**–222**
Depreciation, amortization, impairments and write-ups	–475	–97	—	–333	–168	–214	–72	**–1,358**
Other costs[3]	–14	–17	—	–116	–50	–15	–19	**–231**
	–1,587	**–300**	**—**	**–707**	**–698**	**–367**	**–226**	**–3,884**
Results before income taxes	**871**	**119**	**—**	**1,337**	**1,584**	**83**	**42**	**4,036**
Income taxes[4]	–124	–42	—	–1,063	–1,273	–23	–16	**–2,542**
Results from oil and gas production	**746**	**76**	**—**	**274**	**311**	**60**	**26**	**1,493**
Results of equity-accounted investments	**—**	**—**	**—**	**—**	**–72**	**—**	**—**	**–72**
				2022				
Subsidiaries								
Sales to unaffiliated parties[1]	5	–32	206	1,394	931	225	302	**3,032**
Intercompany sales	3,281	959	—	3,530	1,927	236	—	**9,933**
	3,286	**927**	**206**	**4,924**	**2,858**	**461**	**302**	**12,965**
Production costs	–512	–91	—	–183	–183	–87	–16	**–1,071**
Royalties	–1,102	–182	—	—	–312	–46	–21	**–1,663**
Exploration expenses[2]	–28	–12	—	–118	2	–53	–41	**–250**
Depreciation, amortization, impairments and write-ups	–845	–43	–12	–416	–424	46	–91	**–1,785**
Other costs[3]	–65	–15	–60	–131	–64	–2	–22	**–359**
	–2,552	**–344**	**–72**	**–848**	**–980**	**–142**	**–191**	**–5,128**
Results before income taxes	**734**	**583**	**135**	**4,077**	**1,878**	**319**	**111**	**7,837**
Income taxes[4]	–121	–229	–28	–3,274	–1,553	–83	–34	**–5,322**
Results from oil and gas production	**613**	**354**	**107**	**803**	**325**	**237**	**77**	**2,516**
Results of equity-accounted investments	**—**	**—**	**3**	**—**	**56**	**—**	**—**	**59**

Results of operations of oil and gas producing activities

In EUR mn

	Romania and Black Sea	Austria	Russia	North Sea	Middle East and Africa	New Zealand and Australia	Malaysia	Total
				2021				
Subsidiaries								
Sales to unaffiliated parties[1]	22	–649	562	876	556	279	239	**1,884**
Intercompany sales	1,845	432	—	1,345	1,018	122	—	**4,762**
	1,868	**–218**	**562**	**2,221**	**1,574**	**400**	**239**	**6,646**
Production costs	–477	–78	—	–144	–146	–81	–24	**–950**
Royalties	–404	–66	—	—	–135	–39	–13	**–658**
Exploration expenses[2]	–43	–5	—	–108	–43	–18	–65	**–281**
Depreciation, amortization, impairments and write-ups	–499	–102	–70	–381	–246	–127	–101	**–1,526**
Other costs[3]	–70	–14	–329	–132	–25	–5	–21	**–597**
	–1,493	**–265**	**–399**	**–766**	**–596**	**–270**	**–223**	**–4,012**
Results before income taxes	**375**	**–483**	**163**	**1,455**	**979**	**130**	**15**	**2,635**
Income taxes[4]	–59	121	–27	–981	–750	–38	–6	**–1,740**
Results from oil and gas production	**316**	**–362**	**135**	**475**	**229**	**92**	**10**	**895**
Results of equity-accounted investments	**—**	**—**	**24**	**—**	**31**	**—**	**—**	**55**

[1] Including hedging effects; the Austria region includes hedging effects of centrally managed derivatives (2023: nil, 2022: EUR –33 mn, 2021: EUR –675 mn).
[2] Including impairment losses related to exploration & appraisal
[3] Including inventory changes
[4] Income taxes in the North Sea and Middle East and Africa include corporation tax and special petroleum tax. Income taxes for 2023 and 2022 in Austria included the EU solidarity contribution.

d) Oil and gas reserve quantities

Proved reserves are those quantities of oil and gas, that, through analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulation before the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain. Proved oil and gas reserves were estimated based on a twelve-month average price, unless prices are defined by contractual arrangements.

Proved developed reserves are those proved reserves that can be expected to be recovered through existing wells with existing equipment and operating methods, or in which the costs of the required equipment are relatively minor compared with the cost of a new well and through installed extraction equipment and infrastructure operational at the time of the reserves estimate. It should be reasonably certain that the required future expenditure will be made to safeguard existing equipment within the current budget.

Proved undeveloped reserves are those proved reserves that are expected to be recovered from new wells on undrilled acreage, or from existing wells where a relatively major expenditure is required for recompletion or substantial new investment is required in order to safeguard or replace aging facilities.

Crude oil and NGL

In mn bbl

	Romania and Black Sea	Austria	Russia	North Sea	Middle East and Africa	New Zealand and Australia	Malaysia	**Total**
Proved developed and undeveloped reserves – Subsidiaries								
January 1, 2021	**298.8**	**34.0**	**—**	**44.5**	**270.2**	**8.0**	**5.7**	**661.2**
Revisions of previous estimates	4.2	1.0	—	17.2	30.3	7.6	4.9	**65.2**
Purchases	—	—	—	—	—	—	—	**—**
Disposals	–21.4	—	—	—	—	—	–2.4	**–23.8**
Extensions and discoveries	0.3	—	—	—	—	0.8	—	**1.0**
Production	–23.0	–3.6	—	–15.3	–24.8	–3.5	–1.7	**–71.9**
December 31, 2021	**258.8**	**31.4**	**—**	**46.4**	**275.7**	**12.9**	**6.5**	**631.7**
Revisions of previous estimates	–8.4	1.9	—	15.8	32.3	1.1	0.4	**43.1**
Purchases	—	—	—	—	—	—	—	**—**
Disposals	—	—	—	—	—	—	—	**—**
Extensions and discoveries	0.1	—	—	—	—	—	—	**0.1**
Production	–20.9	–3.3	—	–14.7	–27.3	–3.0	–0.6	**–69.9**
December 31, 2022	**229.6**	**30.0**	**—**	**47.6**	**280.6**	**11.0**	**6.2**	**605.0**
Revisions of previous estimates	–1.6	0.7	—	6.9	89.9	0.6	2.1	**98.6**
Purchases	—	—	—	—	—	—	—	**—**
Disposals	—	—	—	—	—	—	—	**—**
Extensions and discoveries	0.3	—	—	—	—	—	—	**0.3**
Production	–20.0	–3.0	—	–13.4	–29.1	–3.6	–0.7	**–69.7**
December 31, 2023	**208.3**	**27.7**	**—**	**41.1**	**341.5**	**8.0**	**7.6**	**634.2**
Proved developed and undeveloped reserves – Equity-accounted investments								
December 31, 2021	—	—	—	—	17.5	—	—	**17.5**
December 31, 2022	—	—	—	—	16.0	—	—	**16.0**
December 31, 2023	—	—	—	—	15.1	—	—	**15.1**
Proved developed reserves – Subsidiaries								
December 31, 2021	234.2	31.4	—	40.7	189.2	6.0	1.6	**503.2**
December 31, 2022	206.6	30.0	—	39.4	234.5	9.2	1.7	**521.4**
December 31, 2023	187.6	27.7	—	32.8	252.4	8.0	1.4	**509.8**
Proved developed reserves – Equity-accounted investments								
December 31, 2021	—	—	—	—	14.7	—	—	**14.7**
December 31, 2022	—	—	—	—	15.4	—	—	**15.4**
December 31, 2023	—	—	—	—	13.4	—	—	**13.4**

Gas

In bcf

	Romania and Black Sea	Austria	Russia	North Sea	Middle East and Africa	New Zealand and Australia	Malaysia	**Total**
Proved developed and undeveloped reserves – Subsidiaries								
January 1, 2021	**940.7**	**155.3**	**—**	**383.6**	**82.4**	**195.3**	**376.3**	**2,133.6**
Revisions of previous estimates	76.2	17.7	—	7.8	80.7	115.3	212.0	**509.6**
Purchases	—	—	—	—	—	—	—	**—**
Disposals	–22.3	—	—	—	—	—	–9.1	**–31.5**
Extensions and discoveries	1.5	—	—	—	—	15.4	—	**17.0**
Production	–130.6	–20.6	—	–102.3	–17.3	–51.8	–64.5	**–387.0**
December 31, 2021[1]	**865.5**	**152.4**	**—**	**289.2**	**145.8**	**274.2**	**514.7**	**2,241.7**
Revisions of previous estimates	68.1	15.2	—	144.4	–1.3	9.0	–7.9	**227.6**
Purchases	—	—	—	—	—	—	—	**—**
Disposals	—	—	—	—	—	—	—	**—**
Extensions and discoveries	1.6	—	—	—	—	—	—	**1.6**
Production	–122.0	–19.7	—	–102.2	–14.7	–47.1	–60.0	**–365.6**
December 31, 2022[1]	**813.2**	**147.9**	**—**	**331.4**	**129.8**	**236.1**	**446.8**	**2,105.2**
Revisions of previous estimates	464.3	13.7	—	37.0	195.5	–36.5	56.2	**730.1**
Purchases	—	—	—	—	—	—	—	**—**
Disposals	—	—	—	—	—	—	—	**—**
Extensions and discoveries	4.9	—	—	—	—	—	—	**4.9**
Production	–115.7	–18.0	—	–84.5	–13.6	–53.8	–57.9	**–343.6**
December 31, 2023[1]	**1,166.8**	**143.6**	**—**	**283.9**	**311.7**	**145.7**	**445.0**	**2,496.7**
Proved developed and undeveloped reserves – Equity-accounted investments								
December 31, 2021	—	—	1,167.1	—	369.2	—	—	**1,536.4**
December 31, 2022	—	—	—	—	303.6	—	—	**303.6**
December 31, 2023	—	—	—	—	292.5	—	—	**292.5**
Proved developed reserves – Subsidiaries								
December 31, 2021	779.5	84.0	—	287.0	62.5	115.4	291.9	**1,620.2**
December 31, 2022	723.4	80.3	—	290.8	39.9	195.9	228.9	**1,559.1**
December 31, 2023	628.0	76.0	—	246.8	35.0	145.7	158.5	**1,290.0**
Proved developed reserves – Equity-accounted investments								
December 31, 2021	—	—	1,090.7	—	278.9	—	—	**1,369.7**
December 31, 2022	—	—	—	—	288.3	—	—	**288.3**
December 31, 2023	—	—	—	—	259.3	—	—	**259.3**

[1] Including approximately 67.6 bcf of cushion gas held in storage reservoirs

e) Standardized measure of discounted future net cash flows

The future net cash flow information is based on the assumption that the prevailing economic and operating conditions will persist throughout the time during which proved reserves will be produced. Neither the effects of future pricing changes nor expected changes in technology and operating practices are considered.

Future cash inflows represent the revenues received from production volumes, including cushion gas held in storage reservoirs, assuming that the future production is sold at prices used in estimating year-end quantities of proved reserves (twelve-month average price). Future production costs include the estimated expenditure for production of the proved reserves plus any production taxes without consideration of future inflation. Future decommissioning costs comprise the net costs associated with decommissioning wells and facilities. Future development costs include the estimated costs of development drilling and installation of production facilities. For all three categories year-end costs without consideration of inflation are assumed. Future income tax payments are calculated on the basis of the income tax rate applicable in each of the countries in which the Group operates. The present cash value results from the discounting of the future net cash flow at a discount rate of 10% per year. The standardized measure does not purport to be an estimate of the fair value of the Group's proven reserves. An estimate of fair value would also take into account, among many other factors, the expected recovery of reserves in excess of proved reserves, anticipated changes in future prices and costs and a discount factor representative of the risks inherent in the production of oil and gas.

Standardized measure of discounted future net cash flows

In EUR mn

	Subsidiaries and equity-accounted investments							
	Romania and Black Sea	Austria	Russia	North Sea	Middle East and Africa	New Zealand and Australia	Malaysia	**Total**
					2023			
Subsidiaries								
Future cash inflows	30,238	3,656	—	6,457	28,233	1,170	2,256	**72,011**
Future production and decommissioning costs	–13,937	–2,276	—	–2,397	–8,842	–1,412	–622	**–29,486**
Future development costs	–3,184	–378	—	–512	–1,901	–86	–71	**–6,131**
Future net cash flows, before income taxes	**13,117**	**1,002**	**—**	**3,549**	**17,491**	**–327**	**1,563**	**36,395**
Future income taxes	–1,857	–129	—	–3,265	–12,340	168	–461	**–17,884**
Future net cash flows, before discount	**11,260**	**873**	**—**	**284**	**5,150**	**–159**	**1,103**	**18,511**
10% annual discount for estimated timing of cash flows	–4,546	–422	—	–11	–2,582	169	–297	**–7,689**
Standardized measure of discounted future net cash flows	**6,714**	**451**	**—**	**273**	**2,568**	**10**	**806**	**10,821**
Equity-accounted investments	**—**	**—**	**—**	**—**	**475**	**—**	**—**	**475**
					2022			
Subsidiaries								
Future cash inflows	29,864	7,435	—	14,937	26,611	2,051	2,248	**83,145**
Future production and decommissioning costs	–15,951	–2,766	—	–2,711	–7,771	–1,829	–690	**–31,718**
Future development costs	–1,424	–246	—	–631	–890	–222	–213	**–3,626**
Future net cash flows, before income taxes	**12,489**	**4,422**	**—**	**11,594**	**17,950**	**0**	**1,345**	**47,800**
Future income taxes	–1,724	–1,028	—	–10,465	–13,283	132	–380	**–26,748**
Future net cash flows, before discount	**10,765**	**3,394**	**—**	**1,129**	**4,667**	**132**	**965**	**21,053**
10% annual discount for estimated timing of cash flows	–4,718	–1,815	—	–184	–1,547	213	–296	**–8,347**
Standardized measure of discounted future net cash flows	**6,048**	**1,579**	**—**	**945**	**3,120**	**345**	**669**	**12,705**
Equity-accounted investments	**—**	**—**	**—**	**—**	**451**	**—**	**—**	**451**

Standardized measure of discounted future net cash flows

In EUR mn

	Subsidiaries and equity-accounted investments							
	Romania and Black Sea	Austria	Russia	North Sea	Middle East and Africa	New Zealand and Australia	Malaysia	**Total**
	2021							
Subsidiaries								
Future cash inflows	17,585	3,336	2,625	5,608	16,545	1,905	1,433	**49,038**
Future production and decommissioning costs	–9,221	–1,612	–2,148	–2,293	–5,419	–1,647	–490	**–22,831**
Future development costs	–1,422	–246	—	–281	–776	–380	–257	**–3,362**
Future net cash flows, before income taxes	**6,942**	**1,479**	**477**	**3,034**	**10,350**	**–122**	**685**	**22,845**
Future income taxes	–577	–264	–97	–2,541	–6,893	116	–175	**–10,432**
Future net cash flows, before discount	**6,366**	**1,214**	**380**	**493**	**3,457**	**–6**	**510**	**12,413**
10% annual discount for estimated timing of cash flows	–3,089	–630	–71	–109	–1,100	175	–216	**–5,040**
Standardized measure of discounted future net cash flows	**3,276**	**584**	**309**	**384**	**2,357**	**169**	**294**	**7,373**
Equity-accounted investments	**—**	**—**	**187**	**—**	**336**	**—**	**—**	**523**

f) Changes in the standardized measure of discounted future net cash flows

Changes in the standardized measure of discounted future net cash flows

In EUR mn

	2023	2022	2021
Subsidiaries			
Beginning of year	**12,705**	**7,373**	**3,987**
Oil and gas sales produced during the year, net of related production costs	–7,049	–4,102	–2,262
Net change in prices and production costs related to future periods	–6,538	13,243	8,231
Net change due to purchases and sales of minerals in place	—	—	–67
Net change due to extensions and discoveries	32	7	5
Development and decommissioning costs incurred during the period	823	895	657
Changes in estimated future development and decommissioning costs	–1,912	–344	–269
Revisions of previous reserve estimates	4,239	4,507	1,854
Accretion of discount	1,146	671	341
Net change in income taxes (incl. tax effects from purchases and sales)	7,539	–9,593	–4,935
Other[1]	–165	48	–168
End of year	**10,821**	**12,705**	**7,373**
Equity-accounted investments	**475**	**451**	**523**

[1] Contains movements in foreign exchange rates vs. the EUR. 2022 was impacted by the change of consolidation method of the Russian operations.

Vienna, March 5, 2024

The Executive Board

Alfred Stern m.p.
Chairman of the Executive Board
and Chief Executive Officer

Reinhard Florey m.p.
Chief Financial Officer

Martijn van Koten m.p.
Executive Vice President Fuels & Feedstock

Daniela Vlad m.p.
Executive Vice President Chemicals & Materials

Berislav Gaso m.p.
Executive Vice President Energy

5

FURTHER INFORMATION

240 — 251

Consolidated Report on the Payments Made to Governments

Section 267c of the Austrian Commercial Code

Section 267c of the Austrian Commercial Code (UGB) requires that large undertakings and public interest entities that are active in the extractive industry or logging of primary forests prepare the following consolidated report on payments to governments. This section implements Chapter 10 of the EU Accounting Directive (2013/34/EU). The “Basis of preparation” paragraph provides information to the reader about the contents of the report. This also includes information on the type of payment for which disclosure is required and how OMV has implemented the regulations in the preparation of the report.

Basis of preparation

Reporting entities

Under the requirements of the regulation, OMV Aktiengesellschaft is required to prepare a consolidated report covering payments made to governments for each financial year in relation to extractive activities by itself and any subsidiary undertakings included in the consolidated Group financial statements.

Activities within the scope of the report

Payments made by the OMV Group (hereafter OMV) to governments that arose from exploration, prospection, discovery, development, and extraction of minerals, oils, and natural gas deposits or other materials within extractive activities are presented in this report.

Government

A “government” is defined as any national, regional, or local authority of a country or a department, agency, or undertaking that is controlled by that authority and includes national oil companies.

In cases where a state-owned entity engages in activities outside its designated home jurisdiction, it is not deemed to be a reportable governmental body for these purposes, and thus payments made to such an entity in these circumstances are not reportable.

Project definition

The regulation also requires payments to be reported on a “project” basis as well as on a government and governmental body basis. A project is defined as the operational activities that are governed by a single contract, license, lease, concession, or similar legal agreement and form the basis for payment liabilities to the government. Where these agreements as per the aforementioned definition are substantially interconnected, these agreements are treated for the purpose of these regulations as a single project.

“Substantially interconnected” is defined as a set of operationally and geographically integrated contracts, licenses, leases, concessions, or related agreements with substantially similar terms that are signed with a government, giving rise to payment liabilities. Such agreements can be governed by a single contract, joint venture agreement, production sharing agreement, or other overarching legal agreement.

There may be instances, for example, corporate income taxes, where it is not possible to attribute the payment to a single project and therefore these payments are shown at the country level.

Cash and payments in kind

In accordance with the regulation, payments have to be reported on a cash basis. This means that they are reported in the period in which they are paid and not in the period in which they are accounted for on an accruals basis.

Refunds are also reported in the period in which they are received and will either be offset against payments made in the period or be shown as negative amounts in the report.

Payments in kind made to a government are converted to an equivalent cash value based on the most appropriate and relevant valuation method for each payment type. This can be at cost or market value and an explanation is provided in the report to help explain the valuation method. Where applicable, the related volumes are also included in the report.

Payment reporting methodology

The regulation requires that payments are to be reported where they are made to governments by OMV. It is required that the report reflect the substance of each transaction and activity. Based on these requirements, OMV has considered its reporting obligation as follows:

- Where OMV makes a payment directly to the government, these payments will be reported in full, irrespective of whether this is made in the sole capacity of OMV or in OMV's capacity as the operator of a joint operation.
- In cases where OMV is a member of a joint operation for which the operator is a state-owned entity (i.e., a government), payments made to that state-owned entity will be disclosed where it is possible to identify the reportable payment from other cost recovery items.
- For host government production entitlements, the terms of the agreement have to be considered; for the purpose of reporting in this report, OMV will disclose host government entitlements in their entirety where it is the operator.

Materiality
Payments made as a single payment or a series of related payments that are below EUR 100,000 within a financial year are excluded from this report.

Reporting currency
Payments made in currencies other than euros are translated for the purposes of this report at the average rate of the reporting period.

Payment types disclosed

Production entitlements
Under production sharing agreements (PSAs), the host government is entitled to a share of the oil and gas produced and these entitlements are often paid in kind. The report will show both the value and volume of the government's production entitlement for the relevant period in barrels of oil equivalent (boe).

The government share of any production entitlement will also include any entitlements arising from an interest held by a state-owned entity as an investor in projects within its sovereign jurisdiction. Production entitlements arising from activities or interests outside a state-owned entity's sovereign jurisdiction are excluded.

Taxes
Taxes levied on income, production, or profits of companies are reported. Refunds will be netted against payments and shown accordingly. Consumption taxes, personal income taxes, sales taxes, property taxes, and environmental taxes are not reported under the regulation. Although there is a tax group in place, the reported corporate income taxes for Austria relate entirely to the extractive activities in Austria of OMV's subsidiaries, with no amounts being reported relating to OMV's non-extractive activities in Austria.

Royalties
Royalties relating to the extraction of oil, gas, and minerals paid to a government are to be disclosed. Where royalties are paid in kind, the value and volume are reported.

Dividends
In accordance with the regulations, dividends are reported when paid to a government in lieu of production entitlements or royalties. Dividends that are paid to a government as an ordinary shareholder are not reported, as long as the dividends are paid on the same terms as that of other shareholders.

For the year that ended December 31, 2023, OMV had no such reportable dividend payments to a government.

Bonuses
Bonuses include signature, discovery, and production bonuses in each case to the extent paid in relation to the relevant activities.

Fees
These include license fees, rental fees, entry fees, and all other payments that are paid in consideration for access to the area where extractive activities are performed.

The report excludes fees paid to a government that are not specifically related to extractive activities or access to extractive resources. In addition, payments paid in return for services provided by a government are also excluded.

Infrastructure improvements
The report includes payments, if these are made by OMV for infrastructural improvements, such as the building of a road or bridge that serves the community, irrespective of whether OMV pays the amounts to non-government entities. These are reported in the period during which the infrastructure is made available for use by the local community.

Payments overview

The overview table below shows the relevant payments to governments that were made by OMV in the year that ended December 31, 2023.

Of the seven payment types that are required by the Austrian regulations to be reported upon, OMV did not pay any dividends, bonuses, or infrastructure improvements that met the defined accounting directive definition, and therefore these categories are not shown.

Payments overview

In EUR 1,000

	Production entitlements	Taxes	Royalties	Fees	Total
Country					
Austria	—	197,539	109,322	—	306,861
Malaysia	357,127	28,616	93,705	16,436	495,884
Norway	—	2,351,124	—	1,741	2,352,865
New Zealand	—	31,713	49,265	9,972	90,950
Romania	—	897,803	219,899	25,990	1,143,692
Tunisia	—	8,921	15,329	103	24,352
United Arab Emirates	—	568,380	272,576	1,560	842,515
Yemen	2,895	—	275	277	3,448
Total	**360,022**	**4,084,095**	**760,370**	**56,079**	**5,260,566**

No payments have been reported for Libya for the year 2023 as OMV was not the operator.

There were no major acquisitions or divestments during 2023.

Payments by country

Austria

In EUR 1,000

	Production entitlements	Taxes	Royalties	Fees	Total
Governments					
Federal Ministry of Finance	—	197,539[1]	109,322	—	306,861
Total	**—**	**197,539**	**109,322**	**—**	**306,861**
Projects					
Lower Austria	—	197,539[1]	109,322	—	306,861
Total	**—**	**197,539**	**109,322**	**—**	**306,861**

[1] Includes payments for solidarity contribution of kEUR 79,198

Malaysia

In EUR 1,000

	Production entitlements	Taxes	Royalties	Fees	Total
Governments					
Petroliam Nasional Berhad	129,351[1]	—	93,705[3]	16,436	239,492
Ketua Pengarah Hasil Dalam Negeri	—	28,616	—	—	28,616
PETRONAS Carigali Sdn Bhd	227,776[2]	—	—	—	227,776
Total	**357,127**	**28,616**	**93,705**	**16,436**	**495,884**
Projects					
Block SK408/SK310	357,127[4]	28,616	93,705[3]	16,436	495,884
Total	**357,127**	**28,616**	**93,705**	**16,436**	**495,884**

[1] Includes payments in kind for 4,221,157 bbl of oil equivalent valued using the average monthly price per boe
[2] Includes payments in kind for 8,736,182 bbl of oil equivalent valued using the average monthly price per boe
[3] Includes payments in kind for 3,498,470 bbl of oil equivalent valued using the average monthly price per boe
[4] Includes payments in kind for 12,957,339 bbl of oil equivalent valued using the average monthly price per boe

Norway

In EUR 1,000

	Production entitlements	Taxes	Royalties	Fees	Total
Governments					
Fylkesmannen i Rogaland	—	—	—	1	1
Oljedirektoratet	—	—	—	897	897
Skatteetaten	—	2,339,570	—	54	2,339,624
Miljødirektoratet	—	—	—	21	21
Equinor ASA	—	11,554	—	768	12,322
Total	**—**	**2,351,124**	**—**	**1,741**	**2,352,865**
Projects					
Gulfaks	—	7,395	—	239	7,634
Gudrun	—	2,470	—	483	2,952
Aasta Hansteen	—	1,989	—	46	2,035
Berling	—	—	—	250	250
Norway exploration projects	—	—	—	723	723
Payments not attributable to projects	—	2,339,271	—	—	2,339,271
Total	**—**	**2,351,124**	**—**	**1,741**	**2,352,865**

New Zealand

In EUR 1,000

	Production entitlements	Taxes	Royalties	Fees	Total
Governments					
Inland Revenue	—	31,713	—	—	31,713
Ministry of Business, Innovation and Employment	—	—	49,265	9,845	59,110
Environmental Protection Authority	—	—	—	125	125
Ministry of Health	—	—	—	2	2
Total	**—**	**31,713**	**49,265**	**9,972**	**90,950**
Projects					
Maari	—	—	13,688	53	13,741
Māui	—	—	9,489	9,853	19,341
Pohokura	—	—	26,089	12	26,101
New Zealand exploration projects	—	—	—	54	54
Payments not attributable to projects	—	31,713	—	—	31,713
Total	**—**	**31,713**	**49,265**	**9,972**	**90,950**

Romania

In EUR 1,000

	Production entitlements	Taxes	Royalties	Fees	Total
Governments					
State budget	—	897,803[1]	219,899	—	1,117,701
Local councils	—	—	—	4,607	4,607
National Agency for Mineral Resources (ANRM)	—	—	—	2,924	2,924
National Company of Forests	—	—	—	16,318	16,318
CONPET SA	—	—	—	90	90
National Authority for Electricity Regulation (ANRE)	—	—	—	1,451	1,451
Offshore Operations Regulatory Authority (ACROPO)	—	—	—	600	600
Total	**—**	**897,803**	**219,899**	**25,990**	**1,143,692**
Projects					
Onshore production zones	—	313,454	180,414	23,884	517,751
Offshore Black Sea	—	32,321	39,485	655	72,461
Payments not attributable to projects	—	552,028[1]	—	1,451	553,479
Total	**—**	**897,803**	**219,899**	**25,990**	**1,143,692**

[1] Includes payments for solidarity contribution on refined crude oil of kEUR 300,154

Tunisia

In EUR 1,000

	Production entitlements	Taxes	Royalties	Fees	Total
Governments					
Receveur des Finances	—	8,347	6,396	103	14,846
Receveur des Douanes	—	573	—	—	573
Entreprise Tunisienne d'Activités Pétrolières	—	—	8,326[1]	—	8,326
Trésorerie Générale de Tunisie	—	—	607	—	607
Total	**—**	**8,921**	**15,329**	**103**	**24,352**
Projects					
South Tunisia	—	8,921	15,329[1]	103	24,352
Total	**—**	**8,921**	**15,329**	**103**	**24,352**

[1] Includes payments in kind for 122,885 bbl of oil equivalent valued using the average monthly price per boe

United Arab Emirates

In EUR 1,000

	Production entitlements	Taxes	Royalties	Fees	Total
Governments					
Abu Dhabi National Oil Company (ADNOC)	—	—	—	1,560	1,560
Emirate of Abu Dhabi – Finance Department	—	568,380	272,576	—	840,955
Total	**—**	**568,380**	**272,576**	**1,560**	**842,515**
Projects					
Umm Lulu und SARB	—	568,380	272,576	965	841,920
Gasha	—	—	—	596	596
Total	**—**	**568,380**	**272,576**	**1,560**	**842,515**

Yemen

In EUR 1,000

	Production entitlements	Taxes	Royalties	Fees	Total
Governments					
Ministry of Oil & Minerals	2,895[1]	—	275[2]	277	3,448
Total	**2,895**	**—**	**275**	**277**	**3,448**
Projects					
Block S2	2,895[1]	—	275[2]	277	3,448
Total	**2,895**	**—**	**275**	**277**	**3,448**

[1] Includes payments in kind for 38,514 boe valued at prices set by the Yemen Crude Oil Marketing Directorate
[2] Includes payments in kind for 3,665 boe valued at prices set by the Yemen Crude Oil Marketing Directorate

Vienna, March 5, 2024

The Executive Board

Alfred Stern m.p.
Chairman of the Executive Board
and Chief Executive Officer

Reinhard Florey m.p.
Chief Financial Officer

Martijn van Koten m.p.
Executive Vice President Fuels & Feedstock

Daniela Vlad m.p.
Executive Vice President Chemicals & Materials

Berislav Gaso m.p.
Executive Vice President Energy

Abbreviations and Definitions

A

ACC
Austrian Commercial Code

ACCG
Austrian Code of Corporate Governance

AGM
Annual General Meeting

B

bbl
Barrel (1 barrel equals approximately 159 liters)

bbl/d
Barrels per day

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

bn
Billion

boe
Barrel of oil equivalent

boe/d
Barrel of oil equivalent per day

C

CAGR
Compounded annual growth rate

CAPEX
Capital expenditure

Capital employed
Equity including non-controlling interests plus net debt

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 Refining & Marketing level.

CEE
Central and Eastern Europe

CEGH
Central European Gas Hub

cf
Standard cubic feet (60°F/16°C)

CGU
Cash generating unit

Clean CCS EPS
Clean CCS Earnings Per Share are 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 Operating Result
Operating Result adjusted for special items and CCS effects
The Group clean CCS Operating Result is calculated by adding the clean CCS Operating Result of Refining & Marketing, the clean Operating Result of 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 ROACE
The 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 (%).

C&M
Chemicals & Materials business segfment

Co&O
Corporate and Other

E

E&A
Exploration & Appraisal

ECL
Expected credit losses

E&P
Exploration & Production, part of Energy business segment

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

ESG
Environmental, Social, and Governance

EV
Electric vehicle

F

FCC
Fluid Catalytic Cracking; an important material conversion process

F&F
Fuels & Feedstock business segment

FVOCI
Fair value through other comprehensive income

FVTPL
Fair value through the statement of profit or loss

FX
Foreign exchange

G

GDP
Gross Domestic Product

GHG
Greenhouse gas

H

HSSE
Health, Safety, Security, and Environment

HVO
Hydrotreated vegetable oil

I

IASs
International Accounting Standards

IEA
Internatioal Energy Agency

IFRSs
International Financial Reporting Standards

IMF
International Monetary Fund

K

kbbl/d
Thousand barrels per day

kboe
Thousand barrels of oil equivalent

kboe/d
Thousand barrels of oil equivalent per day

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

LPG
Liquefied petroleum 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, and 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

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.

O

ÖBAG
Österreichische Beteiligungs AG

OCI
Other comprehensive income

OECD
Organisation for Economic Co-operation and Development

OEM
Original equipment manufacturer

OPEC/OPEC+
The Organization of the Petroleum Exporting Countries (OPEC) and its allies are known as OPEC+

OTC
Over-the-counter

P

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

Pearl
Pearl Petroleum Company Limited

R

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

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

S

SAF
Sustainable Aviation Fuel

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 the OMV Group's reported financial performance.

T

t
Metric ton

THE
Trading Hub Europe, German natural gas market trading hub

toe
Metric ton of oil equivalent

TRIR
Total Recordable Injury Rate per million hours worked

TSR
Total Shareholder Return

TTF
The Title Transfer Facility (TTF) is a virtual trading point for natural gas in the Netherlands.

TWh
Terawatt hour

U

UAE
United Arab Emirates

Contacts and Imprint

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

Investor Relations
Florian Greger
OMV Aktiengesellschaft
Trabrennstrasse 6–8
1020 Vienna, Austria
Tel. + 43 1 40440–21600
Fax + 43 1 40440–621600
investor.relations@omv.com

Publisher
OMV Aktiengesellschaft, Vienna

Photos
Title: Kurt Prinz
Pages 12/13: Andreas Jakwerth

Further publications

OMV Factbook
- www.omv.com/factbook

OMV Sustainability Report
- www.omv.com/sustainability-report

Notes:
Figures in the tables and charts may not add up due to rounding differences. Differences between percentages are displayed as percentage points throughout the document.

In the interest of a fluid style that is easy to read, non-gender-specific terms have been used in the notes chapter of this annual report.

Disclaimer regarding forward-looking statements
This report contains forward-looking statements. Forwardlooking statements usually may be identified by the use of terms such as “outlook,” “believe,” “expect,” “anticipate,” “intend,” “plan,” “target,” “objective,” “estimate,” “goal,” “may,” “will” and similar terms, or by their context. These forwardlooking statements are based on beliefs, estimates and assumptions currently held by and information currently available to OMV. By their nature, forward-looking statements are subject to risks and uncertainties, both known and unknown, because they relate to events and depend on circumstances that will or may occur in the future and are outside the control of OMV. Consequently, the actual results may differ materially from those expressed or implied by the forward-looking statements. Therefore, recipients of this report are cautioned not to place undue reliance on these forward-looking statements. Neither OMV nor any other person assumes responsibility for the accuracy and completeness of any of the forward-looking statements contained in this report. OMV disclaims any obligation and does not intend to update these forward-looking statements to reflect actual results, revised assumptions and expectations, and future developments and events. This report does not contain any recommendation or invitation to buy or sell securities in OMV.

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