



# OMV at a Glance

OMV produces and markets oil and gas, as well as chemical products and solutions in a responsible way and develops innovative solutions for a circular economy. In 2021, Group sales amounted to EUR 36 bn. With a year-end market capitalization of around EUR 16 bn, OMV is one of Austria's largest listed industrial companies. The majority of its roughly 22,400 employees work at its integrated European sites.

## Value Chain

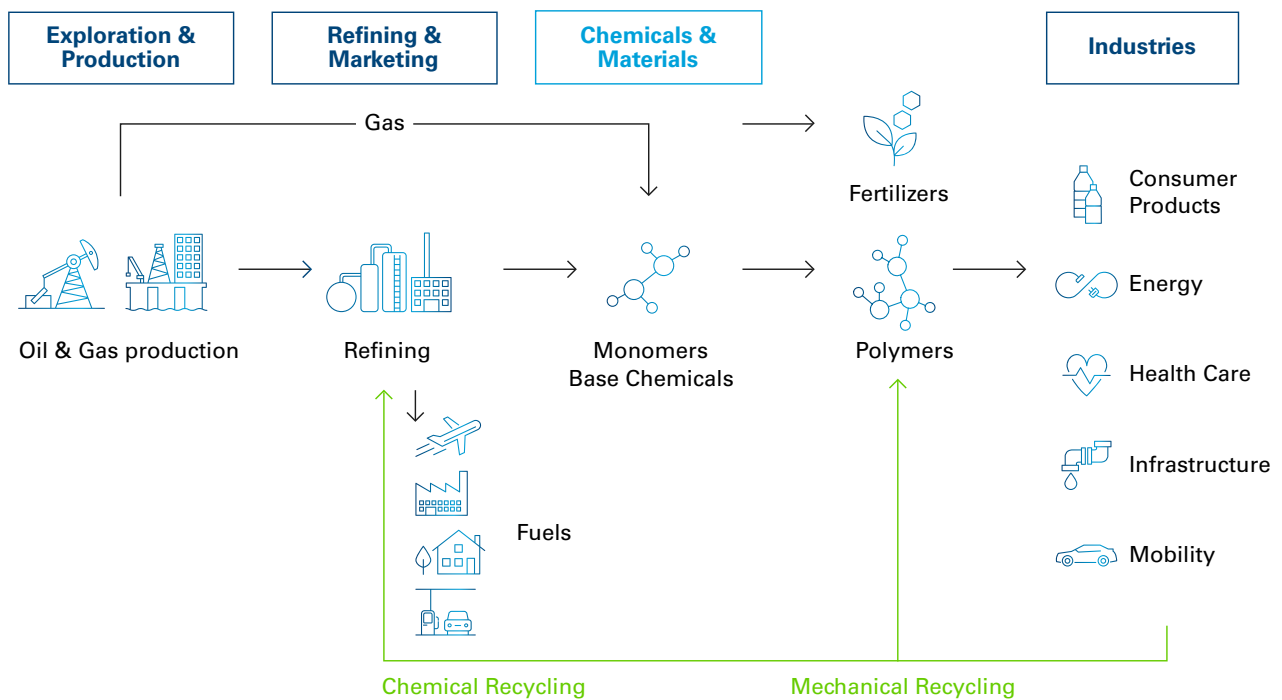
In Exploration & Production, OMV explores, develops, and produces oil and gas in its four core regions of Central and Eastern Europe, the Middle East and Africa, the North Sea, and Asia-Pacific and produces gas in a JV in Russia.<sup>1</sup>

Daily production was 486 kboe/d in 2021 (2020: 463 kboe/d). While natural gas accounted for 59% of total production, liquids amounted to 41%.

In Refining & Marketing, 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. OMV's total global processing capacity amounts to around 500 kbb/d. Fuels and other sales volumes (Europe) were 16.3 mn t in 2021 (2020: 15.5 mn t) and the retail network consists of around 2,100 filling stations.<sup>2</sup> The natural gas sales volume was 196.4 TWh in 2021 (2020: 164.0 TWh). OMV owns gas storage facilities with a capacity of 30 TWh, holds a 65% share in the Central European Gas Hub (CEGH), and operates a gas-fired power plant in Romania.

In Chemicals & Materials, OMV, through its subsidiary Borealis, is one of the world's leading providers of advanced and circular polyolefin solutions with total polyolefin sales of 5.9 mn t in 2021 (2020: 5.9 mn t), and a European market leader in base chemicals, fertilizers<sup>3</sup> and plastics recycling. The company supplies services and products to customers worldwide through Borealis and its two important joint ventures: Borouge (with ADNOC, based in the UAE) and Baystar™ (with TotalEnergies, based in the US).



<sup>1</sup> OMV decided to not pursue any future investments in Russia. As a result, Russia is no longer considered one of OMV's core regions.  
<sup>2</sup> On December 14, 2020, OMV and EG Group reached an agreement for the acquisition of 285 filling stations in Germany by EG Group. The transaction is subject to required regulatory approvals and the closing is expected in 2022. On February 4, 2021, OMV announced its intention to sell its business in Slovenia, including around 120 filling stations. The closing of this transaction is also expected in 2022.  
<sup>3</sup> On February 2, 2022, Borealis received a binding offer from EuroChem for the acquisition of its nitrogen business, including fertilizer, melamine and technical nitrogen products. On March 10, 2022, Borealis announced that it was declining the offer due to the war in Ukraine and sanctions that have been put in place. Borealis will now consider various options regarding the future of its nitrogen business.



## EU Taxonomy Reporting

As part of the European Commission's Sustainable Growth Financing Action Plan, Regulation (EU) 2020/852 establishing an EU classification system for ecologically sustainable economic activities (EU Taxonomy) entered into force in 2020.

The EU Taxonomy is a key instrument for the European Union to redirect capital flows toward sustainable investments and to create market transparency. It encourages increased channeling of investments by companies, investors and policy-makers to where they are most needed for sustainable development. Therefore, the EU Taxonomy Regulation will play an important role in scaling up sustainable investments and implementing the European Green Deal. According to the EU Taxonomy, the OMV Group is required to disclose how, and to what extent, its activities are classified as sustainable, as defined in the EU Taxonomy Regulation.

The Taxonomy Regulation establishes six environmental objectives:

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

In June 2021, the Commission formally adopted the Climate Delegated Act, establishing the criteria that define which activities substantially contribute to climate change mitigation and adaptation, the first two out of six environmental objectives.

### OMV's Process for Determining Taxonomy-Eligibility

In 2021, OMV assessed how much its activities contributed to the objectives of climate change mitigation and adaptation, as required by the EU Taxonomy. In the first year of the Taxonomy's application, we are required to disclose the share of Taxonomy-eligible economic activities in our total turnover, CAPEX, and OPEX.

The assessment of eligible activities in the OMV Group was carried out through an interdisciplinary project team, using a bottom-up and a top-down approach. A series of internal workshops with management and experts was held in order to give OMV businesses an introduction into the new EU Taxonomy and disclosure requirements. A series of workshops was held with all business segments and corporate entities to ensure a bottom-up identification of eligible activities, assets, processes, and related eligible CAPEX/OPEX. A final eligibility check of all

identified activities/products was performed with an external party.

OMV's values for the KPIs are derived from the figures reported in the Group's consolidated IFRS financial statements. Disposal groups classified as held for sale according to IFRS 5 (see [OMV Consolidated Financial Statements 2021, Note 20](#)) have been fully excluded from the calculation of the KPIs because OMV took the decision to sell these parts of the Group. This means that disposal groups according to IFRS 5 have not been considered in the assessment of eligible activities and they have been excluded from the denominator of the KPIs for the full reporting period 2021, irrespective of when the reclassification to be held for sale was booked. The exclusion of disposal groups from the KPIs leads to a discrepancy with the financial report of the OMV Group.

Subsidiaries that are not fully consolidated and joint ventures were excluded from the assessment as per the reporting requirements of the EU Taxonomy Regulation.

### Definition of Turnover

The proportion of Taxonomy-eligible economic activities in the total turnover has been calculated as the part of sales revenues derived from products and services associated with Taxonomy-eligible economic activities (numerator) divided by the sales revenues (denominator), in each case for the financial year from January 1, 2021, to December 31, 2021. The denominator is based on OMV's consolidated sales revenues ([OMV Consolidated Financial Statements 2021, Note 5](#)) and adjusted for sales revenues coming from disposal groups according to IFRS 5. For further details on our accounting policies regarding the consolidated sales revenues, see [OMV Consolidated Financial Statements 2021, Note 2.3b](#).

### Definition of CAPEX

The CAPEX KPI is defined as Taxonomy-eligible CAPEX (numerator) divided by our total CAPEX (denominator). The denominator, total CAPEX, consists of additions to intangible assets (including oil and gas properties with unproved reserves), tangible assets, and right-of-use assets and is adjusted to exclude any additions related to disposal groups according to IFRS 5 during the reporting period (see [OMV Consolidated Financial Statements 2021, Notes 14 and 15](#)). For further details on our accounting policies regarding the relevant assets, see [OMV Consolidated Financial Statements 2021, Note 2.3g ff.](#)

In the refineries, CAPEX related to PPE used for a joint production of fuels and organic basic chemicals has been allocated to the production of organic basic chemicals (activity 3.14) using an allocation key reflecting the yield, size, and complexity of the different refinery plants used for producing fuels and organic basic chemicals.



### Definition of OPEX

The OPEX KPI is defined as Taxonomy-eligible OPEX (numerator) divided by our total OPEX (denominator). Total OPEX consists of R&D expenses, maintenance and repair costs, other direct expenditure related to day-to-day servicing of assets, and short-term leases.

R&D expenses include the research and development expenses recognized according to IAS 38 and included in the line "Other operating expenses" in the income statement (see [OMV Consolidated Financial Statements 2021, Note 9](#)).

Maintenance and repair costs and other direct expenditure related to day-to-day servicing of assets mainly include costs for external services, personnel expenses, and material costs

related to regular and unplanned maintenance, repair, and servicing measures. The related cost items can be found in the line items production and operating expenses as well as selling, distribution, and administrative expenses of the income statements. In the refineries, maintenance and repair costs allocated to cost centers involved in the joint production of fuels and organic basic chemicals have been allocated to the production of organic basic chemicals (activity 3.14) using an allocation key reflecting the yield, size, and complexity of the different refinery plants used for producing fuels and organic basic chemicals. Expenses for short-term leases have been determined and included in line with IFRS 16. Direct costs for training and other human resources adaptation needs are excluded from the denominator and the numerator.

## 2021 Overview

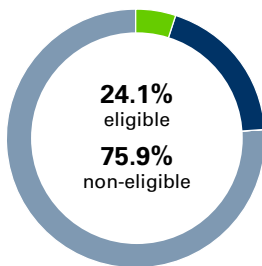
### Taxonomy-Eligible Turnover

In 2021, 24.1% of OMV's turnover can be classified as Taxonomy-eligible. The largest contributors were the activities 3.17 Manufacture of plastics in primary form, which reflects the activities of our Chemicals & Materials segment (e.g., production of polyolefins), and 3.14 Manufacture of organic basic chemicals, also stemming from the Chemicals & Materials segment (e.g., production of ethylene and propylene). Together these made up 99.6% of our Taxonomy-eligible turnover.

these made up 82.9% of our Taxonomy-eligible CAPEX. Other contributors were activity 9.1 Close to market research, development and innovation (e.g., R&D into chemical recycling, e-fuels, geothermal), various activities in Sector 6. Transport (e.g., railway transportation and infrastructure, hydrogen filling stations), various activities in Sector 4. Energy (e.g., generation of electricity using solar photovoltaic technology and wind power), and activity 7.2 Renovation of existing buildings (mainly filling stations).

### Turnover

in mn EUR



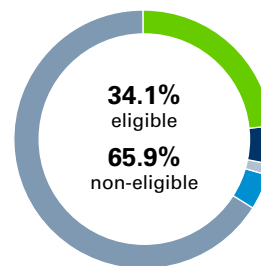
■ Manufacture of organic base chemicals	1,680.1
■ Manufacture of plastics in primary form	6,173.5
■ Other eligible activities	30.8
■ Non-eligible	24,893.8
<b>Total</b>	<b>32,778.1</b>

### Taxonomy-Eligible CAPEX

In 2021, 34.1% of OMV's CAPEX can be classified as Taxonomy-eligible. The largest contributors were the activities 3.14 Manufacture of organic basic chemicals and 3.17 Manufacture of plastics in primary form, both of which reflect the activities of our Chemicals & Materials segment. Together

### CAPEX

in mn EUR



■ Manufacture of organic base chemicals	610.3
■ Manufacture of plastics in primary form	126.1
■ Close to market research, development, and innovation	35.4
■ Other eligible activities	117.2
■ Non-eligible	1,714.2
<b>Total</b>	<b>2,603.1</b>

### Taxonomy-Eligible OPEX

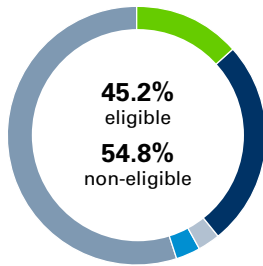
In 2021, 45.2% of OMV's OPEX can be classified as Taxonomy-eligible. The largest contributors were the activities 3.17 Manufacture of plastics in primary form and 3.14 Manufacture of organic basic chemicals, both of which reflect the activities of



our Chemicals & Materials segment. Together these made up 86.7% of our Taxonomy-eligible OPEX. Other contributors were activity 9.1 Close to market research, development and innovation (e.g., R&D into ReOil®), and various activities in Sector 6. Transport (e.g., infrastructure for rail transportation).

### OPEX

in mn EUR



■ Manufacture of organic base chemicals	81.2
■ Manufacture of plastics in primary form	156.0
■ Close to market research, development, and innovation	16.9
■ Other eligible activities	19.6
■ Non-eligible	331.7
<b>Total</b>	<b>605.4</b>

### Outlook

For 2022, the complete reporting requirements of the EU Taxonomy will be applicable for the first time. This means that in the coming year, we will assess how much of our activities are not only Taxonomy-eligible, but also Taxonomy-aligned. We expect significantly lower levels of alignment than of eligibility.

Furthermore, the Commission expects to adopt the second Delegated Act related to the remaining four environmental objectives in 2022; thus we will also assess and report on those activities.

OMV is member of the Platform on Sustainable Finance, the permanent expert group of the European Commission that has been established under Article 20 of the EU Taxonomy Regulation and assists the Commission in developing its sustainable finance policies, notably the further development of the EU Taxonomy.

### Stakeholder Engagement

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

Stakeholder Groups	Examples of OMV Engagement	Examples of Key Topics and Concerns Raised by Stakeholders
<b>Capital market participants</b>	<ul style="list-style-type: none"> <li>▶ Regular reports and presentations, roadshows, Annual General Meetings, conferences</li> <li>▶ Socially responsible investor (SRI) meetings</li> </ul>	<ul style="list-style-type: none"> <li>▶ Share price and overall Company performance</li> <li>▶ Creditworthiness</li> <li>▶ Valuation compared to peers</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>▶ Advertising</li> <li>▶ Events</li> </ul>	<ul style="list-style-type: none"> <li>▶ Price and quality of products and services</li> <li>▶ Customer service</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>▶ Townhall events, small update events with an Executive Board member</li> <li>▶ Internal newsletters, infosccreens, intranet, internal blog</li> </ul>	<ul style="list-style-type: none"> <li>▶ Career and development opportunities</li> <li>▶ Transparent communication and information</li> <li>▶ Supportive management</li> </ul>
<b>Governmental authorities</b>	<ul style="list-style-type: none"> <li>▶ Information exchange</li> <li>▶ Relationship management</li> <li>▶ Regular reporting (as required by law)</li> </ul>	<ul style="list-style-type: none"> <li>▶ Regulatory framework</li> <li>▶ Business environment</li> <li>▶ Security of (energy) supply</li> </ul>
<b>Industry associations</b>	<ul style="list-style-type: none"> <li>▶ Information exchange and regular contact with industry associations</li> </ul>	<ul style="list-style-type: none"> <li>▶ Regulatory framework</li> <li>▶ Business environment</li> </ul>
<b>Local communities</b>	<ul style="list-style-type: none"> <li>▶ Sustainability projects, sponsorships, and donations</li> <li>▶ Grievance mechanisms</li> </ul>	<ul style="list-style-type: none"> <li>▶ Social and environmental standards and impacts</li> <li>▶ Engagement with local community</li> </ul>
<b>Media</b>	<ul style="list-style-type: none"> <li>▶ Press releases and conferences</li> <li>▶ Interviews</li> </ul>	<ul style="list-style-type: none"> <li>▶ Overall Company strategy, performance, and results</li> </ul>
<b>NGOs/NPOs</b>	<ul style="list-style-type: none"> <li>▶ Social projects, sponsorships, and donations</li> <li>▶ Stakeholder dialogue and grievance mechanisms</li> </ul>	<ul style="list-style-type: none"> <li>▶ Environmental, social, and climate performance and risks</li> <li>▶ Long-term OMV strategy</li> </ul>



Stakeholder Groups	Examples of OMV Engagement	Examples of Key Topics and Concerns Raised by Stakeholders
<b>Peer companies, competitors, JV and other business partners</b>	<ul style="list-style-type: none"> <li>▶ Industry meetings</li> <li>▶ Contracts</li> <li>▶ Participation in working groups such as IPIECA, IOGP</li> </ul>	<ul style="list-style-type: none"> <li>▶ Industry-wide standards for sustainability topics</li> <li>▶ Good practice in exploration, development, and production activities</li> </ul>
<b>Scientific and research institutions</b>	<ul style="list-style-type: none"> <li>▶ Joint projects with industry partners, scientific organizations, and universities</li> <li>▶ Conferences and lectures</li> </ul>	<ul style="list-style-type: none"> <li>▶ Information on and best practice for new technologies</li> </ul>
<b>Suppliers and contractors</b>	<ul style="list-style-type: none"> <li>▶ Negotiations and contracts</li> <li>▶ Supplier audits and assessments</li> <li>▶ Supplier events</li> </ul>	<ul style="list-style-type: none"> <li>▶ Fair contracts</li> <li>▶ On-time payment</li> <li>▶ Adequate working conditions</li> </ul>

## Key Memberships

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

- ▶ AEA – Austrian Energy Agency
- ▶ ARPEE – Romanian Association for Promoting Energy Efficiency
- ▶ BusinessEurope
- ▶ CEFIC – European Chemical Industry Council
- ▶ CEFLEX – Circular Economy for Flexible Packaging
- ▶ CEP – Clean Energy Partnership
- ▶ Concawe – Conservation of Clean Air and Water in Europe
- ▶ Fertilizers Europe
- ▶ FGW – Fachverband der Gas- und Wärmeversorgungsunternehmen
- ▶ FIC – Foreign Investors Council
- ▶ FPPG – Oil and Gas Employers Federation
- ▶ FuelsEurope
- ▶ FVMI – Fachverband der Mineralölindustrie
- ▶ Hydrogen Europe
- ▶ IOGP – International Association of Oil & Gas Producers
- ▶ IPIECA
- ▶ IV – Vereinigung der Österreichischen Industrie
- ▶ MWV – Mineralölwirtschaftsverband
- ▶ OCIMF – Oil Companies International Marine Forum
- ▶ Petrochemicals Europe
- ▶ PlasticsEurope
- ▶ PRE – Plastics Recyclers Europe
- ▶ RBSTA – Romanian Black Sea Titleholders Association
- ▶ Solomon Associates
- ▶ WindEurope
- ▶ WKO – Wirtschaftskammer Österreich
- ▶ WPC – World Plastics Council