Sustainability Framework

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). We have made the following commitments, which lie at the heart of our Sustainability Framework, to propel our ESG journey:

Environmental:

- OMV continuously improves the carbon efficiency of its operations and product portfolio, is fully committed to supporting and accelerating the energy transition, and aims to become a net zero business by 2050 or sooner.
- OMV is fully committed to acting 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, using natural resources efficiently, and avoiding biodiversity disruption.

Social:

- Health, safety, and security have the highest priority in all activities, and OMV is fully committed to proactive risk management to realize its HSSE Vision of "ZERO harm – NO losses."
- OMV is committed to building and retaining a talented expert team for international and integrated growth, and 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 sexual and non-sexual harassment.
- 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 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.

Governance:

- OMV strives to uphold equally high ethical standards at all locations, and aims to earn 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.

Our Strategy 2030 is underpinned by this Sustainability Framework, with all business decisions guided by our ambition to become a net zero business. Within our 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 targets and actions to be achieved by 2030. These serve as OMV's contribution to the UN's 2030 Agenda for Sustainable Development. Our sustainability ambitions, especially getting to net zero, can only be achieved with considerable effort and capital allocation. The Group has earmarked investments of more than EUR 13 bn for the purpose of achieving our emissions reduction targets.

Targets

Climate Change

Intensity Targets

Carbon intensity of operations

–17%	≥30%
Status 2022	**Target 2025**
Reduced carbon intensity of operations (Scope 1) vs. 2010	Reduce carbon intensity of operations (Scope 1) by ≥30% vs. 2010

Carbon intensity of energy supply

–3.3%	≥20%	≥50%
Status 2022	**Target 2030**	**Target 2040**
Reduced carbon intensity of energy supply vs. 2019	Reduce carbon intensity of energy supply by ≥20% vs. 2019	Reduce carbon intensity of energy supply by ≥50% vs. 2019

Carbon intensity of the product portfolio

–3%	>6%
Status 2022	**Target 2025**
Reduced carbon intensity of product portfolio (Scope 3) vs. 2010	Reduce carbon intensity of product portfolio (Scope 3) by >6% vs. 2010

Methane intensity

0.4%	≤0.2%	≤0.1%
Status 2022	**Target 2025**	**Target 2030**
E&P methane intensity	Achieve an E&P methane intensity of ≤0.2%	Achieve an E&P methane intensity of ≤0.1%

Absolute Targets

Scope 1

0.64 mn t	1 mn t
Status 2022	**Target 2025**
reduced through concrete emissions reductions initiatives and divestments since 2020	Achieve at least 1 mn t of CO_2 reductions in 2020–2025 from operated assets

Scope 1 and 2

–23%	≥30%	≥60%
Status 2022	**Target 2030**	**Target 2040**
Reduced Scope 1 and 2 emissions vs. 2019	Reduce Scope 1 and 2 emissions by ≥30% vs. 2019	Reduce Scope 1 and 2 emissions by ≥60% vs. 2019

Scope 3

–8%	≥20%	≥50%
Status 2022	**Target 2030**	**Target 2040**
Reduced Scope 3 emission vs. 2019	Reduce Scope 3 emissions by ≥20% vs. 2019	Reduce Scope 3 emissions by ≥50% vs. 2019

Flaring and Venting

240 mn m^3	0
Status 2022	**Target 2030**
Volume of gas routinely flared and vented in 2022 vs. 430 mn m^3 in 2021	Zero routine flaring and venting of associated gas as soon as possible, but no later than 2030

Key Actions:

- Phase out routine flaring and venting
- Conduct energy efficiency programs
- Run methane leakage and repair programs
- Purchase 100% renewable energy in the C&M business segment
- Decrease production and sales of fossil fuels (reduce oil and gas production levels to around 350 kboe/d and reduce crude distillation throughput by 2.6 mn t by 2030)

- Increase production of renewable mobility fuels and sustainable chemical feedstocks to approximately 1.5 mn t, and produce and market at least 700,000 t of sustainable aviation fuels by 2030
- Establish CCS storage capacity of around 5 mn t/year CO_2 net at OMV by 2030 (thereof 2 mn t/year at OMV Petrom)
- Build up around 10 TWh of renewable energy production by 2030 (including geothermal, PV, wind)
- Pursue uptake of green gases, such as biogas and H_2, primarily from trading, in gas sales portfolio mix

Natural Resources Management

Circular materials

148.5 kta	600 kta	2,000 kta
Status 2022	**Target 2025**	**Target 2030**
Production capacity established	Establish production capacity of 600 kta sustainable (including recycled and biobased) polyolefins and other chemicals	Establish production capacity of approximately 2,000 kta sustainable (including recycled and biobased) polyolefins and other chemicals

Fossil resources

392 kboe/d	350 kboe/d
Status 2022	**Target 2030**
Production: 392 kboe/d; crude throughput: 13.0 mn t	Reduce use of natural resources by reducing oil and gas production levels to around 350 kboe/d and by reducing crude distillation throughput by 2.6 mn t

Waste

63%		
Status 2022	**Target 2025**	**Target 2030**
Waste recovery or recycling rate	Increase waste reuse and recycling from operations	Increase waste reuse and recycling from operations

Water withdrawal

Status 2022	Target 2025	Target 2030
279,983 megaliters of freshwater withdrawal	Reduce freshwater withdrawal	Reduce freshwater withdrawal

Key Actions:

- Build up capability for the procurement of sustainable feedstocks (plastic waste and bio-feedstocks) for polyolefins
- Accelerate development of and scale up the advanced mechanical recycling business and chemical recycling business
- Develop and implement a sustainable product portfolio for biobased polyolefins
- Establish design for recyclability and reuse businesses for polyolefins
- Optimize water management in operations
- Develop environmental targets

Health, Safety, and Security

TRIR

Status 2022	Target 2025	Target 2030
1.23 TRIR per 1 mn hours worked	1.0 Achieve a Total Recordable Injury Rate (TRIR) of around 1.0 per 1 mn hours worked	<1.0 Stabilize Total Recordable Injury Rate (TRIR) at below 1.0 per 1 mn hours worked

Fatalities

Status 2022	Target 2025	Target 2030
1 work-related fatality	0 Achieve zero work-related fatalities	0 Achieve zero work-related fatality

Process safety

Status 2022	Target 2025	Target 2030
0.21	✓	✓
Process Safety Event Rate	Maintain leading position in Process Safety Event Rate	Maintain leading position in Process Safety Event Rate

Key Actions:

- Develop HSSE strategy and annual HSSE plans
- Continue Borealis integration
- Safety Leadership Program and Safety Culture Program
- Continuously improve process safety management
- Learn from incidents

People

Women in management

Status 2022	Target 2025	Target 2030
21.6%	25%	30%
Share of women at management level	Increase share of women at management level to 25%	Increase share of women at management level to 30%

Women in executive management

Status 2022	Target 2030
21.4%	20%
Female Executive Board members	Min. 20% of female Executive Board members (stretch target: 30%)

International experience

67.4%	75%	75%
Status 2022	**Target 2025**	**Target 2030**
Executives with international experience	Maintain high share of executives with international experience at min. 75%	Maintain high share of executives with international experience at min. 75%

International management

59.5%	65%
Status 2022	**Target 2030**
International management	Increase share of international management to 65%

Employee training

23	30
Status 2022	**Target 2030**
Average number of annual learning hours	Increase average number of annual learning hours to at least 30 hours per employee

Disability support

Status 2022	**Target 2030**
Roadmap until 2030 has been developed, with detailed initiatives in place for 2023 and 2024	Increase support for employees with special needs at our main locations

Human rights awareness

52%

Status 2022

OMV Group employees trained in human rights

100%

Target 2025

Train all OMV Group employees in human rights

Human rights due diligence

4

Status 2022

Assessments conducted in the last 5 years

100%

Target 2030

Conduct human rights assessments and develop action plans for all OMV Group operations with a high level of human rights risks every 5 years

Community relations

8

Status 2022

Out of 9 sites in scope assessed

100%

Target 2025

Assess Community Grievance Mechanism at all sites against UN Effectiveness Criteria

Community investments

2.4%

Status 2022

Group investments directed toward social goals

1%

Target 2030

Direct at least 1% of Group investments per year toward social goals (based on previous year's reported net income attributable to stockholders of the parent)

Key Actions:

- Establish a global Diversity, Equity, and Inclusion (DEI) Board/Council
- Conduct regular global people and culture surveys
- Regularly report on gender-related salary equality
- Regularly report on age distribution to identify gaps and foster intergenerational collaboration
- Introduce a non-discrimination policy
- Improve support for working parents
- Improve support for employees with special needs

- Introduce yearly learnings awards
- Provide employees with the ability to self-monitor their learning hours
- Roll out new leadership training and assessment to reinforce inclusive and growth mindset behavior
- Introduce mandatory human rights e-learning
- Integrate Climate Change and Just Transition into the Human Rights Management System
- Pursue a social investment strategy addressing the UN SDGs and reflecting the continued increase in social spending

Ethical Business Practices

Supplier evaluation

35%

Status 2022

35% of A suppliers (suppliers covering >80% Procurement spend) assessed

>80%

Target 2025

Be an active member of TfS and conduct sustainability evaluations of all suppliers covering >80% of Procurement spend

90%

Target 2030

Extend sustainability evaluations to suppliers covering 90% of Procurement spend

Carbon footprint of suppliers

231

Status 2022

Suppliers engaged with via CDP

80%

Target 2025

Engage with suppliers covering 80% of Procurement spend and assess their carbon footprint as a foundation from which to define and run joint low-carbon initiatives

Carbon footprint of suppliers

75%

Status 2022

Responding suppliers with a climate target in place

Target 2030

All suppliers covering >80% of Procurement spend to have carbon reduction targets in place

Business ethics

7,537

Status 2022

Employees in the OMV Group trained in business ethics in 2022

Target 2025

Promote awareness of ethical values and principles: conduct in-person or online business ethics training for all employees

Key Actions:

- Screen all suppliers against mandatory ESG criteria during supplier prequalification
- Foster the digital availability of compliance services and information, in particular by broadening the functions of the OMV Compliance app
- Operate a state-of-the-art Compliance Management System (verified and approved according to IDW PS 980 standard in 2022)

Further details and definitions for each target can be found in the respective Focus Areas sections of the report.

Sustainability Governance

Sustainability topics are fully integrated into the overall governance structure of the Company. These topics have the same weight as any other business consideration and, following the Company's responsible approach to business, are integrated into the daily operation and management processes of the Company. For instance, sustainability criteria form part of the Capital Allocation Framework. ESG due diligence is also part of mergers and acquisitions.

Governance Structure

OMV has a two-tier governance structure. The Executive Board, composed of the CEO, CFO, EVP Chemicals, EVP Fuels & Feedstock, and EVP Energy, is the highest managing body of the Company and is responsible for setting and implementing the Company strategy, including climate and other sustainability targets. The Executive Board holds meetings at least every two weeks to exchange information and issue decisions on all matters requiring plenary approval.

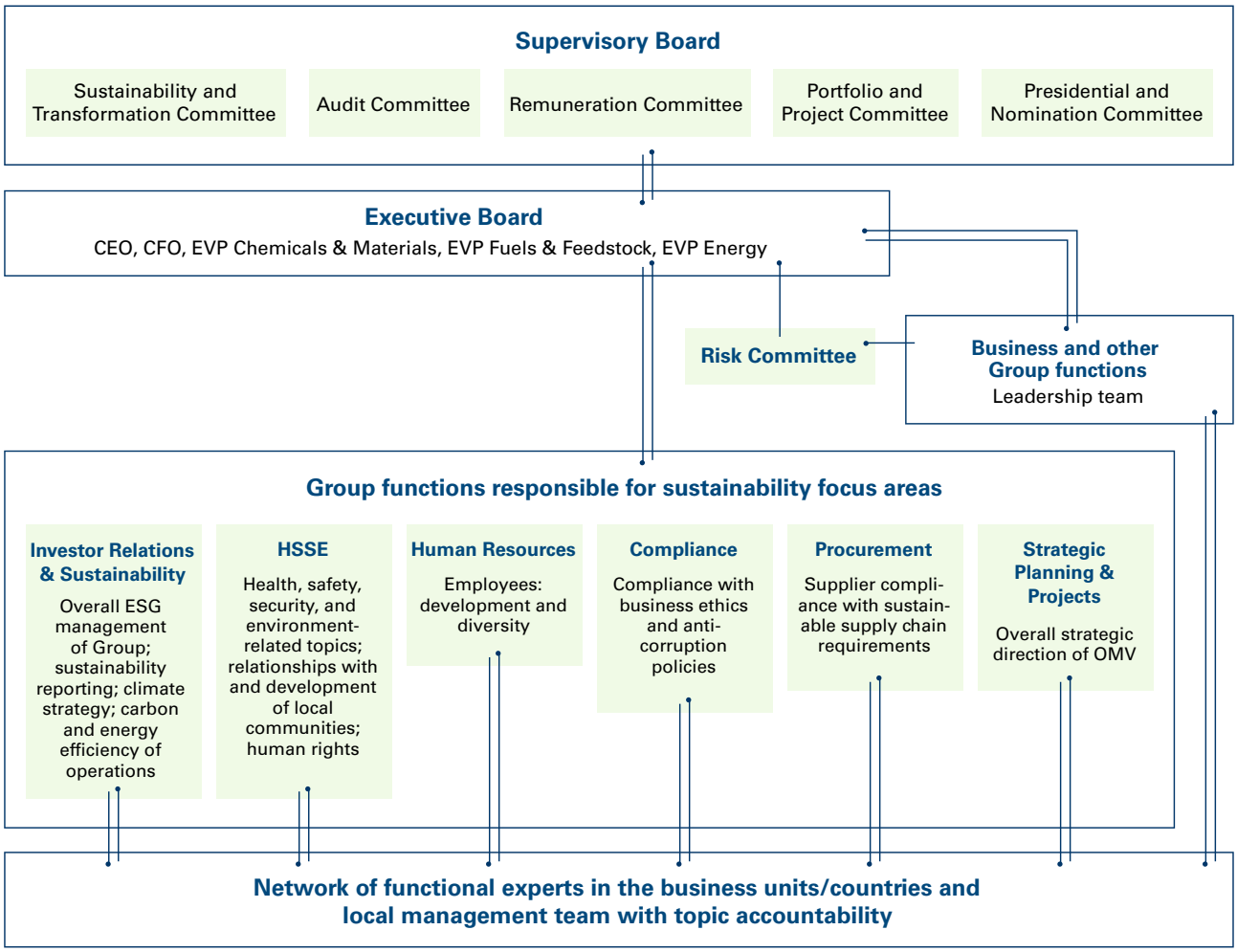
The Supervisory Board is OMV's highest governing body and consists of ten members elected by the General Meeting (shareholders' representatives) and five members delegated by the Group's Works Council. The Supervisory Board appoints members of the Executive Board, monitors and supervises its decisions, and advises the Executive Board on strategy development. The Supervisory Board also assesses the performance of the Executive Board, including on sustainability criteria. The Executive Board reports to the Supervisory Board on a regular and ad hoc basis. The Supervisory Board appoints among its members qualified expert committees that support the decision-making of the Supervisory Board. OMV's management of sustainability issues is overseen and steered by the Supervisory Board's Sustainability & Transformation Committee. This includes oversight of all material sustainability topics (e.g., health, safety and security, carbon emissions reduction, circular economy, etc.) and their related KPIs and targets. In 2022, the Chairman of the Supervisory Board again met with many of the largest OMV investors on a Corporate Governance Roadshow. ESG topics were among the focus areas discussed.

In 2022, the newly established Sustainability & Transformation Committee started holding regular meetings. This committee meets on a quarterly basis to discuss and steer topics such as regulatory ESG requirements including non-financial reporting requirements, ESG-related capital market activities, ESG governance and steering, and critical incidents related to sustainability (e.g., human rights violations and significant HSSE incidents). In each meeting of the full Supervisory Board, the Sustainability &

Transformation Committee gives a report to the entire plenary. The Sustainability & Transformation Committee and the entire Supervisory Board review and approve the OMV Group Sustainability Report every year. OMV's Supervisory Board benefits from a training program to learn about relevant topics, including ESG-related fields of interest. In 2022, circularity and sustainable fuels and feedstocks were included in the content of the training program.

A self-assessment of the Supervisory Board is performed on an annual basis with the help of an external consultant. Among other things, the self-assessment carried out in 2021 stressed the need to further increase expertise in the area of sustainability, innovation, and climate change – by means of training as well as by considering sustainability transformation skills when nominating new members for the Supervisory Board of OMV Aktiengesellschaft. In addition to further training on the sustainability transformation, Jean-Baptiste Renard, who accompanied the transformation of Neste as non-executive director, was consequently elected to OMV's Supervisory Board at the Annual General Meeting 2022.

The results of the self-assessment in 2022 mentioned the high-quality work of the Sustainability & Transformation Committee in the year of its constitution. They emphasized the importance of continuity in the oversight of ESG topics and the benefit of deep dives into strategic focus areas, and suggested further training on ESG in the oil, gas, and chemicals industry.



Executive Remuneration

The Supervisory Board assesses the performance of the Executive Board, including on the implementation of the sustainability strategy. The Remuneration Committee is authorized to determine the Executive Board's remuneration, including the structure of the remuneration system and the actual target achievement. The Executive Board remuneration consists of fixed and variable remuneration elements. Selected employees at senior management level are also eligible to participate in the Long-Term Incentive Plan (LTIP). The variable remuneration – LTIP and the annual bonus – includes performance criteria related to the Company's sustainability and greenhouse gas (GHG) performance.

Long-term shareholder and other stakeholder interests are reflected in the performance-related remuneration, which includes both long-term and short-term elements. Feedback received as part of the regular dialogue with shareholders has helped to refine the Policy. Following shareholder engagement and feedback at the Annual General Meeting 2021, as well as during the Corporate Governance Roadshow 2021, the Remuneration Committee decided to reduce the Remuneration Policy's complexity by reducing the number of key performance indicators (KPIs) and implementing a standardized health and safety malus instead of the current sustainability multiplier in the annual bonus and the HSSE malus in the LTIP. Clawbacks now apply to all variable remuneration elements. Furthermore, in keeping with OMV's Strategy 2030 and to foster the Company's transformation, KPIs measuring operational excellence and strategy implementation were included in the annual bonus. In addition, environmental, social, and governance (ESG) targets are weighted more strongly in the variable remuneration.

The Remuneration Policy approved at the Annual General Meeting in June 2022 foresees ESG targets forming part of the annual bonus and LTIP. 15% of the annual bonus depends on the achievement of an ESG target, namely the reduction of net absolute GHG emissions. 30% of the LTIP is also based on the achievement of ESG targets. The Remuneration Committee has established an OMV specific catalog of criteria derived from the Company's Sustainability Strategy. The Remuneration Committee chooses the ESG targets and their weighting for each LTIP tranche based on this catalog. GHG emissions reduction will always constitute a target in the LTIP. ESG targets and their weighting are published in the Remuneration Report for the grant year.

Based on predefined criteria (e.g., fatalities, TRIR, process safety – also in comparison to industry benchmarks), a health and safety malus of between 0.8 and 1.0 is applied to the overall target achievement for both the annual bonus and the LTIP. In the event of severe incidents, the Remuneration Committee may reduce the payout to zero. This malus considers OMV's commitment to health and workplace safety.

An external review of actual target achievement is performed by the Group's auditor, and the results are communicated to the Remuneration Committee and Supervisory Board.

Management of Sustainability Impacts

The Executive Board is responsible for managing the organization's impact on the economy, environment, and people. This includes oversight of all material topics described in this report, such as climate change mitigation and adaptation, human rights, safety, etc. At Group level, responsibility for driving OMV's sustainability agenda, sustainability reporting, and ESG governance lies with the Carbon, Energy & ESG Management team in Investor Relations & Sustainability, which is the responsibility of the CFO. The team works across the business to determine gaps in sustainability performance, define expectations, conduct benchmarking, and develop best practices.

The team works in close collaboration with the various Group functions that are responsible for implementing OMV's Sustainability Framework. Further details are disclosed in the Governance descriptions of each material topic found throughout this Report.

Group functions continuously develop and steer the processes relevant to the implementation of activities relating to social and environmental performance, and propose an action plan to functional experts in related business units on the ground. The functional experts remain in continuous communication regarding progress on the planned implementation. Each Group function reports directly to the Executive Board on the relevant social and environmental issues in conjunction with the Carbon, Energy & ESG Management team. This includes reporting on progress in the implementation of the Sustainability Framework on a quarterly basis, presenting important events with regard to the material topics, and submitting implementation plans for sustainability initiatives for approval.

Sustainability Criteria in Investment Decisions

Our sustainability ambitions, especially getting to net zero, can only be achieved with considerable effort and capital allocation. In our Strategy 2030, we have earmarked investments of more than EUR 13 bn for the purpose of achieving our emissions reduction targets.

In 2022, OMV updated its Capital Allocation Framework and developed a strategic scoring methodology for investment projects based on four pillars: business strategic targets, financial metrics, risk profile, and climate targets impact. This new methodology has been tested in a pilot phase. The scoring helps to objectively define and review OMV's most important strategic projects and allows for holistic portfolio optimization across the OMV Group to support our strategy delivery, including our GHG reduction pathway. Climate scoring is an integral part of this overall scoring and covers the investment's impact on the OMV Group's Scope 1, 2, and 3 climate targets for 2030, as well as EU taxonomy relevance.

As part of the updated Capital Allocation Framework, OMV also introduced a new definition for "sustainability CAPEX," which encompasses investments that meet one of two criteria: either they are aligned with the EU taxonomy or they are investments that support the implementation of OMV's 2030 Sustainability Framework. The latter includes investments related to methane leakage detection and repair, energy efficiency programs, chemical recycling, and community investments classified as strategic social investments, among others.

For sustainability projects to pass the final investment decision, more relaxed financial hurdles apply compared to those applicable to the rest of the projects in the portfolio. Thus, "sustainability CAPEX" projects use distinct "weighted average cost of capital (WACC)" rates that consider the specific risks of sustainability projects (usually lower compared to other projects) and a payback period of <20 years (longer than for other projects). The goal of the new Capital Allocation Framework is to facilitate investments in projects aligned with our climate targets, including our long-term net zero target, rather than traditional fossil fuel-related investments.

Moreover, inorganic growth projects should comply with the overall Group path to net zero by 2050 and should support the low-carbon growth of OMV. The potential impact of mergers and acquisitions on OMV's climate targets is reviewed as part of due diligence.

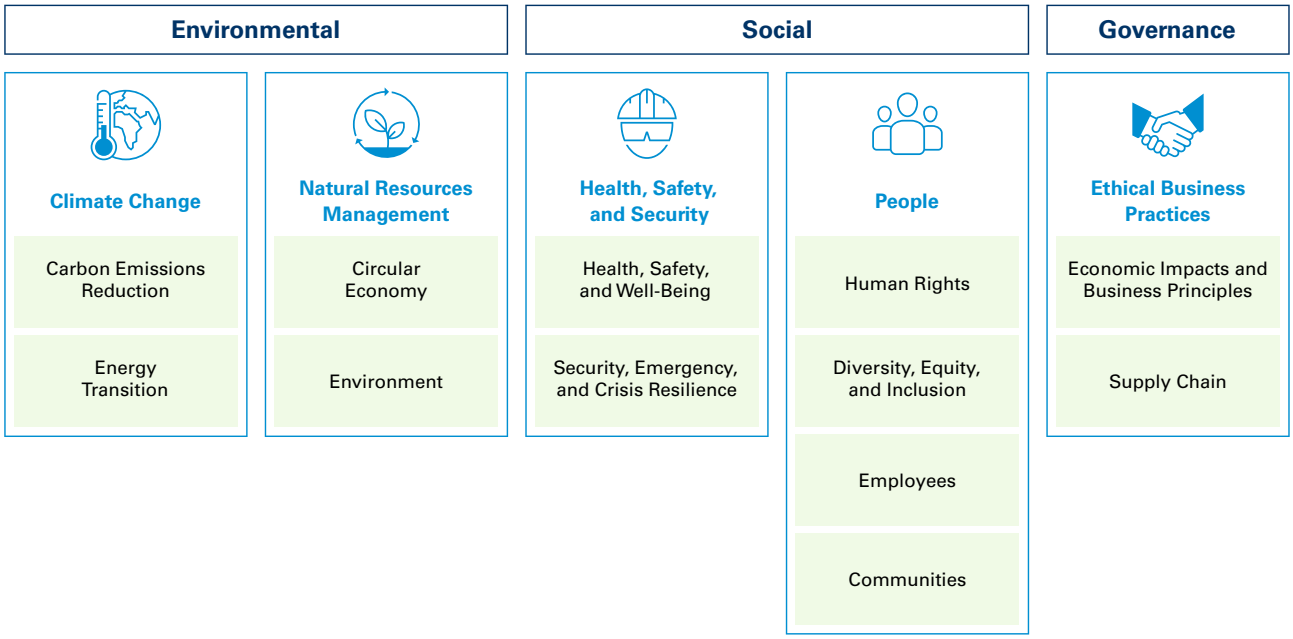
Materiality

OMV identifies material content for the Sustainability Report in an extensive and structured process of consultation with the Company's external and internal stakeholders.

OMV last comprehensively updated its materiality analysis of sustainability topics in compliance with the legal requirements related to the disclosure of non-financial information in Austria (Nachhaltigkeits- und Diversitätsverbesserungsgesetz; NaDiVeG) and the GRI Standards in 2020. Stakeholder interests, the significant external economic, environmental, and social impacts of OMV's business, as well as the financial materiality and business relevance of these topics to OMV were essential to this process. Impacts (both by OMV and on OMV) and the relevance to stakeholders were considered across the entire OMV value chain. We conducted this process together with an external party in order to maintain an objective and independent view on the material topics. The extensive materiality analysis involving internal and external stakeholders will be repeated every three years, or if significant changes in the business or market environment occur.

We reviewed the results of the materiality analysis again as part of our strategy update in late 2021. During this review, some material topics were split into two individual material topics: "Climate Change and Energy Transition" was split into "Carbon Emissions Reduction" and "Energy Transition," "Health, Safety, and Security" was split into "Health, Safety, and Well-Being" and "Security, Emergency, and Crisis Resilience," and "Human Rights and Communities" was split into "Human Rights" and "Communities." This was due to the prominence of the individual topics and the differences in their management approaches. In addition, "Diversity, Equity, and Inclusion" was raised from being an aspect of the topic "Employees" to an individual material topic due to its central nature to the Company's sustainability strategy. As a result, OMV now has a total of twelve material topics. No changes were made to the material topics in 2022.

The results of the 2020 materiality analysis and the changes in 2021 were acknowledged by the OMV Executive Board. In this Report, we disclose in detail the twelve material topics that are viewed as being most material to OMV and our stakeholders. In the following sections of the Report, we present the management approaches, governance processes, KPIs, key actions in 2022, outlook, and strategic targets for each of these material topics. The Sustainability Report is structured around the focus areas and material topics.



OMV plans to comprehensively renew its materiality analysis in 2023.

Risks and Opportunities

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

Geopolitical Risks

The consequences of ongoing global disruptions – chiefly the Russia-Ukraine conflict and the COVID-19 pandemic – cannot be reliably estimated at this stage, nor can the extent and duration of the economic impact on OMV resulting from them. The OMV Group actively monitors the increasing geopolitical tensions, particularly the ongoing Russia-Ukraine conflict and any additional sanctions and countersanctions resulting from it. The Group also regularly reviews any potential further impact on its business activities. Continued and/or intensified disruptions in Russian commodity flows to Europe could result in a further increase in European energy prices. This could be followed by an emergency political intervention to address the high energy prices, for example through a temporary revenue cap on market revenues of producers, a temporary mandatory solidarity contribution on 2022 and 2023 excess profits generated from activities in the crude petroleum, natural gas, coal, and refinery sectors, as well as voluntary endeavors for EU member states to reduce energy consumption. Sanctions on Russia and countersanctions issued by Russia in return could lead to disruptions to global supply chains and shortages of, e.g., energy products, raw materials, agricultural products, and metals, and subsequently to further increases in operating costs.

The COVID-19 pandemic could still impact global economic development, in particular driven by changes in China's zero COVID-19 policy and the emergence of new variants. In addition, geopolitical developments, disruptions in supply chains, high price inflation, and the impact of rising interest rates could lead to a significant deterioration in economic growth.

Enterprise-Wide Risk Management

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 OMV Group is continually enhancing the EWRM process based on internal and external requirements, for instance developing new ESG reporting standards and frameworks. The process is facilitated by a Group-wide IT system supporting the established individual process steps, guided by the ISO 31000 risk management framework. The process also includes companies that are not fully consolidated.

Governance

The Executive Board is responsible for risk oversight, ensuring that management has put in place a rigorous process for identifying, prioritizing, managing, and monitoring the critical risks affecting the Company. The Executive Board establishes, communicates, and implements our risk management culture throughout the OMV Group. OMV's Executive Board members regularly (and at least quarterly) discuss current and upcoming environmental, climate, and energy-related policies and regulations, related developments in the fuels, chemicals, and gas markets, the financial implications of carbon emissions trading obligations, the status of innovation project implementation, and progress on achieving sustainability-related targets.

OMV focuses on assessing the potential vulnerabilities of the Company to climate change (e.g., water scarcity, droughts, floods, and 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., reduction of carbon emissions and compliance with new regulatory requirements). The short- and mid-term physical vulnerabilities related to climate change are identified and reported in the EWRM process and do not exceed OMV's reporting threshold.

In 2022, the OMV Group initiated a robust, site-specific physical climate risk and vulnerability assessment in accordance with the EU taxonomy to determine the resilience of each asset to future climate change and the associated physical climate-related risks. Acute and chronic risks related to temperature, wind, water, and solid mass were first screened based on business specificity and potential impact on OMV. A two-fold approach was used that is in line with the EWRM approach.

Based on the preselected acute and chronic risks, all OMV Group sites where EU taxonomy-eligible activities occur were prioritized. This exercise was performed with the support of a risk intelligence consultant using a set of indexes specifically aimed at providing a robust understanding of the changes in future environmental conditions for the respective locations and businesses.

All assets with medium, high, or extreme exposure to one or more acute or chronic physical climate risks were further analyzed. Physical hazard modeling was applied, consisting of the processing and analysis of atmospheric data related to temperature, precipitation, drought, and wildfires, as well as other data related to coastal flooding, tropical cyclones, water stress, and fluvial flooding, in order to provide a rigorous estimate of risk. The analysis incorporated scenarios based on the Representative Concentration Pathways (RCPs) from the Intergovernmental Panel on Climate Change (IPCC). The four RCPs (2.6, 4.5, 6.0, and 8.5) included in the IPCC AR5 were used in this exercise and applied to various time horizons that align with the OMV Strategy. Once the financial impact of the respective risks was estimated, potential mitigation strategies were discussed with management in order to ensure that appropriate adaptation measures were considered.

The Group Risk Committee, which is composed of the OMV Group CFO and members of senior management, meets at least four times a year, ensuring that risk awareness and prevention are firmly integrated into decision-making processes. The Committee validates the key non-financial and financial risks identified with respect to OMV's short-, medium-, and long-term objectives. For more information, see the Annual Report.

Risk Management Process

The risk management process combines an intensive bottom-up and top-down approach, with every single employee responsible for implementing the most appropriate mitigation strategies for the risks within their sphere of responsibilities. Identified and assessed risks are controlled and mitigated at all organizational levels thanks to clearly defined risk policies and responsibilities. Strategic risks and opportunities (e.g., related to climate change or water stress) are assessed in a top-down process, while a bottom-up process with a standardized methodology is used to assess factors such as environmental aspects, impacts, and risks in our operations, including legal and compliance risks.

ESG risks are identified using a double materiality approach and a selection of the appropriate risk identification techniques, such as interviews, workshops, surveys, and analyses of historical losses, as well as information on risks documented in risk registers or loss databases. For example, environmental risks are identified using an

approach such as a standardized environmental risk assessment methodology, always applying a double materiality approach whenever possible. Environmental risks and opportunities include regulatory, operational, reputational, and financial drivers, and specifically relate to issues such as climate change, availability and quality of water used for operations, and the impact of energy, climate, and water policies. Such risks are then analyzed against a short-term horizon (3 years), medium-term horizon (3–5 years), or long-term perspective (>10 years), including their possible quantitative impact as a deviation of cash flow from the plan and the likelihood of such an impact. Heat maps or risk matrices are used to support the assessment process and serve to identify probability ranges and the related consequences if risks were to materialize. Digital technologies are used in monitoring and managing environmental risks through a special risk management IT tool that integrates environmental risk scenarios with operational and business risks.

For the purpose of identifying such risks, we continuously monitor OMV's internal and external environment and conduct interviews with senior management, subject matter experts, and Executive Board members. This process complements the bottom-up approach and captures the risks inherent in the strategy. We collect information on root causes, consequences, corresponding risk mitigation actions and their effectiveness, and changes in internal and external factors influencing likelihood. These are assessed in working sessions with senior management and subject matter experts.

All risks exceeding a certain threshold at Group level are included in the Group Risk Report and considered to be substantive irrespective of their probability. However, the threshold can vary depending on the management focus for that specific risk management measure. In addition, risks are regarded as substantive if they are seen as such by relevant stakeholders, including local communities, government authorities, employees, or suppliers, even when the financial impact is not considerable.

Bottom-up and top-down perspectives are combined to provide a comprehensive risk profile of the organization, which is taken into consideration when the OMV strategy is developed or updated. The results of an intensive reporting exercise are discussed at the OMV Executive Board level through the Group Risk Report and further presented to the OMV Audit Committee.

Risk Taxonomy

Paying attention to every single risk makes risk management a holistic process. We use common risk terminology and language across OMV to facilitate effective risk communication. ESG risks are a key element in the OMV risk taxonomy.

The full spectrum of risks relating to OMV's business, including economic, environmental, and social issues, is analyzed using either a semi-qualitative or quantitative approach and documented in a centralized risk repository. The resulting corporate risk profile provides a holistic view of issues that could affect the Company's medium- and long-term performance. The profile is therefore integrated into OMV's decision-making processes.

According to the OMV risk taxonomy, the following risk categories are considered based on key risk drivers:

- Financial risks, including market price risks, foreign exchange risks, and risks arising from (European) Emission Allowances: Market price risks are monitored and analyzed centrally in respect of their potential cash flow impact using a specific risk analysis model that considers portfolio effects. Such market price risks also cover the impact of volatile prices for European Emission Allowances, where typical mitigation activities like spot, forward, or futures transactions are applied to ensure a balanced position of emission allowances by selling the surplus or covering the gap.
- Operational risks, including all risks related to physical assets, production risks, project risks, personnel risks, IT risks, as well as HSSE, climate change, and regulatory/compliance risks, are analyzed, monitored, and managed by following the Group's defined risk management process.
- Strategic risks arising, for example, from changes in technology, climate change, risks to reputation, or political uncertainties, including sanctions

For reporting purposes, this taxonomy is mapped to various other risk classifications such as NaDiVeG[5] and TCFD. Additional information on major financial and non-financial risks is included in the Annual Report 2022.

Specific Sustainability Risks and Opportunities

In the table below, we have summarized the potential risks (divided into threats and opportunities), mitigation measures, and net risks and opportunities of OMV activities, structured according to our material topics and related NaDiVeG concerns. Materiality in this context is defined as issues having a potentially significant impact on the environment or society (for more information, see Materiality). Risks reported were selected based on their magnitude using impact and probability, and at least one relevant example for each material topic was selected.

[5] The Austrian Sustainability and Diversity Improvement Act (NaDiVeG) defines risk as a potential negative effect on sustainability originating from a company's operations, its supply chain, or its products/services. For OMV, a risk represents uncertainty regarding Company objectives measured by combining the likelihood or frequency of an event and its consequences, which can result in opportunities or threats to the success of the Company's sustainable business performance.

Focus Area: Climate Change

Material Topic (NaDiVeG)	Risk Description	Effect Description (Inside-Out or Outside-In)	Mitigation Measures
Energy Transition (Environmental concerns)	**Threat (Transition Risk):** Risk arising from the organization's inability to implement and manage new technology and products to reduce carbon intensity impact	**Inside-Out:** OMV's total GHG carbon footprint (Scopes 1, 2, 3) in 2022 amounted to 145 mn t CO_2 equivalent. The global CO_2 emissions in 2022 were 37.5 Gt,[1] thus OMV contributed 0.4% of overall global emissions in 2022. **Outside-In:** Lower demand for OMV's fossil fuel generation, limited utilization of refining capacities, loss of licenses, significant revenue losses, as well as reputational damage	▸ Decarbonization strategy, including carbon reduction targets for the product portfolio and an investment and innovation portfolio ▸ Capital Allocation Framework to facilitate investments in projects aligned with OMV's climate targets ▸ Detailed market screening ▸ Adherence to internal governance processes For more information, see Energy Transition
	Threat (Transition Risk): As an energy- and emissions-intensive company, current and emerging regulations on carbon pricing mechanisms that target energy use and efficiency and emissions reduction pose a threat to our "business as usual" approach, e.g., the EU Emissions Trading Scheme (EU ETS).	**Outside-In:** Implementing new mandatory changes in the value chain would have significant financial implications for OMV, for example either limiting the ability to shift to a more sustainable business faster or resulting in significant additional costs.	▸ Developing new business opportunities ▸ Carbon reduction targets for the product portfolio ▸ Carbon reduction targets integrated into the Executive Board's Long-Term Incentive Plan (LTIP) For more information, see Energy Transition
Carbon Emissions Reduction (Environmental concerns)	**Threat (Transition Risk):** Risk of imbalance between certificates allocated and emissions volumes required for Company activities Additional risk of inability to adapt to the rapid changes to emerging routine flaring requirements. With the upcoming stricter policies and regulations requiring zero routine flaring conditions, certain field development concepts based on routine flaring might not be feasible (e.g., early production facilities in remote areas) or may only be possible with higher investments and operating costs.	**Outside-In:** Failing to improve energy efficiency could result in higher costs generated by the uncertainties concerning allowance demand and abatement costs, as well as energy consumption and GHG emissions. Reputational damage could be triggered by pressure from local communities for reductions beyond the applicable legislation on flaring and emissions intensity, and/or certain field developments might not be feasible and/or only with higher investments and operating costs. **Inside-Out:** OMV's 2022 total Scope 1 GHG emissions amounting to 11.7 mn t CO_2 equivalent increased the CO_2 concentration in the atmosphere by 0.0007 ppm.	▸ Boosting energy efficiency and reducing internal fuel consumption by increasing renewable energy supplies, e.g., through use of the Company's own photovoltaic (PV) plants ▸ ISO 50001 certifications for Refining, Chemicals, and partly for Exploration & Production ▸ Implementing tools to run plants as optimally as possible, such as introducing an Energy Trend Board, which helps operators continuously focus on energy consumption ▸ Continual optimization of plant design and control, and implementing improvement projects to remove potential barriers to optimization ▸ Phasing out routine flaring and venting will significantly contribute to reducing our GHG emissions ▸ Carbon reduction targets integrated into the Executive Board's LTIP For more information, see Energy Efficiency and Sourcing Renewable Energy as well as Flaring, Venting, and Fugitive Methane Emissions

Material Topic (NaDiVeG)	Risk Description	Effect Description (Inside-Out or Outside-In)	Mitigation Measures
Energy Transition and Carbon Emissions Reduction (Environmental concerns)	**Opportunity (Transition Opportunity):** Continue to contribute to a sustainable energy system with further development of innovative and successfully implemented projects. OMV develops viable businesses based on hydrogen, bioenergy, carbon, and geothermal models. Acceleration of technology development and access to experts and know-how will further promote OMV's set path to energy transition. In the context of the current strategy, there is potential for additional new business opportunities, e.g., intensifying strategic energy cooperation with various partners to generate renewable energy for OMV's own energy consumption, or further developing new technologies and products in order to reduce the carbon intensity of conventional oil and gas products in the Company's portfolio.	**Inside-Out and Outside-In:** This will support growth and further development of new sustainable solutions in the chemicals business and energy supply, create long-term value for the OMV Group and its shareholders, and reduce the OMV Group's carbon footprint. Furthermore, this would also give rise to new opportunities for local communities, creating upskilled jobs and protecting workers and their incomes (during the transition).	▸ Continuously identifying and executing green and viable business opportunities, which offer significant potential to upscale and match OMV's capabilities ▸ Further increasing energy efficiency and reducing internal fuel consumption by expanding renewable energy supplies, e.g., the OMV Group's own PV plants ▸ Benefiting from sharing know-how by entering joint ventures and consortia that drive new energy solutions projects ▸ Carbon reduction targets integrated into the Executive Board's LTIP ▸ Scaling up engagement in renewable energy sources For more information, see Zero Carbon Products and Energy Efficiency as well as Sourcing Renewable Energy

[1] Source: Global Carbon Project, Global Carbon Budget 2022.

Focus Area: Natural Resources Management

Material Topic (NaDiVeG)	Risk Description	Effect Description (Inside-Out or Outside-In)	Mitigation Measures
Circular Economy (Environmental concerns)	**Opportunity:** OMV identifies opportunities that would limit emissions beyond regulatory carbon emissions requirements in various countries where we operate. Utilizing carbon as a valuable feedstock for energy solutions and industrial processes, and capturing CO_2, processing it into synthetic fuels, plastics, or other chemicals are included in the opportunities identified. With Borealis, OMV has established an integrated approach to circularity by offering a broad range of circular product solutions. As the market grows and legislative standards change in favor of renewable materials, the Group aims to increase its profits and market share through these products.	**Inside-Out:** New climate-friendly, innovative products and services developed especially for industrial applications lead to opportunities related to employment and the supply chain. There are additional, significant positive environmental benefits from reducing CO_2 emissions and instead turning it into a feedstock for a circular economy.	▸ Creating cross-sectoral value chains and operating a full-scale plant ▸ Collaboration with strong industry partners ▸ Proactive feedstock sourcing programs ▸ Borealis co-founded Project STOP, a program supporting cities in Indonesia to develop and implement low-cost, circular waste collection and sorting systems, thereby reducing waste leakage and increasing resource efficiency. For more information, see Circular Economy and Neutralization Measures

Material Topic (NaDiVeG)	Risk Description	Effect Description (Inside-Out or Outside-In)	Mitigation Measures
	Threat: Mismanaged plastic waste is a growing concern, and if not collected, sorted, and disposed of properly, it poses a threat to the environment. Additionally, the limitation in plastic waste feedstock volumes might slow down the upscaling of recycling volumes and increase the market price for recycled plastics versus fossil-based plastic raw materials.	**Inside-Out:** Plastic waste, if not collected, sorted, and disposed of properly, could end up leaking into the environment, causing environmental pollution, harming animals, and ultimately ending up as microplastics in drinking water and food. Environmental pollution impacts economic development and tourism, putting jobs at risk in certain industries, e.g., the fishing industry. Limited availability of plastic waste feedstock volume might impede the switch from fossil to renewable feedstock as a key enabler in the transition to a circular economy. **Outside-In:** Uncertainties regarding new legislation currently under development make long-term investments difficult and risky. Innovation and new technology development require a lot of time – typically more than in other industries. Planned CAPEX projects could be delayed, limiting volume scale-up and impacting the ability to achieve set circular economy targets on time. Limited availability of renewable feedstock at an affordable price may impact the Group's ability to achieve its recycling targets. The risk of not responding on time with alternative solutions might result in losing market share, consequently having a negative impact on OMV's reputation and image.	▸ Launching a range of low-emission and biobased portfolios, such as Bornewables™, Borvida™, and Borcycle™ ▸ Collaboration with industry partners and public funding opportunities to jointly develop and scale up innovation, technologies, products, and digitalization. This will accelerate action and solutions, including feedstock sourcing programs for plastic waste, biobased feedstock and renewable oil, and participation in industry projects with public funding. ▸ Proactive feedstock sourcing programs for plastic waste, biobased feedstock, and renewable oil ▸ Participation in multi-party industry projects with public funding opportunities ▸ Project STOP at Borealis supporting cities in Indonesia to develop and implement low-cost, circular waste collection and sorting systems, thereby reducing waste leakage and increasing resource efficiency ▸ Circular Economy Solutions (CES) strategic program For more information, see Circular Economy
Environment (Environmental concerns)	**Threat (Physical Risk):** Risk of insufficient water availability to continue operations or water degradation due to failure to perform safety operations	**Outside-In:** The impact of periods of low or no precipitation on surface or subsurface water supplies could lead to the inability to access water for normal operations (internal consumption) and for local communities in areas of low water availability.	▸ Improving integrity through aging water pipeline/facility replacement programs, preventive maintenance, water management plans, reduced water consumption, and water efficiency improvements ▸ Water management is a key component of our social license to operate. We engage and cooperate with local communities, and act as a responsible partner. ▸ OMV's water management activities pursue socially equitable water use by involving local regulatory and river basin authorities. For more information, see Water

Material Topic (NaDiVeG)	Risk Description	Effect Description (Inside-Out or Outside-In)	Mitigation Measures
	Threat: Risk of soil and water contamination due to improper waste management, triggered either by the failure to comply with internal regulations by employees, suppliers, and contractors or by the failure of asset integrity	**Inside-Out:** Soil and water contamination could trigger a negative chain effect on the healthy ecosystem, like environmental pollution, with a negative impact on plants and animals, as well as on people's well-being.	▸ Improving existing waste management plans ▸ Training staff and having regular audits to assess progress ▸ Process safety measures and maintenance ▸ Operation Clean Sweep certifications For more information, see Waste

Focus Area: People

Material Topic (NaDiVeG)	Risk Description	Effect Description (Inside-Out or Outside-In)	Mitigation Measures
Diversity, Equity, and Inclusion (Employee and social concerns)	**Threat:** Risk of failing to reach the Group's diversity targets and failing to foster and actively maintain an inclusive and diverse workforce	**Outside-In:** Failure to reach the Group's diversity targets increases the risk of reducing employee engagement and increasing attrition, as well as the risk of losing top female talent. This could lead to reputational damage, as the Company could be perceived as a poor employer with discriminatory behavior, and could promote a poor corporate culture. **Inside-Out:** Higher levels of psychological distress and health-related problems for employees facing discriminatory behavior; limited impact on social cohesion, validation, and acceptance of diverse members of our communities	▸ Increasing the percentage of women in senior management positions through a range of initiatives, e.g., mentoring, training on unconscious bias ▸ New Parent Program in Austria targeting both male and female employees to encourage more equal distribution of childcare responsibilities ▸ Embedding our diversity targets in succession planning, with a preference for female candidates when identifying top talent ▸ Gender is one of the diversity criteria we apply when selecting members of the Supervisory Board and Executive Board. ▸ Including internationality in the criteria for assessing candidates in the process of executive recruiting ▸ Ensuring compliance with the Code of Conduct For more information, see Diversity, Equity, and Inclusion
Employees (Employee and social concerns)	**Threat:** The industry is bracing itself for a serious shortfall of experienced technical professionals over the next several years due to attrition and retirement. The risk is linked to both the number of workers retiring and the number ready to replace them. Risk of not attracting and/or failing to retain the highly skilled staff needed to grow and transition into a sustainable company. Lack of motivation, lack of engagement, and risk of losing talented professionals as a result of the increasing pressure to reduce costs by promoting online self-learning vs. traditional classroom learning	**Outside-In:** The OMV Group might face the risk of key roles not being filled, with short or negative handovers resulting in the risk that the plants may not be able to operate reliably. Individual department or Company performance may decline. Additionally, the industry might also face reduced attractiveness, leading to limited headcount and delayed transition to becoming a sustainable business. **Inside-Out:** The risk of not being able to uphold reliable operations, disturbances to processes and safety Furthermore, if the OMV Group fails to attract the necessary talent, OMV's chances of transforming into a more sustainable company could be limited.	▸ Building robust talent pipelines by cooperating with universities and offering internships, among other programs ▸ Ensuring competitive compensation and benefits by continuously monitoring market trends and international best practices ▸ Strengthening the culture of giving feedback and increasing training for leaders ▸ Engaging employees in using online resources for learning ▸ Building long-lasting employment relationships and employing local people from the countries in which OMV operates ▸ Proactively informing the public and OMV's target groups about the benefits of our products, the sustainability challenges associated with them, and how OMV is addressing them through social media channels For more information, see Employees

Material Topic (NaDiVeG)	Risk Description	Effect Description (Inside-Out or Outside-In)	Mitigation Measures
	Opportunity: By moving toward a sustainable business model, the OMV Group can offer career paths and job opportunities that open up a new talent pool.	**Inside-Out:** OMV will remain a strong industry employer by offering new job opportunities in sustainable business fields, and will attract new and fresh talent who want to be part of and work on low-carbon energy solutions that support the energy transition.	▸ Identifying and executing low-carbon and other viable business opportunities, which offer significant upscale potential and match OMV's capabilities ▸ Scaling up engagement in renewable energy sources For more information, see Employees
Communities (Respect for human rights, employee and social concerns)	**Threat:** Risk of human rights abuse against communities stemming from the OMV Group's operations. This risk is equally about failing community consultation, compensation, and reparation, as well as the negative impact on local employment, skills development, education, local livelihood, and culture. Also, negative impacts on communities' environment, health, safety, quality of life, or access to basic needs are reflected.	**Outside-In:** Deterioration of OMV's relationships with local stakeholders including local administration, leading to non-cooperation in business activities Further consequences for OMV include production delays, security issues, blockages of OMV's activities, legal liability, loss of social license to operate, damage to OMV's reputation. **Inside-Out:** Consequences for rights holders and communities include: ▸ Lack of human rights and scope for individual development, e.g., right to clean and healthy environment, access to basic needs, health, and safety ▸ Economic detriments, such as, in case of lacking compensation or environmental impacts, elevated risk to personal health and safety, as well as complicity in human rights violations (e.g., human trafficking, child labor, poor labor practices)	▸ Training for all OMV employees and the internal communications team to raise general human rights awareness ▸ In-depth training for employees in specific functions to develop skills ▸ Integration of human rights in business processes, e.g., HSSE contractor management, project management, supplier prequalification and monitoring ▸ Human Rights Country Entry Check before launching operations in a country, as well as regular human rights assessments in our countries of operation, including labor rights aspects ▸ Highest-level commitment to human rights by the Boards ▸ Development and implementation (or supporting development of OMV's business partners) of grievance mechanism ▸ Professional Human Rights and Social Impact Assessment ▸ Professional Community Relations & Development Management For more information, see Communities and Human Rights

Material Topic (NaDiVeG)	Risk Description	Effect Description (Inside-Out or Outside-In)	Mitigation Measures
Human Rights (Respect for human rights, employee and social concerns)	**Threat:** Risk of human rights abuse within OMV operations, business or joint venture partners, as well as public security forces who do not follow OMV's Code of Conduct, the OMV Human Rights Policy Statement, or international human rights standards This is equally about the risk of poor labor practices, as well as child labor, forced labor, human trafficking, sexual assault, harassment or threats, insufficient grievance mechanism, or any other violation of human rights. Risk of failing just compensation paid to land owners in the event of expropriation of land	**Inside-Out:** Consequences for the human rights holder: ▸ Lack of human rights and scope for individual development ▸ Economic detriments ▸ Elevated risk to personal health and safety and, in the worst case, even injury or death **Outside-In:** Deterioration of OMV's relationships with stakeholders, as well as blockages of OMV's activities, security issues, social unrest, damage to OMV's reputation	▸ Human Rights Country Entry Check before launching operations in a country, as well as regular human rights assessments in our countries of operation, including labor rights aspects ▸ Highest-level commitment to human rights by the Boards ▸ Human rights aspects (incl. labor rights) included in management meetings with business and joint venture partners ▸ Development and implementation of internal grievance mechanism ▸ Training for employees (focus on high-risk countries) ▸ Integration of human rights in business processes, e.g., HSSE contractor management, project management, supplier prequalification and monitoring ▸ OMV Code of Conduct and OMV Human Rights Policy Statement ▸ Ensuring fair land valuation and compensation processes that are just, transparent, and aligned with international best practices For more information, see Human Rights

Focus Area: Health, Safety, and Security[2]

Material Topic (NaDiVeG)	Risk Description	Effect Description (Inside-Out or Outside-In)	Mitigation Measures
Health, Safety, and Well-Being (Environmental concerns, employee and social concerns)	**Threat:** Property damage offshore or onshore (processing and treatment facilities) caused by perils outside of normal operations or normal maintenance, e.g., fires and explosions, and the subsequent disruption of production	**Inside-Out and Outside-In:** Risks such as integrity failure or unsafe process safety conditions could lead to business interruption, pollution, risk to employee safety, reputational damage, and third-party fatalities, and endanger biodiversity and ecosystems.	▸ Audits (internal and third party) ▸ Preventive maintenance ▸ Inspections ▸ Rejuvenation Program (plant improvement projects) ▸ Planned turnaround ▸ Qualified and trained personnel For more information, see Process Safety
	Threat: Loss of integrity of a pipeline due to pressure control systems failing or annular gas migration as a result of poor cementing of surface casings, resulting in a major accident (explosion, major fire, major oil spill)	**Inside-Out and Outside-In:** A major accident could lead to a major oil spill, production stoppage, and reputational damage.	▸ Process safety measures and maintenance ▸ Emergency preparedness measures and maintenance ▸ Training of staff For more information, see Process Safety and Spills

Material Topic (NaDiVeG)	Risk Description	Effect Description (Inside-Out or Outside-In)	Mitigation Measures
	Threat: If customers do not get the correct hazard information on labels, there is a risk that they may use products without taking the necessary precautions and be exposed. This could be caused by regulatory changes resulting in more severe hazard classifications and product safety concerns and/or country-/region-specific hazard labels deviating in language but also in legally required content.	**Inside-Out:** Chemical substances, if not handled properly and according to their intended use, could cause unintentional health impacts for people coming into contact with such substances.	▸ As a signatory to the chemical industry's Global Charter for Responsible Care®, Borealis is committed to ensuring the safety of its products along the entire value chain. ▸ Borealis Product Stewardship follows up closely on application-related product safety requirements, so that products going into separately regulated applications such as food contact, drinking water contact, or medical applications are also fully in line with applicable legislation and standards, and serve as a basis for customer product safety. ▸ The Borealis Product Stewardship Council evaluates the potential health, safety, and regulatory risks of all substances the Group uses and defines risk mitigation measures. ▸ Borealis assesses all new and changed raw materials and products in terms of classification and labeling, and prepares country-specific Safety Data Sheets and workplace safety cards for all classified materials. ▸ To apply the correct label in the correct language to our PO products, the global label management SAP tool has been installed in all EU and North American locations. For more information, see Product Safety

[2] One material topic under the focus area Health, Safety, and Security is Security, Emergency, and Crisis Resilience. There are, however, no risks pertaining to this material topic detailed in the risk register. OMV analyzes risks to physical and IT security as a part of its risk management processes but cannot disclose details on these as that would in itself be a risk to the Company. Risks stemming from potential physical and information security breaches are considered in other material topics, e.g., within Process Safety.

Focus Area: Ethical Business Practices

Material Topic (NaDiVeG)	Risk Description	Effect Description (Inside-Out or Outside-In)	Mitigation Measures
Economic Impacts and Business Principles (Corruption prevention, environmental concerns)	**Threat:** Abuse of entrusted power for individual unlawful gain/ advantage, personal interest prevailing over Company interest, or other forms of unethical business conduct	**Outside-In:** The risk of unethical business conduct could lead to reputational damage and financial losses, as well as criminal consequences in isolated cases.	▸ Implementing a Compliance Management System For more information, see Business Ethics and Anti-Corruption
	Threat: Non-compliance with environmental, emissions, and water laws or internal rules and regulations caused by unexpected changes or different interpretations of the legislation	**Outside-In:** This would lead to additional OPEX or CAPEX needed to upgrade facilities or extra taxes having to be paid.	▸ Engagement with regulators to ensure laws are correctly interpreted and upheld ▸ Process safety measures and maintenance ▸ Training of staff ▸ Implementation of best available technologies For more information, see Environment

Material Topic (NaDiVeG)	Risk Description	Effect Description (Inside-Out or Outside-In)	Mitigation Measures
	Threat: The risk of the OMV Group or one or more of its affiliates not being compliant with EU Regulation 2016/679 regarding Data Protection caused, e.g., by IT security breaches, enforcement actions driven by political motivation, unintended breaches by the employees responsible for data handling procedures, and/or interpretation of the laws by regulators, leading to inability to demonstrate compliance with the requirements of the General Data Protection Regulation (GDPR)	**Inside-Out and Outside-In:** The risk of failing to protect general personal data could lead to exposure of personal information relating to customers, employees, and/or other stakeholders. Additionally, the risk of non-compliance with the GDPR could lead to reputational damage and financial losses.	▸ To ensure the responsible handling of data in the interest of OMV's customers, employees, and other stakeholders, various measures need to be taken to achieve these objectives. This requires an ongoing process whereby OMV implements different measures to handle and process personal data according to definitions in the EU Regulation. For more information, see Information and Cybersecurity as well as Human Rights
Supply Chain (Environmental concerns, employee and social concerns)	**Threat:** Risk of not supporting OMV's carbon management and climate change targets by purchasing more carbon-intensive products and services than planned Risks of reputational damage related to ESG topics with regard to the supply chain (e.g., climate change, human rights violations, business ethics, poor labor practices)	**Outside-In and Inside-Out:** This could lead to OMV not being acknowledged as a sustainable business partner, which would have a negative impact on the business, leading to financial consequences, lack of business continuity, increasing GHG emissions, and negative consequences for human rights holders.	▸ Sustainable procurement targets in place ▸ Increasing engagement with suppliers on carbon management topics through CDP Supply Chain ▸ Increasing transparency on carbon footprint of purchased goods and services through carbon management reporting (Scope 3 of purchased goods and services) ▸ Performing supplier audits and evaluations as part of Together for Sustainability ▸ Including sustainability performance and KPIs as part of awarding criteria ▸ Training for employees ▸ Including human rights aspects (incl. labor rights) in the prequalification phase, as well as in supplier and contractor audits ▸ ESG supplier assessments carried out with EcoVadis ▸ Including human rights and labor practices in HSSE contractor management For more information, see Supply Chain

Scenario Analysis

OMV uses two different scenarios to portray the underlying expectations of the pace of future worldwide decarbonization, resulting in different assumptions of the demand, prices, and margins of fossil commodities. The base case is used for mid-term planning and estimates that are used in the measurement of various items in the Group financial statements, including impairment testing of non-financial assets and measuring provisions. The stress case is based on a faster decarbonization path than the base case, and is used to calculate sensitivities in order to acknowledge the uncertainty in the pace of the energy transition and to better understand the financial risk of the energy transition to OMV's existing assets. Both scenarios, the base and stress cases, reflect more climate change mitigation efforts and a faster decarbonization path than the scenarios used in the prior year. But OMV still expects to see the energy transition occurring at different speeds in different parts of the world.

The base case is built on a scenario in which OECD countries will achieve the net zero emissions goal between 2050 and 2070 – equivalent to a path between the Net Zero Emissions (NZE) and Sustainable Development scenarios (SDS) of the International Energy Agency (IEA) – and non-OECD countries will implement all announced decarbonization pledges in full and on time – equivalent to the IEA Announced Pledges Scenario (APS).

For the stress test analysis, a decarbonization scenario is used that represents a potential trajectory for reaching the climate goals according to the Paris Agreement. In this scenario, it is assumed that advanced economies will reach the net zero emissions goal by 2050, while middle-income and developing economies will only follow at a later point, but no later than 2070. This case is built on a path between the IEA SDS and IEA NZE scenarios. The entire world following the commitments of the Paris Agreement leads to lower global demand for oil and gas and consequently to lower oil and gas prices than in the base case. In addition, this scenario incorporates other possible effects such as slower short-term economic growth.

In an additional sensitivity analysis to assess the recoverability of the oil and gas assets in the E&P segment, OMV uses the NZE scenario that was modeled by the IEA. It presents a pathway for the global energy sector to achieve net zero CO_2 emissions by 2050. For investment decisions, business cases are calculated based on the same price and demand assumptions as those used for the mid-term planning and impairment tests. In addition, a business case calculation based on the stress case assumptions is mandatory for all investment decisions in order to assess the economic viability under a "Paris-aligned" scenario. The IEA NZE scenario is not used for making investment decisions.

Costs for CO_2 emissions are taken into account in business case calculations, impairment tests, and stress case scenario calculations to the extent that carbon pricing schemes are in place in the respective countries.

Under the stress case scenario, the carrying amounts of the oil and gas assets with proved reserves (including E&P at equity investments) would decrease by EUR 4.4 bn and goodwill would be decreased by EUR 0.6 bn. In addition, some oil and gas assets with unproved reserves would be abandoned with a pre-tax profit & loss impact of EUR 0.3 bn. For E&P oil and gas assets, an additional sensitivity based on oil and gas prices according to the IEA NZE scenario was calculated and showed a decrease in the carrying amount of oil and gas assets with proved and unproved reserves (including E&P goodwill) of EUR 6.1 bn.

In the R&M segment, the stress case reflects globally declining demand for almost all products, resulting in lower margins and cracks compared to the impairment test scenario. Under the stress case scenario, the carrying amounts related to refineries (including the investment in ADNOC Refining) would have to be decreased by EUR 0.6 bn in total, mainly related to the investment in ADNOC Refining and Petrobrazi in Romania. The Schwechat and Burghausen refineries are more resilient to impairment risks in such a scenario due to their strong focus on petrochemical production. For more details, see also Significant estimates and assumptions in assessing climate-related risks in the Annual Report.