

Sustainability Report 2013

OMV Resourcefulness

About this report

OMV Sustainability Report 2013

This report covers the business year 2013 and updates the priorities set out in our 2012 report. It describes how we integrate environmental, social, and economic considerations into our business through our sustainability strategy Resourcefulness.

The report covers issues which are deemed material. We define material issues as those that could significantly influence the assessments and decisions of management and stakeholders. See page 22.

We have published our sustainability performance for more than a decade.

The picture on the cover page shows OMV Geophysicist Linda Kirchberger, who is also a role model for women in technical professions at OMV.



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Our CEO, Gerhard Roiss, introduces the report and discusses sustainability at OMV. We outline our sustainability highlights of the year and provide a broad overview of our business and strategy.

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2. Resourcefulness

We introduce our sustainability strategy Resourcefulness and explain its three key focus areas as well as its governance in detail. Information on how sustainability is integrated into our operations can also be found here.

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CEO's Statement



OMV has a long history of sustainability management and a track record that reflects our sense of responsibility towards society and the environment. We continue to see steady growth in global demand for energy. At the same time, resources are becoming increasingly scarce, while concerns over environmental protection and social justice are gaining prominence. As an integrated, international oil and gas company, we believe that we can only achieve sustainable growth by understanding how our activities can impact people and the environment. We base our conduct on the underlying principles of responsible behavior, careful management of resources and investment in innovation – an approach expressed in our “Resourcefulness” strategy with which we anticipate positioning OMV as part of the long-term solution to the global fuel challenge.

This report outlines our progress in further embedding Resourcefulness across OMV and the communities in which we operate during 2013. It also acts as our Communication on Progress for the UN Global Compact, to which we are fully committed.

Our sustainability strategy: Resourcefulness

Resourcefulness puts sustainability at the heart of our business. OMV aims to create long-term, sustainable win-win situations that benefit society, the environment and OMV. This is a key enabler of our business strategy “Profitable Growth” and is integrated into our business through strong governance. The internal Resourcefulness Executive Team is responsible for setting strategic priorities, supported by a Resourcefulness Advisory Board comprising external experts. The Resourcefulness program now includes around 300 projects across 25 countries.

Health, Safety, Security and Environment (HSSE)

HSSE has always been a top priority for OMV. We strongly emphasize the safety of people who work for OMV, communities and operations. OMV has comprehensive emergency and crisis management plans in place. Sadly, in 2013, there were four work-related fatalities. We continue working hard to prevent such tragedies. Key actions in 2013 comprised the establishment of a revised HSSE risk management approach, follow-up actions to Major Accident Event assessments and road safety measures including the further rollout of an in-vehicle monitoring system.

Through **Eco-Efficiency**, OMV balances economic and environmental needs. We are committed to active environmental and energy management that ensures the sustainable and resource-efficient

CEO's Statement (continued)

production and processing of our products. We have targeted reductions in greenhouse gas (GHG) emissions, energy and water consumption. Key action areas include planned cuts of 350,000 gigajoule between 2012 and 2015 at the Schwechat refinery in Austria and an energy efficiency program at Petrom. OMV uses natural gas, the cleanest fossil fuel, to generate electricity from highly efficient gas-fired power plants. The 870 MW combined cycle gas-fired power plant in Samsun, Turkey, commenced commercial operations in June 2013. In water management, we focus on efficient usage and treatment, and are investing in new or upgraded treatment plants at several sites.

Through **Eco-Innovation**, OMV uses its core expertise and employs new technologies to develop alternative energy sources and new business areas. For example, we continue to contribute to the development of the hydrogen retail station network and the implementation of fuel cell vehicles. In 2013, we agreed on an action plan to construct a hydrogen refueling network for fuel cell vehicles. Our highly innovative second generation BioCRACK™ plant in the Schwechat refinery, which converts biomass such as wood chips and straw into diesel fuel, has been improved to allow continuous test runs with different feedstocks. This enables us to gather further data and practical experience regarding this new technology.

Through **Skills to Succeed**, OMV helps foster the skills people require to be successful. We support local economies with employment and through local supplier development. We also support educational initiatives, with a particular focus on technical education for women and entrepreneurship. We maintain close

partnerships with top universities to develop the skills of young people, secure a pipeline of talent and foster research and development. In 2013, OMV and the Vienna University of Economics and Business launched a cooperative initiative on research and teaching. We also expanded our cooperation with the Montan University Leoben, Austria. We continued to support educational programs in Austria which aim to get girls interested in technical careers including the continuation of the first generation of the "Austria is looking for the queens of technology" initiative, an educational program which focuses on 14-16 year old girls. Furthermore, a project in South Tunisia provides vocational training to improve the employability of local people.

Our people are our most important resource. We aim to employ an additional 1,600 technical employees by 2016 and pursue ambitious targets in regards to diversity. 2013 was a pivotal year, when we delivered on our commitment to transform from an integrated downstream-focused organization to an integrated upstream-focused company. Resourcefulness will enable responsible growth in line with our strategy. The reward is a more sustainable business that delivers long-term benefits to all of our stakeholders – employees, local communities and society, as well as our shareholders.



Gerhard Roiss

Sustainability Highlights

Ratings



OMV was listed for the first time in the United Nations Global Compact100.



OMV holds "Prime Status" by oekom research AG.



We continue to be listed in the Austrian sustainability index VÖNIX for 2013/14.



OMV improved its Carbon Disclosure Project (CDP) rating significantly to above Austrian and sector average.

Certifications

E&P Austria has again been awarded the "Gütesiegel für betriebliche Gesundheitsförderung" (certification for occupational health promotion) for the next three years.

OMV is the first listed company in Austria to hold a certified Compliance Management System according to the IDW Assurance Standard 980.

Awards



OMV project Tataouine awarded "Oliver Kinross Africa Oil & Gas Award 2013".



Andrei's Country awarded "Best Online Community in Europe" award.

Key data

Hydrocarbon spills

-10% (2013 vs. 2012)
1,715 spills in 2013

Lost time injury rate (own employees)

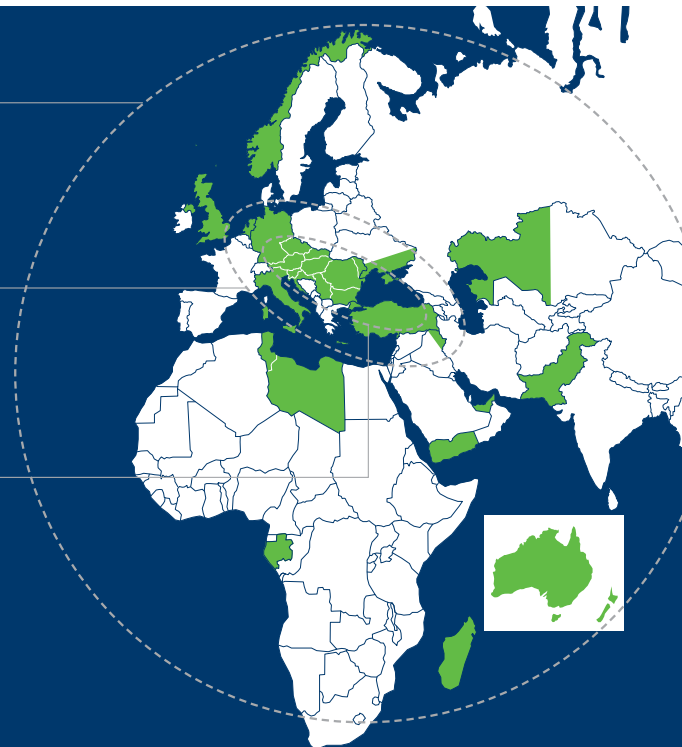
-21% (2013 vs. 2012)
LTIR 0.52 in 2013

About OMV Group

Focused, more integrated growth

- 1 Growing upstream
- 2 Integrated gas
- 3 Restructured oil downstream

■ Current position



With Group sales of EUR 42,415 mn, a workforce of 26,863 employees and a market capitalization of EUR 11.35 bn at year-end 2013, OMV Aktiengesellschaft is Austria's largest listed industrial company.

OMV is an integrated, international oil and gas company active in the upstream (Exploration and Production) and downstream businesses (Gas and Power; Refining and Marketing including petrochemicals), present in around 30 countries.

2013 saw further progress in implementing the business strategy "Profitable Growth" and the transformation of OMV into an upstream focused company.

EUR 42,415 mn

2013 sales
(2012: EUR 42,649 mn)

288 kboe/d

2013 oil and gas production
(2012: 303 kboe/d)

Business segments

Exploration and Production (E&P)



OMV's Exploration and Production (E&P) business segment has a strong base in Romania and Austria, with a growing international portfolio. OMV had proven reserves of 1,131 mn boe at year-end and produced 288 kboe/d in 2013. The oil/gas split in production is approximately 50/50. During 2013, production in mature core countries (Romania and Austria) remained stable, in line with the strategic target of 200-210 kboe/d. Romanian production increased year-on-year for the first time since Petrom was acquired in 2004. In contrast, international production decreased, impacted by interruptions in Libya and New Zealand. The acquisition of assets in Norway and the UK from Statoil further consolidated OMV's footprint in the North Sea region. Exploration reported a successful year, with an oil discovery in the Barents Sea and access to Sub-Saharan Africa secured through farm-in deals in Madagascar and Gabon.

288 kboe/d

Production

1,131 mn boe

Proved oil and gas reserves

Gas and Power (G&P)



OMV's integrated Gas and Power (G&P) business segment operates across the entire gas value chain. Its portfolio comprises equity gas complemented by contracted volumes. Gas is brought to market through a 2,000 km pipeline network and dedicated storage facilities with a capacity of 2.6 bcm, and sold via its own channels. The Central European Gas Hub (CEGH) is an important hub in Continental Europe, being the leading hub for trading gas from the East to the West and operating a gas exchange. The gas distribution node in Baumgarten is Central Europe's largest distribution node for Russian gas. OMV also operates two gas-fired power plants in Romania and Turkey. In 2013, G&P renegotiated the long-term gas supply contract with Statoil and entered into agreement with Gazprom in favor of a more competitive position. The gas-fired power plant Samsun in Turkey began commercial operations, and the gas logistics business implemented a new gas transmission entry/exit tariff system in Austria.

425 TWh

Gas sales

2.5 bcm

Storage volume sold

Refining and Marketing (R&M) including petrochemicals



The business segment Refining and Marketing including petrochemicals (R&M) refines, supplies and trades oil products and petrochemicals with a geographical focus on Central and Southeastern Europe as well as Turkey. R&M operates refineries in Schwechat (Austria) and Burghausen (Southern Germany), both with integrated petrochemical complexes, as well as in Petrobrazi (Romania), and holds a 36% stake in Borealis. A divestment agreement for the 45% stake in Bayernoil refinery was signed in December 2013. OMV has an annual processing capacity of 17.4 mnt (360,000 bbl/d), excluding Bayernoil. The retail network consists of approximately 4,200 filling stations in eleven countries. With a high quality integrated asset portfolio, industry-leading availability and utilization rates and strong brands, OMV has an advantageous position in its markets.

~4,200

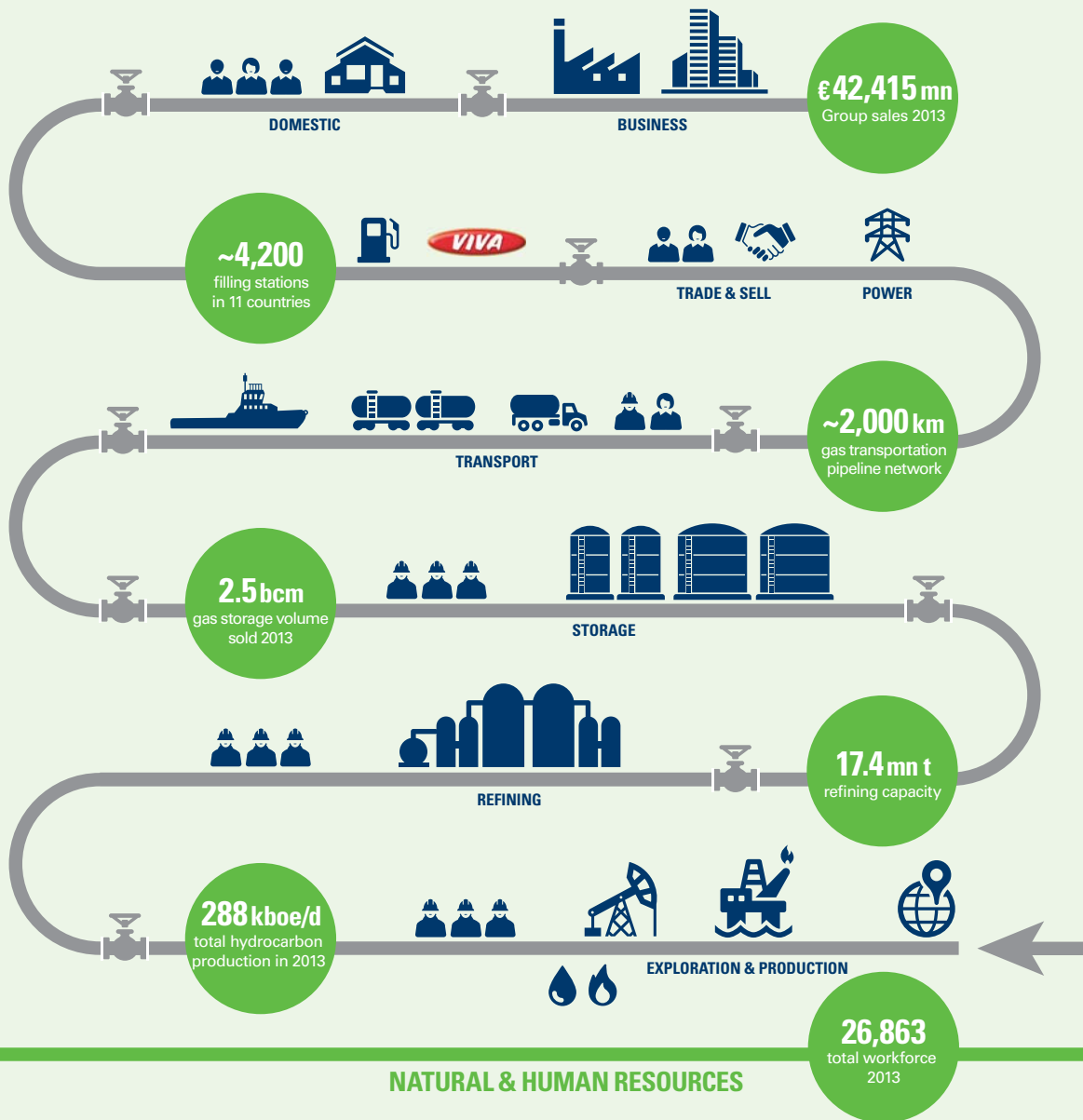
Number of filling stations

31.5 mn t

Total refined product sales

Our business

OMV IS AN INTEGRATED, INTERNATIONAL OIL AND GAS COMPANY ACTIVE IN THE UPSTREAM AND DOWNSTREAM BUSINESSES



OMV Strategy “Profitable Growth”



In 2013, OMV again hosted the presentation of the World Energy Outlook by the International Energy Agency (IEA). Among the main outcomes were:

- ▶ New technology and high energy prices are opening up new oil resources
- ▶ Global demand for gas is expected to increase by almost 50% to 2035, while new sources of gas bring greater diversity to global supply
- ▶ Major changes in global energy market due to shifts in economic growth, efforts at decarbonization and technological breakthroughs

The cornerstones of OMV's strategy at a glance:

- ▶ Growing upstream
- ▶ Integrated gas
- ▶ Restructured oil downstream
- ▶ Improved performance across the entire Group

2013 was a decisive year for OMV on its transformation into an upstream focused company.

OMV successfully executed strategic steps, such as substantially strengthening the upstream project portfolio, closing the largest acquisition in OMV's history, positioning itself for further organic growth via exploration (successful licensing rounds, Sub-Saharan Africa country entries), delivering significant net working capital reduction and further downstream divestments, fully in line with the strategy “Profitable Growth”, announced in 2011.

The asset base was further shifted towards upstream from 35% in 2010 to 51% in 2013, and continues to do so, as ~80% of CAPEX will be invested in E&P until 2016. The downstream business will be further optimized and designed to support OMV's upstream investments. G&P optimization continues to play a key role in enabling future equity gas growth. After successful restructuring steps, R&M will continue to focus on operational excellence and financial performance.

Growing upstream

In Exploration and Production (E&P), the portfolio was strengthened by the largest acquisition in OMV's history, which will yield further production volumes and add additional development and exploration opportunities. Mehar and Latif field development projects in Pakistan came on stream. E&P's main growth areas are the Black Sea, the North Sea region and Sub-Saharan Africa (Madagascar and Gabon).

Integrated gas

The business segment Gas and Power (G&P) will be optimized to best support OMV's growing equity gas position in and around Europe. In 2013, G&P renegotiated long-term gas supply contracts and marketed first North Sea gas volumes. In Turkey, the gas-fired power plant Samsun started commercial operations.

Restructured oil downstream

Refining and Marketing (R&M) advanced its divestment program by successfully selling its marketing business in Croatia and by signing divestment agreements for the 45% stake in the Bayernoil refinery and the lubricants business. R&M significantly reduced the capital employed, and provided a strong cash flow for OMV's growth strategy in E&P.

Improved performance

The implementation of OMV's group-wide performance improvement program “energize OMV” is progressing well. Major achievements in 2013 are coming from net working capital reduction of EUR ~1,400 mn and measures contributing EUR ~500 mn to the EBIT by targeting the cost and margin base.

“At OMV, we are committed to spend the majority of our future investments in E&P to increase performance, extend production and build the basis for sustainable, long-term growth.”

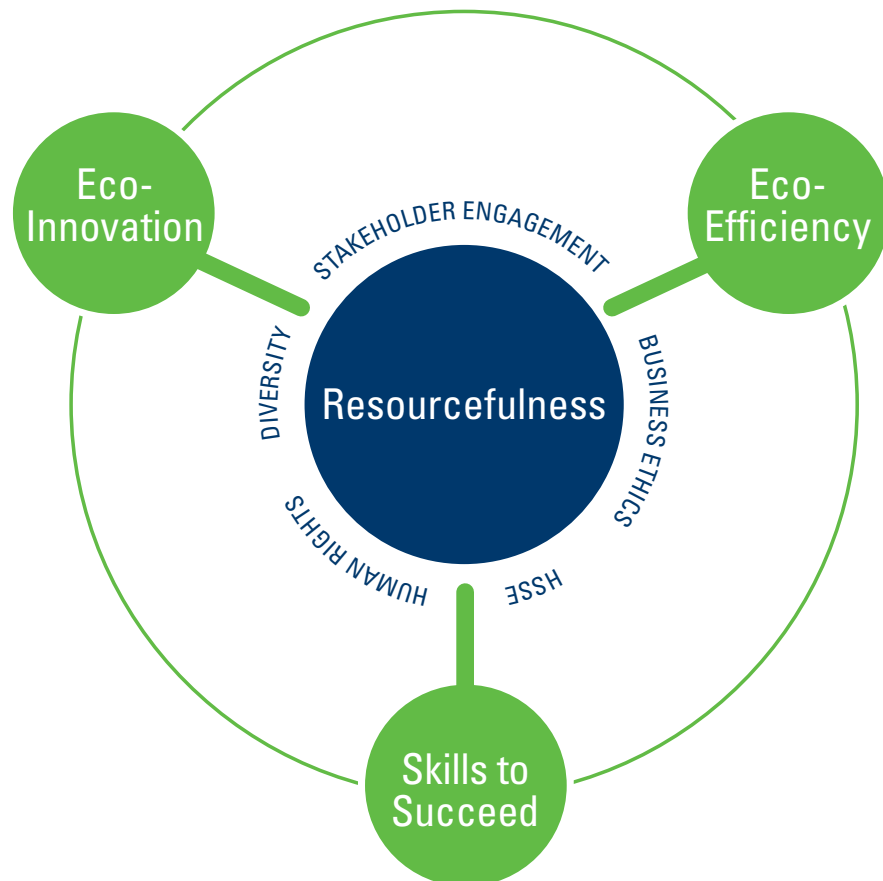
David C. Davies

Deputy Chairman of the Executive Board and CFO

Our sustainability strategy: Resourcefulness

Resourcefulness brings together all our responsibility commitments under one overarching strategy. Resourcefulness embraces health, safety, security, environment, diversity, business ethics, human rights and stakeholder engagement – and it is expressed in the three key focus areas illustrated below.

The structure of Resourcefulness encompasses all of our areas of focus



Supporting the business strategy

Resourcefulness is our way of achieving profitable growth in a sustainable and responsible way.

It enhances our strategy "Profitable Growth", and creates long-term win-win situations for the society, the environment and OMV.

Our sustainability strategy: Resourcefulness (continued)

With Resourcefulness we actively implement responsible behavior across the entire value chain. The focus is on water and carbon management, securing future energy resources and local education and development measures with a focus on empowering women.

Eco-Efficiency

The operations and products of the oil and gas industry affect our environment. Therefore, OMV is tackling the challenge head-on to optimally reconcile economic success with environmentally responsible behavior.

We have committed ourselves to active environmental and energy management that ensures the sustainable and resource-efficient production and processing of our products. We have put our Eco-Efficiency spotlight on reducing both greenhouse gas emissions and our water consumption. We focus on natural gas, the cleanest fossil energy source.

Eco-Innovation

Eco-Innovation contributes to long-term profitable and sustainable operations. We use our core expertise and employ new technologies to develop alternative energy sources and new business areas.

Skills to Succeed

We foster the skills people require to be successful and invest in the economic development of the communities in which we operate. OMV supports educational initiatives in the fields of energy and entrepreneurship in our core markets, with a focus on women.

Fully rolled-out in 2012, our Resourcefulness strategy builds on our drive to place sustainability at the heart of our business – with a focus on tangible commitments.

Embedding Resourcefulness

Resourcefulness only becomes meaningful when it is integrated into our business, and there are a number of processes in place to help us achieve this.

Our two key enablers supporting the success of our Resourcefulness strategy are Employees' Engagement and sustainability management:

- ▶ By engaging with our employees, we ensure that every individual, from senior management down, fully understands what Resourcefulness is and what it means for them. We encourage them to take ownership of Resourcefulness initiatives and to embed them in their personal development targets. We also integrate Resourcefulness into our training programs and are developing Resourcefulness targets in our performance management system.
- ▶ Through rigorous sustainability management, we measure the impact of Resourcefulness. Amongst other things, we apply key performance indicators for all Resourcefulness areas to help us steer Resourcefulness throughout our organization and improve our decision-making processes.

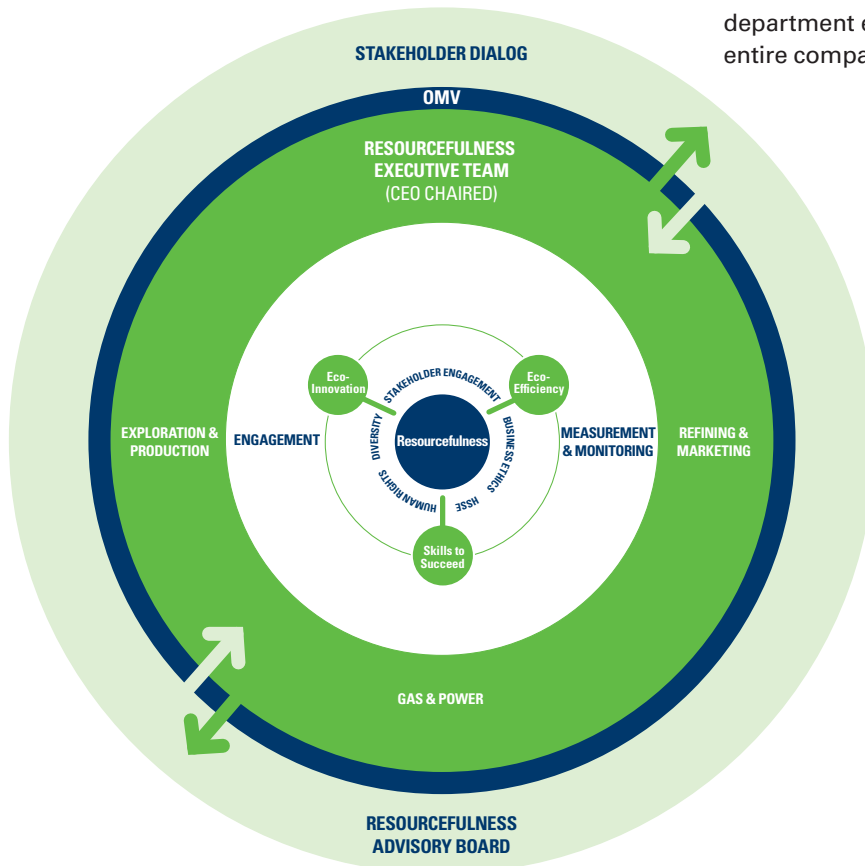
The Governance of Resourcefulness

Our Resourcefulness strategy is effectively managed and overseen by robust governance, and in particular by two main bodies.

The **Resourcefulness Advisory Board (RAB)**, which is headed by the CEO and comprises recognized external experts, provides advice on how best we can develop the Resourcefulness strategy, as well as giving feedback on the programs and activities we have implemented to date. It plays a key role in challenging our priorities and bringing an external perspective to our plans and progress. In addition, the RAB keeps our teams informed on trends, developments, good practice and new research.

The internal **Resourcefulness Executive Team (RET)** is headed by the CEO and meets about six times a year. The team is made up of a representative of each business segment and a representative of each Resourcefulness area. It is responsible for further developing the Resourcefulness strategy and implementing it into operations and translates input from the RAB into strategy and activities.

Sustainability governance revolves around driving Resourcefulness through the business and taking on board the input of external stakeholders. An annual Stakeholder Forum and continuous dialog with our stakeholders allow us to test opinion and hear external feedback and perspective. Through Employees' Engagement and through monitoring and measurement, the Corporate Sustainability department embeds Resourcefulness in the entire company.





Eco-Efficiency



In June 2013, the gas-fired power plant Samsun in Turkey started operations, adding 870 MW of low carbon, efficient and reliable power supply to the Turkish market.

What's it all about?

The operations and products of the oil and gas industry affect our environment. Therefore, OMV is tackling the challenge head-on to optimally reconcile economic success with environmentally responsible behavior. We have put our Eco-Efficiency spotlight on reducing both greenhouse gas emissions and our water consumption. OMV focuses on natural gas, the cleanest fossil energy source.

Eco-Efficiency in focus

Key targets for all our operations include using water and energy more efficiently while also reducing our carbon emissions.

What we focus on

Energy efficiency

Schwechat refinery was the first site in Austria which achieved an ISO 50001 certification for energy management systems and has a number of energy efficiency initiatives ongoing leading to planned energy savings of 350,000 GJ between 2012 and 2015. Also across Petrom a well-established energy efficiency program is enabling the drive towards greater profitability. During 2013, eight Gas to Power (G2P) and Combined Heat and Power (CHP) power plants have been installed in Petrom. The results are direct and indirect emission reductions of 13,000 t CO₂ equivalent as well as an improvement in energy efficiency.

Overall, our OMV energy consumption increased in 2013. The main factors contributing to this increase are the start of operation of Samsun power plant in Turkey, as well as the first full year of operation of Brazi power plant in Romania.

CO₂ emissions

The implementation of energy efficiency projects in order to reduce greenhouse gas emissions is a long-term focus for OMV. During 2013, we finalized a number of projects which combined saved around 174,000 t of CO₂ over the year. Examples of these projects are replacing steam tracers with electrical alternatives, replacing heaters with steam reboilers and flaring and venting reduction projects. Moreover, it included co-generation with associated gas (G2P) and thermal energy plants which transform stranded gas, off-spec gas or otherwise flared/vented gas into electricity and thermal energy.

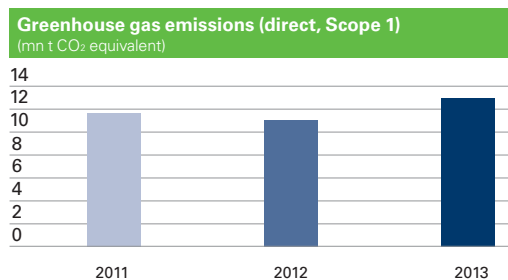
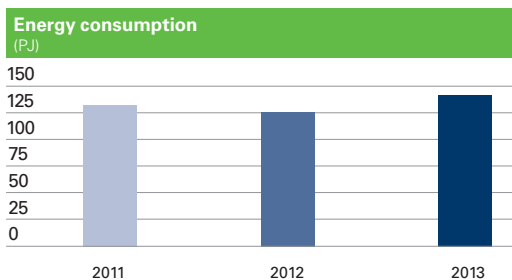
Overall, our direct GHG emissions increased in 2013. As for electricity consumption, this was in particular caused by the operations of two new gas-fired power plants in Turkey and Romania. Another factor contributing to higher GHG emissions were E&P operations in Yemen have been fully operational during most of the year, as opposed to 2012.

Natural gas

Natural gas is the cleanest of all fossil fuels, therefore an appropriate positioning of natural gas is of high importance for us. We work hard to promote the use of gas in the energy sector, and continue to invest in the latest technology to help us succeed. The state-of-the-art gas-fired power plant Brazi commenced operations in 2012. This was followed in June 2013 by a second equivalent gas-fired power plant, at Samsun in Turkey. We have invested in this new plant to help meeting demand in the growing Turkish energy market. Due to its strategic location close to the Blue Stream pipeline and the sea, the power plant will help to secure electrical supply in the Turkish energy market.

These new power plants contribute to a more efficient power mix in the respective markets.

Key facts



-2%

Water withdrawal compared with previous year

Eco-Efficiency

making a difference



The energy efficiency program team in Petrom E&P initiates measures for the efficient use of energy and the reduction of emissions.

We work with finite natural resources and believe we have a special responsibility to use them as efficiently as possible. We are committed to the best environmental practices and processes, and focus on natural gas, as it is the cleanest fossil fuel.

We recognize that our industry has an impact on the environment. It makes a significant contribution to climate change and also uses large amounts of natural resources such as water. Our view is that we therefore have a special responsibility to minimize our impact and to manage our business as efficiently and safely as possible. Our response is to implement the best environmental practices and processes in the industry. Our key initiatives are in the areas of carbon management and water management while we are also further enhancing our focus on natural gas as the cleanest fossil fuel.

Many of our initiatives are delivering exceptional results in terms of increased efficiency, lower emissions and reduced operating costs. This latter point is key to driving our profitability and underlining the solid business case behind Resourcefulness.

“Natural gas together with new technologies is the way forward into an efficient and cost effective energy future.”

Hans-Peter Floren
Executive Board Member responsible for G&P



By introducing LED lighting to pilot filling stations, total energy consumption has been reduced by 25%. Annual reductions of CO₂ emissions by around 5,000 t could be reached by a planned further roll-out to more than 300 OMV filling stations.

Carbon management

Our carbon strategy aims to use resources more efficiently and also reduce carbon emissions.

We are working hard to build on the achievements of previous years. The carbon strategy is being updated and in the meantime we are continuing to develop initiatives to improve energy efficiency and reduce the carbon intensity of our operations.

Energy efficiency

Energy accounts for a significant percentage of our operational costs. Improving the way we use energy will lead to lower costs and also reduce our GHG emissions. Accordingly, we continually review our systems and processes to ensure optimal performance. The drive towards energy efficiency is particularly relevant for our refineries.

Water management

Water is a valuable and scarce resource in many countries where we operate. Our E&P activities consumed around 11 mn m³ of water during 2013. We are committed to reducing our consumption of water and reusing it where possible through a range of water management initiatives.

We are currently renewing water treatment plants at Schönkirchen in Austria and at the Petrobrazi refinery in Romania in order to improve the way we treat formation and process water. The new plants incorporate leading-edge technology that improves the quality of discharged or reinjected water, reduces sludge waste and decreases volatile organic compound (VOC) emissions.



Eco-Innovation



The highly innovative second generation BioCRACK™ plant at the Schwechat refinery converts biomass such as wood chips and straw into diesel fuel.

What's it all about?

In order to meet the challenges of the future, we invest in the research and development of new energy sources and technologies. The attention of our activities is directed towards improving the efficiency and use of future sources of energy. In doing so, we focus on the production of second generation biofuels, building the required fuelling infrastructure for hydrogen mobility, the direct conversion of solar energy into hydrogen as well as the chemical recycling of plastic waste at the end of its life span.

Eco-Innovation in focus

Our goal is to ensure sustainable benefits for all our stakeholders. That is why we invest in the research and development of “clean” solutions and innovative projects in the field of energy. In Eco-Innovation, we adopt new ways of thinking and use our expertise in energy production and distribution to develop alternative energy sources and new business areas.

What we focus on

Hydrogen mobility

Following the opening of the first public hydrogen filling station in Austria on October 17, 2012, we passed a number of new milestones during 2013.

Hydrogen will play a key role in the mobility of the future. Our contribution to the development of the hydrogen retail station network in Germany, against a background of the motor industry's general support for fuel cell vehicles, is a decisive step towards a future of emission-free mobility. Together with our five partners in the H2 Mobility initiative, we have agreed on a specific action plan for the construction of a nationwide hydrogen-refueling network for fuel cell powered electric vehicles. By the year 2023, the current network is expected to be expanded to about 400 hydrogen filling stations in Germany.

In addition, during 2013 we continued to work on a roadmap for the research and development of hydrogen and fuel cell technologies for the specific benefit of Austria.

Second generation biofuels

Our highly innovative second-generation BioCRACK™ plant at the Schwechat refinery is now operating successfully on a non-commercial scale. We are monitoring progress and gathering the technical information that will enable us to make an informed decision about potential commercialization.

In Germany, we are part of a consortium, under the leadership of the research center Jülich, which aims to demonstrate that microalgae for the economically viable production of alternative aviation fuel can be cultivated in Germany. The AUFWIND project involves twelve partners from research and industry, with Jülich researchers investigating the suitability of biomass made from microalgae as a basis for the production of kerosene. This innovative undertaking will optimize the production of algae oil by assessing different photobioreactor technologies and adapting them to Central European conditions. The project is evaluating whether the process is economically and ecologically feasible.

Key facts

EUR **25** mn

Research and development expenditures in 2013

EUR **41** mn

Pilot projects and demonstration expenditures in 2013

56%

Eco-Innovation share of total research expenditures in 2013

September 30, 2013

Signing term sheet H2 Mobility initiative

Eco-Innovation making a difference



With Austria's first public hydrogen filling station, OMV made a further step towards a mobility technology of the future.

We have the skills, the international presence and the commitment to make a real difference to how the world consumes energy. We can help secure energy supplies for the future by acting responsibly, by managing resources carefully and by investing in innovation.

At OMV, we are sensitive to the global energy challenge and, at the same time, alert to the business opportunities it presents. While we are keeping a focus on our oil and gas assets and traditional strengths, we are also improving the efficiency of existing technologies and the search for, and successful implementation of, other sources of energy.

Eco-Innovation is the platform that will enable us to operate a profitable business in the long term. Always keen to bring fresh thinking to every challenge, our core skills help us tap into alternative energy sources and new opportunities, in order to underpin our future growth and revenue generation. Eco-Innovation is making our business more resilient because we are developing revenue streams to complement – not replace – our fossil fuels businesses.

“Hydrogen will make a major contribution to the mobility of the future and thus plays an important role for OMV. The use of this new technology in logistics vehicles, too, illustrates just how broad the field of application of hydrogen is.”

Gerhard Roiss
Chairman of the Executive Board and CEO

Investments for the future

The research and development (R&D) effort in the OMV Group is focused on putting ideas into practice to bring benefits to customers, the environment and the Group itself. The research function is strongly focused on Eco-Innovation. The development function helps our business segments to extend their core expertise and achieve high product quality and service standards. Group R&D spending totaled around EUR 25 mn in 2013 (2012: EUR 21 mn). For pilot projects and demonstration (D) – that is the design, construction and operation of a prototype of a technology at or near commercial scale with the purpose of providing technical, economic and environmental information to industrialists, financiers and regulators – Group spending totaled EUR 41 mn in 2013.

In 2011, we began to work with our partner organizations to identify an emission-free practical solution that would boost the limited efficiency of battery-operated forklifts. In June 2013, the E-LOG Biofleet test operation successfully started with the delivery of the first of ten hydrogen-powered forklifts and the opening of Europe's first indoor hydrogen filling station at DB Schenker. Through the use of biogas from sewage to produce hydrogen, the emissions from hydrogen-powered forklifts at DB Schenker's logistics center are down to zero.



In the E-LOG project, OMV provided the filling infrastructure for hydrogen powered forklifts. The used hydrogen is produced from biogas.

Skills to Succeed



In South Tunisia OMV started a vocational training initiative to improve the employability of local people, like our first 20 pipe welders.

What's it all about?

We foster the skills people require to be successful. We invest in the economic development of the communities in which we operate through local employment and local supplier development. We support educational initiatives in the fields of energy and entrepreneurship in our core markets, with a particular focus on women.

Skills to Succeed in focus

We made progress on a wide range of initiatives related to our Skills to Succeed focus area in 2013. Our focus remains on identifying the needs of local communities and fine-tuning our support to meet them.

What we focus on

Supporting local communities

The Skills to Succeed program in Tataouine (South Tunisia) is the result of a partnership between OMV and Hilfswerk Austria International. It is showcased how to boost employability and income generation through targeted training and business development initiatives. The mission of the program is to improve employability of young people in various sectors through vocational and soft skills training in partnership with local authorities and civil society.

The project aims to impact a large number of direct and indirect beneficiaries. Beneficiaries include unemployed youth and university graduates getting prepared for new professional challenges as well as local business and communities.

The project team consults local companies to ensure that the training meets local needs and leads to real job opportunities. The Tataouine project was recognized externally by the Oliver Kinross Africa Oil & Gas Award 2013, in the category "Local Content Initiative of the Year 2013".

Collaborating with universities

In 2013, we continued to work closely with leading universities to help ensure access to the highly skilled graduates we need to enhance our business.

The year was characterized by two landmark projects. Firstly, we extended the regular research exchanges between OMV and the Vienna University of Economics and Business (WU). The cooperation includes amongst others an energy think-tank that gathers and exchanges findings about the energy industry, enables networking amongst leading international experts and provides aspects of future energy with a firm intellectual base. The collaboration gets visibility by the OMV Central Library.

In addition, we are expanding our existing cooperation with Montan University Leoben. The university's student curriculum now includes a new Master's degree which will be launched in 2014 at the International Petroleum Engineering Master Study Program. The new degree will offer cutting-edge educational approaches combined with practical industry expertise.

Inspiring communities

Andrei's Country is Petrom's leading community initiative. It supports projects which inspire Romanian communities to take action and change their lives in key fields such as job creation, access to informal education and citizenship.

During 2013, Petrom evaluated 512 business ideas submitted to the Made in Andrei's Country entrepreneurship competition before selecting 20 finalists with the greatest potential to respond to social issues and become functional businesses.

The finalists benefited from training and consultancy from the NESST Foundation in order to turn their ideas into business plans and received up to EUR 1,500 to carry out local research in the communities targeted by their projects. In July 2013, the ten winners were announced and received grants of up to EUR 32,000 to transform their ideas into reality. In addition, 164 ideas for solutions to social issues were submitted to the Andrei's Country online platform.

Key facts

40

Graduates from Tataouine Training Center in South Tunisia

50

Participants in the Technikqueens final weekend with intensive workshops

43

Number of scholarships awarded in 2013

>4,000

Pupils enrolled in schools supported by OMV in Pakistan

115

Apprentices at OMV in Austria in 2013

>1,700

Teachers involved in Andrei's Country project writing sessions in Romania

Skills to Succeed making a difference



With the project "Austria is looking for the Technikqueens", OMV strives to motivate young women for technical jobs. The project includes an online and offline competition and support for the most engaged young women via scholarships and mentoring.

Our aim is to foster the skills that people require in order to be successful. Under Skills to Succeed, we invest in local employment initiatives and develop local suppliers. In particular, we support educational initiatives related to natural science and entrepreneurship in our core markets. We continue to maintain a sharp focus on offering opportunities to women.

Through our Technikqueens initiative, we are helping Austria to identify the "queens of technology" by making younger girls more aware of technology and technical careers. During 2013, our Top 25 Technikqueens received scholarships and participated in our mentoring program – and the second Technikqueen generation is already underway.



Through Andrei's Country, Petrom supports projects which inspire Romanian communities to take action and change their lives in key fields, such as entrepreneurship, education and innovation.

"At OMV, we are convinced that education and training are key to influence the future of people and our own business positively. This is why we want to support children and adolescents with what they need most: Knowledge and information."

Manfred Leitner
Executive Board Member responsible for R&M

Supporting communities

As an investor and employer with a workforce of around 27,000 and operations in around 30 countries, we understand that our business will only thrive if the communities in which we work are economically healthy.

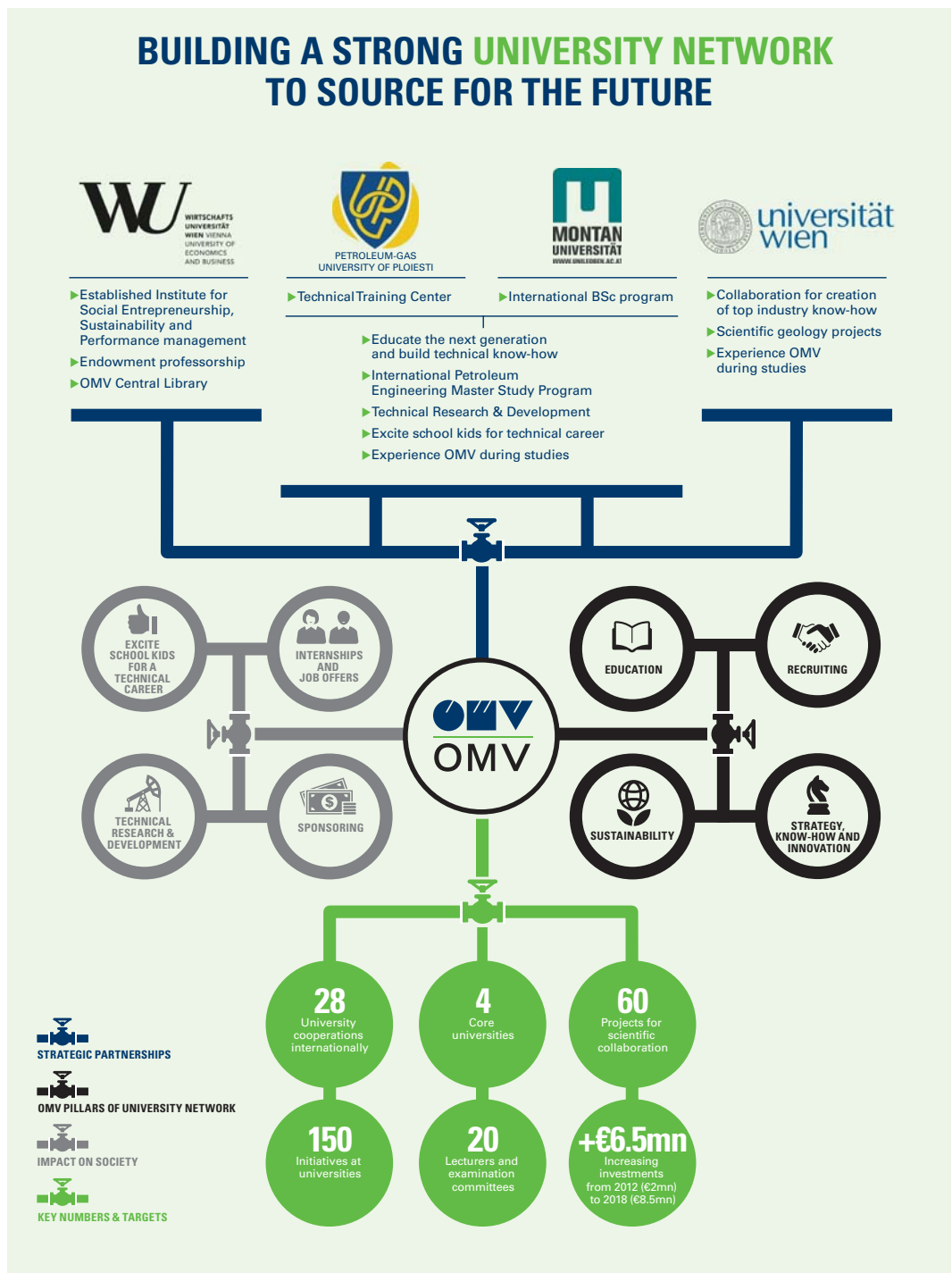
We invest in local economies in a variety of ways, not only through employment but also by developing the local skills base, building local supply chains and supporting local educational initiatives.

For example, we have a policy of offering apprenticeships to promising young people. More than 100 apprentices were enrolled at the TÜV AUSTRIA-OMV AKADEMIE WEINVIERTEL during 2013, with 35 new apprentices having commenced their training in September 2013.

University cooperations

OMV considers itself a social entrepreneur with an interest in investing in the future. We expect that through our initiatives in education, new solutions to current challenges in the European and international energy market will arise. Therefore, we expanded our cooperation with universities throughout 2013. As can be seen on the following page, OMV now has partnerships in place with 28 leading, international universities from various fields.

Skills to Succeed making a difference (continued)



Materiality

Stakeholders considered

- ▶ Rating agencies
- ▶ Investors and analysts
- ▶ Communities
- ▶ Institutions
- ▶ Governments
- ▶ International associations
- ▶ NGOs
- ▶ OMV's people
- ▶ Clients

Business risks and impacts

- ▶ Financial risks
- ▶ Reputation risks
- ▶ Sustainability priorities
- ▶ Key projects

Content and materiality

This report covers issues which are deemed material. We define material issues as those that could significantly influence the assessments and decisions of management and stakeholders.

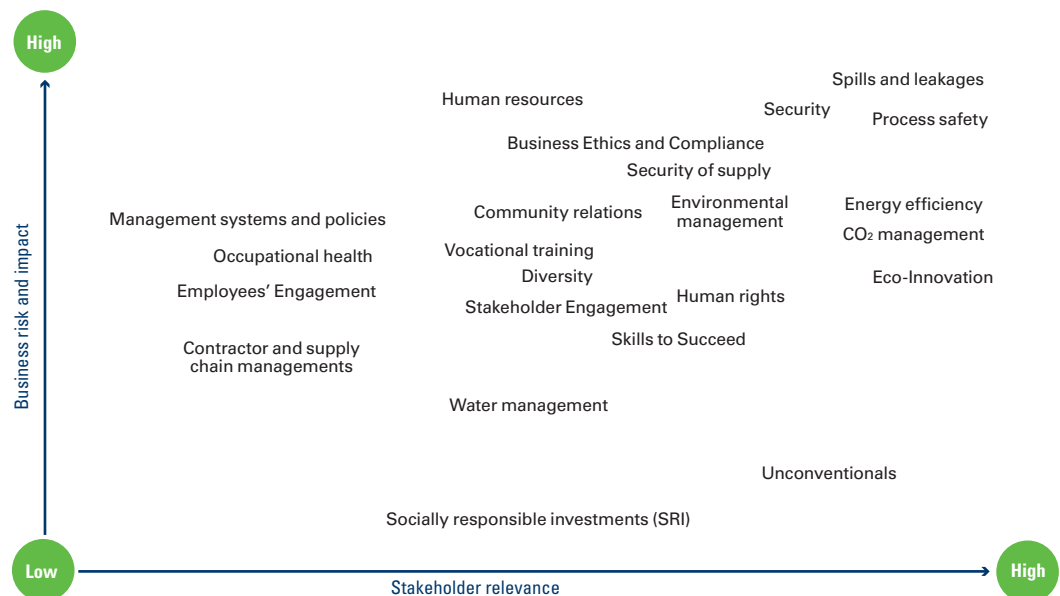
We have used an updated materiality analysis this year. During 2013, we consulted our own internal experts across the business to gather their perceptions of recent developments. The topics that these experts regarded as of the greatest significance are addressed in this report.

Furthermore, at the start of every reporting cycle, our team of editors reviews every aspect of the Global Reporting Initiative guidelines for sustainability reports (GRI 3.1). In 2013, the team concluded that these guidelines are relevant for an international oil and gas company such as OMV.

We therefore decided to adhere to the principle of comprehensive and transparent reporting and to provide as much information as possible about all material core indicators, together with a number of additional indicators.

Consequently, this report was prepared in accordance with the guidelines of the GRI and the GRI Oil and Gas Sector Supplement.

Our materiality matrix



Areas of focus



Health, Safety and Security

How we create a safe and healthy work environment for our employees and our contractors through dedicated training, risk and process management

Page 24



Environmental Management

How we take a precautionary and proactive approach to environmental and energy management in order to minimize our impacts

Page 34



Human Rights

How we support the respect of human rights through an approach that focuses on awareness-raising, due diligence and grievance mechanisms

Page 47



Diversity and Human Resources

How we strive to make OMV an employer of choice by offering people the right opportunities for growth, rewarding excellence and promoting dialog

Page 51



Compliance and Business Ethics

How we promote a proactive commitment to honesty and integrity throughout the business through clear policies and a zero tolerance approach

Page 60



Stakeholder Engagement and Community Relations

How we gain and maintain the trust of our stakeholders and communities through a holistic approach to stakeholder engagement

Page 65



Management Systems and Policies

How we manage risks across the Group through our Enterprise Wide Risk Management process and clear directives, standards and policies

Page 70

Health, Safety and Security

Our focus areas



Health
Keeping high standards of occupational health and carrying out health promotion programs



Safety
Guaranteeing the well-being and safety of our employees through robust risk management, safe working places and trainings



Security
Continue to improve our intelligence-led security strategy to support our business

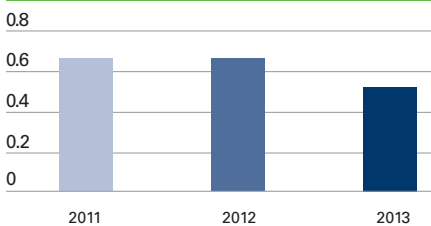


Why it matters to us

The safety and health of our employees and contractors is the number one item on our business agenda, at all times. Every year, we invest significant sums in our facilities and our safety equipment, and support them with clear and rigorously-applied management processes.

Performance

Lost-time injury rate (own employees)
(LTIR per million working hours)



~195,000

Number of reports in HSSE reporting system (CARE)

353,349

Number of HSSE training hours in 2013

147,787

Number of medical consultations group-wide

Our strategic approach

0.52 LTIR

Lost-time injuries per mn working hours for own employees and contractors in 2013

We believe passionately in the importance of safety and aim to make sure that our facilities and operations are safe working environments for all employees and contractors. Our approach to accident prevention is guided by firm corporate regulations and we have hazard identification and risk management practices in place to prevent incidents. These initiatives are supported by programs which train, empower and encourage people to work safely at all times.

In 2013, we launched a number of initiatives to foster safety performance across the Group. We have further developed our group-wide safety organization in line with the requirements of our strategy "Profitable Growth". Sadly, we experienced four work-related fatalities in 2013. These fatalities were caused by an electrical incident in Romania, an acid accident in Romania, a truck roll over in Turkey and an accident during a workover in Romania. We will continue to work hard to prevent future fatalities.

Risks

Risk Management as an essential priority within OMV Group is governed through the EWRM (Enterprise Wide Risk Management) Directive, which also recognizes risks to health, safety, security and environment. Besides a revision of the HSSE risk management system, we continued to carry out a follow-up study of our Major Accident Events (MAE) process. Working with an external auditor, we screened facilities and recommended appropriate improvements. Our focus in 2013 was on reviewing planned and already implemented measures on sites with high risk exposures.

Key actions

Occupational Safety

All high potential incident investigations are now led by senior managers. This improves the investigation process and goes on to demonstrate the commitment of our management towards safety.

Risk Management

We have established and rolled-out a revised HSSE risk management approach, aligned with ISO 31000.

Process Safety Management

We have continued to follow the Process Safety Management Roadmap 2012–2016, defining KPIs and integrating them into our Process Safety Management capability.



"Safety is a very important issue, but one we can manage. The safety of all employees, whether expats or locals, has number one priority at every step. My vision: We don't injure anyone, anywhere, anytime – zero tolerance when it comes to safety."

Jaap Huijskes, Executive Board Member responsible for E&P
Left: OMV executives on safety training during 2013

Safety



We carried out an exercise at Petrobrazzi refinery which simulated the impact of an earthquake of magnitude 7.8 on the Richter scale. This scenario included an explosion and fires. We carried out this drill with the involvement of externals, authorities and our incident management team.

We invest in technology, programs and processes to help ensure that our facilities and operations are safe and secure for workers, our stakeholders and the environment. We focus on enhancing our safety track record through group-wide safety regulations, reporting, management tools and training courses. Occupational and transportation safety, contractor management and process safety are key areas of emphasis for us.

Our commitment to safety is expressed in the Golden Rules, the product of long-term, industry-wide study of the causes of incidents and fatalities. The Golden Rules are supported by directives, standards, procedures and work instructions.

Process Safety

Process Safety Management (PSM) enables us to proactively identify, analyze, evaluate and safeguard process safety events. It also relates to accidents that could occur as a result of failures in process, procedures or equipment. PSM applies to the management of hazards associated with our oil, gas and energy activities. The PSM system gives us confidence that we are effectively managing process safety hazards in every facility across the OMV Group.

PSM standards and regulations are integrated into the overall OMV management system. We continued our process safety initiative 2016 and, as reported on the previous page, followed up the process safety related findings of the MAE study.

Safety awareness and training

It is vital that safety awareness is recognized as an important issue at the highest levels of the Group. We redesigned and improved key HSSE trainings for management during 2013. We increased the involvement of senior management in incident investigations. When a high potential incident is identified, it is mandatory for the causes to be examined by a senior manager on site. In addition, the year also saw the further roll-out of an incident investigation software together with the relevant training. The existing incident investigation standard has also been revised.

Standards

OMV's HSSE Management System has been designed to be consistent with existing international standards for HSSE management, such as OHSAS 18001, ISO 14001 and ISO 9001. By aligning our HSSE management with these recognized standards, we facilitate continuous improvement and help minimize risks for management.

A particular focus in 2013 was on updating, revising and rolling out risk assessment standards regarding to ISO 31000.

Occupational safety

The Golden Rules have been introduced to foster safe workplaces.

The Golden Rules



Ask!



Risk Assessment



Permit to Work



Working at Heights



Lifting Operations



Housekeeping



Stop Work



Transportation Road Safety

Our approach to occupational safety

We seek to apply best practice in the way we manage operational safety. Our current LTIR for own employees and contractors improved to 0.52 in 2013 (2012: 0.66 for own employees and 0.71 for contractors). We want to achieve our objectives by applying a dedicated management approach to occupational safety and share lessons learned throughout the Group. This includes measuring our performance and exposure to accidents, including health-related targets in our employees' performance targets and encouraging the reporting of hazards. In 2013, approximately 195,000 reports were collected in CARE, our reporting system.

Road safety

Road safety is a major priority for our Group, with our road safety initiatives delivered through four main initiatives:

- ▶ Strengthening our transportation safety management capacity.
- ▶ Implementing safety approaches in the planning, design, operation, and maintenance of transportation.
- ▶ Improving safety performance measures and measurement.
- ▶ Ensuring close, careful management of contractors and their sub-contractors.

The European Road Safety Charter forms the context for many of our road safety activities. We signed the Charter in 2010 and subsequently committed to the UN Decade of Action for Road Safety 2011–2020. In-vehicle monitoring technology is an important aspect of the UN initiative, together with providing drivers with theoretical and practical training on how to prevent crashes. During 2013, we continued to roll-out our In-vehicle Monitoring System (IVMS). This aims to reduce traffic accidents and costs, improve driver behavior and increase the security of our assets. At Petrom, we successfully completed IVMS implementation. In 2013, we installed IVMS monitors in more than 3,200 light and heavy vehicles, covering over 7,000 drivers. All drivers and their managers were provided with training and guidance to help them make best use of the system, which resulted in a reduction by over 20% of traffic accidents in 2013 compared with 2012.

Furthermore, Petrom hosted our second Road Safety Forum in 2013. A total of 150 people participated in the forum, which also included the involvement of Romanian and European authorities as well as private companies.



OMV Safety Day – June 20, 2013

This is an important and regular global event in our safety calendar, with Process Safety Management and the Golden Rules figuring prominently this year. Executive Board Members gave clear messages to all employees about the importance and value of safety and the sound management of non-financial risks.

We held workshops across all assets worldwide, with colleagues actively discussing issues relevant to process safety and how they can be better managed. The workshops also enabled management and staff to revisit the Golden Rules and reinforce the key messages at their sites.

Occupational safety (continued)

Contractors' safety

We outsource certain tasks and have a responsibility to ensure that our contractors work according to our standards, and under safe conditions.

In 2013, we continued to roll-out our Contractor HSSE Management system, which formalizes our group-wide approach to the safety of our contractors. HSSE requirements are now established and more extensively included in the standards and guidelines associated with contracts, and we have developed a balanced scorecard outlining our Contractor Management targets. We have defined risks and identified gaps, and these have been communicated to our contractors.

In addition, a systematic contractor pre-qualification selection process has been implemented in order to evaluate the compliance of potential contractors with our stringent HSSE requirements.

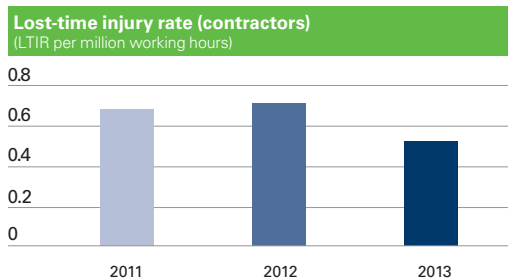
For example, at E&P Austria we held more than 60 service quality meetings during the year. Furthermore, E&P Austria also hosted a Contractor HSSE Forum. During this full-day event, some 70 executives and HSSE experts from 18 contractor companies worked alongside OMV people to share experience and information with the overall aim of improving collaboration and HSSE performance.

Another Contractor Forum was hosted in New Zealand. About 60 contractors, representing a broad cross-section of our contract community, discussed HSSE topics with OMV people.

In Pakistan, transportation activities of contractors were aligned with the OMV Transportation Standard.

The effectiveness of our Contractor HSSE Management is substantiated by a record achieved at Schwechat refinery, as there was no lost time incident of contractors during 2013.

At Petrom, the implementation of contractor management was intensified. A review and audit process was started in 2013 and improvement opportunities identified. One initiative was to extend the emphasis on road safety to contractors. Therefore, 16 audits of major logistics contractors have been performed in 2013. In addition, contractor workshops and forums were held in order to share knowledge and best practice with contractors.



Occupational health



We carried out medical emergency drills at various sites during 2013.

8,918

individuals received vaccinations

147,787

medical consultations

18,184

voluntary medical checks

Healthy and motivated employees make our business objectives more achievable. We target high standards of occupational health through a comprehensive HSSE Policy which outlines our commitment to our employees' physical and mental well-being. Group-wide, we are looking to roll-out and harmonize high health standards and aim to systematically assess and reduce health risks.

Our health organization

Our health organization has a mission to promote health by offering up-to-date medical treatment, preventive healthcare and psychological counselling. We achieve this through a structure that comprises two levels:

The Health Management Department (HMD) is our strategic response to the challenges of health and fully integrates into our HSSE Management System. Amongst others, the HMD works closely with E&P in order to assess the health risks associated with different countries. They also inform our people about risks and potential mitigation measures. In addition, the HMD carries out site visits to identify potential health care partners. In 2013 these included a visit to Abu Dhabi.

In 2013, the HMD focused on recently-established operations, audits and providing support to existing operations. For example, the HMD team performed Health Risk Assessments (HRA) for our Mehar gas field operations and the Ashtart platform. Furthermore, HMD updated and expanded its existing knowledge management database of factors which influence the health of employees.

The Operative Medical Service Providers deliver health services, including those occupational health activities required to fulfill local legal requirements.

In 2013, we refurbished four clinics in Romania and the refurbishment of the clinics in Dragasani and Petrobrazi is already planned for 2014.

Medical emergency resilience

As in previous years, we again placed strong emphasis on medical emergency resilience activities.

Drills play a central role in ensuring our readiness for emergencies. We focus on establishing key processes and making sure that all staff and external parties are appropriately trained.

In 2013, we carried out emergency drills in a number of different areas with an emphasis on gathering medical information related to hazardous working substances.

Supporting health in 2013

To continue our health promotion activities, we launched or continued many further initiatives during 2013.

As in previous years, we again focused on preventive projects to raise health awareness among our workforce through a range of different projects. These included voluntary health checks for liver and lung problems at Petrom, special health campaigns at the Schwechat refinery, a voluntary thyroid gland examination at our Vienna headquarters and advice and support on healthy living in the Kurdistan Region of Iraq. Furthermore, we supported employee vaccinations for flu, hepatitis and tick-borne encephalitis, according to specific local needs.

The Health Management team continued to provide background material to support health awareness campaigns. Several booklets and flyers were produced during the year on subjects including sleeping disorders and healthy travelling.

To support our employees three full-day seminars on “work-life balance” in Vienna and a further two in Bucharest were organized. These seminars aimed to raise awareness of appropriate work-life balance and to empower our employees.

At Petrom, we launched the “Healthy Eating, Happy Living” campaign in January 2013. It aims to provide relevant information and motivate our employees to adopt a healthy diet designed to reduce the risk of cardiovascular disease.



The Turkish version of one of our health awareness booklets.



“Healthy Eating, Happy Living” campaign at Petrom.



During 2013 the Emergo® training tool was used in Pakistan and Tunisia to train our medical staff to handle emergency situations.



E&P Austria has again been awarded the “Gütesiegel für betriebliche Gesundheitsförderung” (certification for occupational health promotion) for the next three years.

Security

The global oil and gas industry is subject to certain political and security risks. We mitigate these risks via an intelligence-led security strategy which generates accurate and timely information on the current situation in the countries and regions where we operate.

Working in conjunction with other internal functions, the Security and Resilience Department provides and implements standards and training programs that secure our people, our critical assets and our production. This ensures that we have the capacity to handle business operations and respond appropriately in the event of potential, imminent or actual crisis situations. This is particularly relevant in parts of the world where widespread political upheaval and social unrest can quickly become a part of everyday life.

We maintain close contact with authorities, information providers and external organizations and network effectively with local, national and international organizations in order to enhance our resilience. OMV is a member of ASIS International and the OGP International Security Committee as well as critical infrastructure initiatives driven by the European Union, Austria and NATO.

A fast changing world

Our E&P growth strategy depends on the Security and Resilience department defining a transparent, standardized process that includes the management of private and public security contractors at our operating sites. We follow a risk-based, intelligence-based and balanced approach.

The world changes fast and our response must change with it. As global demand for oil and gas increases, it becomes imperative for companies such as OMV to focus attention on more politically volatile environments. The Security and Resilience department has a key role to play in enabling this growth focus. For example, we no longer regard the events surrounding the Arab Spring as one-time incidents, but as ongoing issues that will remain concerns for the foreseeable future.

Security and resilience issues play a key role in delivering our “Profitable Growth” strategy. Every country that we consider entering is subject to a rigorous security and resilience assessment.

Information security

Information security is a prime concern and every employee is tasked to ensure information security in his or her area of responsibility.

During 2013, we implemented information security measures through 41 separate projects. These focused on areas such as awareness, physical information security, process and organization and logical access to data.

Achievements and targets

Health

What we planned for 2013 (and after)



- ▶ Train medical staff on the new Health Risk Assessments (HRAs)
- ▶ Develop HRA plans for 2013 and 2014 and commence new assessments
- ▶ Develop a health audit plan for the future, beginning in 2013
- ▶ Launch health promotion campaigns on empowerment and healthy sleeping as well as an integrated campaign on healthy habits in connection with cardiovascular risk factors
- ▶ Conduct spot audits
- ▶ Continue first aid training
- ▶ Maintain database and add additional topics

What we did in 2013



- ▶ Updated HRA procedure developed and communicated
- ▶ Several clinics audited, e.g. in Dubai, Norway, UK, Pakistan, Tunisia, Bulgaria and Romania
- ▶ Health campaigns provided worldwide, with the involvement of around 18,184 participants
- ▶ Spot audits conducted
- ▶ Defibrillators installed to be used by laypersons in several Petrom workplaces
- ▶ New risks with a strong focus on hazardous agents added to health database

What we will do in 2014



- ▶ Update the HRAs for 2014
- ▶ Carry out further clinic audits to ensure that by 2015 all clinics will be visited by the Corporate Health Management team at least once every three years
- ▶ Develop new health awareness programs
- ▶ Organize a meeting of international doctors to facilitate the exchange of know-how within the international medical workforce
- ▶ Continue health audits
- ▶ Support E&P teams in the assessment of any new countries

Achievements and targets

Safety and Security

What we planned for 2013 (and after)



- ▶ Continue and intensify training measures and promotion of Golden Rules
- ▶ Focus on process safety
- ▶ Continue to follow up measures of our MAE Study (e.g. risk register)
- ▶ Continue installation of IVMS in Petrom
- ▶ Continue auditing activities with focus on implementation of standards
- ▶ Continue to provide intelligence-led security management
- ▶ Deliver project enhancement of security for refineries
- ▶ Further develop standardized risk assessment process

What we did in 2013



- ▶ Establishment of a revised HSSE risk management approach, aligned with ISO 31000
- ▶ Further continuation of MAE assessments and follow ups
- ▶ Increasing top management participation in incident investigations
- ▶ HSSE Recognition Plans developed and implemented in E&P ventures
- ▶ Business Continuity Scenario crisis exercise in R&M
- ▶ Security aspects of potential new country entries checked
- ▶ Group-wide security regulations and guidance developed and delivered
- ▶ Comprehensive safety and security trainings carried out
- ▶ Road safety
 - Transportation Safety Forum in Petrom
 - Improvement measures in contractors' transportation safety

What we will do in 2014



- ▶ Identify existing and future sources of security risks by establishing security management systems and developing threat assessment systems
- ▶ Integrate security measures into business and investment decisions
- ▶ Ensure business resilience in the event of emergencies
- ▶ Implement HSSE risk management approach into routine operational activities
- ▶ Improve hazard awareness and management of safety competencies
- ▶ Strengthen OMV HSSE regulations system by analyzing process landscape and filling gaps
- ▶ Continue to improve
 - transportation and road safety
 - contractor safety management
 - analysis of high potential incidents to ensure learning from events

Environmental Management

Our focus areas



Environmental Risk Management
 Improve performance through Environmental Risk Assessment implementation, Oil Spill Risk Map and Oil Spill Response Drills



Carbon and Energy Management
 Revise the OMV Group Carbon Strategy and implement Energy Management Systems in OMV operations



Water Management
 Identify significant water-related impacts and develop a water ambition statement

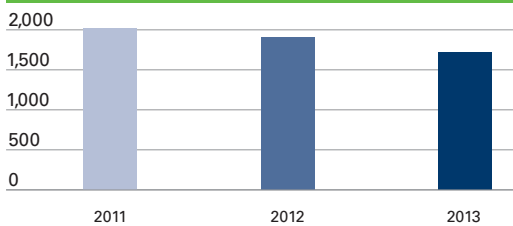


Why it matters to us

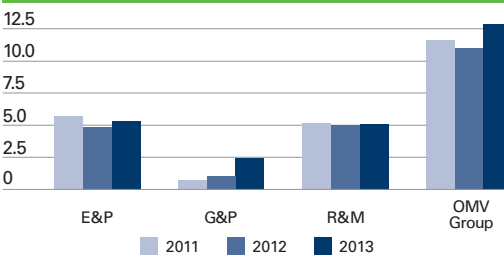
We recognize that our operations have the potential to cause harm to the environment. We work hard to prevent and minimize any environmental impact in order to maintain our license to operate, decrease operational risks and reduce costs.

Performance

Hydrocarbon Spills
 (number of spills)



Greenhouse gas emissions (direct, Scope 1)
 by business segment (mn t CO₂ equivalent)



EUR 189mn
 environmental protection expenditures 2013

EUR 92mn
 environmental investments for assets put into operation 2013

Our strategic approach

We work hard to prevent and minimize any impact on the environment by applying precautionary and proactive management along the entire value chain. We aim to improve the efficiency of the way we use natural resources, and to reduce waste, emissions and discharges.

The focus of Eco-Efficiency – one of the pillars of our Resourcefulness strategy – is on carbon, energy and water management.

We are constantly developing initiatives to improve energy efficiency and reduce the carbon intensity of our operations.

We are implementing water management projects and are committed to sustainable resource management. Overall our efforts to minimize the impact of our operations on the ecosystem include using water efficiently, treating and disposing of waste in the correct manner, being sensitive to the value of areas of high biodiversity and preventing harmful emissions.

Risks

In 2013, we rolled-out a framework and methodology for a coordinated group-wide environmental risk assessment. This framework is based on best practice standards and meets the requirements of ISO 14001. It ensures the consistent qualitative assessment of operational risks and impacts related to the environment. The resulting risk registers also include information on existing controls of environmental risks as well as further actions required. All environmental risk registers will be aggregated to one OMV Group register, with the main risks fully integrated into the Enterprise Wide Risk Management (EWRM). In order to mitigate the consequences of unplanned events, we have incident, emergency and crisis management plans in place.

The principal risks associated with climate change include: the impact of energy and climate policies; tighter rules on emissions trading; market price risk assessment concerning unknown future costs of CO₂; higher insurance premiums and related risks; and extreme weather events that may affect production and transportation.

Our 2013 Carbon Disclosure Project (CDP) results confirmed that the analysis and management of risks and opportunities arising from the various aspects of climate change remain a challenge for us. During 2013, we therefore organized a special cross-divisional workshop to identify and discuss climate related risks and opportunities and their appropriate management. This has led to greater understanding and helped identify the remaining tasks and actions which will support us in our plan to include climate change risks in the EWRM.

Risks related to the EU Emission Trading Scheme (EU ETS) are separately recorded and aggregated for the Group as a whole. Optimal compliance of our business with the requirements of the third phase of the EU ETS legislation remained in focus. We follow an integrated approach to improving the effectiveness of the monitoring and reporting process on EU ETS installations and prepared business unit specific trading strategies. We will continue to actively monitor legal developments as well as any amendments to Emissions Trading Schemes with potential impact on our business.

Expenditures

Environmental protection expenditures, excluding depreciation, amounted to EUR 189 mn in 2013, of which EUR 57 mn was spent on integrated pollution prevention (2012: EUR 210 mn and EUR 57 mn). We invested EUR 28 mn (2012: EUR 31 mn) in direct measures to reduce the environmental impact of OMV products.

Environmental management and monitoring

The OMV Environmental Management Directive sets group-wide requirements for environmental management processes, links to other business processes and is driven by our policy on Health, Safety, Security and the Environment (HSSE). Environmental issues are considered in all our decision-making processes, both at corporate and operational level.

In addition, a corresponding OMV Group Environmental Standard provides the framework for managing all activities through common processes in order to prevent, reduce or eliminate environmental impacts, comply with relevant legislation, and demonstrate that environmental risks are being managed responsibly. The standard also defines all aspects necessary for the preparation and implementation of an Environmental Management System.

Certifications

The entire OMV business unit Refining and Petrochemicals is covered by a Central Integrated Management System (C-IMS) which also meets the requirements of ISO 14001, ISO 50001 and OHSAS 18001. All Petrol Ofisi terminals and the lubricants plant are certified according to ISO 9001, ISO 14001 and OHSAS 18001. OMV Deutschland GmbH holds a certification according to EMAS III (Eco Management and Audit Scheme). In the future, Petrom's Petrobrazi refinery will also be included in the C-IMS. At Petrom, a certification according to an energy management system (ISO 50001) is in the process, while Petrom E&P is already certified according to this standard.

Standards and targets

Annual targets are set and deployed within all business segments. At the corporate level, the monitoring of environmental KPIs is embedded in our standardized, regular reporting processes.

Group-wide environmental regulations, management tools and reporting enable us to improve environmental performance. At the same time, ongoing training and internal communications programs ensure that we share the best environmental management practices. In 2013, the focus of our group-wide communication was on topics such as managing flaring and venting, water and spills. The corporate directive on investment controlling requires an analysis of greenhouse gas emissions to be undertaken for each project, with emissions reduced As Low as Reasonably Practicable (ALARP). Cost and revenue estimates are factored into economic analysis and incorporated in every investment decision.

We have established a group-wide environmental network composed of environmental experts from all our divisions. Through this network, we are working to improve the way we manage environmental impacts and engage with environmental protection issues.

Contractors

All contractors and suppliers must comply with the Code of Conduct and its commitment to environmental protection. We perform regular legal compliance monitoring and audits to ensure that all necessary environmental permits are in place.

Energy management

Our industry is energy-intensive, with energy costs accounting for a significant share of our operational costs. By improving our energy efficiency we can cut costs as well as reduce GHG emissions.

At our Schwechat refinery in Austria, for example, initiatives are anticipated to deliver energy savings of approximately 350,000 GJ between 2012 and 2015. This saved energy could supply 3,500 households for a whole year. New energy efficiency projects at Petrom E&P have led to energy savings of about 341,000 GJ in 2013.

During 2013, our total energy consumption was 141.5 PJ (2012: 125.2 PJ). Purchased energy, such as electricity and heat, accounted for only 4.1% of that consumption.

All OMV Group refineries have implemented certified Energy Management Systems according to ISO 50001. Systems and processes have been installed to establish energy objectives, monitor energy

performance and continuously improve energy efficiency. Energy Management Systems and teams are being established across the organization to coordinate and support the implementation of energy efficiency initiatives.

For example, E&P Austria and Gas Connect Austria have set up and implemented an Energy Management System in line with the principles of ISO 50001.



Waste heat recovery at Weitendorf, Austria

In Austria, the waste heat recovery power plant Weitendorf, with a capacity of 16 MW, continued its operation, enabling the operation of the gas compressor station with a reduced CO₂ footprint, using the waste heat from the compressor station at Weitendorf and turning it into electrical power without any additional CO₂ emissions. Through the recovery of waste heat some 90,000 t CO₂ per year can be substituted compared to conventional electrical power generation using coal.

Greenhouse gas emissions and reduction strategy



The energy efficiency program at Petrom focuses on the use of associated gas for co-generation of electricity and thermal energy, leading to overall GHG emission reductions of ca. 13,000 t CO₂ equivalent in 2013.

Today's energy and climate policies present major challenges to the oil and gas industry. As energy demand grows, the industry has a vital role to play in securing energy supply. At the same time, GHG emissions must be reduced across the economy to lower the impact on climate change.

In 2008, we made a clear commitment to decreasing the carbon intensity of activities where we are the operator by 2015.

We currently have three key targets for managing GHG emissions:

- ▶ We will use efficiency improvements to reduce direct GHG emissions from E&P and R&M by 1 mn t CO₂ equivalent or by at least 10% compared to a 2007 baseline
- ▶ We will contribute to the decarbonization of the energy markets in Central and South Eastern Europe by reducing the carbon intensity of our portfolio, promoting natural gas and selectively including power generation
- ▶ We will deploy state-of-the-art technology to limit the power generation portfolio to no more than 0.37 t CO₂ per MWh

The OMV Group Carbon Strategy is under review and will be aligned with the Group's strategy "Profitable Growth". In 2013, our activities related to the Carbon Strategy review focused on E&P, where we established a top management-led Carbon Management team and a carbon focal point. Further GHG intensity (t CO₂ equivalent/toe) has been adopted as one of the E&P KPIs and must be reported quarterly from 2014 onwards by each venture. The values will be internally and externally benchmarked.

In the light of the increasing implications of carbon on our business, we are updating the organizational setup of the new Corporate Carbon Steering Committee.

By end of 2013 the GHG intensity index of Petrom operated assets showed a reduction of 3.4% compared to 2012.

Direct emissions

In 2013, emission levels of carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O) directly related to our operations (Scope 1) were 12.9 mn t CO₂ equivalent (2012: 11.0 mn t CO₂ equivalent). The other GHGs are of minor relevance and have therefore not been included in our GHG figures.

Since 2008, our R&M business has introduced initiatives that account for total annual savings of more than 450,000 t CO₂ equivalent, with the ongoing restructuring of the Petrobrazil refinery having the potential to deliver further cuts of over 100,000 t CO₂ equivalent in 2014.

Petrom E&P implemented projects about cogeneration of heat and electricity (CHP) and production of electricity (Gas to Power) using the energy content of associated gas. This contributed strongly to energy savings and emission reductions by achieving annual reduction of around 13,000 t CO₂ equivalent in Petrom E&P in 2013. These projects provided about 40% of the annual electricity demand of Petrom E&P's onshore assets by the end of 2013.

Since 2008, GHG emissions and energy reduction projects at E&P have saved around 165,000 t CO₂ emissions.

Greenhouse gas emissions and reduction strategy (continued)

Indirect emissions

Scope 2 emissions which arise due to purchased electricity and heat account for only a small amount of our total GHG emissions – around 0.7 mn t CO₂ equivalent in 2013. The total Scope 2 emissions are primarily caused by the energy intensive divisions E&P and R&M. The wind farm at Dorobantu, which started commercial operation in 2011, has a capacity of 45 MW. In 2013, Dorobantu delivered 0.1 TWh to the national grid, which means a saving of 40,030 t CO₂ based on the average national grid factor of 0.409 t/MWh in Romania.

Scope 3 emissions from the use and processing of sold products are material and reported. All other Scope 3 emissions, such as emissions related to employee business travel and logistics, are not material because of their relatively insignificant size compared to indirect emissions from product use. In 2013, our Scope 3 emissions have slightly increased to 174 mn t CO₂ equivalent (2012: 172 mn t CO₂ equivalent). This figure covers the full product sales volume of all fully consolidated companies.

Emissions trading

OMV is subject to the EU Emissions Trading Scheme (ETS). At the end of 2013, 17 of our operating installations were included in the scheme: six in Austria, one in Germany and ten in Romania. Around 50% of the direct GHG emissions of OMV (6.5 mn) were CO₂ emissions from EU ETS installations. The future of the European carbon market will very much depend on the sustainability of the ETS reform as well as the prospects for the EU's entire energy and climate policy. Therefore we monitor these developments very carefully and continually analyze our corporate carbon price exposure so that we can rapidly counter any disadvantageous trends. We maintain a low-risk trading strategy in addition to the trading of EU allowances.

Air emissions

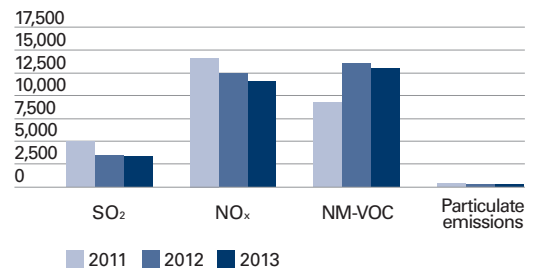
We continue to strive to reduce our atmospheric emissions. We have made improvements in facility design, processes and management, as well as invested in new technologies, to minimize our impact on the environment.

Our main air emissions besides greenhouse gases include sulfur dioxide (SO₂), nitrogen oxides (NO_x), non-methane volatile organic compounds (NM-VOCs) and particulate emissions.

Air emissions of SO₂ and NO_x are generated in the combustion processes of our refining and exploration and production activities. NM-VOCs are emitted, e.g. during product loading, storage and fuel dispensing.

Our activities do not result in material emissions of ozone-depleting substances. These substances are emitted only in very small quantities (< 1 t in 2013) due to refrigeration or fire fighting.

Air emissions by type of pollutant (t)



The year saw a decrease in emissions of SO₂, NO_x and NM-VOCs. Our particulate emissions increased slightly, but stayed well below emissions in 2011.



Reducing VOC emissions in Austria

E&P Austria is currently refurbishing the water treatment plant in Schönkirchen to incorporate the latest technology. Due for completion in 2014, the emphasis of the new facilities will be put on selective anaerobic treatment processes. Treatment steps will include the separation, floatation and filtration of produced water. Our state-of-the-art technology will lead to a reduction of 62% VOC emissions.

Water management



In 2013, we finished the revamp of the wastewater treatment plant at Petrobrazil which resulted in better quality of discharged wastewater, a reduction of sludge waste and also a decrease of VOC emissions.

Water is an important resource. We use water from various sources for steam generation, cooling and industrial processing. Water management is an integral aspect of all our environmental and social impact assessments.

Our management of water resources as well as effluents is based on corporate standards that include optimizing processes for efficient water consumption and identifying alternative water supplies. However, water scarcity and the demand on limited fresh water supplies is likely to intensify, and this means that an effective water management strategy is essential at both local and Group levels. In 2013, we identified our significant water-related impacts and began to develop a Water Ambition Statement which will be rolled-out group-wide in 2014, complemented by a Water Strategy and Roadmap.

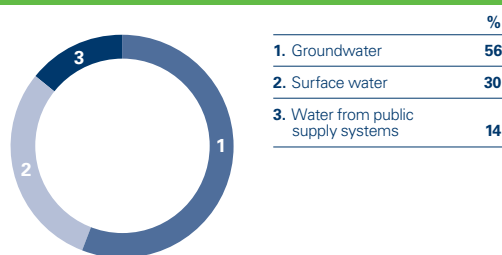
We consider how best we can minimize water usage in environmental management plans as well as in the design of our facilities. In 2013, total water withdrawal throughout OMV Group operations was around 46 mn m³ (2012: 46 mn m³). A total of 24 mn m³ of wastewater (2012: 26 mn m³) was discharged after appropriate on-site or off-site treatment in OMV-owned or municipal water treatment plants.

The total volume of water that was recycled and reused across OMV Group in 2013 reached 3.5 mn m³, equivalent to 7.6% of the total volume of water withdrawn. Water scarcity and the availability of water infrastructure can be issues for some of our communities. We are constantly evaluating projects which will help us to enhance water quality or availability in the communities where we operate.

Petrom water management

In continuing with the Petrom Water Resources Management project, Water Management Plans were implemented at various sites from all three Petrom business divisions in 2013. This resulted in a total reduction in water withdrawal for the participating assets of 26% for 2013 compared to 2011. Furthermore, water infrastructure was improved in 79% of covered sites and efficiency in water metering and monitoring increased in 86% of covered sites. In addition, Petrom launched a campaign to raise awareness of the importance of water resources in 2013. A Water Ambassadors' network was created to support the campaign and to promote its messages. Employees had the opportunity to join this network and were encouraged to monitor water usage during site visits, to discuss water-related issues with their colleagues and to generate ideas and take actions to improve efficiency. The leading actions and ideas were recognized in a Water Efficiency competition held in October 2013.

Water withdrawal by source



Drilling mud, spills, leakages and waste management



At the Schönkirchen landfill site in Austria, we have made good progress with our ongoing project involving oily sludge remediation, together with the renewal of the existing bottom sealing solution using the best available technology. The objectives of the project, which is set to run until 2014, include legal compliance and the satisfactory remediation of the site. At the end of the project, 100,000 m³ of oil sludge will have been remediated.

Drilling mud

We seek to avoid the use of hazardous substances whenever possible. For example, in our drilling operations, we use water-based drilling fluids wherever technically feasible. 79% of the drilling mud and cuttings generated by our E&P division is water-based (other 21%: non-aqueous drilling fluids, NADF). We no longer use any diesel-based drilling fluids anywhere in our operations.

Drilling mud is reused whenever practical, in line with our comprehensive waste minimization and management plans. In our E&P operations, drilling mud and cuttings account for a major part of the total waste generated. Cuttings are treated and disposed of in accordance with applicable national regulations and best available technology.

Spills and leakages

In 2013, we recorded no significant hydrocarbon spills (level 3, 4, and 5 on a scale of 1 to 5) and 1,715 minor releases (2012: 9 and 1,896, respectively). Hydrocarbon spillage was 52,000 liters (2012: 367,000 liters). In general terms, spills can be the result of process safety incidents, mostly caused by corrosion of aging infrastructure or security incidents.

OMV Group's objective is to prevent and reduce environmental impacts of oil spills. For example, this was addressed through various initiatives in Romania. These include the development of a Spill Risk Map to provide management with detailed information regarding the risk of spills from pipelines, and the potential impact on the environment. Following a successful pilot project in 2012, the risk map has now been rolled-out to six Petrom E&P assets.

In 2013, we carried out spill response drills in various locations, with OMV Norway being praised by the authorities for excellent oil spill detection and monitoring.

A structured analysis in regard to spills is regularly carried out, in particular for offshore drilling operations.

Waste management

OMV activities generate solid and liquid wastes, including oily sludges, waste chemicals, spent catalysts and construction debris. The total waste generated in 2013 decreased by 0.5% to about 883,000 t. There was no transport, import, or export of waste deemed hazardous under the regulations of the Basel Convention.

At Arpechim, works for emptying and treating hazardous waste in three lagoons were completed in 2013.

In 2013, all sites operated by Petrom are covered by Waste Prevention and Reduction Plans. Waste audits in line with the Petrom's Waste Audit Plan 2013 were performed and actions recommended for improving the waste management at operational level. The recommendations from the audit have further been used to revise the Waste Prevention and Reduction Plans.

Petrom has a detailed program underway to create the waste infrastructure needed to clean-up contaminated soil as well as abandonment of around 26,000 oil wells and 1,100 production facilities. Under this program, Petrom E&P has now created a total of eleven bioremediation plants and three landfill sites.

Transport, biodiversity and decommissioning



OMV supports Rotokare Scenic Reserve Trust in a translocation project to return rare and threatened bird species back to the Taranaki area in New Zealand.

Transport

We aim to use safe, environmentally friendly and economical ways of transporting products. In this respect, pipeline is the preferred option because it requires little energy. It also reduces journeys by road and rail, helping us to minimize the risk of incidents and reduce emissions, including GHG emissions.

Our refineries rely on different mixes of transport according to product range, customer, location and the regional distribution network. As we do not own tankers, we charter vessels from first-class ship brokers to ensure the highest quality and safety standards.

Biodiversity and land use

We undertake environmental impact assessments and permitting processes to address biodiversity issues, before launching new projects or establishing new operations. If our activities are close to vulnerable populations or ecosystems, we monitor them carefully to ensure that our operations cause no adverse impact. Although we have not been required to develop biodiversity action plans for any of our operations to date, we pay special attention to biodiversity issues at several of our operations.

Decommissioning

From our earliest plans for an operation through to decommissioning, we acknowledge our long-term responsibilities to the environment. We carry out decommissioning in line with best practices, and pay special attention to environmental issues such as decontamination and waste disposal. Work on the decommissioning of Petrom's chemical plant at Doljchim has been under way since 2009. By the end of 2013, all technological installations had been demolished. We are on target to complete all remaining activities within the next two years, including the installations that belong to the utilities provider and the electrical stations. We are complying with strict HSSE regulations and pursuing best practice because the process involves high-risk activities including the handling of hazardous wastes.

Products



In cooperation with TÜV Austria, we are working on a fuel efficiency concept. This aims to help professional drivers reduce fuel consumption and also engages with private motorists to create awareness about how driving habits impact fuel consumption. The first pilot workshop took place in December 2013.

Product responsibility and safety

In addition to gasoline and diesel fuel, we produce a wide range of products such as bitumen, oils, lubricants, gas and heating oil, as well as specialized products such as petrochemicals. Our emphasis at all times is on providing products that meet our customers' quality and cost objectives, with environmental, health and safety issues integral aspects of managing product quality throughout the manufacturing and sales process. For example, when we assess R&D projects, we focus on potential CO₂ emissions. We manage the product quality and safety in accordance with our internal policies as well as with international and national regulations and standards. We use standardized processes, quality testing across the supply chain, and a highly developed traceability system to ensure the quality and safety of our products.

Every product that we manufacture, market or distribute complies with relevant legislation. We also provide ongoing product training for our employees, suppliers, filling station partners and customers. In addition, our partners and customers are provided with detailed information about our products and the materials we use during production. Safety data sheets are available on our website. These data sheets include comprehensive information on potential health, safety and environmental hazards and inform customers and employees about how to handle and use our products safely.

REACH and CLP

The implementation of REACH (EU Regulation on Registration, Evaluation and Authorization of Chemicals) meant that all our refineries successfully registered around 200 substances by the end of 2010. Activities continued throughout 2013, including our participation in Substance Information Exchange Forums (SIEFs) and REACH consortia (CONCAWE, Lower Olefins and Aromatics, Fuel Ether, etc.) in order to maintain and update registration dossiers.

We have established several working groups to oversee our compliance with REACH and CLP (EU Regulation on Classification, Labelling and Packaging of substances and mixtures). We are also members of the REACH and CLP working groups through trade associations for the oil and chemical industries.

Cleaner fuels

At present, significantly more than 90% of gasoline and diesel sold by OMV is sulfur-free (sulfur content <10 ppm). Detailed product information can be found on www.omv.com.

Biofuels



The highly innovative second-generation BioCRACK™ plant at the Schwechat refinery is successfully operating on a non-commercial scale.

The area of second-generation biofuels shows great potential. We believe they can play an important role in meeting the world's future energy demands, without competing with food production. At the pilot BioCRACK™ plant at our Schwechat refinery, we are researching second-generation biofuels, using biogenic material that is unfit for human consumption.

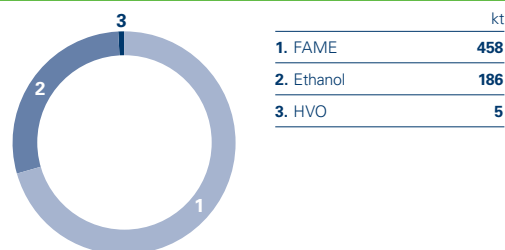
All biofuel volumes purchased by OMV in 2013 complied with the sustainability criteria set out in EU Legislation (2009/28/EC). German biofuels legislation (Biokraftstoff-Nachhaltigkeitsverordnung) requires that all biofuels in circulation from January 1, 2011, meet sustainability criteria. In Austrian legislation, sustainability criteria were introduced by Kraftstoffverordnung 2012 (KVO 2012) which came into force on January 4, 2013. Romanian legislation has mandated compliance with sustainability criteria since November 2011, while Turkish biofuel legislation currently does not include sustainability requirements.

The majority of biofuels purchased by OMV was sourced from local producers using mainly European feedstock, while Bio Ethanol purchased for Petrol Ofisi was of Turkish origin.

OMV is the first oil and gas company in Austria to verifiably handle biofuels in a sustainable way. The sustainability of the applied biogenic components was rewarded with the EU-ISCC certificate for OMV R&M, demonstrating our compliance with the highest legal sustainability standards.

EU-ISCC covers and ensures traceability across the entire supply chain, from the field to the consumer. In 2013, besides existing certifications in other countries, OMV Slovenia renewed its EU-ISCC certification and certification in the Group was extended with OMV Czech Republik now also certified by TÜV SÜD CZ.

2013 Biofuels volume



Achievements and targets

Environmental management

What we planned for 2013 (and after)



- ▶ Define OMV minimum standards on energy management
- ▶ Identify the significant water-related impacts of our operations and develop a water ambition statement
- ▶ Update carbon strategy in line with the Group's strategy "Profitable Growth" and establish roadmap to 2021
- ▶ Define OMV minimum requirements on flaring and venting management
- ▶ Implement Environmental Risk Assessment methodology (ERA)

What we did in 2013



- ▶ Identified water-related impacts and commenced the development of a water ambition statement
- ▶ Revised organization of Carbon Management Team
- ▶ Refined our focus on long-term target to improve energy efficiency
- ▶ Established GHG Intensity and Energy Intensity as KPIs in the upstream business
- ▶ Implemented numerous GHG reduction projects
- ▶ Developed flaring and venting reduction action plans in all Petrom E&P
- ▶ Carried out a flaring reduction opportunity study in Yemen
- ▶ Implemented Energy Management Systems in E&P Austria and Gas Connect Austria
- ▶ Commenced the implementation of Environmental Risk Assessment methodology across the Group

What we will do in 2014



- ▶ Finalize the review of the OMV carbon strategy and roadmap prior to implementation
- ▶ Develop operating procedures for GHG accounting and reporting in all E&P ventures
- ▶ Develop water strategy and establish roadmap to 2021
- ▶ Continue roll-out of Environmental Risk Assessment methodology

Human Rights

Our focus areas



Due diligence process
Systematically assessing risks and implementing actions to prevent human rights-related harm



Access to remedy
Ensuring adequate grievance mechanisms as a basic requirement of human rights risk management



Awareness
Raising awareness and fully integrating human rights into our business decision-making processes were key milestones in 2013



Why it matters to us

Respecting human rights is particularly important to our growth strategy. In addition to ensuring that human rights are respected and fulfilled within our sphere of influence in countries where we already operate, we also want to enable a systematic human rights management in countries where we may potentially operate in the future.

Performance

48

Human rights training participants in 2013

10

Years since OMV signed UN Global Compact

11

Contractors audits including human rights criteria 2013

Our approach to human rights

For many years, the issue of human rights has played an important role in our business, and our respect and support of them is a core element in our Resourcefulness strategy. As signatories to the UN Global Compact we continue to demonstrate our ongoing commitment in this area. Across the business, we focus on raising awareness, carrying out due diligence and providing robust grievance mechanisms to our communities.

Human Rights Policy

As a signatory to the UN Global Compact, OMV regards human rights as universal values which guide our conduct in all spheres of our activities.

While states have the primary responsibility for protecting human rights, we accept our responsibility to respect, fulfill and support the fulfillment of human rights within our sphere of influence and not to become complicit in human rights violations, as understood under current international law.

Sphere of influence

Our sphere of influence determines the scope of responsibilities: the more influence, the stronger the responsibilities.

Our sphere of influence includes individuals and groups to whom we have a certain political, contractual, economic or geographic proximity. Our responsibilities depend on the business context, the human rights issues at stake as well as the available alternative options.

In addition, we exert a certain influence over other business partners, particularly suppliers and contractors. We see it as our responsibility to operate an adequate supply chain management, including monitoring the human rights compliance of suppliers.

In 2013, we conducted eleven supplier audits which included aspects of human rights. Instances of child or forced labor were not identified in these audits.

Human Rights Matrix

Our specific human rights responsibilities are contained in our Human Rights Matrix, derived from the UN Global Compact and the Business Leaders' Initiative on Human Rights. The matrix is part of our due diligence toolbox and is the basis for all our activities in the field of human rights. It is obligatory for our decision-makers to collect baseline information on the human rights situation of the country in question before making decisions about our business activities. They are supported in this task by company experts and external consultants.

In order to foster human rights in our sphere of influence, we have developed a mandatory human rights questionnaire for use in our standard OMV supplier audits.

Engagement

We are committed supporters of human rights and are keen to play our part to the full. This includes being active members of the United Nations Working Group on Human Rights and Labour. We actively contribute to the group in various ways, such as providing input on key business and human rights tools and resources. In 2013, we also participated in a grievance management workshop run by IPIECA in Washington.

Our approach to human rights (continued)



About 30 participants discussed impacts of human rights violations within an organizational culture, strategies and structures to prevent discrimination and other human rights related topics during human rights training in Petrom in September 2013.

Human Rights Due Diligence Process

Our Human Rights Due Diligence Process includes assessing the human rights risks associated with our future and current business activities and taking the appropriate actions.

Firstly, we identify and assess actual and potential adverse human rights impacts. Following this stage, we integrate our findings across relevant internal functions and processes before taking the appropriate actions. Finally, we track the effectiveness of these actions. This is an ongoing process that is regularly updated and on which we communicate. The process also includes stakeholder dialog to help us access an external perspective.

Training

We organize regular training courses and workshops to raise the awareness of human rights issues, both internally and externally. These sessions focus on understanding the human rights context of OMV and learning tools and processes to follow OMV's human rights risk management process. In 2013, this included training for employees in Abu Dhabi, Romania, Kazakhstan and Yemen.

Grievance mechanisms

Grievance mechanisms are central to our community relations management process. In 2013, we established an internal project to further roll-out and enhance grievance mechanisms group-wide. We also took part in the IPIECA task force on grievance mechanisms in order to exchange experiences and share best practice with other IPIECA members. In Romania, we have a fully implemented formal Grievance Management System (GMS) which managed to improve the number of resolved grievances by 7.26% in 2013.

Organization and responsibilities

Our Corporate Sustainability team measures the implementation of our Human Rights Policy by working closely with colleagues across OMV, with the E&P division playing a pioneering role to date. OMV countries use the Human Rights Self-Check to assess their compliance with the matrix. Human rights activities for the businesses or our corporate functions are determined by risk assessments, which are undertaken by management, together with regular human rights on-site visits. The resulting reports are elaborated by input from external human rights experts. In all OMV countries, human rights activities take place through close cooperation with our community relations managers, who work with the corporate human rights manager to initiate local human rights trainings and assessments. Human rights at a local level are initially the responsibility of local managers, supported by company experts and external consultants.

Achievements and targets

Human Rights

What we planned for 2013 (and after)



- ▶ Ensure awareness and provide expertise throughout the entire business cycle
- ▶ Provide further training
- ▶ Continue to improve existing risk management tools
- ▶ Conduct self-checks and consulting visits at selected sites
- ▶ Continue to work on the roll-out strategy for grievance mechanisms for local communities

What we did in 2013



- ▶ Raised awareness of human rights and fully integrated it into the decision-making processes
- ▶ Delivered training, with a focus on high risk countries
- ▶ Made progress towards a full due diligence process
- ▶ Continued to review general grievance mechanisms to increase coverage and professionalism

What we will do in 2014



- ▶ Ensure awareness and provide expertise throughout the full business cycle (from entry to exit)
- ▶ Provide further training with a focus on high risk countries
- ▶ Conduct impact assessments focusing on new country entries
- ▶ Develop group-wide grievance process
- ▶ Further implement grievance mechanism

Diversity and Human Resources

Our focus areas



Diversity
Continue to improve both our international and gender diversity, targeting a situation where employees at SVP level comprise 30% women and 50% internationals by 2020



Employees' Engagement
Encourage our people to take responsibility for individual Resourcefulness projects



Development and training
Invest in training and development opportunities for our workforce, ensuring that we attract and retain talented people at all levels



Why it matters to us

To achieve long-term success, we depend on people as our most important resource.

Performance

1,114,486

number of hours of training delivered in 2013

14%

of employees at Senior Vice President level are women

41%

of employees at Senior Vice President level are internationals

68

Employees in talent and leadership development programs actively implemented Resourcefulness projects

Our approach to human resource management



Our senior managers lead by example and motivate employees to actively engage in driving responsible and sustainable business behavior. We encourage employees to take ownership of Resourcefulness initiatives and to embed them in their personal development targets. We aim to make Resourcefulness a key element in our training.

With 26,863 employees worldwide, we are a major employer that can have a significant impact on local communities. Our aim is to create a positive working environment and to be recognized as an employer of choice. To this end, we uphold high standards of health and safety while also offering fair pay and flexible employment opportunities.

Our drive to fulfill our responsibility towards our employees and society is guided by the principles of the international social accountability standard SA8000. As a signatory of the UN Global Compact, we have also pledged to uphold further principles that are relevant to human resources and these are included in our corporate directives.

To realize our business objectives, we depend on a talented workforce at all levels and we achieve this by offering a number of development programs. Our management development programs are delivered via partnerships with internationally renowned business schools, and we provide further opportunities through tailored initiatives such as the Talent Challenge Core and Talent Challenge Advanced programs.

We also support our employees in areas beyond traditional skills-based programs, strengthening their creativity and social competencies. Furthermore, we invest in the economic development of the communities in which we operate.

In order to enhance our position as an employer of choice:

- ▶ We make sure we have the right talent in the right job at the right time.
- ▶ We look for and reward superior performance and leadership.
- ▶ We manage our corporate culture and organizational development across the entire Group, building cross-divisional effectiveness and thereby leveraging an integrated approach in stakeholder relations.
- ▶ We encourage our employees to engage with the Resourcefulness strategy.

To help us succeed in our aims, we continuously optimize and harmonize HR management systems and tools across our international operations.

Our HR teams support employees at all stages of their careers with OMV. Strategic decisions that impact our total workforce are taken centrally. Similarly, where general issues could have an impact at Group level, local management is obliged to follow the guidelines laid down by Corporate HR.

Workforce and local employment

99.1% of our employees are covered by mandatory periods of notice under national employment laws, or bargaining agreements in cases of necessary restructuring.

In all our operating countries, we strive to maintain a high percentage of local staff. The exact percentage varies because market conditions and job requirements differ from country to country. We prioritize the development of local workforces, especially in countries with a shortage of skilled workers, and have introduced appropriate programs in several countries.

Our approach to human resource management (continued)

Strategic Workforce Planning

Strategic Workforce Planning is a systematic approach that enables us to better understand current skills and focus our development measures accordingly. We first deployed this approach in 2011, with the aim of aligning business and HR strategies to ensure the availability of adequate human resources for OMV in the future.

2012 was the first year of running a full cycle for our E&P business and integrating long-term strategic planning indicators into the more granular yearly manpower planning process. The result was improved definition and greater consistency of our graduate intake requirements. For the next three years, graduate intake will be organized by skill pool per country, with an average intake of 120 graduates per year globally.

We have also improved our understanding of the key drivers that affect workforce demand forecasts for various job categories. This new knowledge will help us identify needs and make sure we have the right number of qualified people in the right place at the right time.

Successful Strategic Workforce Planning requires clear segmentation of the workforce. We use Skill Pool Management to identify the skills and experience required to perform a particular job and to develop our people appropriately. During 2013, we broadened the scope of Skill Pool Management in E&P, to encompass up to 3,000 employees globally across five technical skill pools. In addition, we initiated selected pilot projects group-wide for corporate projects and HSSE.

Rights and obligations

The rights and obligations of our employees are set out in labor contracts. They are derived from various company agreements, collective bargaining agreements and locally applicable policies. Nearly all of our employees – 96.4% – have the right to exercise their freedom of association and collective bargaining. For 98.5% of our employees, minimum wages or salaries are fixed by law or agreed upon in collective bargaining agreements. 82.3% of our employees are represented by local trade unions or works councils.

Our commitment to providing equal opportunities for all employee groups is contained in the corporate Anti-Discrimination Directive. The level of compensation is based on the employee's function and management level as well as skills and professional experience. Compliance with the directive is reviewed annually by our Internal Audit department.

Employees' Engagement



Employees' Engagement is one success factor for embedding Resourcefulness throughout the entire Group. OMV takes strong action to integrate sustainable business behavior into learning and development programs.

10,911,261 EUR

saved by innovative ideas from our employees during 2013 and bonuses were returned

3,698

Resourcefulness targets built into individual Management by Objectives plans

Global Culture Change Pulse Check

We maintain ongoing dialog with our people to understand what currently works well and where we can make improvements.

Our Performance Steering team has established an initiative to evaluate the current corporate culture within OMV and improve our overall performance culture.

- ▶ Initially, the team defined nine areas that are important in helping us build and maintain a motivating performance culture; these include areas such as reward and recognition, clear objectives, goals and targets and effective teamwork.
- ▶ We will then carry out an anonymous online survey focusing on the nine areas, which will be sent to around 2,900 employees randomly selected from all countries and divisions.
- ▶ The results will provide insights into employees' attitudes towards performance culture and highlight potential areas of improvement.
- ▶ We will develop appropriate measures and initiatives to foster and enhance the sustainability of our performance culture.

In addition, we have also developed an Idea Management initiative, which provides employees with a channel for submitting new suggestions, innovative ideas and alternative solutions on any aspect of OMV, from how we can improve our competitiveness to enhancing working conditions, internal procedures and processes.

Job rotations

We use job rotations to promote corporate culture and organizational development across the entire Group, maintain effectiveness and enhance internal dialog. During 2013, we implemented 114 rotations. The key benefit of job rotations is that they widen our skill pool, as employees build a variety of skills at each rotation. In addition, they facilitate cross-company networking and the sharing of ideas.

Engaging employees with Resourcefulness

Employees' Engagement is a key success factor to putting sustainability at the heart of OMV's business. By encouraging our workforce to fully embrace Resourcefulness and play an active part in its delivery, we further embed Resourcefulness across OMV. We use different elements to raise awareness and to enable engagement of our employees towards our communities and the environment such as:

- ▶ Resourcefulness in-house training programs help employees of all levels to understand what Resourcefulness means to them.
- ▶ Resourcefulness targets are integrated in individual Management by Objectives plans to support active engagement and integration into daily business; they account for 10% of individual targets.
- ▶ Ownership for Resourcefulness projects in our talent and executive development programs helps to develop strong ambassadors for sustainability and future leaders, who are able to do profitable and at the same time sustainable business.

In 2013 eight Resourcefulness projects were assigned to Executive Challenge participants and seven projects to Talent Challenge Advanced teams. Two of the projects were granted in-house awards.

Talent attraction and development



In 2013 more than 500 external E&P technical skill pool experts were hired in order to meet the 2016 target of 1,600.

Performance activity

Group-wide, during 2013 we continued to focus on the correlation between a successful business performance and the working environment.

Our aim is to ensure a solid performance by having the right skills, engagement processes and environment in place. In addition, we work hard to make sure that our corporate culture is characterized by open dialog, a broad diversity of opinions, deep awareness of performance and job satisfaction.

Performance and Development System (PDS)

The annual PDS cycle is an important component of our group-wide drive to ensure a consistent culture of performance assessment and personal development. PDS is an essential tool that helps us embed our approach and goals across our functions, divisions and sites, enabling employees to better implement the company's strategy in their respective departments.

As a group-wide, web-based system, the PDS guarantees equal opportunities by providing a consistent basis for discussions around performance assessment and personnel development. It simplifies leadership across the entire Group and significantly reduces complexity as well as costs.

Recruiting and global mobility

Initiated in 2012 and further developed in 2013, we have programs in place to attract a technically skilled workforce, with a particular focus on disciplines specific to E&P.

We have strengthened our presence in the European employer market by attending relevant fairs as well as through regular advertisements in relevant magazines, newspapers and social media.

In Austria and Romania, we launched a new e-recruitment tool which was rolled-out across two additional countries at the year-end, in line with our international approach. The roll-out is on track for completion in mid-2014 as part of our international Employer Branding Strategy.

We hired more than 1,000 blue- and white-collar employees group-wide in 2013, primarily in technical E&P fields in accordance with our strategy.

We place great importance on close cooperation with leading universities and have a number of programs in place to strengthen these relationships. Our TUtheTop program in Austria focuses on students at the Technical University in Vienna, while the Students 4 Excellence program engages with students in Austria and CEE countries across various faculties. In addition, we support the CEMS alliance, a non-profit organization that is governed by OMV in conjunction with other members of the alliance. Through CEMS, around 100 students obtained valuable work experience at OMV. They had the opportunity to participate in various strategy presentations, business discussions, social events, workshops and other events.

Talent attraction and development (continued)



115 apprentices at OMV, thereof 35 new ones commenced their training in 2013.

In 2012, we launched Scholarship for Women in Technology, an initiative specifically designed to encourage women to take up technical studies and to raise the quota of female graduates in technical disciplines. Each year, we award scholarships which provide financial and practical support to 15 female technical students for the three years of their bachelor programs. We also give the students the opportunity to complete various internships and help them with their academic work. Scholarships will be offered to a further 45 young women in the coming years.

Overall, around 140 university graduates without relevant work experience were taken on by OMV during 2013 and provided with further development via specific technical training programs.

In general, our talent is relatively mobile. Around 600 employees are currently working abroad on assignments lasting from two to five years, depending on their development needs or our business requirements. The experience and knowledge gained during these assignments is invaluable to our employees when they return home.

Petrom Training Center

The Petrom Training Center is one of the most significant projects for our employees, partners and stakeholders because it provides a window to the future development and modernization of our company at international best practice level. By blending theoretical and practical knowledge, Petrom has developed a training program that aims to meet both the current and future developmental needs of employees working in operational areas.

By the end of 2013, around 300 Petrom employees had taken part in classroom training sessions at the Petrom Training Center.

Collaboration between OMV and TÜV AUSTRIA

OMV and TÜV AUSTRIA joined forces to open a new vocational training center for apprentices, marking a milestone in education and serving as a driver for economic growth in the Weinviertel region.

The new center will be based at the OMV site in Gänserndorf and operate under the name TÜV AUSTRIA-OMV AKADEMIE WEINVIERTEL. Working together enables both partners to capitalize on their strengths. A combination of OMV's practical skills gained across the world and the technical expertise of TÜV AUSTRIA creates valuable synergies for "Training near the job" at the center. One of the key strengths of vocational training is the ability to quickly and flexibly adapt programs to deliver the skills that are actually required to perform various tasks.

The center trains more than 100 apprentices every year, with 35 apprentices having commenced their training in September 2013.

Diversity

30%

target share of women at Senior Vice President level by 2020

We have promoted diversity for many years, with demonstrable success. Today, we employ people of more than 60 different nationalities across the business.

Our focus areas are international diversity and gender diversity, which are applicable at all management levels of the Group.

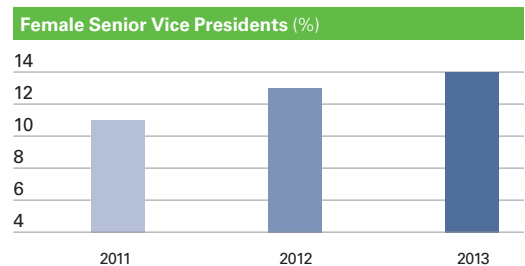
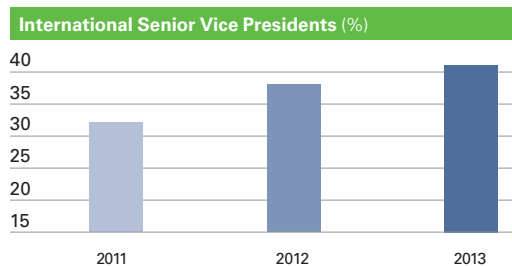
We aim to increase the percentage of women among our Senior Vice Presidents (SVPs) to 18% by 2015 and 30% by 2020. We made progress during 2013 as 14% of our SVPs are women (2012: 13%). Furthermore, we aim to have 38% internationals at SVP level by 2015, rising to 50% by 2020. In 2013 we managed to surpass the target for 2015, as 41% of our SVPs are internationals (2012: 38%).

We believe that the gender composition of our leadership development programs can play a major role in helping us reach our objectives and have set a target of 30% female involvement in these programs.

We are pleased to report that in 2013 the percentage of women on the programs had already reached 36%, demonstrating that our diversity policy is having a beneficial impact.

“We consider diversity to be an essential part of our corporate identity. People of different backgrounds and beliefs can influence each other constructively and, as a result, achieve better results and ideas. Because every one of us has different qualities and ideas, this mix of people makes us unique. In the head office alone 1,700 colleagues from almost 40 nations work together successfully every day.”

Gerhard Roiss
CEO and Chairman of the Executive Board



Rewards and benefits



OMV head office in Vienna has two company kindergartens attended by children of OMV employees.

In order to reach our business objectives, we need employees who have the right degree of commitment and the right skills. We help our people realize their potential through extensive training and development programs and reward them with good levels of pay and benefits.

We provide well-established company pension plans for our employees in Austria and Germany. In the Czech Republic and Slovakia, our R&M business introduced pension plans in 2008. Furthermore, since 2009 we have provided enhanced insurance protection for expatriates and their accompanying family members worldwide, regardless of origin or nationality.

The health of our people is a prime concern and we provide comprehensive private health insurance for our expatriate employees. Since 2010, employees traveling on business have also been covered by this insurance policy, which includes comprehensive cover worldwide. When we moved to our new head office in 2009, the OMV Group Works Council reached an agreement with management regarding partial (50% gross) reimbursement of public transportation costs incurred by commuting employees.

Work-life balance

We recognize the need for a sensible balance between work and home life, and have introduced a range of initiatives that take the needs and wishes of our employees into consideration.

For example, we have created a work-at-home option during periods of parental part-time work, in collaboration with the Works Council. A Home Office Agreement enables male and female employees to work half of their weekly working days at home and half at their OMV locations.

This can make a considerable difference to the stresses and strains associated with the early years of parenthood. We support the future increase in parental leave to 32 months and recognize that this will contribute to an improved work-life balance.

In Austria, we have agreements in place that allow employees who have been with the company for at least two years to take up to a year off work. This sabbatical period is not restricted to any particular purpose and can be arranged by mutual agreement, taking the company's interests into consideration.

Under a recently introduced agreement, employees can now choose whether they want to continue to receive their long-standing service bonus in financial terms or take time off work instead.

Shift work can place additional stresses on employees. To help them cope, we offer an extra day of holiday per year to employees aged 55 and above who work in fully continuous shifts.

Initiatives such as this enable us to meet our employees' individual needs as they evolve during the course of their working lives.

Achievements and targets

Diversity and Human Resources

What we planned for 2013 (and after)



- ▶ Diversity
 - Continue the Diversity program
 - Increase the number of female and international managers at all levels
- ▶ Job rotations
 - Further increase the number of internal movements to 100
- ▶ New Technical Training Center, bring into operation in the fourth quarter 2013
- ▶ Employee sustainability engagement
 - Continue activities
- ▶ Organization
 - Establish a new unit to manage university collaboration, with the aim of developing strategic, long-term cooperations with selected key universities

What we did in 2013



- ▶ Diversity
 - Continued with the program
 - Increased the number of female employees to 22.4% group-wide
 - Increased the percentage of female SVPs to 14% and the percentage of international SVPs to 41%
- ▶ Job rotations
 - Increased internal rotations to over 100
- ▶ Opened the New Technical Training Center at Petrom in the fourth quarter 2013
- ▶ Continued to engage employees on sustainability issues
- ▶ University collaborations
 - Established a new organizational unit in HR department to manage university collaboration

What we will do in 2014



- ▶ Diversity
 - Continue the program
 - Increase the number of female and international managers at all levels
- ▶ Job rotations
 - Further increase internal movements
- ▶ New Technical Training Center
 - Continue classroom training programs
 - Commence practical training programs in April 2014
- Carry out training on 200 days per year
- Train 3,600 employees
- Focus on key disciplines of electrical engineering, instrumentation, mechanical, operations, welding/fabrication, well services and HSE
- ▶ Employee sustainability engagement
 - Continue engagement activities
- ▶ Career development
 - Develop a structured and transparent framework for career discussions
 - Increase knowledge of timelines for employees' career moves and development
 - Improve planning of resources within the skill pool
 - Build a more open and transparent communication culture around career development

Compliance and Business Ethics

Our focus areas



External certification
OMV is Austria's first listed company to hold a certified Compliance Management System in line with IDW Assurance Standard 980



Organization
The compliance organization supports the implementation of OMV's standards and monitors the compliance of Group operations with laws and regulations



Training
We continue to deliver training on compliance issues group-wide



Why it matters to us

We strive to act with the utmost integrity and respect local laws in order to maintain our reputation as a trusted and welcome partner for our host countries, suppliers and customers.

Performance

1,775

participants in Business Ethics training in 2013

42

employees in compliance organization

30

internal compliance audits 2013

Compliance

We work hard to make sure our policies are understood and complied with by every individual, at every site, worldwide. In addition, our compliance management system helps ensure we behave fairly towards our stakeholders, building our reputation as both an employer and business partner.

Compliance management

OMV operates in many countries and respects a wide variety of cultures and laws. Our compliance organization supports the implementation of our standards and monitors the compliance of all our operations with laws and regulations. It consists of a Compliance Department with group-wide responsibility, assisted by a Corporate Affairs & Compliance Department at Petrom and an Internal Audit & Compliance Department at Petrol Ofisi. In addition, in 2013, 19 local compliance officers were nominated in the various OMV countries in order to support the compliance organization at a local level. Altogether, the compliance organization comprises 42 employees who are fully or partly dedicated to compliance tasks. The Chief Compliance Officer reports directly to the Executive Board and to the Supervisory Board. The OMV compliance organization manages:

- ▶ Business ethics and anti-corruption measures
- ▶ Capital markets law
- ▶ Competition law
- ▶ Trade control and embargoes
- ▶ Data protection

Compliance risk analysis

When we first established the Compliance Department in 2011, we conducted risk analysis to define and evaluate potential compliance risks and identify the focus areas listed above.

We undertake risk analysis on an ongoing basis in order to deliver continuous improvement. We monitor external and internal risk factors, in particular changes in the regulatory framework, as well as recent developments or incidents to evaluate possible impacts on OMV's risk exposure. Semi-annual risk analysis forms part of the Enterprise Wide Risk Management (EWRM) system and is conducted in cooperation with local compliance officers and the Risk and Insurance Management Department, with a focus on business ethics.

Compliance training

We regularly carry out training to ensure compliance with internal and external laws and regulations. Face-to-face training programs on capital markets law, business ethics and competition law are mandatory for certain employees. We have introduced an e-learning tool to support the Competition Law Program.

In 2013, 1,775 employees were trained on business ethics, 492 on competition law and a further 588 on capital markets law.

Training for new employees is delivered through the New Employee Orientation (NEO) program, which includes a presentation explaining the role of the Compliance Department, as well as an overview of core compliance issues.

In addition to legal requirements, we follow a number of self-imposed obligations based on both internal and external standards. Our group-wide regulations for sustainability management are contained in a series of directives and standards. Furthermore, some business segments and sites have established their own specific complementary guidelines and procedures.

Values and standards

The Code of Business Ethics covers:

- ▶ Conflicts of interest
- ▶ Bribes and facilitation payments
- ▶ Intermediaries and lobbyists
- ▶ Gifts and hospitality
- ▶ Donations
- ▶ Competition and anti-trust law
- ▶ Trade control and embargoes
- ▶ Data protection

By signing up to the UN Global Compact (UNGC), we have committed to implementing the ten UNGC principles, and the OMV Code of Conduct sets out clear rules of behavior in accordance with the UNGC.

Code of Conduct

We are committed to achieving our business goals in a value-oriented culture. To this end, we have laid down the basic principles that govern all of our actions in our Code of Conduct, which applies to all employees in all business segments, as well as to contractors. The code is based on our values and is the key Group document that outlines how we are to complete our tasks, implement our strategy and achieve our operational and economic goals.

The implementation of the Code of Conduct covers all core areas of sustainability management, with particular emphasis on:

- ▶ Stakeholder relations
- ▶ Health, safety, security and environment
- ▶ Human rights
- ▶ Employees
- ▶ Governance

“For our company, compliance goes beyond an obligation to meet norms and can also be a documented option to voluntarily observe non-mandatory norms, and from this standpoint strategic assumption of standardization represents a responsible management decision and an investment in the future.”

Mariana Gheorghe
CEO Petrom

Code of Business Ethics

Promoting a sense of proactive ethical responsibility throughout our operations is a central element of our approach to business. We insist on commitment to honesty and integrity in all business dealings by everyone working for OMV. The Code of Business Ethics articulates these values and applies to all employees. It lays down clear rules regarding conflicts of interest, gifts, hospitality, donations, lobbying and intermediaries.

The Code of Business Ethics is also available on the internet in German, English, Czech, Bulgarian, Russian and Kazakh languages.

OMV operates in numerous countries with a variety of different cultures and laws and upholds equally high compliance standards across the Group and in compliance with the law in every country.

Based on this approach, we implemented a Compliance Management System which was, as the first one in Austria, certified as conforming to the stringent, comprehensive IDW Assurance Standard 980. Before developing the system, we carried out a year-long investigation into anti-corruption, the laws governing capital markets and competition and trade embargoes. The aim was to ensure that the system was able to be appropriately designed and implemented, and would deliver maximum effectiveness. The system's certification was granted at OMV Group level following an evaluation by KPMG auditors, which included on-site visits in Austria, Romania, Bulgaria and Kazakhstan. This rigorous procedure underlines our commitment to making sure that compliance management at OMV is characterized by exceptional results and professionalism.

Governance

OMV leads the way in compliance management

OMV's Compliance Management System is the first in Austria to conform to the stringent, comprehensive IDW Assurance Standard 980. The areas of anti-corruption, laws governing capital markets and competition as well as trade embargoes were subject to a year-long external examination for adequate design, implementation and effectiveness.

Because the system facilitates our ability to adhere to international standards and the rules demanded by leading businesses and organizations, we are now more easily able to engage with prestigious partners.

Equally important, the standards imposed by OMV are more likely to be accepted by clients and contractors. The objective nature of the certification strengthens internal trust and fosters employee support for our compliance system and proves once again that compliance is a key matter for our top management.

In order to improve compliance and address the relevant issues at a corporate level, we first established our own group-wide Compliance Department in 2011. Since then, we have maintained an ongoing focus on communicating simple, clear rules and answering questions about business ethics.

Regular training courses raise employee awareness of compliance issues. Our people are also encouraged to contact us via a toll-free compliance helpline or web form if they have any questions or concerns.

Corruption and bribery

Our governance procedures are centered on the Code of Business Ethics. The code clearly prohibits bribes and facilitation payments and includes clear rules on conflicts of interest, gifts, hospitality, donations, lobbying and intermediaries. It sets out a zero tolerance policy towards bribery, fraud, theft and other forms of corruption and is supported by the new Compliance Management System.

Non-compliance

The Code of Business Ethics is mandatory, without exception. Employees who violate the code face disciplinary consequences, which could involve dismissal, and may expose OMV and themselves to criminal liability. Retaliation against anyone who speaks up will absolutely not be tolerated.

Responsible governance

In 2013, our Internal Audit Department carried out 30 compliance audits across the full range of business ethics issues. Risk-related audits, including fraud and corruption issues, form an integral part of the Corporate Internal Audit. During 2013, the audit team investigated several cases of suspected misconduct that were either detected through these audits or reported to us directly.

In case of serious violations, sanctions can extend to dismissal and claims for damages.

Achievements and targets

Compliance and Business Ethics

What we planned for 2013 (and after)



- ▶ Deliver further trainings group-wide
- ▶ Apply e-learning tool

What we did in 2013



- ▶ Compliance Management System Certification
 - First listed Austrian company to be certified according to IDW Assurance Standard 980
 - Certification includes design, implementation and effectiveness of OMV compliance management system
- Valid for entire OMV Group, except for Petrol Ofisi
- ▶ Trainings on Business Ethics
 - 162 trainings on Business Ethics group-wide
 - 1,775 participants group-wide
- ▶ Trainings on Competition Law
 - 492 participants group-wide
 - Group-wide roll-out of e-learning training tool
 - Group-wide alignment of training standards
- ▶ Trainings on Capital Market Law
 - 588 participants group-wide

What we will do in 2014



- ▶ Further development of compliance organization at Petrol Ofisi
- ▶ Preparation plan for Petrol Ofisi Compliance Management System certification
- ▶ Strong focus on energy market regulation (REMIT) and financial market regulation (EMIR)

Stakeholder Engagement and Community Relations

Our focus areas



Stakeholder dialog
Constant dialog with our stakeholders supports our efforts at all levels



Tools and systems
Continuing review of stakeholder management mechanism to increase our professional approach



Community relations
Implement community relations and development projects with a focus on Skills to Succeed



Why it matters to us

We aim to create stakeholder relationships that are based on trust, respect and understanding. We communicate openly and transparently with all stakeholders, sharing our approach and ambitions and, in return, enhancing our understanding of local conditions and the needs of stakeholders.

Performance

>200

participants at corporate Stakeholder Forums in OMV and Petrom

>300

Resourcefulness projects in 25 countries with our stakeholders

7,833

stakeholder database entries 2013

Stakeholder engagement

Holistic approach

Stakeholder management is crucial for ethical business behavior, thus OMV's sustainable success in business projects. Because sustainability requires engagement with internal and external stakeholders, it enables us to better anticipate and take advantage of fast-changing societal expectations and operating conditions. By addressing our social responsibility we can build stakeholders' trust as a basis for sustainable business models. Higher levels of trust in turn help to create an environment in which we can grow. Stakeholder involvement is taken into account on local as well as on corporate level. We have a holistic approach to stakeholder engagement, engaging with people and institutions on which we have a direct or indirect impact through our value chain.

Stakeholder dialog

Our Corporate Stakeholder Forum provides us with a deeper understanding of our stakeholders' needs and expectations. The forum is an opportunity for us to hear feedback on our sustainability performance and ensure that we take into account the full range of sustainability issues in our materiality process.



OMV Stakeholder Forum 2013

The Executive Board engaged with 78 stakeholders and entered into dialog on a range of issues. These included the future of traffic including emission reductions as a major topic, energy efficiency and carbon management. Furthermore, the ideal competence profile and how to attract the best talents have been discussed.



Petrom Corporate Stakeholder Dialog Forum 2013

Discussion focused on our strategies for filling the gap between education programs and business needs. The forum was attended by a number of high level stakeholders including the Romanian national ministers for education and for R&D. Other participants were drawn from employees, local authorities, the academic community, R&D institutes, professional associations and the national standards body. In total, around 130 stakeholders attended the Forum.

Community relations

Community engagement and consultation ensures that our projects deliver the greatest value to local communities. We believe that economic development helps empower local communities and therefore support initiatives that improve local economic conditions.

Community relations at OMV is delivered by a network of experts at all our sites and supported by dedicated staff at corporate level. Knowledge is shared through initiatives such as our annual Sustainability Days which provide an opportunity for the community relations team to meet and discuss issues face-to-face and participate in tailor-made trainings.

Our impact

As an organization working in the oil and gas industry, our operations can significantly impact local communities. For example, seismic and drilling operations, pipeline construction and site activities are everyday features of most facilities within E&P.

Although it is inevitable that such activities will have some impact, our goal is to maintain good relationships with local stakeholders. These relationships are founded on regular engagement and the observance of human rights. In our view, these issues are central to building mutual trust and respect between our business and our neighbors. In 2013, no significant disputes or resettlements with indigenous peoples occurred.



Stakeholder and community relations in OMV Austria

Our community relations activities in Austria embrace a broad range of initiatives, including:

- ▶ In 2013, we founded the OMV Austria Retirees' Association Oil and Gas Weinviertel. These retirees are key opinion leaders and ambassadors for OMV in the region.
- ▶ We work closely with universities to promote educational opportunities. During the year, we collaborated with the Montan University Leoben to provide students of nine high schools in the Weinviertel region with information about study options at the university, as well as subsequent career opportunities. Overall, 3,180 high school students visited the information truck during the roadshow.
- ▶ Through the Move2School initiative, we support schools in building up knowledge on energy, oil and gas. We invited teachers from local high schools to visit a drilling rig and participate in a workshop where they gained knowledge and developed an educational approach that they took back to their schools.

Community relations (continued)

Skills to Succeed, which is our way of fostering the skills that people require to be successful, is a key pillar of our Resourcefulness strategy.

In 2013, our human resources, community relations and management teams came together to develop and launch a number of projects.



Austria: Vienna Open Lab

We are supporting the IMBA (Institute of Molecular Biotechnology GmbH) in upgrading and operating the Vienna Open Lab, a molecular-biological and wet-chemical hands-on laboratory. The target is to use hands-on experiments to encourage more interest among children and youths in science and technology. Initiatives at the lab include workshops on technologies similar to those we use in our operations. The long-term objective is to inspire around 10,000 participants per year to consider a career in science and technology.



Romania: Made in Andrei's Country

This social entrepreneurship project ties in with OMV's ongoing activities in Romania under the Andrei's Country Social Platform umbrella. It aims to boost employment and sustainable development in Petrom communities. During 2013, 512 applicants submitted business ideas to a jury comprising Petrom employees. These ideas ranged from wool processing and furniture production to bread making and farming. The jury selected the top ten ideas which offered the greatest community benefits, with the finalists receiving grants of up to EUR 32,000 as start-up capital.



Tunisia: High quality, local car repairs

OMV's know-how, safety training and financial support have enabled a local Tunisian car repair shop to operate in line with OMV standards and employ additional mechanics after they had completed their vocational training. New jobs have been created, driving the regional economy, and OMV now benefits from an efficient repair service close to our operations.



Pakistan: Rising through Education

Our communities in Pakistan are marked by poor infrastructure, poverty and low educational levels. In Pakistan, OMV is supporting 77 government primary schools in order to create a more highly skilled workforce, with the cooperation of local people and education departments of the district governments. In addition, we have established a Training Resource Center to improve the skills of local teachers, with regular training programs leading to basic qualifications.



Tunisia: Great chance for future engineers

An OMV scholarship program is opening new doors, enabling three young women and ten men from Tunisia to study Petroleum Engineering. They will complete half of the four-year bachelor's degree in their home countries, with the remaining two years spent at the Montan University Leoben in Austria. After an obligatory internship at OMV, they can either work for OMV or opt for a master's degree – without having to repay the scholarship.

Achievements and targets

Stakeholder Engagement and Community Relations

What we planned for 2013 (and after)



- ▶ Increase the use of stakeholder database while thoroughly fulfilling data protection requirements
- ▶ Carry out stakeholder dialog events
- ▶ Continue the "Resourcefulness Advisory Board"
- ▶ Further develop community relations projects with a focus on "Skills to Succeed"

What we did in 2013



- ▶ Held Stakeholder forums at OMV and Petrom, with more than 200 stakeholders attending
- ▶ Carried out stakeholder database trainings for users in the appropriate countries, with a total of 145 persons trained across OMV
- ▶ Continued regular meetings of the "Resourcefulness Advisory Board" to ensure external stakeholder view
- ▶ Organized local stakeholder analysis workshops
- ▶ Conceptionalized community relations and development training and enhanced capacity of first 15 international participants
- ▶ Community relations and development procedure defined and rolled-out

What we will do in 2014



- ▶ Continuing review of stakeholder management mechanism to increase professionalism
- ▶ Run stakeholder analysis workshops across OMV
- ▶ Continue external stakeholder dialogs
- ▶ Further strengthen capacity through community relations and development trainings

Management Systems and Policies

Our focus areas



Directives and policies
Ensure consistency and mitigate risks across the business through global standards and guidelines



Data systems
Invest in efficient, safe and reliable IT tools and infrastructure to support risk management and our sustainability ambitions



Supply chain
Encourage sustainability throughout the supply chain by monitoring and auditing the performance of our contractors and suppliers

Why it matters to us

Our robust management systems and policies are designed to ensure that the Resourcefulness strategy is fully implemented and delivers to its true potential.



Performance

98.6%

of "A" suppliers accepted OMV's Code of Conduct

250

"A" suppliers apply their own Code of Conduct

11

comprehensive contractor audits in 2013

Our strategic approach

We apply a series of management systems and policies to manage risk and ensure that we can continue to operate safely and legally compliant.

Risks and opportunities

We regularly carry out risk reviews in order to assess our current and future financial and non-financial risks. Through this process, we monitor both the macroeconomic environment and our industry's situation, including market growth, regulations and technologies. The aim is to assess how these trends will impact OMV and then to develop appropriate responses. The key non-financial and financial risks identified in respect of our medium-term plan are associated with market price, business process, political matters, regulatory and compliance issues, personnel and hazards. We assess non-financial risks through social and environmental impact assessments. Process hazards are assessed through hazard identification (HAZID), hazard and operability analysis (HAZOP) studies, as well as other recognized methodologies.

We define a risk as an event or development, either internal or external to OMV, that has a potentially negative effect on our ability to achieve our aims and objectives. It is the Group's policy to maintain at all times a structured, systematic group-wide overview of all risks to ensure that they are monitored and controlled at every management level. The key Group risks are monitored centrally, including those relating to health, safety, security and environment, legal matters and compliance, human rights and human resources.

The greatest risks to the environment arise during exploration, development and production.

Enterprise Wide Risk Management

Our Enterprise Wide Risk Management (EWRM) process covers all operational, financial and strategic risks in consolidated companies. The EWRM incorporates a precise sequence, which comprises risk identification, evaluation, consolidation and reporting, together with risk monitoring, control and mitigation. Where risks are identified, control and mitigation measures are implemented at all organizational levels of the company. Hazard, environmental and climate change-related risks are assessed together with all other identified risks twice a year.

Countermeasures to reduce the potential impact of all identified climate change risks have been evaluated and either planned or implemented. They include the following: the use of economic instruments such as emissions trading and carbon portfolio management; integrating the consideration of GHG emissions and climate change-related issues in strategy and other key business processes; and operational and engineering measures.

Our political and regulatory risks are mitigated by our extensive experience in the political environment in Central and Eastern Europe (CEE) and South East Europe. We monitor political developments in all markets where we operate and carry out specific risk assessments before entering new countries.

We monitor developments in international, EU and national energy and climate policies as well as upcoming safety and social regulations. For example, tighter rules in the European Union Emission Trading Scheme (EU ETS) for the 2013–20 period may lead to higher production costs.

Management systems and policies in detail

As an integrated, international oil and gas company that is committed to European values, we conduct public affairs activities at a national, European and international level.

Our public affairs activities are characterized by coordinated teamwork involving OMV representatives in Brussels, the Corporate Public Affairs departments at OMV, Petrom and Petrol Ofisi, and Public Affairs teams working in the business divisions at national, European and international levels. In 2009, OMV became one of the first Austrian corporations to participate in the voluntary registry for lobbyists with the EU Commission.

Through our Public Affairs team, we interact with decision-makers in politics and in public administration, keep stakeholders informed about our business and make them aware of our views and concerns surrounding relevant issues. The annual budget for our representative office in Brussels amounts to approximately EUR 250,000–300,000.

Fair competition

Our Issuer Compliance Directive provides guidance on the proper handling of inside information and how to prevent market abuse and insider trading. A compliance system and the relevant processes are in place to support the implementation of the directive.

In addition, the OMV Code of Conduct contains a clear commitment to the principles of free and fair competition. Our aim is to fully adhere to anti-trust legislation and the laws on restraint of competition as well as fair trading practices. Training is provided to ensure that our people are aware of and comply with these rules.

Advertising standards

Our advertising standards are in line with the recommendations of the International Advertising Association (IAA). Advertising, sponsorship, promotions, communications and event management activities are based on our corporate guidelines and standards. For example, these include our professional event management guidelines as well as our corporate identity guidelines and in-house standards.

Directives, standards and policies

Our commitments relating to sustainability management are contained in the following directives and standards.

- ▶ Directives: Code of Conduct; HSSE Policy; HSSE Management System; Health, Safety, Security, Environmental and a range of HR directives
- ▶ Standards: HSSE Terms and Definitions; Incident Investigation; HSSE Risk Management; Contractor HSSE Management; group-wide HSSE Reporting and Consolidation; Environmental Management Accounting; and health standards

Furthermore, some business segments and sites have established specific complementary guidelines and procedures.

Management systems and policies in detail (continued)



Fostering local value creation is a target of our Resourcefulness strategy. In 2013, for example, a supplier fair was organized in Romania by Petrom to facilitate contact with suppliers. More than 150 small and medium enterprises (SMEs) participated.

Our high-level principles are set out in our HSSE Policy as well as in our commitment to the UN Global Compact.

The HSSE Policy is also our primary tool for managing the quality and safety of our products. Detailed environmental standards are defined at business segment and site level.

Procurement and supply chain

We aim to conduct procurement processes in a professional, confidential and ethical manner in accordance with our corporate guidelines. Our suppliers must comply with legal requirements and our HSSE standards. Furthermore, we expect all suppliers to adhere to the standards laid out in our Code of Conduct. In 2013, 509 "A" suppliers (98.6% of all "A" suppliers) of OMV accepted OMV's Code of Conduct, 250 thereof (49.1% of all "A" suppliers) additionally provided their own Code of Conduct.

We classify "A" suppliers as those suppliers and contractors which in 2013 accounted for 80% of the total purchases made by our procurement departments across the Group.

We use audits to evaluate and monitor the overall performance of our contractors, including their adherence to the principles outlined in our Code of Conduct, as well as the HSSE standards. In 2013, eleven comprehensive contractor audits were conducted and feedback was provided to suppliers in order to improve their performance.

There are no corporate directives in place that explicitly stipulate or promote the use of local suppliers. However, in line with Resourcefulness, we enhance local procurement which further creates value

in our local communities. Spending with local "A" suppliers accounted for 82% of total expenditure with "A" suppliers in 2013. We aim at continuously improving our local content approach and our strategy was developed on the grounds of considering local environment specificities.

We support suppliers in their endeavor of improving their capabilities to meet higher technical, HSSE and business standards. This was the case in the Kurdistan Region of Iraq where suppliers were trained on topics like HSSE standards, scope of work, procurement processes and Resourcefulness.

Data systems

In common with all modern businesses, we rely on effective data systems group-wide, such as our sustainability and HSSE software tool "Think:Ahead CARE". This enables us to report and manage risks across the entire Group by gathering and analyzing data on all hazards, near misses, incidents and findings with regard to safety, security and environment.

Through "Think:Ahead CARE", we can learn from experience and take appropriate action to help prevent incidents recurring in the future.

In addition to group-wide systems such as "Think:Ahead CARE", we have established a number of business and division-specific systems. These include amongst others: the IRIS Management Reporting tool which provides detailed data analysis to R&M, Clarity for implementing business projects and MARS, which generates a summary of all refinery reports.

Achievements and targets

Management Systems and Policies

What we planned for 2013 (and after)



- ▶ Continue monitoring and auditing of supplier and contractor performance
- ▶ Foster harmonization and standardization in Supply Chain Management

What we did in 2013



- ▶ Eleven contractor audits conducted
- ▶ 509 "A" suppliers (98.6% of all suppliers) of OMV accepted OMV's Code of Conduct
- ▶ More than 150 SMEs participated at Petrom's Supplier Fair in Romania, with 52 SMEs to be assessed

What we will do in 2014



- ▶ Continue monitoring and auditing of supplier and contractor performance
- ▶ Follow-up on actions from Supplier Fair at Petrom in Romania
- ▶ Increase suppliers' awareness on compliance topics (e.g. business ethics, Code of Conduct and human rights)
- ▶ Foster partnership with suppliers for sustainable development (e.g. Suppliers' Day in Romania)

Performance in detail

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Additional Performance Figures

Value creation and distribution to stakeholders

Revenues generated in 2013

	EUR mn
Net sales + excise duty	52,404.62
Dividends and interest income	240.81
Proceeds from sale of assets	41.36
	52,686.79

Distribution to stakeholders in 2013

		EUR mn	%
Suppliers	Operating expenses (- royalties; incl. depreciation)	38,810.83	73.66%
Governments	Taxes (income + excise duty + royalties)	11,111.49	21.09%
Employees	Employee wages and benefits	1,140.11	2.16%
Capital providers	Interest expense	300.09	0.57%
Shareholders (and hybrid capital holders)	Dividend distribution	627.27	1.19%
Society	Social spending	21.67	0.04%
		52,011.47	98.72%
		EUR mn	%
Value retained		675.32	1.28%

Significant financial assistance received from governments or governmental organizations in 2013

Company name	EUR (in thousands)	Details
Baumgarten-Oberkappel Gasleitungsgesellschaft m.b.H.	707	Investment grant
Gas Connect Austria GmbH	34	Trainings subsidy

Significant monetary fines in 2013

	EUR (in thousands)
Monetary value of fines for non-compliance concerning provision and use of products ¹	1,117
Monetary value of fines for non-compliance with environmental laws and regulations	94
Monetary value of other fines for non-compliance with laws and regulations	4,783
Total	5,995

¹ In Petrom an anti-trust litigation regarding the withdrawal of the retail product "Eco Premium" from the Romanian fuels market is still pending.

Health

Number of medical consultations or medical exams

	Petrom	OMV ¹	2013 Total	Petrom	OMV ¹	2012 Total	Petrom	OMV ¹	2011 Total
Medical consultations	84,641	63,146	147,787	61,372	47,525	108,897	61,188	40,149	101,337
Paramedic interventions	114,308	44,980	159,288	79,297	39,156	118,453	71,158	39,429	110,587
Physiotherapeutical treatments	11,779	4,284	16,063	10,930	4,313	15,243	10,307	4,078	14,385
Exams required by law	18,001	3,120	21,121	19,057	1,644	20,701	19,591	1,477	21,068
Voluntary medical check-up	16,245	1,939	18,184	16,973	1,144	18,117	21,667	2,267	23,934
Vaccinations	5,739	3,179	8,918	7,745	2,644	10,389	7,895	3,197	11,092

¹ Excluding Petrom.

Safety

Occupational safety OMV Group

Own employees		2013	2012	2011
Fatalities	number	3	1	1
Lost workday injuries ¹	number	23	34	34
Fatality rate (FAR)	per 100 mn working hours	5.95	1.88	1.90
Lost-time injury rate (LTIR)	per million working hours	0.52	0.66	0.66
Total recordable injury rate (TRIR) ²	per million working hours	1.11	1.15	1.01
Lost-time injury severity (LTIS)	per million working hours	14.9	20.3	29.1
Fatal commuting accidents	number	0	1	0
Commuting accidents ³	number	15	19	22
Contractors				
Fatalities	number	1	2	3
Lost workday injuries ¹	number	55	68	67
Fatality rate (FAR)	per 100 mn working hours	0.92	2.02	2.89
Lost-time injury rate (LTIR)	per million working hours	0.52	0.71	0.68
Total recordable injury rate (TRIR) ²	per million working hours	1.30	1.72	1.14
Lost-time injury severity (LTIS)	per million working hours	15.5	23.5	18.8
Fatal commuting accidents	number	1	0	3
Commuting accidents ³	number	10	1	5

¹ Lost workday: calendar day. Lost workday injuries: incidents with more than one lost workday.

² The TRIR includes lost-time injuries, injuries which require medical treatment of the injured person (MTI) as well as injuries resulting in a restricted work injury (RWI).

³ Accidents which occur on the usual, direct job-related route from the private home to the workplace or on the return journey, resulting in personal injury which leads to Lost Work Days (LWDI).

Environment

Glossary

GHG:
Greenhouse gases

CO₂:
Carbon dioxide

CH₄:
Methane

N₂O:
Nitrous oxide

SO₂:
Sulfur dioxide

NO_x:
Nitrogen oxides

NM-VOC:
Non-methane volatile
organic compounds

Environmental figures at a glance

	Environmental figures ¹	Unit	2013	2012	2011
EN3	Energy consumption ²	PJ	141.5	125.2	131.7
EN8	Water withdrawn ³	mn m ³	45.7	46.5	52.4
	Thereof groundwater	mn m ³	25.8	25.2	27.6
	Water withdrawn (other than EN8) ⁴	mn m ³	61.3	0.8	n.r.
	Emissions				
EN16	GHG (direct, Scope 1) ⁵	mn t CO ₂ equivalent	12.9	11.0	11.6
EN16	GHG (indirect, Scope 2) ⁶	mn t CO ₂ equivalent	0.7	0.6	0.7
EN16	GHG (indirect, Scope 3) ⁷	mn t CO ₂ equivalent	174	172	119
EN16	CO ₂	mn t	10.9	9.1	9.5
EN16	CH ₄	t	93,258	87,577	96,654
EN16	N ₂ O ⁸	t	88.6	77.0	178.4
EN20	SO ₂	t	3,350	3,422	4,930
EN20	NO _x	t	11,544	12,351	14,051
	NM-VOC ⁹	t	12,932	13,480	9,241
	Particulate emissions	t	256.0	238.0	417.1
EN21	Waste water discharge				
	Chemical oxygen demand	t	1,043	1,064	1,134
	Hydrocarbons	t	42.5	40.6	47.8
	Total nitrogen	t	131.0	162.0	155.2
EN22	Waste ¹⁰				
	Non-hazardous waste	t	665,678	595,543	434,790
	Hazardous waste	t	217,094	292,068	398,219
	Total waste	t	882,772	887,611	833,009
EN23	Hydrocarbon spills	number	1,715	1,905	2,007
OG6	Flaring and Venting				
	Hydrocarbons flared ¹¹	t	322,984	215,165	326,622
	Hydrocarbons vented ¹²	t	79,411	104,681	108,265

n.r.: not reported

1 Environmental figures including Petrom; Kazakhstan and Petrom Marketing. Petrol Ofisi and CCGT Samsun included as of 2013. Data may not be comparable over the years due to several factors such as changes in operations and adapted estimation and calculation methodologies.

2 Increase 2013 mainly due to the uptake in operation in CCGT Samsun and full year production in CCPP Brazil.

3 Excluding water withdrawn for once-through-use (reported separately).

4 Volume of water used for once-through cooling water returned unchanged (excluding thermal effects) to water source as well as groundwater extracted solely for remediation or to control the migration of contaminated groundwater (acc. to IPIECA "Oil and gas industry guidance on voluntary sustainability reporting", 2010). Increase in 2013 due to start-up of combined cycle gas-fired power plant in Samsun, Turkey, in 2013.

5 Increase 2013 due to uptake in operation in CCGT Samsun as well as full-year production in CCPP Brazil and Yemen.

6 In previous years a part of produced and consumed electricity by OMV was double counted in Scope 1 and Scope 2 emissions. This was netted as of 2013.

7 Includes only Scope 3 emissions from the use of sold processed products. These include total sales amounts from companies, which are under operational or financial control by OMV; pure "trading margin" sales as well as intercompany sales are excluded; Around 90% of the increase 2012 due to updated emission factor for "other petrochemicals"; remaining 10% of the increase due to minor changes to other emission factors.

8 Decrease in 2012 due to adapted estimation and calculation methodologies in E&P.

9 Increase 2012 due to adapted estimation and calculation methodology in E&P.

10 Total waste amounts including those from one-time projects.

11 Increase 2013 due to non-stop production in Yemen.

12 Decrease 2013 mainly due to venting reduction projects in Petrom.

Environment (continued)

GHG emissions by scope¹

Category	Unit	2013	2012	2011
1 GHG (direct, Scope 1) ²	mn t CO ₂ equivalent	12.9	11.0	11.6
2 GHG (indirect, Scope 2) ³	mn t CO ₂ equivalent	0.7	0.6	0.7
3 GHG (indirect, Scope 3) ⁴	mn t CO ₂ equivalent	174	172 ⁵	119

1 Emission calculation applied by OMV is based on emission factors provided by external sources (such as OGP, International Oil and Gas Producers Association). These emission factors and calculation methods are subject to change.

2 Increase 2013 due to uptake in operation in CCGT Samsun as well as full-year production in CCPP Brazil and Yemen.

3 In previous years a part of produced and consumed electricity by OMV was double counted in Scope 1 and Scope 2 emissions. This was netted as of 2013.

4 Includes only Scope 3 emissions from the use of sold processed products. These includes total sales amounts from companies, which are under operational or financial control by OMV; pure "trading margin" sales as well as intercompany sales are excluded; Data may not be comparable over the years due to several factors such as changes in operations and adapted estimation and calculation methodologies.

5 Around 90% of the increase 2012 due to updated emission factor for "other petrochemicals"; remaining 10% of the increase due to minor changes to other emission factors.

GHG intensity of the OMV product portfolio¹

	Unit	2013	2012	2011
Oil to energy	mn t CO ₂ equivalent	89.3	88.4	84.2
Oil for non-energy use	mn t CO ₂ equivalent	53.4	54.2 ²	6.1
Gas to energy	mn t CO ₂ equivalent	29.9	28.4	28.2
Gas for non-energy use	mn t CO ₂ equivalent	1.0	0.9	0.5
Chemicals ³	mn t CO ₂ equivalent	0.01	0.01	n.r.
Total GHG (indirect, Scope 3)	mn t CO ₂ equivalent	174	172 ²	119
GHG intensity	mn t GHG per mn t oil equivalent	3.7	3.7 ²	2.7

n.r.: not reported

1 Includes total sales amount from companies, which are under OMV's operational or financial control; pure "trading margin" sales as well as intercompany sales are excluded.

2 Increase 2012 due to updated emission factor for "other petrochemicals".

3 Reported as of 2012.

Human resources

Total headcount by employment type and region per 31.12.2013

Employees	Austria ¹	Romania/ Rest of Europe	Middle East/ Africa	Rest of the World	Total
Total	3,637	20,385	2,302	539	26,863
Status					
White-collar workers	2,739	9,019	1,613	322	13,693
Blue-collar workers	783	11,366	689	217	13,055
Apprentices	115	–	–	–	115
Employment type					
Full-time	3,454	20,358	2,300	539	26,651
Part-time ²	183	27	2	–	212
Gender					
Male	2,809	15,649	1,980	399	20,837
Female	828	4,736	322	140	6,026
Employment type					
Temporary ³	132	366	493	–	991

1 Including Gas Connect Austria GmbH, Baumgarten-Oberkappel Gasleitungsgesellschaft m.b.H., Econgas GmbH and Adria Wien Pipeline GmbH.

2 In Petrom, employees have the option to reduce the daily working-time to raise a child up to the age of two, respectively three years. These employees are reported as full-time.

3 A temporary contract of employment is of limited duration and terminated by a specific event, such as the end of a project or work phase, the return of replaced personnel etc.; not included in total number of employees, only shown separately.

Net employment creation and average turnover segmented by region 2013

Employees	Austria ¹	Romania/ Rest of Europe	Middle East/ Africa	Rest of the World	Total
New recruitments	200	524	373	103	1,200
Thereof new jobs created	134	366	309	68	877
Thereof replacements	66	158	64	35	323
Contract terminations ²	137	1,955	217	63	2,372

1 Austria: Data covers only companies that use the Austrian SAP payroll accounting system. Other companies, such as EconGas GmbH, Gas Connect Austria GmbH, Baumgarten-Oberkappel Gasleitungsgesellschaft m.b.H and Adria Wien Pipeline GmbH are excluded.

2 Including Social Plan terminations and retirements.

Additional information

Percentage of employees who have the right to exercise freedom of association and collective bargaining	96.40%
Percentage of employees represented by local trade unions or works council	82.30%
Percentage of employees for whom minimum wages or salaries were fixed by law or agreed upon by way of collective bargaining	98.50%
Percentage of employees covered by mandatory periods of notice under employment law or collective bargaining agreements for cases of restructuring	99.10%

Human resources (continued)

Details new recruitments by region 2013

	< 30		Age 30 – 50		> 50		Total	
	Abs.	%	Abs.	%	Abs.	%	Abs.	%
Austria¹								
Male	67	75.3%	79	74.5%	5	100.0%	151	75.5%
Female	22	24.7%	27	25.5%	–	0.0%	49	24.5%
Total	89	100.0%	106	100.0%	5	100.0%	200	100.0%
Romania/ Rest of Europe								
Male	126	52.1%	145	58.9%	23	63.9%	294	56.1%
Female	116	47.9%	101	41.1%	13	36.1%	230	43.9%
Total	242	100.0%	246	100.0%	36	100.0%	524	100.0%
Middle East/Africa								
Male	49	34.0%	101	45.5%	1	14.3%	151	40.5%
Female	95	66.0%	121	54.5%	6	85.7%	222	59.5%
Total	144	100.0%	222	100.0%	7	100.0%	373	100.0%
Rest of the World								
Male	5	10.2%	4	9.1%	3	30.0%	12	11.7%
Female	44	89.8%	40	90.9%	7	70.0%	91	88.3%
Total	49	100.0%	44	100.0%	10	100.0%	103	100.0%

¹ Austria: Data covers only companies that use the Austrian SAP payroll accounting system. Other companies, such as EconGas GmbH, Gas Connect Austria GmbH, Baumgarten-Oberkappel Gasleitungsgesellschaft m.b.H and Adria Wien Pipeline GmbH are excluded.

Details contract terminations by region 2013¹

	< 30		Age 30 – 50		> 50		Total	
	Abs.	%	Abs.	%	Abs.	%	Abs.	%
Austria²								
Male	11	68.8%	43	81.1%	55	80.9%	109	79.6%
Female	5	31.3%	10	18.9%	13	19.1%	28	20.4%
Total	16	100.0%	53	100.0%	68	100.0%	137	100.0%
Romania/ Rest of Europe								
Male	40	58.8%	730	71.7%	676	77.8%	1,446	74.0%
Female	28	41.2%	288	28.3%	193	22.2%	509	26.0%
Total	68	100.0%	1,018	100.0%	869	100.0%	1,955	100.0%
Middle East/Africa								
Male	35	47.3%	127	84.1%	18	85.7%	181	83.4%
Female	39	52.7%	24	15.9%	3	14.3%	36	16.6%
Total	74	100.0%	151	100.0%	21	100.0%	217	100.0%
Rest of the World								
Male	11	64.7%	26	68.4%	8	100.0%	45	71.4%
Female	6	35.3%	12	31.6%	–	0.0%	18	28.6%
Total	17	100.0%	38	100.0%	8	100.0%	63	100.0%

¹ Including Social Plan terminations and retirements.

² Austria: Data covers only companies that use the Austrian SAP payroll accounting system. Other companies, such as EconGas GmbH, Gas Connect Austria GmbH, Baumgarten-Oberkappel Gasleitungsgesellschaft m.b.H and Adria Wien Pipeline GmbH are excluded.

Human resources (continued)

Training and education effort divided into categories in 2013

	Austria ¹	Romania/ Rest of Europe	Middle East/ Africa	Rest of the World	Total
Senior management					
number of training participants	49	11	3	0	63
money spent on training (EUR 1,000)	106	14	4	0	123
hours per category	5,850	592	106	0	6,548
Management					
number of training participants	493	1,146	256	28	1,923
money spent on training (EUR 1,000)	1,099	1,665	651	77	3,492
hours per category	66,445	92,043	21,297	1,056	180,841
Experts					
number of training participants	850	2,729	653	56	4,288
money spent on training (EUR 1,000)	2,412	2,957	1,145	533	7,046
hours per category	66,875	147,419	49,816	2,359	266,469
Project managers					
number of training participants	103	266	34	2	405
money spent on training (EUR 1,000)	240	347	157	14	757
hours per category	3,159	11,908	5,773	60	20,900
Technicians					
number of training participants	820	5,605	930	29	7,384
money spent on training (EUR 1,000)	727	3,137	1,011	207	5,083
hours per category	28,415	511,103	71,675	1,739	612,932
Administrators					
number of training participants	68	314	126	6	514
money spent on training (EUR 1,000)	182	178	143	21	524
hours per category	7,167	10,675	8,757	198	26,797
Grand total					
number of training participants	2,383	10,071	2,002	121	14,577
money spent on training (EUR 1,000)	4,765	8,297	3,111	852	17,025
hours per category	177,911	773,739	157,424	5,412	1,114,486

¹ Austria: Data covers only companies that use the Austrian SAP payroll accounting system. Other companies, such as EconGas GmbH, Gas Connect Austria GmbH, Baumgarten-Oberkappel Gasleitungsgesellschaft m.b.H and Adria Wien Pipeline GmbH are excluded.

Human resources (continued)

Diversity in 2013¹

	Gender				Age						Nationality		Total
	Women		Men		<30		30-50		>50		Non-Austrian		
	Abs	%	Abs	%	Abs	%	Abs	%	Abs	%	Abs	%	
Supervisory Board	3	20.0%	12	80.0%	0	0.0%	5	33.3%	10	66.7%	3	20.0%	15
Executive Board	0	0.0%	5	100.0%	0	0.0%	1	20.0%	4	80.0%	3	60.0%	5
Senior Management	7	14.3%	42	85.7%	0	0.0%	28	57.1%	21	42.9%	20	40.8%	49
Austria ²	717	23.0%	2,403	77.0%	479	15.4%	1,739	55.7%	902	28.9%	333	10.7%	3,120
Romania	4,352	22.8%	14,716	77.2%	698	3.7%	12,730	66.8%	5,640	29.6%	55 ³	0.3%	19,068

1 Headcount per 31.12.2013; employees' allocation based on employment contract.

2 Austria: Data covers only companies that use the Austrian SAP payroll accounting system. Other companies, such as EconGas GmbH, Gas Connect Austria GmbH, Baumgarten-Oberkappel Gasleitungsgesellschaft m.b.H and Adria Wien Pipeline GmbH are excluded.

3 Nationality: Non-Romanian.

Parental leave during 2013

Employees	Austria	Romania/ Rest of Europe	Middle East/Africa	Rest of the World	Total
Entitled employees¹					
male	2,403	15,609	1,089	397	19,498
female	717	4,732	318	140	5,907
Took parental leave during 2013					
male	14	32	16	–	62
female	86	159	10	19	274

1 Calculated as the average of the month's end numbers of employees during the year.

Human resources (continued)

Percentage of female employees 2013¹

Austria	
Austria ²	23.0%
Rest of Europe	
Romania	22.8%
Bulgaria	47.3%
Czech Republic	24.4%
Germany	11.5%
Hungary	32.1%
Norway	36.4%
Republic of Moldova	57.1%
Serbia	52.6%
Slovakia	69.8%
Slovenia	58.0%
Switzerland ³	53.3%
United Kingdom	35.4%
Middle East/Africa	
Iran	60.0%
Libya	24.2%
Pakistan	5.6%
Tunisia	26.7%
Turkey	16.4%
Kurdistan Region of Iraq	20.8%
Yemen	10.5%
Rest of the world	
Kazakhstan	17.0%
New Zealand	44.6%
Singapore	100.0%

Percentage of local employees 2013¹

Austria	
Austria ²	89.4%
Rest of Europe	
Romania	99.7%
Bulgaria	100.0%
Czech Republic	100.0%
Germany	87.1%
Hungary	100.0%
Norway	100.0%
Republic of Moldova	100.0%
Serbia	100.0%
Slovakia	98.4%
Slovenia	100.0%
Switzerland ³	1.7%
United Kingdom	81.3%
Middle East/Africa	
Iran	100.0%
Libya	18.2%
Pakistan	98.2%
Tunisia	100.0%
Turkey	99.9%
Kurdistan Region of Iraq	100.0%
Yemen	100.0%
Rest of the world	
Kazakhstan	99.5%
New Zealand	57.4%
Singapore	100.0%

1 Headcount per 31.12.2013; employees' allocation based on employment contract.

2 Austria: Data covers only companies that use the Austrian SAP payroll accounting system. Other companies, such as EconGas GmbH, Gas Connect Austria GmbH, Baumgarten-Oberkappel Gasleitungsgesellschaft m.b.H and Adria Wien Pipeline GmbH are excluded.

3 Including OEPL/OMV International Oil & Gas GmbH.

GRI Index

Reporting boundaries

Data from operations under management control have been fully taken into account, i.e. data from all OMV Group activities with a stake of more than 50%, in particular:

- ▶ OMV Petrom S.A. where OMV holds 51% of the shares, referred to as "Petrom" in the remainder of this report
- ▶ OMV Petrol Ofisi A.Ş. where OMV holds 97% referred to as "Petrol Ofisi" in the remainder of this report, environmental data included as of 2013
- ▶ Exploration and Production (E&P) operations in Austria, Kazakhstan, Tunisia, Yemen, New Zealand, the Kurdistan Region of Iraq, Norway (environmental data included as of 2013), Pakistan, Romania (Petrom)
- ▶ Refineries Schwechat, Burghausen and Petrobrazî; including transport and storage facilities
- ▶ Gas logistics (transit and storage in Austria and Romania)
- ▶ Gas and Power (G&P) power plants in Romania (Brazi) and Turkey (Samsun), environmental data included as of 2013
- ▶ Production enhancement contracts (PEC) for small fields with partners in Romania, environmental data included as of 2013
- ▶ Joint ventures, including minority shareholdings, where OMV exerts controlling influence as operator, for example, E&P operations in Pakistan

The data is consolidated at Group level. While the boundaries for environmental data follow the principle outlined above, safety performance and HSSE relevant incidents (including spills) include also data for OMV employees and contractors from the E&P joint ventures where OMV is a minority partner and does not exert controlling influence.

The following data has not been taken into account for environmental data (except spills) in this report:

- ▶ Figures from holdings of 50% or less if there is no significant operational influence
- ▶ Environmental data from seismic activities in Bulgaria
- ▶ Office buildings in European countries of OMV's Marketing Division (except Austria, Romania and Turkey)
- ▶ Filling stations, due to the fact that the vast majority of them are operated by partners functioning as independent companies, except filling stations under the control of Petrom Marketing that meet the above-mentioned boundary criteria
- ▶ Libya is not included as of 2013, as OMV is no longer the operator

We work closely on material sustainability matters with our joint venture partners, filling station licensees, contractors and suppliers. Examples of how they implement our policies are given in this report.

Exceptions from the above mentioned scope are marked.

Data generation is based on a variety of specific methods (e.g. GHG Protocol), process systems and tools. The reporting processes are documented in written procedures.

We self-declare that this report meets the requirements of GRI Application Level A+ (GRI 3.1). As detailed in the Assurance Statement, EY provided limited assurance on disclosures of selected content of this report.

GRI Index (continued)

Profile Disclosure					
	Description	Status	Page number	UNGC	Comments
1	Strategy and Analysis				
1.1	core Statement from the most senior decision-maker of the organization.	●	2–3		Statement of Continuing Support
1.2	core Description of key impacts, risks and opportunities.	●	4, 7–10, 71		Statement of Continuing Support
2	Organizational Profile				
2.1	core Name of the organization.	●	99		
2.2	core Primary brands, products and/or services.	●	5–6		
2.3	core Operational structure of the organization, including main divisions, operating companies, subsidiaries and joint ventures.	●	5–6		
2.4	core Location of organization's headquarters.	●	99		
2.5	core Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	●	5		
2.6	core Nature of ownership and legal form.	●	AR 8 AR 34–35		
2.7	core Markets served (including geographic breakdown, sectors served and types of customers/beneficiaries).	●	5–6, AR 9		
2.8	core Scale of the reporting organization.	●	76, 81 AR 52, 56 AR 57 AR 147–151		
2.9	core Significant changes during the reporting period regarding size, structure or ownership.	●	AR 52–54		
2.10	core Awards received in the reporting period.	●	4, 30 omv.com		
3	Report Parameters				
3.1	core Reporting period (e.g. fiscal/calendar year) for information provided.	●	Cover page 2		
3.2	core Date of most recent previous report (if any).	●	Cover page 2		
3.3	core Reporting cycle (annual, biennial etc.).	●	Cover page 2		
3.4	core Contact point for questions.	●	99		
3.5	core Process for defining report content.	●	22		
3.6	core Boundary of the report (e.g. countries, divisions, subsidiaries, leased facilities, joint ventures and suppliers). See GRI Boundary Protocol for further guidance.	●	86		
3.7	core State any specific limitations on the scope or boundary of the report (see Completeness Principle for explanation of scope).	●	86		
3.8	core Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	●	86		
3.9	core Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report.	●	86		

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 + Outcomes from implementing principle n.r. = not reported AR = OMV Group Annual Report 2013

GRI Index (continued)

Profile Disclosure

	Description	Status	Page number	UNGC	Comments
3.10	core Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g. mergers/acquisitions, change of base years/ periods, nature of business and measurement methods).	●	see commentary		Hydrocarbon spillage volume in 2012 (see page 42) was restated due to the classification of a level 3 hydrocarbon spill which occurred in late 2012 with the incident investigation being completed in 2013. A minor hydrocarbon spill (level 2) was added to 2012 (see pages 42, 79) due to the classification of the spill which occurred in 2012 being completed in 2013. The final figures were only available after the publication of the Sustainability Report 2012 and thus not included in last year's reporting.
3.11	core Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report.	●	86 and various pages where relevant		
3.12	core Table identifying the location of the Standard Disclosures in the report.	●	87–93		
3.13	core Policy and current practice with regard to seeking external assurance for the report.	●	94–96		
4	Governance, Commitments and Engagement				
4.1	core Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	●	AR 20–31	→ 1–10	
4.2	core Indicate whether the Chair of the highest governance body is also an executive officer.	●	AR 20	→ 1–10	
4.3	core For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	□	see commentary	→ 1–10	The organization has a Supervisory Board (see AR p. 27–28)
4.4	core Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	●	54 AR 29–31	→ 1–10	
4.5	core Linkage between compensation for members of the highest governance body, senior managers and executives.	●	AR 20–31 AR 134–140 AR 145	→ 1–10	
4.6	core Processes in place for the highest governance body to ensure conflicts of interest are avoided.	●	60–63 AR 29	→ 1–10	
4.7	core Process for determining the composition, qualifications and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	●	AR 27	→ 1–10	
4.8	core Internally developed statements of mission or values, codes of conduct and principles relevant to economic, environmental and social performance, and the status of their implementation.	●	2, 8, 62–63	→ 1–10	
4.9	core Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct and principles.	●	11	→ 1–10	
4.10	core Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental and social performance.	△	see commentary	→ 1–10	According to the Austrian Stock Corporation Act, the responsibility for evaluating the performance of the highest governance body does not lie with the reporting organization.
4.11	core Explanation of whether and how the precautionary approach or principle is addressed by the organization.	●	9–11, 25, 35, 48, 52, 61, 66, 71	→ 7	

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GRI Index (continued)

Profile Disclosure

	Description	Status	Page number	UNGC	Comments
4.12	core Externally developed economic, environmental and social charters, principles or other initiatives to which the organization subscribes or endorses.	●	2, 25, 26, 30, 33, 36, 37, 45, 62	→ 1–10	
4.13	core Memberships in associations (such as industry associations) and/or national/international advocacy organizations.	●	97	→ 1–10	
4.14	core List of stakeholder groups engaged by the organization.	●	22, 66	Sharing the communication on progress with the company's stakeholder	
4.15	core Basis for identification and selection of stakeholders with whom to engage.	●	66		
4.16	core Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	●	65–69		
4.17	core Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	●	22, 65–69		

Performance Indicators

	Description	Status	Page number	UNGC	Comments
Economic Performance Indicators					
EC1	core Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings and payments to capital providers and governments.	●	5, 76		
EC2	core Financial implications and other risks and opportunities for the organization's activities due to climate change.	●	17, 35	→ 7	
EC3	core Coverage of the organization's defined benefit plan obligations.	●	58		
EC4	core Significant financial assistance received from government.	●	34, 76		
EC5	additional Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	○	53, 81		
EC6	core Policy, practices and proportion of spending on locally-based suppliers at significant locations of operation.	●	19, 73		
EC7	core Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	●	19, 52, 56, 68	→ + 6	
EC8	core Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind or pro bono engagement.	●	19, 66–69, 73, 76		
EC9	core Understanding and describing significant indirect economic impacts, including the extent of impacts.	●	19, 20, 68, 76		
OG1	core Volume and type of estimated proved reserves and production.	●	6, 19, 39		

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GRI Index (continued)

Performance Indicators

Description		Status	Page number	UNGC	Comments
Environmental Performance Indicators					
EN1	core Materials used by weight or volume.	●	see commentary, AR 38–51	+ 8	Raw materials refer to the amounts of oil and gas produced, used and sold and make up the company's key material flows. While amounts of auxiliary, working and packaging materials are marginal and therefore not reported.
EN2	core Percentage of materials used that are recycled input materials.	□	see commentary	+ 8–9	Insignificant percentage given the reliance on materials from primary extraction.
EN3	core Direct energy consumption by primary energy source.	○	4, 13, 37, 79	+ 8	Energy intensity is reported in consolidated level.
OG2	core Total amount invested in renewable energy.	●	16		
OG3	core Total amount of renewable energy generated by source.	●	39		
EN4	core Indirect energy consumption by primary source.	●	37, 79	+ 8	
EN5	additional Energy saved due to conservation and efficiency improvements.	○	12–14, 37–39	+ 8–9	Examples of savings reported.
EN6	additional Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives.	●	12–14, 37–39	→ 8–9	
EN8	core Total water withdrawal by source.	○	41, 79	+ 8	Water withdrawal reported, no detailed split.
EN9	core Water sources significantly affected by withdrawal of water.	○	41	+ 8	More detailed reporting will be developed in the long run.
EN10	additional Percentage and total volume of water recycled and reused.	●	41	+ 8	
EN11	core Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	○	43	+ 8	For new projects, biodiversity is addressed in environmental impact assessments and permitting processes, but the use of biodiversity action plans has not yet been implemented in any OMV operations.
EN12	core Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	○	43	+ 8	For new projects, biodiversity is addressed in environmental impact assessments and permitting processes, but the use of biodiversity action plans has not yet been implemented in any OMV operations.
EN14	additional Strategies, current actions, and future plans for managing impacts on biodiversity.	○	43	→ 8	
OG4	core Number and percentage of significant operating sites in which biodiversity risk has been assessed and monitored.	○	43		For new projects, biodiversity is addressed in environmental impact assessments and permitting processes, but the use of biodiversity action plans has not yet been implemented in any OMV operations.
EN16	core Total direct and indirect greenhouse gas emissions by weight.	●	13, 34, 38, 39, 79, 80, 86	+ 8	

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GRI Index (continued)

Performance Indicators					
	Description	Status	Page number	UNGC	Comments
EN17	core Other relevant indirect greenhouse gas emissions by weight.	□	see commentary	+ 8	Scope 3 emissions from product reported. All other Scope 3 emissions, for example emissions related to externally purchased crude oil intake, employee business travel and logistics, are not material because of their relatively insignificant amounts compared to indirect emissions from product use.
EN18	additional Initiatives to reduce greenhouse gas emissions and reductions achieved.	●	12–14, 38	→ + 7–9	
EN19	core Emissions of ozone-depleting substances by weight.	□		+ 8	OMV uses ozone-depleting substances only on a laboratory scale (<1 ton per year).
EN20	core NOx, SOx, and other significant air emissions by type and weight.	●	40, 79	+ 8	
EN21	core Total water discharge by quality and destination.	●	41, 79	+ 8	
OG5	core Volume of formation or produced water.	n.r.	see commentary		Reporting will be set up in the long run.
EN22	core Total weight of waste by type and disposal method.	●	42, 79	+ 8	
EN23	core Total number and volume of significant spills.	○	42, 79	+ 8	More detailed reporting will be developed in the long run.
EN24	additional Weight of transported, imported, exported or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III and VIII, and percentage of transported waste shipped internationally.	●	79	+ 8	
OG6	core Volume of flared and vented hydrocarbon.	○	79		More detailed reporting will be developed in the long run.
OG7	core Amount of drilling waste (drill mud and cuttings) and strategies for treatment and disposal.	○	42		More detailed reporting will be developed in the long run.
EN26	core Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	●	44	→ 7–9	
EN27	core Percentage of products sold and their packaging materials that are reclaimed by category.	□	see commentary	+ 8–9	The company's main products, oil, gas and electricity, are delivered without packaging materials.
OG8	core Benzene, Lead and Sulfur content in fuels.	●	44		Detailed produced information is available on www.OMV.com
EN28	core Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	●	76	+ 8	
EN29	additional Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	○	43	+ 8	More detailed reporting will be developed in the long run.
EN30	additional Total environmental protection expenditures and investments by type.	●	34, 35	→ + 7–9	

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GRI Index (continued)

Performance Indicators

Description		Status	Page number	UNGC	Comments
Social Performance Indicators: Labor practices and decent work					
LA1	core Total workforce by employment type, employment contract and region broken down by gender.	●	81		
LA2	core Total number and rate of new employee hires and employee turnover by age group, gender and region.	●	82	+ 6	
LA15	core Return to work and retention rates after parental leave, by gender.	○	84	+ 6	
LA4	core Percentage of employees covered by collective bargaining agreements.	●	53, 81	+ 1 + 3	
LA5	core Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	●	52, 81	+ 3	
LA7	core Rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities by region and gender.	○	24–28, 78	+ 1	More detailed reporting will be developed in the long run.
LA8	core Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families or community members regarding serious diseases.	●	29, 30, 77	→ 1	
LA10	core Average hours of training per year per employee by gender and by employee category.	○	83		
LA13	core Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity.	●	57, 81, 84 AR 27, 30	+ 1 + 6	More detailed reporting will be developed in the long run.
LA14	core Ratio of basic salary of men to women by employee category.	○	53	+ 1 + 6	
Social Performance Indicators: Human rights					
HR1	core Percentage and total number of significant investment agreements and contracts that include human rights clauses or that have undergone human rights screening.	●	70, 73	+ 1–6	
HR2	core Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening and actions taken.	●	47, 48, 70, 73	→ + 1–6	
HR3	core Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	○	47, 49	+ 1–6	More detailed reporting will be developed in the long run.
HR4	core Total number of incidents of discrimination and corrective actions taken.	○	47–50	→ + 1–2 → + 6	More detailed reporting will be developed in the long run.
HR5	core Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	●	47–50	→ 1–3	
HR6	core Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	●	47–50	→ 1–3	
HR7	core Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	●	47–50	→ 1–3	
OG9	core Operations where indigenous communities are present or affected by activities and where specific engagement strategies are in place.	○	67, 68		General approach toward community relations and examples reported.
HR10	core Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	○	5, 47–50 AR 9	+ 1	
HR11	core Number of grievances related to human rights filed, addressed, and resolved through formal grievance mechanisms.	○	49, 50, 67	+ 1	Human rights-related grievances are currently not reported on corporate level. More detailed reporting will be developed in the long run.

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GRI Index (continued)

Performance Indicators

Description		Status	Page number	UNGC	Comments	
Social Performance Indicators: Society						
SO1	core	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	○	41, 43, 46, 49, 69, 71	→ 1	
SO9	core	Operations with significant potential or actual negative impacts on local communities.	○	67	→ 1	
SO10	core	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	○	67	→ 1	
OG10	core	Number and description of significant disputes with local communities and indigenous peoples.	○	67		More detailed reporting will be developed in the long run.
OG11	core	Number of sites that have been decommissioned and sites that are in the process of being decommissioned.	○	43		More detailed reporting will be developed in the long run.
SO2	core	Percentage and total number of business units analyzed for risks related to corruption.	●	60–64	+ 10	
SO3	core	Percentage of employees trained in organization's anti-corruption policies and procedures.	●	60, 61, 64	+ 10	
SO4	core	Actions taken in response to incidents of corruption.	●	63	→ 10	
SO5	core	Public policy positions and participation in public policy development and lobbying.	●	72	→ 1–10	
SO8	core	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	●	76		
OG12	core	Operations where involuntary resettlement took place, the number of households resettled in each and how their livelihoods were affected in the process.	●	67		
OG13	core	Number of process safety events, by business activity.	○	25, 26, 78		More detailed reporting will be developed in the long run.
Social Performance Indicators: Product responsibility						
PR1	core	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	○	44	→ + 1	More detailed reporting will be developed in the long run.
PR3	core	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	●	44	→ + 8	
PR6	core	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion and sponsorship.	●	72		
PR9	core	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	●	76		
OG14	core	Volume of biofuels produced and purchased meeting sustainability criteria.	●	45		
KEY	● fully ○ partly □ not material △ not applicable → Actions taken to implement principle + Outcomes from implementing principle n.r. = not reported AR = OMV Group Annual Report 2013					

Assurance Statement

To the Board of OMV Aktiengesellschaft

Independent Assurance Report

Limited assurance over data of the following agreed-upon focal areas in OMV's Sustainability Report 2013.

Engagement

We were requested to provide limited assurance over data of the following agreed-upon focal areas (hereafter "the focal areas") in the Sustainability Report 2013 (hereafter "the Report") of OMV AG (hereafter "OMV"):

- ▶ Occupational Safety indicators for employees and contractors: Fatalities, Lost Workday Injuries, Fatality Rate, Lost Time Injury Rate, Total Recordable Injury Rate, Lost Time Injury Severity, Fatal Commuting Accidents and Commuting Accidents
- ▶ Environmental indicators: GHG direct Scope 1, GHG indirect Scope 2, GHG indirect Scope 3, Hydrocarbon spill volume
- ▶ "Reporting boundaries": Information provided under page 86.

We also performed the Global Reporting Initiative (GRI) Application Level Check to confirm the application level declared by OMV.

Our procedures have been designed to obtain a "limited level" of assurance on which to base our conclusions. The extent of evidence gathering procedures performed is less than for that of a "reasonable" assurance engagement (such as a financial audit) and therefore a lower level of assurance is provided.

Under the "General Conditions of Contract for the Public Accounting Professions"¹ our liability is limited to intentional violations or gross negligence of the contract. In cases of gross negligence, the maximum liability towards OMV and any third party together is EUR 726,730.

Management responsibilities

The Report has been prepared by the management of OMV, who is responsible for the collection and presentation of information reported.

What we did to form our conclusion

It is our responsibility to express a conclusion on the focal areas, as described in the "Engagement" section, on the basis of the limited assurance engagement.

Our assurance engagement has been planned and performed in accordance with the International Federation of Accountants' ISAE3000² and the Code of Ethics for Professional Accountants, issued by the International Federation of Accountants (IFAC), which includes requirements in relation to our independence.

Our review assessed the information described in the "Engagement" section, against the following criteria (hereafter "the criteria"):

- ▶ GRI sustainability reporting guidelines (G3.1³) application level A+
- ▶ Accuracy, completeness and consistency of the reported data based on OMV's Corporate Regulations (directives, standards and procedures) related to the focal areas, of which a summary is provided on pages 72 and 86 of the Report

1 Version dated February 21, 2011 (AAB 2011), issued by the Chamber of Public Accountants and Tax Advisors, section 8 – http://www.kwt.or.at/de/PortalData/2/Resources/downloads/downloadcenter/AAB_2011_englische_Fassung.pdf

2 International Federation of Accountants' International Standard for Assurance Engagements Other than Audits or reviews of Historical Financial Information (ISAE3000).

3 <https://www.globalreporting.org/resource/library/G3.1-Guidelines-Incl-Technical-Protocol.pdf>

Assurance Statement (continued)

We believe that these criteria are suitable for our assurance engagement.

In order to form our conclusions we undertook the following worksteps:

- ▶ Reviewed OMV's Corporate Regulations (directives, standards and procedures) related to the focal areas
- ▶ Held structured, directional interviews with Group and functional leadership in Austria and Romania to understand key expectations in the focal areas and identify systems, processes and internal controls to support them
- ▶ Reviewed Group level, Board and executive documents and progress reports to assess awareness and priority of these issues and to understand how progress is tracked
- ▶ Understood risk management and governance processes supporting the selected focal areas
- ▶ Understood the management and reporting processes relating to the focal areas at site and Group level
- ▶ Visited two reporting sites in Austria, three reporting sites in Romania and conducted one remote "site visit" in Kazakhstan to review processes and progress to obtain evidence of performance across the focal areas
- ▶ Reviewed the application of Group guidance to Scope 1 and Scope 2 greenhouse gas emissions, as well as occupational safety and environmental incident data collection and reporting at site level by performing data walkthroughs at site level
- ▶ Reviewed data samples for Scope 1 and Scope 2 greenhouse gas emissions, as well as occupational safety and environmental incidents at site level to test for accuracy and completeness
- ▶ Reviewed data samples for Scope 1, Scope 2 and Scope 3 greenhouse gas emissions, as well as occupational safety and environmental incidents at Group level to test whether they have been collected, consolidated and reported appropriately at Group level
- ▶ Performed the GRI application level check

Limitations to engagement

- ▶ Our review only covered content specified under the "Engagement" section. We did not perform any assurance procedures over other disclosures and data presented in the Report
- ▶ Our data accuracy tests at site level are limited to Scope 1 and Scope 2 emissions, as well as occupational safety and environmental incidents
- ▶ We have not tested comparative data from previous years
- ▶ We did not test data derived from external surveys, we only verified that relevant disclosures and data are correctly quoted in the Report
- ▶ We did not review previously verified GHG Scope 1 emissions reported under the EU ETS, we only verified the correct quotation in the Report
- ▶ The scope of our review procedures at operational level was limited to a sample of two site visits in Austria, three site visits in Romania and one remote site visit in Kazakhstan

Assurance Statement (continued)

Our conclusion

Based on the scope of our review, nothing has come to our attention that causes us to believe that the information relating to the focal areas were not prepared in accordance with the criteria.

Nothing has come to our attention that causes us to believe that OMV's sustainability reporting does not meet the GRI A+ application level.

Commentary

Our observations and recommendations for improvement will be raised in a report to OMV's management.

Vienna, 16 June 2014

ERNST & YOUNG
Wirtschaftsprüfungsgesellschaft m.b.H

Gerhard Schwartz e.h.
Georg Rogl e.h.
Douglas Johnston e.h.



Memberships

- ▶ A3PS – Austrian Agency for Alternative Propulsion Systems
- ▶ Aireg – Aviation Initiative for Renewable Energy in Germany e.V.
- ▶ ARGE Biokraft
- ▶ Association of the German Petroleum Industry
- ▶ Austrian Economic Chambers (WKO)
- ▶ Austrian Geological Society
- ▶ BUSINESSEUROPE
- ▶ CEDIGAZ
- ▶ Christian Doppler Research Association
- ▶ CONCAWE – European Oil Companies' Organisation for Environment, Health and Safety in Refining and Distribution
- ▶ DEA – Drilling engineering association
- ▶ DGMK – German Society for Petroleum and Coal Science and Technology
- ▶ Energy Community
- ▶ ERT – European Round Table of Industrialists
- ▶ Eurogas – The European Union of the Natural Gas Industry
- ▶ European Energy Forum
- ▶ EUROPIA – European Petroleum Industry Association
- ▶ Federation of Austrian Industries (IV)
- ▶ Forum "Technik und Gesellschaft" of the Technical University Graz
- ▶ Gas Naturally
- ▶ Geological Society
- ▶ GIIGNL – The International Group of Liquefied Natural Gas Importers
- ▶ GMN – Geopressure Management Network
- ▶ GPA Europe
- ▶ IADC – International Association of Drilling Contractors
- ▶ IFP Energies Nouvelles
- ▶ Infow Control Technology Forum
- ▶ IGU – International Gas Union
- ▶ IPIECA – International Petroleum Industry Environmental Conservation Association
- ▶ ÖGEW – Österreichische Gesellschaft für Erdölwissenschaften
- ▶ OGP – International Association of Oil & Gas Producers
- ▶ ÖVK – Austrian Society of Automotive Engineers
- ▶ PEA – Production engineering association
- ▶ PPDM – Professional Petroleum Data Management Association
- ▶ PRVA – Public Relations Verband Austria
- ▶ PWRI – Produced Water Re-Injection Operational Network
- ▶ respACT – Austrian Business Council for Sustainable Development
- ▶ Rigzone – Offshore rig tracking database
- ▶ RSPO – Round Table on Sustainable Palm Oil
- ▶ SPE – Society of Petroleum Engineers
- ▶ TMN – Technology Management Network
- ▶ UNECE Gas Centre
- ▶ UNGC – United Nations Global Compact
- ▶ WEC – World Energy Council
- ▶ Zukunft Erdgas

Abbreviations and Glossary

- ▶ **ALARP** – As low as reasonably practicable
- ▶ **bb/d** - Barrel pro Tag
- ▶ **bcm** – Billion cubicmetres
- ▶ **bn** – Billion
- ▶ **boe, boe/d** – barrel oil equivalent, boe per day
- ▶ **CAPEX** – Capital Expenditure
- ▶ **CH₄** – Methane
- ▶ **CLP** – Regulation on classification, labelling and packaging of substances and mixtures
- ▶ **CO₂** – Carbon dioxide
- ▶ **E&P** – Exploration and Production
- ▶ **EMIR** - European Market Infrastructure Regulation
- ▶ **EU ETS** – European Union Emission Trading Scheme
- ▶ **EWRM** – Enterprise Wide Risk Management
- ▶ **FAME** – Fatty Acid Methyl Ester (bio fuel)
- ▶ **G&P** – Gas and Power
- ▶ **GHG** – Greenhouse gases
- ▶ **GJ** – Gigajoules
- ▶ **GRI** – Global Reporting Initiative
- ▶ **H₂** – Hydrogen
- ▶ **HAZID** – Hazard Identification
- ▶ **HAZOP** – Hazard and operability study
- ▶ **HRA** – Health Risk Assessment
- ▶ **HSSE** – Health, Safety, Security and Environment
- ▶ **HVO** – Hydrogenated Vegetable Oils (bio fuel)
- ▶ **IEA** – International Energy Agency
- ▶ **ISCC** – International Sustainability and Carbon Certification
- ▶ **ISO** – International Organization for Standardization
- ▶ **IVMS** – In Vehicle Monitoring System
- ▶ **kboe, kboe/d 1,000 barrel oil equivalent** – 1,000 boe per day
- ▶ **KPI** – Key Performance Indicator
- ▶ **kt** – Kilotonne, 1,000 tonnes
- ▶ **LTIR** – Lost-Time Injury Rate
- ▶ **m³** – Cubic meter
- ▶ **MAE** – Major Accident Event
- ▶ **mn** – Million
- ▶ **MW, MWh** – Megawatt, megawatt hour
- ▶ **N₂O** – Nitrous oxide
- ▶ **NGO** – non-governmental organization
- ▶ **NM-VOC** – Non-methane volatile organic compounds
- ▶ **NO_x** – Nitrogen oxides
- ▶ **OHSAS** – Occupational Health and Safety Assessment Series
- ▶ **PJ** – Petajoule
- ▶ **PSM** – Process Safety Management
- ▶ **R&D** – Research and Development
- ▶ **R&M** – Refining and Marketing
- ▶ **REACH** – Registration, Evaluation, Authorisation, and Restriction of Chemicals
- ▶ **SO₂** – Sulfur dioxide
- ▶ **SVP** – Senior Vice President
- ▶ **t** – Metric tonne
- ▶ **toe** – ton oil equivalent
- ▶ **TRIR** – Total recordable injury rate
- ▶ **TW, TWh** – Terawatt, terawatt hours

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