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Section 267c of the Austrian Commercial Code (UGB) requires that large undertakings and public interest entities that are active in the extractive industry or logging of primary forests prepare the following consolidated report on payments to governments. This section implements Chapter 10 of EU Accounting Directive (2013/34/EU). The "Basis of preparation" paragraph provides information to the reader about the contents of the report. This also includes information on the type of payment for which disclosure is required and how OMV has implemented the regulations in the preparation of the report.

Basis of preparation

Reporting entities

Under the requirements of the regulation, OMV Aktiengesellschaft is required to prepare a consolidated report covering payments made to governments for each financial year in relation to extractive activities by itself and any subsidiary undertakings included in the consolidated Group financial statements.

Activities within the scope of the report

Payments made by the OMV Group (hereafter OMV) to governments that arose from exploration, prospecting, discovery, development and extraction of minerals, oils and natural gas deposits or other materials within extractive activities are presented in this report.

Government

A "government" is defined as any national, regional or local authority of a country and includes a department agency or entity undertaking that is controlled by the government authority and includes national oil companies.

In cases where a state-owned entity engages in activities outside of its designated home jurisdiction, then it is not deemed to be a reportable governmental body for these purposes and thus payments made to such an entity in these circumstances are not reportable.

Project definition

The regulation also requires payments to be reported on a "project" basis as well as on a government and governmental body basis. A project is defined as the operational activities that are governed by a single contract, license, lease, concession or similar legal agreement and form the basis for payment liabilities to the government. Where these agreements as per the aforementioned

definition are substantially interconnected, these agreements are treated for the purpose of these regulations as a single project.

"Substantially interconnected" is defined as a set of operationally and geographically integrated contracts, licenses, leases or concessions or related agreements with substantially similar terms that are signed with a government, giving rise to payment liabilities. Such agreements can be governed by a single contract, joint venture agreement, production sharing agreement or other overarching legal agreement.

There may be instances - for example, corporate income taxes, where it is not possible to attribute the payment to a single project and therefore these payments are shown at the country level.

Cash and payments in kind

In accordance with the regulation, payments have to be reported on a cash basis. This means that they are reported in the period in which they are paid and not in the period in which they are accounted for on an accruals basis.

Refunds are also reported in the period in which they are received and will either be offset against payments made in the period or be shown as negative amounts in the report.

Payments in kind made to a government are converted to an equivalent cash value based on the most appropriate and relevant valuation method for each payment type. This can be at cost or market value and an explanation is provided in the report to help explain the valuation method. Where applicable, the related volumes are also included in the report.

Payment reporting methodology

The regulations require that payments are to be reported where they are made to governments by OMV. It is required that the report reflect the substance of each transaction and activity. Based on these requirements, OMV has considered its reporting obligation as:

- * Where OMV makes a payment directly to the government, these payments will be reported in full, irrespective of whether this is made in the sole capacity of OMV or in OMV's capacity as the operator of a joint operation
- * In cases where OMV is a member of a joint operation for which the operator is a stateowned entity (i.e. a government), payments made to that stateowned entity will be disclosed where it is possible to identify the reportable payment from other cost recovery items.
- * For host government production entitlements, the terms of the agreement have to be considered; for the purpose of reporting in this report, OMV will disclose host government entitlements in their entirety where it is the operator.

Materiality

Payments made as a single payment or a series of related payments that are below EUR 100,000 within a financial year are excluded from this report.

Reporting currency

Payments made in currencies other than euros are translated for the purposes of this report at the average rate of the reporting period.

Payment types disclosed

Production entitlements

Under production sharing agreements (PSAs), the host government is entitled to a share of the oil and gas produced and these entitlements are often paid in kind. The report will show both the value and volume of the government's production entitlement for the relevant period in barrels of oil equivalent (boe).

The government share of any production entitlement will also include any entitlements arising from an interest held by a stateowned entity as an investor in projects within its sovereign jurisdiction. Production entitlements arising from activities or interests outside of a stateowned entity's sovereign jurisdiction are excluded.

Taxes

Taxes levied on income, production or profits of companies are reported. Refunds will be netted against payments and shown accordingly. Consumption taxes, personal income taxes, sales taxes, property taxes and environmental taxes are not reported under the regulations. Although there is a tax group in place, the reported corporate income taxes for Austria relate entirely to the extractive activities in Austria of OMV's subsidiaries, with no amounts being reported relating to OMV's non extractive activities in Austria.

Royalties

Royalties relating to the extraction of oil, gas and minerals paid to a government are to be disclosed. Where royalties are paid in kind, the value and volume are reported.

Dividends

In accordance with the regulations, dividends are reported when paid to a government in lieu of production entitlements or royalties. Dividends that are paid to a government as an ordinary shareholder are not reported, as long as the dividends are paid on the same terms as that of other shareholders. For the year that ended December 31, 2019, OMV had no such reportable dividend payments to a government.

Bonuses

Bonuses include signature, discovery and production bonuses in each case to the extent paid in relation to the relevant activities.

Fees

These include license fees, rental fees, entry fees and all other payments that

are paid in consideration for access to the area where extractive activities are performed.

The report excludes fees paid to a government that are not specifically related to extractive activities or access to extractive resources. In addition payments paid in return for services provided by a government are also excluded.

Infrastructure improvements

The report includes payments made by OMV for infrastructural improvements, such as the building of a road or bridge that serves the community, irrespective of whether OMV pays the amounts to nongovernment entities. These are reported in the period during which the infrastructure is made available for use by the local community.

Payments overview

The overview table below shows the relevant payments to governments that were made by OMV in the year that ended December 31, 2019.

Of the seven payment types that are required by the Austrian regulations to be reported upon, OMV did not pay any dividends, bonuses or infrastructure improvements that met the defined accounting directive definition and therefore these categories are not shown.

Payments overview					
In EUR 1,000	Production Entitlements	Taxes	Royalties	Fees	Total
Country					
Austria		26,600	70,326	118	97,044
Kazakhstan		16,625		1,031	17,656
Madagascar				3,691	3,691
Malaysia	181,017	14,968	39,705	26,308	261,998
Norway		400,178		2,328	402,506
New Zealand		48,040	63,634	6,387	118,061
Romania		219,433	159,952	31,015	410,400
Tunisia		13,807	8,878	99	22,784
United Arab Emirates		47,425	100,952	80,313	228,690
Yemen	77,138		7,340	9,874	94,352
Total	258,155	787,076	450,787	161,164	1,657,182

No payments have been reported for Libya for the year 2019 as OMV was not the operator.

On November 30, 2017, OMV acquired a stake of 24.99% in OJSC Severneftegazprom (SNGP). As SNGP is an associated company and therefore accounted for using the equity method in OMV Group Consolidated Financial Statements it does not meet the definition of a reporting entity in the context of the Austrian Commercial Code.

On January 31, 2019, OMV and Sapura Energy Berhad closed the agreement to form a strategic partnership. The new entity, SapuraOMV Upstream Sdn. Bhd., and its subsidiaries are fully consolidated in OMV's Group financial statements

Payments by country

Payments by country					
In EUR 1,000	Production Entitlements	Taxes	Royalties	Fees	Total
Austria					
Governments					
Federal Ministry for Digital and Economic Affairs			70,326		70,326
Federal Ministry of Finance		26,600			26,600
Federal Ministry for Sustainability and Tourism				118	118
Total		26,600	70,326	118	97,044
Projects					
Lower Austria		26,600	70,326	118	97,044
Total		26,600	70,326	118	97,044

In EUR 1,000	Production Entitlements	Taxes	Royalties	Fees	Total
Kazakhstan					
Governments					
State Revenue Committee		16,625		247	16,872
Training centers universities				305 (1)	305
Licensed Research and Development Organisations				479 (2)	479
Total		16,625		1,031	17,656
Projects					
Tasbulat		5,967		797	6,764
Komsomolskoe		10,658		234	10,892
Total		16,625		1,031	17,656

(1) Financing of various expenses with regard to university training centers as agreed within the concession agreement

(2) Various expenses with regards to research and development works

In EUR 1,000	Production Entitlements	Taxes	Royalties	Fees	Total
Madagascar					

Governments					
Office des Mines Nationales et des Industries Stratégiques				3,691	3,691
Total				3,691	3,691
Projects					
Explorations				3,691	3,691
Total				3,691	3,691

In EUR 1,000	Production Entitlements	Taxes	Royalties	Fees	Total
Malaysia Governments					
Petroleum Nasional Berhad	94,368 (1)		39,705 (3)	24,530	158,603
Ketua Pengarah Hasil Dalem Negeri		14,968			14,968
Petronas Carigali SDN BHD	86,649 (2)			1,778	88,427
Total	181,017	14,968	39,705	26,308	261,998
Projects					
Block PM323/PM329	137,137 (4)	4,904	24,907 (6)	20,020	186,968
Block PM318		6,504		748	7,252
Block AAKBNLP				3,089	3,089
Block SK408/SK310	43,880 (5)	3,448	14,798 (7)	2,451	64,577
Payments not attributable to projects		112			112
Total	181,017	14,968	39,705	26,308	261,998

(1) Includes payments in kind for 1,706,019 bbl of crude oil valued using the average monthly price per boe

(2) Includes payments in kind for 2,652,414 bbl of crude oil valued using the average monthly price per boe

(3) Includes payments in kind for 1,138,911 bbl of crude oil valued using the average monthly price per boe

(4) Includes payments in kind for 2,182,255 bbl of crude oil valued using the average monthly price per boe

(5) Includes payments in kind for 2,176,178 bbl of crude oil valued using the average monthly price per boe

(6) Includes payments in kind for 395,205 bbl of crude oil valued using the average monthly price per boe

(7) Includes payments in kind for 743,706 bbl of crude oil valued using the average monthly price per boe

In EUR 1,000	Production Entitlements	Taxes	Royalties	Fees	Total
Norway Governments					
Oljedirektoratet				2,306	2,306
Skatteetaten		400,178		12	400,190
Miljodirektoratet				10	10
Total		400,178		2,328	402,506
Projects					
Gulfaks		44			44
Gudrun		44			44
Norway Exploration Projects				2,322	2,322
Payments not attributable to projects		400,090		6	400,096
Total		400,178		2,328	402,506

In EUR 1,000	Production Entitlements	Taxes	Royalties	Fees	Total
New Zealand Governments					
Inland Revenue		48,040			48,040
Maritime Safety Authority				10	10
Ministry of Business and Innovation			63,634	5,969	69,603
Environmental Protection Authority				408	408
Total		48,040	63,634	6,387	118,061
Projects					
Maari			14,295	133	14,428
Maui			4,804		4,804
Pohokura			44,535		44,535
New Zealand exploration projects				515	515
Payments not attributable to projects		48,040		5,739	53,779
Total		48,040	63,634	6,387	118,061

In EUR 1,000	Production Entitlements	Taxes	Royalties	Fees	Total
Romania Governments					
State budget		219,433	159,952		379,385

Local councils				4,123	4,123
National Agency for Mineral Resources (ANRM)				2,200	2,200
National Company of Forests				13,777	13,777
CONPET_SA				90	90
National Authority for Electricity Regulation (ANRE)				9,912	9,912
Offshore Operations Regulatory Authority (ACROPO)				913	913
Total		219,433	159,952	31,015	410,400
Projects					
Onshore production zones			121,544	20,138	141,682
Onshore Joint Ventures			1,281		1,281
Offshore Black Sea		20,635	37,127	965	58,727
Payments not attributable to projects		198,798		9,912	208,710
Total		219,433	159,952	31,015	410,400

In EUR 1,000	Production Entitlements	Taxes	Royalties	Fees	Total
Tunisia Governments					
Receveur des Finances		13,167		99	13,266
Receveur des Douanes		640			640
Entreprise Tunisienne d'Activités Pétrolières			6,606 (1)		6,606
Tresorerie Generale de Tunisie			2,272		2,272
Total		13,807	8,878	99	22,784
Projects					
South		13,807	8,878 (1)	99	22,784

Tunisia					
Total		13,807	8,878	99	22,784

(1) Includes payments in kind for 115,900 bbl of crude oil valued using the average monthly price per boe

In Tunisia where OMV is not the operator, it's proportional contribution to the host government's royalties for 2019 would have been EUR 1.52 mn for 26,595 bbl of crude oil valued using the average monthly price per boe.

In EUR 1,000	Production Entitlements	Taxes	Royalties	Fees	Total
United Arab Emirates Governments Abu Dhabi National Oil Company (ADNOC)				80,313	80,313
Emirate of Abu Dhabi - Finance Department		47,425	100,952		148,377
Total		47,425	100,952	80,313	228,690
Projects					
Umm Lulu and SARB		47,425	100,952	828	149,205
United Arab Emirates exploration projects				79,485	79,485
Total		47,425	100,952	80,313	228,690

In EUR 1,000	Production Entitlements	Taxes	Royalties	Fees	Total
Yemen Governments Ministry of Oil & Minerals	77,138 (1)		7,340 (2)	9,874	94,352
Total	77,138		7,340	9,874	94,352
Projects					
Block_S2	77,138 (1)		7,340 (2)	6,511	90,989
Block_86				3,363	3,363
Total	77,138		7,340	9,874	94,352

(1) Payments in kind for 1,354,213 BOE valued at prices set by the Yemen Crude Oil Marketing Directorate

(2) Payments in kind for 128,853 BOE valued at prices set by the Yemen Crude Oil Marketing Directorate

Vienna, March 11, 2020

The Executive Board

Rainer Seele m.p.
(Chairman of the Executive Board,
Chief Executive Officer and Chief Marketing Officer)

Johann Pleininger m.p.
(Deputy Chairman of the Executive Board and Chief Upstream Operations Officer)

Reinhard Florey m.p.
(Chief Financial Officer)

Thomas Gangl m.p.
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end of announcement

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