

Supervisory Board Report on OMV PETROM S.A.'s separate Financial Statements prepared in accordance with Ministry of Finance Order no. 2844/2016

In 2021, the Supervisory Board thoroughly reviewed the position and prospects of OMV Petrom S.A. ("OMV Petrom" or the "Company"), and performed its functions according to the relevant laws, the Articles of Association, the applicable Corporate Governance Code and the relevant internal regulations. We supervised the Executive Board on the management of OMV Petrom and coordinated on important matters, monitored its work and we were involved in the Company's key decisions, always following a comprehensive analysis.

The Supervisory Board received detailed information, both verbally and in writing, on issues of fundamental importance for the Company, including its financial position, business strategy, planned investments and risk management. We discussed all significant matters for OMV Petrom in the plenary meetings, based on the reports of the Executive Board.

The separate financial statements were presented for Supervisory Board examination in a timely manner. Ernst & Young Assurance Services SRL audited the 2021 separate financial statements, read the Directors' Report and has not identified information which is not consistent in all material respects with the information presented in the separate financial statements, and will issue an unqualified audit opinion. The auditors attended the relevant meeting of the Audit Committee convened to review the separate financial statements. The Audit Committee discussed the separate financial statements with the auditors and examined them carefully. The Audit

Committee reported to the Supervisory Board on its examination and recommended the approval of the annual separate financial statements, including the management reports.

We have also reviewed and analyzed the attached report of the Executive Board (Directors' Report) presented as Appendix 1 which gives a true and fair view of the development and performance of the business and the financial position of OMV Petrom, together with a description of the principal risks and associated uncertainties as of December 31, 2021.

Hence, the separate financial statements of OMV Petrom prepared in accordance with Ministry of Finance Order no. 2844/2016 with all subsequent modifications and clarifications were approved in today's Supervisory Board meeting in line with the Audit Committee's recommendation and will further be submitted for approval in the Ordinary General Meeting of Shareholders to be held on April 27, 2022.

Furthermore, we have reviewed and approved the separate report on payments to governments for the year 2021, prepared in accordance with Chapter 8 of the Annex 1 of Ministry of Public Finance Order no. 2844/2016 for approval of Accounting Regulations according to International Financial Reporting Standards, with all subsequent modifications and clarifications, transposing Chapter 10 of the Accounting Directive (2013/34/EU) of the European Parliament and of the Council.

Bucharest, March 17, 2022

Alfred Stern

President of the Supervisory Board

Appendix 1

Directors' Report on OMV PETROM S.A.'s separate Financial Statements prepared in accordance with Ministry of Finance Order no. 2844/2016 and in compliance with the Regulation no. 5/2018, Appendix 15, issued by the Financial Supervisory Authority

Overview of the Company's nature

The Company's headquarters is located at Coralilor Street no. 22, district 1, Bucharest, Romania. The Company was set up according to the Government Ordinance no. 49/October 1997, approved by Law no. 70/April 1998. The Company is registered with the Trade Register under number J40/8302/1997 and has as unique fiscal registration code RO1590082. The Company has as main activities exploration and production of hydrocarbons, sale of natural gas, refining of crude oil, marketing of petroleum products, as well as production and sales of electricity. OMV Petrom performs its activity either directly or through its affiliates in Romania, Bulgaria (exploration and marketing of petroleum products), Georgia (only exploration of hydrocarbons) and Serbia and Republic of Moldova (only marketing of petroleum products).

As at December 31, 2021, 21.35% stake of the Company's capital represented the free float, traded as shares within the Premium category of the Bucharest Stock Exchange, under SNP symbol and as global depository receipts (GDRs) within the Standard category on the main market for listed securities of the London Stock Exchange under the symbols "PETB" and "PETR". Market capitalization as of December 31, 2021 was RON 28,265,410,059.

The Company is the parent company of OMV Petrom Group ("the Group"). Separate individual financial statements for the year ended December 31, 2021 are

prepared in accordance with International Financial Reporting Standards as endorsed by the European Union (EU IFRS), as the Ministry of Finance Order (MOF) no. 2844/2016 stipulates that Romanian listed companies must prepare financial statements in accordance with IFRS as endorsed by European Union (EU). The annual consolidated financial statements are also prepared by the Company in accordance with IFRS as endorsed by the EU. In its turn, the parent Company OMV Petrom S.A. is part of the OMV Group which prepares consolidated financial statements at the level of OMV Aktiengesellschaft, with its registered office at Trabrennstrasse 6-8, 1020 Vienna, Austria. The annual consolidated financial statements of the OMV Petrom Group and OMV Group are public and may be obtained from the companies' websites, i.e. www.omvpetrom.com and www.omv.com.

OMV Petrom S.A. ("OMV Petrom") has vertically integrated activities and is organized into three operating business segments: Exploration & Production, Refining & Marketing and Gas & Power, while the management, the financing activities and certain service functions are concentrated in the Corporate & Other segmentⁱ.

As at December 31, 2021 and 2020 the total share capital amounted to RON 5,664,410,833.50, representing 56,644,108,335 shares with a nominal value of RON 0.1 per share. The shareholders' structure as at December 31, 2021 is presented below:

	No. of shares	Percent
OMV Aktiengesellschaft	28,894,467,414	51.011%
Romanian State	11,690,694,418	20.639%
Fondul Proprietatea S.A.	3,963,548,078	6.997%
Legal entities and private individuals	12,095,398,425	21.353%
Total	56,644,108,335	100.000%

ⁱ Starting with January 1, 2022, OMV Petrom's business segments were renamed as follows: Upstream to Exploration & Production; Downstream Oil to Refining & Marketing, and Downstream Gas to Gas & Power.

As of December 31, 2021 the number of GDRs was 111,494, equivalent of 16,724,100 ordinary shares, representing 0.030% of the share capital.

As of December 31, 2020 the number of GDRs was 181,611, equivalent of 27,241,650 ordinary shares, representing 0.048% of the share capital.

1. Analysis of the company's activity

1.1. a) The activity developed or which is to be developed by the company and its subsidiaries

OMV Petrom develops the following main activities:

- ▶ The exploration and production of crude and natural gas on fields located onshore and offshore;
- ▶ Emergency works, commissioning and repair of wells;
- ▶ Crude refining;
- ▶ The distribution, transport, storing, marketing, bunkering of ships and the supply of airships with crude oil products;
- ▶ Wholesale and retail trade in merchandise and miscellaneous products;
- ▶ The import and export of crude, petroleum products, petrochemicals and chemicals, equipment, machines and specific technologies;
- ▶ Production, transmission, distribution, trade of electricity;
- ▶ Medical and social activity for its own employees and third parties;
- ▶ Other activities established and detailed in the Articles of Association of the company.

The detailed structure of the consolidated companies in OMV Petrom Group at December 31, 2021 is presented in Annex a) to the current report.

b) The date when the company was established

The Company was established on October 27, 1997 and started its activity as of November 1, 1997, as per the Emergency Ordinance no. 49/1997 approved through Law no. 70/1998 under the name of S.N.P. Petrom S.A. (SNP – Societatea Nationala a Petrolului/ National Oil Company). In the Extraordinary General Meeting of Shareholders dated September 14, 2004 the change of the Company's name from SNP Petrom SA to S.C. Petrom S.A. was approved.

Starting January 1, 2010, the Company name is OMV Petrom S.A., based on the Resolution of the Extraordinary General Meeting of Shareholders dated October 20, 2009.

c) Mergers or significant reorganizations of the company, the subsidiaries or the companies controlled performed during the financial year.

On May 14, 2021, OMV Petrom S.A. completed the sale of its 100% owned subsidiaries in Kazakhstan, Tasbulat Oil Corporation LLP and Kom Munai LLP, to Magnetic Oil Limited. The subsidiaries were deconsolidated starting with the divestment date.

OMV Petrom Georgia LLC, a new subsidiary of OMV Petrom S.A. incorporated in Georgia, is fully consolidated in the group financial statements starting with Q3/21.

On December 15, 2021, OMV Petrom S.A. acquired the remaining 0.01% interest in the subsidiary OMV Petrom Gas S.R.L., reaching the ownership of 100% in this subsidiary.

d) Asset acquisitions and/or alienation

In December 2019, OMV Petrom S.A. reached an agreement for the transfer of 40 marginal onshore oil and gas fields in Romania to Dacian Petroleum S.R.L., as part of the portfolio optimization program, which aims to streamline operations and focuses on the core and most profitable fields. The transaction was closed in December 2021. In addition, the outsourcing of non-core activities (e.g. latest main outsourcing project referring to workover activities finalized in August 2021) ensures an Upstream organization able to react in a more flexible, efficient and timely manner to both external and internal factors, by reducing the level of complexity and increasing efficiency and performance.

e) Overview of the main results of the company

Our 2021 financial performance was outstanding. Our operating cash flow reached RON 6.4 bn, 18% higher yoy. In turn, our CAPEX was down by 3% yoy, as we remained cautious in a highly volatile demand and pricing environment. Higher commodity prices and refining margins, combined with excellent asset utilization and increased energy demand acted as tailwinds for the results of all of our business segments, and this, against

the headwinds of lower hydrocarbon production, cost inflation and increased Upstream taxation, mostly for gas. Our 2021 Operating Result more than doubled yoy, still it was below the 2019 level. Yet our contribution to the Romanian state budget reached an all-time record, at RON 12.0 bn, in the context of significantly higher energy prices. We remain advocates for addressing the regulatory challenges and the implementation of appropriate measures to protect vulnerable consumers.

Our excellent results were also reflected in our share price performance, 37% up yoy, outperforming other peers and local indices. The total shareholder return was 46%, strongly supported by the share price appreciation and also by a competitive dividend yield. Share liquidity went up by 9% yoy.

1.1.1 General evaluation elements

Item, RON mn	2021	2020	2019
Net income	2,688	1,382	3,564
Net turnover	21,486	15,437	19,944
Operating Result	3,366	1,499	4,017
Operating expenses	18,647	15,011	16,769
Liquidity (cash and cash equivalents)	10,054	7,305	6,795

In 2021, OMV Petrom's Operating Result amounted to RON 3,366 mn, compared to RON 1,499 mn in 2020, driven mainly by the favorable market environment. The Group's performance in 2020 was negatively impacted by the lower prices and the COVID-19 crisis,

as well as by the net impairments triggered by the revision of price assumptions.

The information related to net turnover split per geographical areas is presented below:

RON mn	2021	2020	2019
Romania	20,543	15,239	19,641
Rest of CEE	932	193	252
Rest of Europe	11	-	42
Rest of world	-	5	9
TOTAL	21,486	15,437	19,944

Sales are allocated per countries/regions based on the location where the risks and benefits are transferred to the customer.

Please see section 5 for a detailed analysis of the financial statements.

1.1.2. Evaluation of the company's technical expertise

a) Main products and services

OMV Petrom is an integrated oil and gas company, covering the full chain of upstream and downstream activities. Its products can be grouped into the following categories, representative for the company's activity:

- ▶ Crude oil;

- ▶ Natural gas;
- ▶ Petroleum products: e.g. gasoline, diesel, kerosene, heavy fuel oil, LPG;
- ▶ Electricity.

b) Main outlets for each product or service and the distribution methods

OMV Petrom is present on relevant markets as a producer and supplier of crude oil and natural gas, petroleum products and electricity.

- ▶ **Crude oil:** OMV Petrom accounts for almost the entire oil production in Romania which is delivered to

its own refinery - Petrobrazi; the crude transportation is handled by the state owned company Conpet S.A.

- ▶ **Natural gas:** OMV Petrom accounts for over 40% of the gas production in Romania. A small part of the natural gas produced by OMV Petrom is used in the Upstream activity. The remaining volumes are placed on the market, to industrial end-users, as well as to wholesalers, either via bilateral contracts or on the centralized markets, while also partly delivered to internal consumers (such as the Brazi power plant). Following full gas market liberalization in July 2020, OMV Petrom had no further obligation to supply the gas regulated market in 2021 (vs. 7 TWh in H1/20, at the fixed price of RON 68/MWh). For the delivery of the natural gas, OMV Petrom uses the national pipeline system of Transgaz and also its own network.
- ▶ **Petroleum products:** These products are either produced in the Petrobrazi refinery or supplied from third parties and are sold to both Romanian and international markets. The Company uses both retail and wholesale distribution channels, directly or through affiliates, to sell the refined products. The Group's retail supply channel consisted in a network

of 787 fuel filling stations as of end-2021, of which 561 filling stations in Romania and the other 226 in the neighboring countries: Bulgaria, Serbia and the Republic of Moldova. Retail market shareⁱⁱ in the operating region slightly decreased at 31%, versus the previous year, given the network optimization and increased competition.

- ▶ **Electricity:** OMV Petrom owns and operates the combined cycle Brazi power plant. 2021 was yet another excellent year for our power business. Brazi power plant exceeded the 2020 record of net electrical output, generating 4.8 TWh in 2021 and covering a record high 8% of the national power generation mix (2020: 7%). Furthermore, looking at Q4/21 alone, the power plant covered 11% of the power production in Romania, a very significant contribution and the highest quarterly contribution since the start of operations. With the annual planned shutdown completed in April 2021, on time, on budget and with no HSSE incidents, the power plant had a technical availability of 95% (similar to 2020). For the delivery of the power, OMV Petrom uses the national power grid of Transelectrica.

c) Analysis of various revenues types

The weight of each revenue category in total revenues is presented in the table below:

Item	Total value – RON mn			Share in revenues (%)		
	2021	2020	2019	2021	2020	2019
Operating revenues *	22,028	16,510	20,789	97	98	98
thereof Turnover	21,486	15,437	19,944	-	-	-
Financial revenues **	753	378	409	3	2	2
TOTAL	22,781	16,888	21,199	100	100	100

Figures in this and the following tables may not add up due to rounding differences.

* The difference to Turnover represents other operating income and income from consolidated subsidiaries and equity-accounted investments.

** Financial revenues indicator contains Interest income, Net gains from investments and financial assets, Foreign exchange revenues from financing activities.

d) New products

OMV Petrom has made a first step into a new type of activity in 2021, when it completed the first LNG delivery in Romania. This delivery implied coordinating and managing for the first time a complex process in which several partner companies were involved, while being compliant with all safety measures. Thus, two separate transports of two tankers each fed the tank of the first

LNG operated ship built in Romania. While not significant in terms of LNG volumes, this transaction proved the potential for the LNG development in Romania as LNG has multiple applications in power production, transportation, and industry, and can be a contributor to Romania's emissions reduction targets.

In 2020, there were no new products launched.

ⁱⁱ OMV Petrom's estimates based on preliminary data available; OMV Petrom retail market share is calculated by dividing retail sales (Gasoline + Diesel) by the total retail market (Gasoline + Diesel).

1.1.3 Evaluation of the provision of technical and material resources (domestic and imports)

OMV Petrom is processing mainly domestically produced crude oil in its Petrobrazi refinery in order to obtain petroleum products and to maximize the company's

integration value. The Company is also constantly evaluating the economic benefits from processing imported crude. During 2021, OMV Petrom processed 1,081 thousand tons imported crude oil (2020: 691 thousand tons).

1.1.4. Overview of the sale activity

A breakdown of turnover per each business segment is presented in the table below:

Turnover per segments of activity, RON mn	Year ended December 31		
	2021	2020	2019
Upstream	54	55	70
Downstream Oil	14,750	9,505	13,503
Downstream Gas	6,643	5,842	6,335
Corporate and Other	39	35	36
Total	21,486	15,437	19,944

Turnover per segments refers to sales to third parties (excluding inter-segmental sales).

The Company's turnover in 2021 increased by 39% compared to 2020, to RON 21,486 mn. Turnover increased mainly supported by higher sales of petroleum products in terms of both prices and volumes, partially offset by lower sales volumes of natural gas and electricity.

OMV Petrom S.A. is the parent company of OMV Petrom Group whose business model envisages the use of several sales channels and subsidiaries. Therefore, we also present the turnover breakdown at OMV Petrom Group level:

Group turnover per segments of activity, RON mn	Year ended December 31		
	2021	2020	2019
Upstream	145	310	481
Downstream Oil	19,216	13,565	18,237
Downstream Gas	6,616	5,812	6,737
Corporate and Other	35	30	30
Total	26,011	19,717	25,485

Group turnover per segments refers to sales to third parties (excluding intra-group sales).

a) Sales evolution and outlook

The figures in the table below reflect OMV Petrom Group total sales of fuels and gas, as well as electricity output.

Products	Year ended December 31			Changes in %		
	2021	2020	2019	21/20	20/19	19/18
Total refined product sales (kt)	5,339	4,993	5,462	7	(9)	10
thereof retail sales (kt)	2,944	2,619	2,847	12	(8)	4
Gas sales (TWh)	49	57	55	(14)	4	16
thereof to third parties (TWh)	38.4	47.7	47.2	(20)	1	21
Brazi net electrical output (TWh)	4.8	4.1	3.4	15	23	(11)

OMV Petrom Group's total refined product sales amounted to 5,339 kt in 2021, representing a 7% increase compared to 2020.

Group retail sales volumes were 12% higher than in 2020, reaching 2,944 kt, indicating the return to a normal level of activity. In Romania, retail sales reached 2,517 kt in 2021, 12% higher than in 2020. Therefore, in 2021, the average throughput per station in Romania increased to 5.48 mn liters (2020: 4.88 mn liters), driving the overall increase of this indicator at the Group level to 4.57 mn liters (2020: 4.03 mn liters).

In 2021, the non-retail business continued to be a strong contributor to the overall OMV Petrom result. The commercial sales business reached the highest level in the past 10 years, capitalizing on market opportunities, improved processes and effective cost management. Jet fuel sales continued the positive trend started at the end of 2020, although not reaching yet the 2019 reference level, being still affected by partial mobility restrictions across Europe. A strong focus remained on digitalization, operational excellence and customer centricity, in line with company strategy.

Overall, group non-retail sales increased by 1% compared to 2020, reflecting the partial recovery of the aviation business and market opportunities in commercial, as well as the lower exports. In Romania, non-retail sales were 976 kt, 8% over the previous year's level.

In 2021, the most impactful regulation for our business continued to be the Gas Release Program (GRP), that introduced, starting in June 2020, the obligation for gas producers to offer a defined percentage of their production, as different products (monthly, quarterly, seasonal, annual) with starting prices referenced to market prices in the past periods for similar products.

This committed a large proportion of our gas volumes available for sale and posed a high challenge to our portfolio optimization initiatives. Nevertheless, we have complied with the offering obligation in every month of 2021.

In 2021, on the Romanian centralized markets, the traded gas volumes covering a variety of standard products for medium and long term totaled 40.8 TWh (with delivery until end-2022), at an average price of RON 203/MWhⁱⁱⁱ.

In 2021, our gas sales performance followed our strategy to focus on profitable volumes. OMV Petrom's total gas sales volumes decreased by 14% yoy to 48.94 TWh, from the historically highest sales volume recorded in 2020. As a reminder, 2020 was impacted by regulatory driven sales obligations, no longer applicable in 2021. Sales volume decline occurred also in the context of a lower supply in 2021, given the decreasing equity production and also the prevailing challenging market prices for the gas acquisitions from third parties. In 2021, our efforts to preserve our customer portfolio proved successful despite the challenging market environment, with record-high gas prices and a generally volatile gas market, an environment that placed large pressure on any market participant, especially on the customers' side, to maintain the competitiveness of their business.

Following full gas market liberalization in July 2020, OMV Petrom had no further obligation to supply the regulated gas market in 2021 (vs. 7 TWh in H1/20, at the fixed price of RON 68/MWh).

In 2021, OMV Petrom concluded significant sale transactions on the centralized markets, with a total gas volume of 13 TWh contracted for deliveries until end-2022, at an average price in line with market prices.

ⁱⁱⁱ Data regarding Romanian centralized markets represent OMV Petrom's estimates based on available public information. The gas price for such transactions refers to various products in terms of storage costs, flexibility and timing.

Some of these transactions were completed within the GRP framework, pursuant to our offering obligation.

As always, we have focused on collaborating with our end-user customers to manage the significant market challenges, particularly in terms of the evolution of energy prices. We have continued to play our role not only as an energy supplier, but also as a reliable business partner, willing to find innovative, mutually-beneficial solutions.

In order to further strengthen our end-user portfolio and expand it beyond our traditional markets, in 2021 we launched the Utilio digital platform, intended to offer our products to the small and medium enterprises, with an end-goal of building a sustainable foothold in this market segment, where we had not been traditionally active before. While it is still early to measure its success, the competitiveness of the offers, the simplicity of the contracting process and its many features should make the platform an attractive one for its intended audience and help us reach this large market segment.

At the end of 2021, OMV Petrom had 1.3 TWh of gas in storage, following successful management of the extraction and injection cycles. Even if the minimum stock obligation is no longer in force, OMV Petrom is always committed to ensure security of supply for its entire customer portfolio, therefore optimizing the stored gas volumes will always remain one of our main objectives.

On the power market, as per currently available data from the grid operator, national electricity consumption increased by 5% to 61 TWh in 2021 (2020: 58 TWh). The national electricity production also increased by 6%, to 59 TWh (2020: 55 TWh). This higher power generation in 2021 was covered by significantly increased production from hydro sources in the context of good national hydraulicity, higher production from coal and slightly higher production from natural gas. Market coupling continued to play an important role in 2021 in terms of spot power prices, but also in the context of Romania being a net power importer for the year overall.

The OPCOM spot base load power prices reached a record high level since its start of operations, averaging RON 547/MWh in 2021 (increased by approximately 187% vs. 2020). The increase was even more dramatic in the second half of the year, with Q4/21 prices over four times higher yoy, the trend and scale not being isolated, but reflecting the European market trends.

2021 was yet another excellent year for our power business. Brazi power plant exceeded the 2020 record of

net electrical output, generating 4.8 TWh in 2021 and covering a record high 8% of the national power generation mix (2020: 7%). Furthermore, looking at Q4/21 alone, the power plant covered 11% of the power production in Romania, a very significant contribution and the highest quarterly contribution since the start of operations. With the annual planned shutdown completed in April 2021, on time, on budget and with no HSSE incidents, the power plant had a technical availability of 95% (similar to 2020).

The power plant's optimization mechanism covers both forward and spot sales and thus improves its role within our equity gas value chain, while forward contracts are used as hedges to protect against price volatility, both long- and short-term.

Capitalizing on the power plant technical capabilities and flexibility, significant additional revenues were obtained also from the balancing and ancillary services markets. Its significant importance for the security and stability of the national energy system was proved again in 2021, in the context of challenging supply and consumption impacted by the pandemic crisis and overall market environment.

In 2021, the Brazi power plant did not have any legal obligation to supply the regulated power market (2020: 0.18 TWh at the price of RON 223/MWh).

For 2022, we expect the refining margins to be around USD 6/bbl. Also we estimate that the demand for oil products will be on a slight upward trend; we expect demand for power to be similar to 2021 level, while demand for gas to be lower than in 2021.

In Refining and Marketing segment, our refinery utilization rate is estimated to be above 95%, while the total refined product sales are forecasted to be broadly similar to the previous year level of 5.3 mn tons.

In the Gas and Power segment, both the total gas sales volumes and the net electrical output are estimated to be lower yoy, in case of gas mainly on lower supply, while for the net electrical output, in the context of a 2-month planned shutdown of the Brazi power plant in H1/22, of which one month for half of the capacity.

b) Company's market share. Main competitors

With daily hydrocarbon production of 127.2 kboe/d and an oil/gas split of roughly 48%/52% in 2021, OMV Petrom

accounts for almost the entire crude oil production and for over 40% of the gas production in Romania.

According to our estimates, national gas consumption slightly increased by around 2% in 2021 as compared to 2020, with the increase mostly attributable to a cold and long winter at the beginning of the year. Regarding the supply sources, the national consumption was covered by a decreasing Romanian gas production and a higher share of gas imports as compared to the previous year. In regards to prices, they reached record levels and particularly in the second half of the year they increased very steeply. This evolution was in line with other European markets and, likewise, in Romania, the Government stepped in to restrain the impact of these price increases on the residential consumers. These measures did not have a material effect on OMV Petrom's activity or financial performance in 2021 due to the low weight of this type of consumers in the portfolio. OMV Petrom covered approximately 35% of Romania's total estimated gas consumption in 2021, both from its equity production as well as from gas acquisitions from third parties. The national domestic gas production was covered mainly by Romgaz and OMV Petrom, with relatively small volumes also provided by other, smaller private operators. Based on partial data available at this time, the largest importers were Imex Oil Limited, WIEE România and Engie, while OMV Petrom also imported some gas volumes.

On the power market, as per currently available data from the grid operator, national electricity consumption increased by 5% to 61 TWh in 2021 (2020: 58 TWh). The national electricity production also increased by 6%, to 59 TWh (2020: 55 TWh). This higher power generation in 2021 was covered by significantly increased production from hydro sources in the context of good national hydraulicity, higher production from coal and slightly higher production from natural gas. Market coupling continued to play an important role in 2021 in terms of spot power prices, but also in the context of Romania being a net power importer for the year overall. Based on partial data available at this time, the main power generators in 2021 were: Hidroelectrică, Nuclearelectrică, Complexul Energetic Oltenia. The hydropower plants covered ~30% of the total national electricity production,

the nuclear-power plant ~19%, the coal power plants ~19%, the gas-powered power plants ~18%, while renewables covered the remainder ~14%. The Brazi power plant covered 8% of Romania's electricity production in 2021.

The Romanian refining sector consists of four refineries in operation: Petrobrazi (owned by OMV Petrom), Petromidia and Vega (owned by Rompetrol – majority owned by Kaz Munay Gas), Petrotel (owned by Lukoil), which have a total operational capacity of approximately 13 mn tons/year. In 2021, the refineries processed a total quantity of approximately 10 mn tons of crude^{iv}.

Retail market share^v in the operating region slightly decreased at 31%, versus the previous year, given the network optimization and increased competition.

c) Description of any significant dependency of the company on a single customer or on a group of customers whose loss would have a negative impact on the company's income

Given the wide range of products, OMV Petrom, also through its affiliates within the Group, has a large base of customers. Therefore, there are no third party clients which can materially affect the activity of the Company.

In addition, as a member of OMV Group, OMV Petrom has broadened its customer base with some of the affiliated companies within the OMV Group. Transactions with affiliated companies are made on arm's length basis and are presented in the separate financial statements of OMV Petrom S.A. and reported to the Bucharest Stock Exchange and Financial Supervisory Authority (ASF) as per the latter's requirements.

1.1.5. Evaluation of issues related to the company's employees/staff

a) The number and expertise of the company's employees

The average number of employees, calculated as average of the month's end number of employees during the year is presented below:

^{iv} Only crude oil processed (other feedstock not included). Data source: National Institute of Statistics (INS) and OMV Petrom calculations;

^v OMV Petrom's estimates based on preliminary data available; OMV Petrom retail market share is calculated by dividing retail sales (Gasoline + Diesel) by the total retail market (Gasoline + Diesel).

	The average number of employees		
	2021	2020	2019
Average for the year	8,271	10,949	11,814

The average number of employees decreased in 2021 as a result of outsourced activities, as well as reorganization and restructuring programs continued by the Company as a consequence of process optimization and cost efficiency measures.

As of December 31, 2021, the OMV Petrom S.A. workforce comprises 74.6% employees with a high school diploma or higher degrees in oil engineering and other fields (technical/financial/legal etc., thereof 48.9% higher degrees and 25.7% high school diploma).

The majority of the employees are members of the representative trade union SNP (Sindicatul National Petrom) affiliated to SNPE ("Sindicatul National Petrom-Energie"), while a small number of employees are members of trade unions affiliated to "Energetica" Federation and "Lazar Edeleanu" Federation.

b) The relationship between management and employees as well as of any conflict elements which characterize this relationship

The dialog between unions and management continues on a regular basis, with certain particularities due to the pandemic context. The key elements of the framework outlining the relationship between management and employees are the Collective Labor Agreement (CLA), Internal Rules and Parity Commissions on implementation of CLA, HSSE topics and others. The reorganization and/or outsourcing projects that the Company has entered were aligned by both parties.

As of 2007, the wording of some provisions of the previous CLA applicable within OMV Petrom led to a high number of labor litigations through which employees requested the granting of certain rights deriving from the CLA. At the time of this report, just a few of these types of litigations are still in progress, although in a significant decreasing number across the country. OMV Petrom considers that the respective rights were granted and the company's standpoint is considered by courts in the vast majority of the cases. As a result most cases have been finally won by OMV Petrom and only limited claims were received in the last years.

Following the assessment of the potential liabilities with respect to ongoing cases, the provision booked in prior

years to cover this litigation risk was subject to reduction starting with 2015. OMV Petrom took all possible actions to prevent a further increase in likelihood of litigation risk and in addition, over the years, the provisions of the CLA were amended so as to limit the possibility of different interpretations that would trigger new litigations. At the end of 2021, a new CLA was signed and the provisions of the new agreement were drafted and negotiated taking into consideration the litigation experience. The currently applicable CLA expires at the end of 2023. Furthermore, employees' information on this matter was substantially increased in order to raise awareness on the topic and a focus was put on clarifying discussions with claimants.

1.1.6. Evaluation of issues related to the impact of the issuer's main activity on the environment

Summary description of the impact of the company's main activity on the environment and any existing or envisaged disputes about violations of environmental protection legislation

Information on the impact of the company's main activity on the environment and any existing or envisaged disputes about violations of environmental protection legislation may be found in the Sustainability Report to be issued by the Company as per the legal requirements with reference to the disclosure of non-financial information.

OMV Petrom is involved in various court file cases regarding pollution claims, due to current or former specific oil and gas operations. As examples to illustrate the related events, we may refer to spills, leaks and other contamination resulting from, inter alia, ageing infrastructure and operating or waste management or accidents, resulting in various claims, such as requests for damages related to environmental restoration, lack of use of lands, fines and other measures imposed by the environmental authorities, challenges of acts issued by authorities with respect to environmental matters (including those referring to environmental taxes set up by local authorities).

Nevertheless, the Company is aiming to observe the specific measures with respect to the environmental matters, as imposed by the environmental authorities and the law, in due time, in which regard the Company

endeavors to take necessary measures to obtain access to the relevant lands, also via court claims.

1.1.7 Evaluation of research and development activities

In line with its strategic direction, the Company continued its exploration efforts in order to create potential for new discoveries. In 2021, the exploration expenditure amounted to RON 177 mn, compared to 187 mn in 2020, as the higher 3D seismic acquisition activities only partially counterbalanced the lower costs related to abandoned exploration deep wells.

The research and development activities are performed mainly through the Institute of Research and Technological Design (ICPT) Campina that is part of the Upstream Division. ICPT was set up in 1950 and has become an important center of scientific research for the oil industry, being a pioneer in terms of developing field engineering, drilling and extraction methodologies. With a vast experience in oil industry research, ICPT performs complex laboratory analysis, offers technical support and expertise at a high level of quality and efficiency, covering the needs of exploration and production activities. In 2021, total expenses incurred by ICPT were in the amount of RON 21.7 mn (2020: RON 19.7 mn) and in 2022 are expected to reach RON 35.8 mn. Capital expenditure was in the amount of RON 1.9 mn (2020: RON 2.4 mn), while for 2022 it is anticipated to be around RON 3.2 mn.

1.1.8. Evaluation of the company's risk management activity

OMV Petrom is exposed to a variety of risks specific to the oil and gas industry, including market and financial risks, operational risks and strategic risks. The company's risk management processes focus on identification, assessment, and evaluation of such risks and their impact on the company's financial stability and profitability. The objective of these activities is to actively manage risks in the context of the OMV Petrom's risk appetite in order to achieve its long-term strategic goals.

Risk management and insurance function is centrally coordinated at the corporate level, which ensures that well-defined and consistent risk management processes, tools, and techniques are applied across the entire organization. Risk ownership is assigned to the managers responsible for the areas where the risks were identified, who are best suited to analyze, monitor and mitigate the respective risks.

OMV Petrom is closely monitoring the development of the consequences of the COVID-19 pandemic and regularly evaluating the impact on the company's cash flow and liquidity position.

In the context of the conflict in Ukraine, OMV Petrom monitors the geopolitical developments on a continuous basis and regularly reviews the potential impact on our business activities. The credit risk portfolio associated with counterparties and banks located in Russia and / or potentially targeted by international sanctions (or restrictions on international money transfers) is under close review. Disruptions in Russian commodity flows to Europe could result in further increases in European energy prices and accelerate the risk of cost inflation.

Enterprise Wide Risk Management

The main purpose of the **OMV Petrom's Enterprise-Wide Risk Management (EWRM)** process is to deliver value through risk-based management and decision-making. OMV Petrom is constantly enhancing the EWRM process based on internal and external requirements. The process is facilitated by a Group-wide IT system supporting the established individual process steps (risk identification, risk analysis, risk evaluation, risk treatment, risk reporting and risk review through continuous monitoring of changes to the risk profile).

In the EWRM process common risk terminology and language are used across OMV Petrom to facilitate effective risk communication, whereby Environmental, Social and Governance (ESG) risk category is in our focus area in the OMV Petrom risk taxonomy.

OMV Petrom's EWRM system complies with the ISO 31000 Risk Management International Standard and comprises a dedicated risk organization working under a robust internal regulation framework using an information technology infrastructure. Additionally, the EWRM system actively pursues the identification, analysis, evaluation and mitigation of main risks in order to manage their effects on the Company's cash flow up to an acceptable level agreed as per the risk appetite.

Risk management governance

Risk prevention is deeply integrated into the decision-making processes of everyday business activities at every level of our organization. The Executive Board sets, communicates and implements our risk management approach and objectives throughout the Group. Strategic risks are managed through specialised task forces: Performance, People, Technology and Innovation, New Energy Solutions and Stakeholders' Management.

To ensure that management takes risk-informed decisions, with adequate consideration of actual and prospective information, the Executive Board has empowered a dedicated Risk Management function with the objective to centrally lead and coordinate the Group's risk management-related processes. OMV Petrom's consolidated risk profile is reported twice a year to the Executive Board and to Supervisory Board's Audit Committee.

Risk management process

As mentioned, the risk management system and its effectiveness are monitored by the Audit Committee of the Supervisory Board via regular reports.

The risk management process is based on a precautionary, systematic approach, aimed at timely identification and management of risks in order to avoid a possible negative impact on our business or reputation. We believe that creating a **risk-aware culture** throughout the organization, where everyone is conscious of the risks related to their jobs and implements risk management practices on a daily basis, is the most effective way to avoid a negative impact. To this end, our comprehensive EWRM program is driven by senior management and cascades to every employee of the Company. This approach ensures greater awareness and focus on risks that might affect the Company's objectives.

The risk management process, implemented through OMV Petrom's EWRM framework, combines **bottom-up and top-down processes**, each employee being responsible for managing the risks within his/her competency area. Paying attention to every risk makes risk management a holistic process.

The risks identified in the **bottom-up** risk process by operational staff during day-to-day business management are assessed against a mid-term time horizon of three years. Department heads are responsible for initiating the risk analysis, which includes selection of the appropriate risk identification techniques. These include not only interviews, workshops, surveys and analyses of historical losses, but also information on risks documented in risk registers or loss data bases. Heat maps or risk matrices are used to support the assessment process and serve to identify probability ranges and the related consequences if risks were to materialize.

Senior management evaluates **top-down** risks to provide a strategic perspective of risks across a longer time horizon. Permanently scanning the horizon to identify emerging risks and having regular risk meetings, the

senior management has the full perspective on strategic risks landscape. This enables capturing new trends and developments of the operating environment and industry best practice, and thereby enables the Group to achieve its long term objectives.

Risk taxonomy

The Group considers short-, medium- and long-term risks per the horizons noted below:

- ▶ Short-term risks – risks that may impact near-term our financial results, including those that may materialize within the current annual reporting cycle;
- ▶ Medium-term risks – risks that may materially impact our financial results within a three-year timeframe and might impact the Mid-Term Plan;
- ▶ Long-term risks – risks that may fundamentally impact the viability of our long-term strategy and business model, including those that may materialize within a ten-year timeframe.

In terms of **tools and techniques**, OMV Petrom follows the best international risk management practices and uses stochastic quantitative models to measure the potential loss associated with the Company's risk portfolio under a 95% confidence level and a mid-term three-year horizon. The identified risks are analysed depending on their nature, taking into consideration their causes, consequences, historical trends, volatility and potential cash flow impact.

As regards **short-term liquidity risk**, the budgeted operating and financial cash inflows and outflows throughout OMV Petrom are monitored and analysed on a monthly basis in order to establish the expected net change in liquidity. This analysis provides the basis for financing decisions and capital commitments.

To assess **mid-term liquidity**, the objective of OMV Petrom's risk management system is to secure its capacity to deliver positive economic value added by managing the Company's risks and their potential cash flow impact within the limits of the risk appetite. High potential single event risks, as well as long-term strategic risks are also identified, evaluated, analysed and managed consistently. For mid-term risks, to ensure that OMV Petrom always remains solvent and retains the necessary financial flexibility, liquidity reserves in the form of deposits and committed credit lines are maintained.

The risks within OMV Petrom's EWRM system are organized into the following categories: **market and financial, operational and strategic**.

Market and Financial Risks

Regarding the **market price risk**, OMV Petrom is naturally exposed to the price-driven volatility of cash flows generated by production, refining, and marketing activities associated with crude oil, oil products, gas and electricity. Market risk has core strategic importance within OMV Petrom Group's risk profile and liquidity. The market price risks of OMV Petrom commodities are closely analysed, quantified and evaluated.

Corresponding optimization and hedging activities are undertaken to mitigate those risks.

In terms of **foreign exchange risk** management, OMV Petrom is essentially exposed to the volatility of RON against USD and EUR. The effect of foreign exchange risk on cash flows is regularly monitored.

Derivative financial instruments may be used for the purposes of managing exposure to commodity price and foreign exchange currencies, upon approval from OMV Petrom's Executive Board, in line with the Company's risk appetite and/or risk assessments.

Counterparty credit risk management refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to OMV Petrom. The Group's counterparty credit risks are assessed, monitored and managed at Company level using predetermined limits for specific countries, banks, clients and suppliers. Based on creditworthiness and available rating information, all counterparties are assigned maximum permitted exposures in terms of credit limits (amounts and maturities), and the creditworthiness assessments and granted limits are reviewed on a regular basis.

OMV Petrom is inherently exposed to **interest rate risk** due to its financial activities. The volatility of EURIBOR and ROBOR may trigger less or additional cash flow. However, the risk and the mentioned volatility in our cash flow are low.

Operational Risks

From an operational risk perspective, OMV Petrom is an integrated company with a wide asset base composed mainly of hydrocarbon production and processing plants. The low-probability, high-impact risks associated with the operational activity (e.g. blowouts, explosions, earthquakes etc.) are identified and incident scenarios are developed and assessed for each of them. A special focus is given to process safety risks, where OMV Petrom

Group's policy is "Zero harm, No losses". Where required, mitigation plans are developed for each specific location. Besides emergency, crisis and disaster recovery plans, OMV Petrom's policy regarding insurable risks is to transfer the risks via insurance instruments. These risks are closely analysed, quantified and monitored by the risk organization and are managed via detailed internal procedures.

OMV Petrom's risk management system is part of the corporate decision-making process. Risks associated with new major projects or important business initiatives are assessed and communicated to management prior to the approval decision, as part of the project evaluation process.

Pandemic risk

The global outbreak of the COVID-19 pandemic continues to have a major impact on the global economic development. Increases in COVID-19 cases around the world following the emergence of new virus variants combined with disruptions in supply chains and high price inflation could lead to delays in the expected demand recovery. OMV Petrom is responding to the situation with targeted measures to safeguard the Company's economic stability and the secure supply of energy. The health and wellbeing of every employee is the top priority.

Strategic risks

In order to identify strategic risks which might have potential long-term effects on the company's objectives, OMV Petrom continuously monitors its internal and external environment.

From a **long-term** sustainability perspective, a strategic risk assessment process is in place, on the one hand, to capture the executive management's perspective of the risk environment across a longer-term horizon and, on the other hand, to develop risk mitigation plans and monitor implementation of defined actions. The strategic risks refer to both externally and internally driven risks (climate change, oil and gas market demand and pricing volatility, political and regulatory framework, reserve replacement rate, human capital, technology and innovation). An annual strategic risk assessment ensures a robust revalidation of identified risks. It captures new developments or provides updated information on the operating environment and industry trends, and thereby has a positive impact on the Company's ability to achieve its objectives.



Strategic risk	Details
Climate change	In OMV Petrom, we approach the climate change in a holistic view and integrate all climate change related activities from various areas, in order to address the risks and enhance the opportunities.
Global oil & gas demand	Due to major factors affecting the oil and gas markets, the prices may have large fluctuations. The recent climate change regulations trigger an unprecedented high pressure, affecting all market fundamentals.
Reserve replacement	OMV Petrom mature fields and declining production triggers tailor-made measures to address Reserve Replacement Rate (RRR). This supports our view of increasing the share of natural gas in our hydrocarbon production, as we see natural gas as a key enabler for a successful energy transition in Romania.
Technology & Innovation	The fast pace of technology development, the current trends within energy industry and the lack of innovation capabilities could lead to a significant loss of growth or efficiency opportunities.
Cyber threats	Due to a major cyber event, the OMV Petrom IT infrastructure may experience a massive disruption that can lead to the loss of access or the destruction of critical information.
Political & Regulatory	Major political factors and emerging regulatory requirements may impact OMV Petrom’s ability to achieve its strategic objectives.
Human capital	As a major company, OMV Petrom considers human capital as an important asset and has a strategy to manage the human resources risks.

Climate Change Risk Management

Climate-change-related risks and opportunities are integrated into OMV Petrom’s Enterprise-Wide Risk Management (EWRM) process aimed at identifying, assessing and managing business-related risks. The short- and medium-term risks are analysed for their impact on the Company’s three-year financial plan. The effects of long-term risks are evaluated based on a qualitative analysis, taking into account a wider range of uncertainty. Climate-

related risk and opportunities have already been reflected into our business plans and objectives in the medium term. The most substantive climate-related changes in the energy industry are expected to arise on a longer time scale – in particular with regard to revenues. Therefore, management pays close attention to climate change-related long-term risks and opportunities and takes these into account in strategic decision-making. The climate change risks are

assessed using the standardized methodology of the EWRM process.

This process is based on the EWRM Standard supplemented with a set of principles defining the ESG/sustainability risk and opportunity requirements as part of the OMV Petrom risk management framework, supported by the rights, responsibilities and expectations of specific risk stakeholders.

Being the first Romanian company to support the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), OMV Petrom considers and addresses climate change-related risks according to TCFD recommendations, as well as the double materiality perspective proposed by the EU Non-Financial Reporting Directive.

In 2021, the progress on alignment to TCFD recommendations is summarized below:

- **Governance** – ongoing New Energy Solutions, Environment task forces through which EB members quarterly monitor and manage climate change risk and opportunities
- **Strategy** – risks and opportunities identified, future focus on impact evaluation and company resilience in the light of the recently published OMV Petrom's Strategy 2030, with the sustainability framework embedded;
- **Climate Change Risk** – continued risk management process (scenario analysis); future focus: pilot for climate risks of new investment projects;
- **Metrics and Targets** – ongoing enhanced disclosure, new climate change KPIs disclosed in OMV Petrom's Strategy 2030.

OMV Petrom Executive Board members discuss quarterly the current and upcoming environmental, climate, and energy-related policies and regulations; related developments in the fuels, gas and power market; the status of innovation projects' implementation; and progress on achieving sustainability-related targets.

OMV Petrom focuses on evaluating the potential vulnerabilities of the Group to climate change (e.g., water scarcity, droughts, floods and landslides), the impact of the Group's activities on the environment and the mitigation actions that will ensure the transition to a low carbon environment (reduction of carbon emissions, compliance with new regulatory requirements).

1.1.9. Estimates of the company's activity

a) Factors which affect or could affect the company's cash position

Outlook for 2022

All the below is based on the assumption of no significant lockdowns by year end and does not consider the potential impact of the regional geopolitical tensions.

For the full year 2022, OMV Petrom expects the average Brent oil price to be around USD 75/bbl¹.

We expect the refining margins to be around USD 6/bbl. Also we estimate that the demand for oil products will be on a slight upward trend; we expect demand for power to be similar to 2021 level, while demand for gas to be lower than in 2021.

In the Exploration and Production segment, we aim to contain the production decline in Romania at around 7% yoy, excluding portfolio optimization. We will continue to focus on the most profitable barrels, through selective fields divestments in 2022. We plan investments of around RON 2.6 bn, mainly for drilling around 60 new wells and sidetracks and for performing around 600 workovers.

Our refinery utilization rate is estimated to be above 95%, while the total refined product sales are forecasted to be broadly similar to the previous year level of 5.3 mn tons.

In the Gas and Power segment, both the total gas sales volumes and the net electrical output are estimated to be lower yoy, in case of gas mainly on lower supply, while for the net electrical output, in the context of a 2-month planned shutdown of the Brazi power plant in H1/22, of which one month for half of the capacity.

We target to reduce the carbon intensity of our operations by 30% until 2030 vs. 2019. Our plans related to alternative mobility are to install approximately 100 recharging stations by year-end. We also plan to make progress in developing a renewable power portfolio as well as initiate the first steps towards producing second generation bioethanol.

Investments for 2022

At OMV Petrom Group level, we expect to generate a positive free cash flow after base dividends. CAPEX is

¹ The budget is based on the assumption of 65 USD/bbl for Brent oil price for 2022.

currently anticipated to be above RON 4 bn, depending on the investment climate. We are also committed to offer attractive returns to shareholders with 5%-10% p.a. base dividend growth.

For our flagship project Neptun Deep, due to the absence of amendments to the Offshore Law, we expect the FID to be delayed to 2023. With regards to Han Asparuh offshore Bulgaria, we plan to spud one exploration well in 2022-2023 and continue prospectivity and evaluation, while in the case of Georgia Offshore Exploration Block II we envisage seismic acquisition in H2/22.

In the Refining and Marketing segment, within the partnership with Auchan, we plan to open more than 100 new MyAuchan stores in the upgraded Petrom-branded filling stations by year-end.

In section 1.1.8. are detailed the potential risks that could affect the company's cash position.

The main factors that affected the company's cash flow during 2021 are presented in section 5.

b) Capital expenditures (CAPEX) and other additions

Investments ¹⁾ , RON mn	2021	2020	2019
Upstream	2,122	2,279	3,342
Downstream Oil	510	607	556
Downstream Gas	168	9	100
Corporate and Other	17	22	90
Total	2,817	2,916	4,087

1) Include amounts for fixed assets acquisitions, financial investments, advance payments on fixed assets, land deeds, leases and excludes increases from reassessment of provisions. Starting 2019, the figures also includes the right of use of assets derived from the adoption of IFRS 16 Leases, including the first-time application impact.

Investments made by OMV Petrom S.A. in 2021 amounted to RON 2,817 mn, lower by 3% compared to 2020.

Investments in Upstream activities (RON 2,122 mn) represented 75% of 2021 total, being 7% lower than in 2020. The decrease was mainly due to reduced number of wells and workovers and lower activities for field redevelopment projects, partially counterbalanced by higher progress for facilities projects.

Downstream Oil investments amounted to RON 510 mn in 2021 mostly being directed to Refining for ongoing projects in the tank farm area and coke drums replacement in Petrobrazi. 2020 investments amounted

to RON 607 mn and were performed mostly at the Petrobrazi refinery – continuing the investments to increase the bio-blending capacity, securing longterm logistic access through railway lines, modernization and automation projects in the tank farm area and various works performed in the context of the refinery planned shutdown.

Downstream Gas investments (RON 168 mn) were considerably higher than in 2020 (RON 9 mn) due to the advance paid for the Brazi power plant's major maintenance that will take place in 2022 - 2023.

Corporate & Other investments amounted to RON 17 mn, lower as compared to 2020 (RON 22 mn).

c) Factors which significantly affect the income generated by the company's main activity

Operating Result per segments of activity, RON mn	Year ended December 31		
	2021	2020	2019
Upstream	1,689	(1,018)	2,515
Downstream Oil	2,310	1,101	1,311
Downstream Gas	(307)	1,311	448
Corporate and Others	(102)	(109)	(163)
Operating Result Consolidation ¹	(225)	214	(94)
Total	3,366	1,499	4,017

¹ Operating Result Consolidation result represents the inter-segmental profit elimination

During 2021, in the **Upstream** segment, Operating Result amounted to RON 1,689 mn, compared to RON (1,018) mn loss in 2020, mainly driven by higher prices, which were partly offset by higher Upstream taxation, lower sales volumes, unfavorable FX (weaker USD vs. RON), as well as higher production costs. The 2020 Operating Result was also impacted by the net income from consolidated subsidiaries and equity accounted investments in amount of RON 116 mn. Average Urals crude prices increased by 67% compared to 2020 to USD 69.23/bbl. Domestic crude oil and NGL production was 22.37 mn bbl, 4% down compared with 2020. Domestic gas production was 24.05 mn boe, 11% lower compared to the 2020 level. The main factors that impacted production in Romania in 2021 were natural decline and maintenance activities, partly counterbalanced by the contribution of workovers and new wells. Excluding the effect of divestments, daily average production in Romania declined by 7.6% yoy. Production cost in Romania was USD 12.74/boe, 17% higher vs. 2020, mainly due to lower production available for sale, increased expenses and unfavorable FX (weaker USD vs. RON); in RON terms, it increased by 15% to RON 52.99/bbl.

In the **Downstream Oil** segment, Operating Result increased to RON 2,310 mn, as compared to RON 1,101 mn in 2020, following economic recovery reflected in positive quotations development, improved demand and good refining performance. Operating result was also impacted by the net income from consolidated subsidiaries and equity accounted investments in amount of RON 336 mn (2020: RON 481 mn). In 2021, the OMV Petrom indicator refining margin was USD 5.47/bbl,

higher by USD 2.59/bbl than in 2020, as a result of better product spreads, mainly for gasoline. The refinery utilization rate came in at 97% (2020: 92%), reflecting improved demand and the 2020 planned refinery shutdown.

In the **Downstream Gas** segment, Operating Result was RON (307) mn, as compared to RON 1,311 mn in 2020. 2021 was an exceptionally good year for our power business, the very strong result generated by increasing selling prices and higher revenues from balancing and ancillary services markets effectively compensated the negative impact from the power forward sales contracts concluded in previous periods. The power business result from 2020 was impacted by full reversal of impairments for Brazi gas-fired power plant amounting to RON 519 mn before tax, following revision of the long-term power and CO2 price assumptions and by an one off revenues representing the compensation for higher costs incurred in 2019 for the power regulated sales. The gas business had a good performance in 2021, despite the lower sales volumes and increasing acquisition costs, on very good results from gas portfolio optimization and short term balancing activities and improved margins on gas extracted from storage. We also benefited from the reversal of a bad debt provision in 2021. Operating result was also impacted by the net income from consolidated subsidiaries and equity accounted investments in amount of RON 15 mn (2020: RON 67 mn). Brazi power plant generated a net electrical output of 4.79 TWh (2020: 4.15 TWh).

Operating Result in the **Corporate and Other** segment amounted to RON (102) mn, (2020: RON (109) mn).

2. Tangible Assets

2.1. The location and the main features of the production equipment owned by the company

OMV Petrom S.A. performs its activities in all the counties of the country, in Bucharest and in the Black Sea continental shelf, but also in Republic of Moldova, Bulgaria, Serbia and Georgia, directly or via its subsidiaries.

Upstream:

At the end of 2021, OMV Petrom operated 152 commercial oil and gas fields in Romania (end-2020: 193).

The Company has a significant asset base in its Upstream business, in the form of property, plant and equipment used to exploit the Company's hydrocarbon reserves. This base also includes assets related to oil and gas service business, such as workover, maintenance and logistics activities.

Gas:

Being a marketing business, the Gas segment does not have production equipment or a significant asset base.

Power:

OMV Petrom owns an 860 MW gas fired power plant located in Brazi.

Doljchim:

OMV Petrom continued the activities related to the dismantling process at Doljchim, to prepare the site for future alternative use.

Refining:

OMV Petrom has two refineries: Petrobrazi (in operation) and Arpechim (not operating since 2011). Part of existing assets from former Arpechim refinery (not operational since 2011) are currently used as storage for excisable products (gasoline, diesel, FAME, additives) and for crude oil.

In 2021, OMV Petrom exclusively operated its upstream integrated refinery, Petrobrazi, with a total operational capacity of 4.5 million tons/year.

Retail:

Through its affiliates, OMV Petrom operates 561 retail filling stations in Romania and 226 stations in the neighboring countries of Bulgaria, Serbia and the Republic of Moldova.

Number of retail filling stations per country	2021	2020	2019
Romania	561	560	556
Republic of Moldova	69	77	81
Bulgaria	94	93	94
Serbia	63	63	62
Total	787	793	793

OMV Petrom S.A.

Tangible assets, RON mn (Net Book Value)	Balance at 31.12.2021	Balance at 31.12.2020
Land, land rights and buildings, incl. buildings on third-party property	1,207	1,323
Oil and gas assets	17,219	18,872
Plant and machinery	4,462	4,797
Other fixtures and fittings, tools and equipment	318	353
Assets under construction	691	528
Total tangible assets	23,897	25,872

2.2. The degree of wear-out for fixed assets

The core items within the Upstream segment are depreciated using the unit of production method, while other tangible and intangible assets are depreciated on a straight-line basis according to estimated useful life,

starting with the following month to the put in function date.

The accumulated depreciation and impairments of the tangible assets are presented in the table below:

Tangible assets, RON mn (accumulated depreciation and impairments)	Balance at 31.12.2021	Balance at 31.12.2020
Land, land rights and buildings, incl. buildings on third-party property	1,321	1,232
Oil and gas assets	24,501	22,736
Plant and machinery	6,720	6,144
Other fixtures and fittings, tools and equipment	431	371
Assets under construction	19	18
Total accumulated depreciation and impairments for tangible assets	32,992	30,501

2.3. Potential issues related to ownership rights over the company's tangible assets

Romanian law allows former owners of land and/or buildings which were abusively confiscated by the Romanian State during the communist regime to recover their ownership rights under certain conditions. Although, under laws regarding the restitution of property confiscated during the communist regime, the land which is subject to oil-related activities cannot be restored in kind to its former owner, there are many cases where restitutions in kind have occurred. However, in many such cases, the courts have declared such restitution null and void.

The Company has received notifications regarding the restitution of the assets confiscated by the Romanian State between March 6, 1945 and December 22, 1989, which falls under the incidence of Law no. 10/2001. In total, until December 31, 2021, a number of 1,144 notifications were transmitted to OMV Petrom, out of which:

- ▶ 18 notifications were admitted and buildings were restored and 1 notification was issued with proposal of compensations granted under special Law no. 165/2013;
- ▶ 1,092 notifications were rejected due to the failure to comply with the requirement of Law no.10/2001;
- ▶ 31 notifications were redirected to other entities;
- ▶ 2 notifications (2 file cases opened based upon notifications) are currently under analysis.

As per Article 7.2, in conjunction with the provisions of Article 26 of the Methodological Norms for the application of Law no. 10/2001, approved through Government Decision no. 498/2002, the City Halls or the notified Prefectures are under the obligation to identify the owning entity and to direct the notifications to these entities for resolution. At the same time, those who submitted the notifications are informed that the requested asset is not under administration of these entities and also the name of the entity in charge to solve the notification. Due to the fact that up to this date the activity of solving notifications within the City Halls' and Prefectures' Commissions is still in progress, part of the notifications received may be further directed to OMV Petrom.

Apart from that, oil, gas and power activities involve significant hazards. Our assets are subject to risks generally relating to the exploration for and production of oil and gas, including blowouts, fires, equipment failure, tanker accidents, damage or destruction of key assets and other risks that can result in loss of property, caused by a number of natural and man-made acts or disasters such as human error, acts of theft or vandalism, adverse weather conditions, earthquakes or other natural disasters and force majeure events. Offshore operations, in particular, are subject to a wide range of hazards, including capsizing, collision, bad weather and environmental pollution.

Although we maintain insurance as per best international practice in the industry, in certain circumstances, our policies may not indemnify for the incurred damages or financial losses in full due to the absence of Company's

legal liability, assumed retentions of loss (including decisions to not insure a risk within the tolerance level) or unacceptable risks for the insurers (exclusions) for which

alternative risk mitigations and treatment can be applied either to control the probability of occurrence, consequences, velocity or combination of these.

3. The Market of the Securities issued by the Company

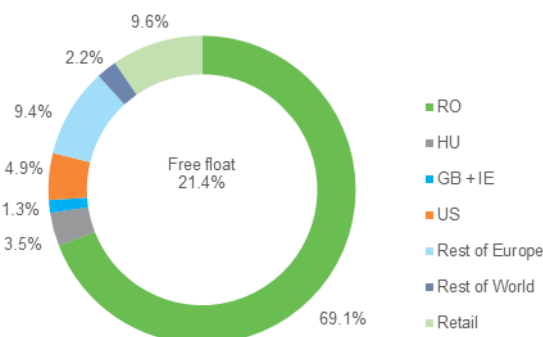
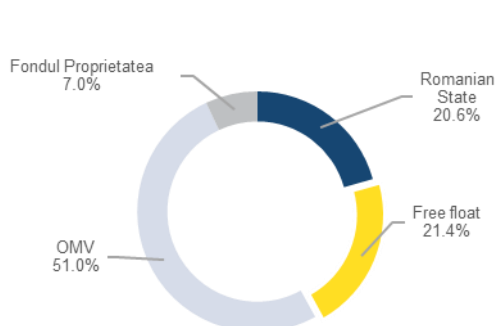
3.1. The markets in Romania and in other countries where the securities issued by the company are traded

Shareholder structure

At the end of 2021, OMV Petrom S.A. had the following shareholding structure: 51.0% – OMV Aktiengesellschaft, 20.6% – Romanian State, and 7.0% – Fondul Proprietatea S.A (FP). The remaining 21.4% represents the free float, traded as shares within the Premium category of the Bucharest Stock Exchange (BSE) and as GDRs within the Standard category on the main market of the London Stock Exchange (LSE).

At the end of 2021, 482 legal entities from Romania and abroad held 90.4% of the free float shares or 19.3% of OMV Petrom share capital, with the remainder (9.6% of the free float or 2.0% of capital) being held by around 460,000 private individuals.

On January 26, 2022, Fondul Proprietatea reduced its shareholding by four percentage points through an Accelerated Book Building (ABB); thus, at the date of the report, shareholding structure is the following: 51.0% – OMV Aktiengesellschaft, 20.6% – Romanian State, 3.0% – Fondul Proprietatea S.A (FP), and 25.4% – other shareholders.



An analysis of our shareholder structure, as at the end of 2021, shows that 69.1% of the free float was held by Romanian institutional shareholders (2020: 67.5%), 9.6% by retail investors (2020: 9.5%), while the rest was held by foreign institutional shareholders, as follows: 4.9% from the USA (GDR component included in this category) (2020: 2.5%), 3.5% from Hungary (2020: 3.4%), 1.3% from the UK and Ireland (2020: 1.7%), 9.4% from other European countries (2020: 11.7%), and 2.2% from rest of the world (2020: 3.8%).

Shares

The year started with a weak evolution of the share price, **the lowest share price of the year**, of RON 0.3695, being

reached on January 4. Afterwards, the stock gradually increased, reaching the **highest share price of the year** of RON 0.51 (on November 3).

On the **ex-dividend** date May 13, the SNP share price corrected by 7.4% (RON 0.035), more than the equivalent of 2020 dividend per share of RON 0.031. Later that month, on May 27, the share price recorded another 4.6% daily decline (vs. the 2.6% BET index decrease) generated by the MSCI rebalancing announcement on the inclusion, in one step, of Iceland in Frontier markets (Iceland had a ca. 8% weight in the index).

Quarterly results publication, while generally in line with analysts' expectations, generated mostly neutral reactions. Still, the share price declined by 1-2% in most quarters, while after the Q2/21 and Q3/21 Trading Updates' publication, share price appreciated by 2-3%. A 2% increase was recorded after Q4/20 results publication, when the 2020 initial dividend proposal was also announced.

Besides company news, the evolution of OMV Petrom share price in 2021 was mainly influenced by: 1. the authorities' statements on possible timing of the Offshore Law change and/or negotiations between Romgaz and ExxonMobil; 2. global index related announcements; 3. oil price volatility (OPEC+ announcements on monthly production quotas).

News on the **takeover by Romgaz of ExxonMobil stake** in the company that operates the Neptun Deep block usually had a positive impact on OMV Petrom share price. As an example, we would highlight the 2.1% daily increase on March 31, the day when Romgaz submitted its offer for ExxonMobil shares and the Romanian authorities indicated the aim for a change of the **Offshore Law** by end H1/22. Political unrest caused by the changes in the ruling coalition and government generated expectations of delays in amending the Offshore Law and largely explained the 4.3% daily decline in OMV Petrom share price on August 31.

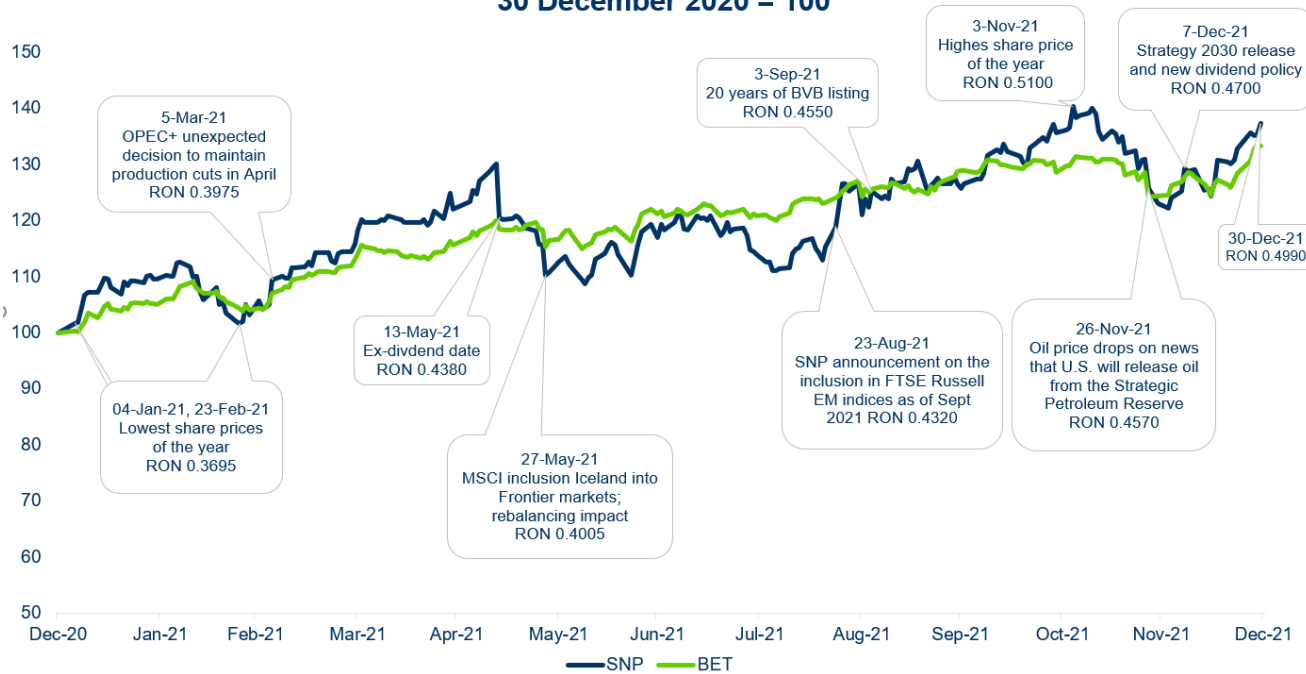
On August 23, OMV Petrom share price increased by 3.1% following the official announcement on the **inclusion of the company shares in FTSE Emerging Markets (EM) indices**. The share prices adjusted downwards by 4.3% on September 20, the actual day of the inclusion in the FTSE EM indices. On September 17, the date of the FTSE indices rebalancing, the OMV Petrom share recorded its **highest daily traded volume** in the year on the Regular market of 306.2 mn shares.

Another element that brought significant swings in OMV Petrom share price performance was related to oil price evolution (**OPEC+ announcements on monthly production levels**). For example, on March 5, the unexpected announcement of OPEC+ that it will maintain the production cuts in April led to a 4.1% share price appreciation (while the oil price went up by 2.3% on that day). Opposite moves were recorded on July 19, when OMV Petrom share price declined by 2.8%, yet outperformed the oil price, which suffered its biggest to date daily decline of 6.4% since June 2020, after OPEC+ deal to increase output stoked fears of a surplus just as rising COVID-19 infections threatened demand. The OMV Petrom share price declined even more, i.e. by 4% on November 26 (and oil price by a waping 11%), as the new COVID-19 variant Omicron initially raised fears of renewed global travel restrictions, and by the announcement that the U.S. will release oil from its Strategic Petroleum Reserve in an attempt to pressure gasoline prices lower.

On December 7, the OMV Petrom share price recorded its third large daily appreciation in the year of 3.3%, following the Strategy 2030 release and the reinforcement of the company's dividend policy via a stronger commitment to increase the base dividend and the possibility of special dividends.

In 2021 the **average OMV Petrom share price** for trades on the Regular market was RON 0.4359, 26% higher than the 2020 figure of RON 0.3473, while the average dated Brent oil price increase was of 69% yoy. The **average daily traded volume**, including Deal trades, was 10.8 mn shares (2020: 9.9 mn), up 9% yoy. The **average daily traded value** was RON 4.75 mn, up 40% yoy in RON terms. The 2021 average daily traded value in EUR terms was EUR 0.97 mn.

OMV Petrom share price (SNP) and BET performance 2021 30 December 2020 = 100



The domestic indices also recovered from their 2020 lows caused by the COVID-19 pandemic. The **BET index** closed the year 33% above the value of at the end of 2020. The **BET-NG index** (comprising stocks in the energy and utilities sectors) in which OMV Petrom has a weight of around 30%, increased by 29% yoy. The **BET-BK index** (designed as a benchmark for asset managers and institutional investors) also increased by 35% yoy. The **BET-TR (total return BET)** appreciated by 40% yoy in 2021.

Outperforming the BET index by 4.1 percentage points, OMV Petrom share ended the last trading session of the

year on December 30 at the share price of **RON 0.4990**, 37% higher yoy. **The total shareholder return** (including the dividend of RON 0.031/share for the 2020 financial year and paid in 2021) **was 46%**.

OMV Petrom S.A. **market capitalization** at the end of 2021 was RON 28.3 bn or EUR 5.7 bn, accounting for around 13% of the total market capitalization of the companies listed on the BSE and for around 23% of the capitalization of the BET index (representing the 19 most liquid blue-chip stocks listed on the BSE).

OMV Petrom S.A. share symbols

ISIN	ROSNPPACNOR9
Bucharest Stock Exchange	SNP
Bloomberg	SNP RO
Reuters	ROSNP.BX

At a glance

	2021	2020	Δ (%)
Number of shares (mn)	56,644.1	56,644.1	0
Market capitalization (RON mn) ¹	28,265	20,590	37
Market capitalization (EUR mn) ¹	5,712	4,229	35
Year's high (RON)	0.5100	0.4500	13
Year's low (RON)	0.3695	0.2735	35
Year end (RON)	0.4990	0.3635	37
EPS (RON)	0.0506	0.0228	122
Dividend per share (RON)	0.034 ²	0.031	10
Dividend yield (%) ¹	6.8	8.5	(20)
Payout ratio (%) ³	67	136	(51)

¹ Calculated based on the closing share prices and RON/EUR exchange rates as of the last trading day of the respective year;

² Dividend subject to GMS approval on April 27, 2022;

³ Computed based on the Group's net profit attributable to stockholders of the parent.

Global Depository Receipts (GDR)

The **GDR price on the last trading day** in 2021 was USD 18.0, translating into a 38.5% yoy increase. In 2021, the GDR price ranged between a USD 18.0 **high** (first reached on November 10) and a USD 13.0 **low** (first reached on January 4).

In total, 95,026 GDRs were traded in 2021 (2020: 4,454), while the **daily average number of GDRs** was 373 (2020: 17).

The **highest monthly trading volume and value** were reached in April (65,300 GDRs worth of USD 1.1 mn), while the lowest July and December (no trades). **The total value of GDRs traded** in 2021 was USD 1.55 mn (2020: USD 0.06 mn).

2,850 GDRs were issued in April, 480 in May and 5,106 in November. 6,000 GDRs were cancelled in January 2021, 4,853 in April, 57,700 in May and 10,000 in August. The

number of GDRs outstanding at the end of each month ranged between 175,611 (in January) and **111,494 (in December)**. The latter figure represents 4.5% of the GDRs issued in the October 2016 Secondary Public Offering and 0.14% of the free float as of end-2021.

In 2021, indices on the European and US exchanges recovered from the very depressed 2020 levels caused by the COVID-19 pandemic. Some reached record levels towards the end of the year, as markets grew increasingly optimistic that the widespread vaccinations against COVID-19 would lead to a return to normal life and thus boost the economic recovery. Oil and gas - specific indices marginally underperformed, as the outlook for oil demand recovery remained uncertain with the various virus variants. DAX index increased by 15.8% yoy, FTSE 100 increased by 14.6% yoy, STOXX Europe 600 increased by 22.5% yoy, STOXX Europe 600/Oil & Gas closed 17.5% higher yoy, while Dow Jones Industrial average increased by 18.9% yoy.

OMV Petrom S.A. GDR symbols

London Stock Exchange Regulation S	PETB
ISIN Regulation S GDR	US67102R3049
London Stock Exchange Rule 144A	PETR
ISIN Rule 144A GDR	US67102R2058

Own shares

At the end of 2021, OMV Petrom S.A. held a total number of 204,776 own shares, representing 0.0004% of issued share capital. In 2021, OMV Petrom did not buy back or cancel any Treasury shares.

Investor Relations activities

During 2021, the company's top management and the Investor Relations (IR) team had an active presence on the local and foreign capital markets, by attending conferences and organizing calls for analysts and investors. In the

context of the pandemic, the interactions took place only online. Such interactions provided the opportunity to regularly update investors and analysts on the company's response to challenges posed by energy prices volatility, and by Europe's Fit for 55 package as well as on the quarterly operational and financial performance.

In 2021, we attended 13 events and we virtually met around 80 investment funds from all over the world. With the occasion of our Strategy 2030 release in December 2021, we organized a Capital Markets Day, as well as a non-deal road show, during which we had a total of 22 one-on-one and group meetings with investors. In total we met 49 investment funds from 16 countries: 10 from Romania, 9 from UK, 7 from France, 6 from US, 3 from Germany, 2 from Estonia, 2 from Check Republic, 2 from Poland and one from each of the following countries: Japan, Singapore, Sweden, Austria, Denmark, Belgium, Hungary and Bulgaria.

In 2021 we also attended ten investor conferences organized by brokers (of which six at IR level only).

During 2021, the number of interactions with focus on ESG (Environmental, Social and Governance) topics increased. More specifically, we received questions around the impact of Europe's Fit for 55 package on our sustainability strategy, capital expenditure plans, long term business viability in the context of increased European push for less use of fossil fuels.

The main tool via which we update capital markets is the quarterly reporting package, which provides a comprehensive resource for analysts and investors. The package includes, among others, **Trading Update of Key Performance Indicators (KPIs)** to provide early guidance on OMV Petrom's key trends for the quarter. OMV Petrom continued publishing a **Factsheet** as well as the **Questions and Answers** document of the quarterly conference calls on its corporate website: www.omvpetrom.com.

In the interest of transparency and timeliness, all company reports, releases, and important information for shareholders, analysts, and investors are promptly disseminated on the BSE and LSE websites and also posted in the Investors section on the company's website.

Analyst coverage of OMV Petrom shares

At the end of 2021, **OMV Petrom stock was covered by ten analysts** (2020: nine), of whom nine (or 90%) had "Buy" or equivalent ratings (end of 2020: 89%) and one (or 10%) had a "Hold" or equivalent rating (end-2020: 11%). Same as at end of 2020, no analyst had a Sell rating. **The average target price (TP)** according to analyst consensus estimates was RON 0.544 (translating into a 9.0% upside potential compared to the share price of RON 0.4990 on the last day of trading in the year). This compares to an average TP of RON 0.403 as at end-2020.

Dividends

The Supervisory Board has approved the Executive Board's proposal to the Ordinary GMS to distribute a gross dividend per share of RON 0.0341 for the year 2021, which is in line with the current dividend policy. This translates into a total cash outflow of RON 1,932 mn, a payout ratio of 67% of the Group's 2021 net profit attributable to stockholders of the parent (2020: 136%), or 41% of the Group's 2021 free cash flow (2020: 73%). The 2021 dividend proposal is subject to the approval of the forthcoming Ordinary GMS on April 27, 2022.

3.2. Description of the company's dividend policy for the last 3 years

OMV Petrom S.A. (the Company) is committed to deliver a competitive shareholder return throughout the business cycle, including paying a progressive dividend, in line with the financial performance and investment needs, considering the long term financial health of the Company.

On December 7, 2021, the Company made a stronger commitment to increase its base dividend per share by 5% - 10% per annum on average by 2030.

In a favorable market environment and at management discretion, special dividends may also be distributed, provided that the Company's investment plans are funded.

Related to year	2021	2020	2019
Dividends allocated, RON mn	1,931.56 ¹	1,755.96	1,755.96

¹Subject to GMS approval.

On March 17, 2020, the Supervisory Board approved the Executive Board's proposal to distribute dividends of

RON 0.031 per share, resulting in a payout ratio of 48%, based on the Group's 2019 net profit attributable to

stockholders of the parent. The dividend proposal was approved by the Ordinary General Meeting of Shareholders, on April 27, 2020. The payment of the dividends started on June 5, 2020.

On March 17, 2021, the Supervisory Board approved the Executive Board's proposal to distribute dividends of RON 0.031 per share, resulting in a payout ratio of 136%, based on the Group's 2020 net profit attributable to stockholders of the parent. The dividend proposal was approved by the Ordinary General Meeting of Shareholders, on April 27, 2021. The payment of the dividends started on June 7, 2021.

On March 17, 2022, the Supervisory Board approved the Executive Board's proposal to distribute dividends of RON 0.0341 per share, resulting in a payout ratio of 67%, based on the Group's 2021 net profit attributable to stockholders of the parent. The dividend proposal is subject to approval by the Ordinary General Meeting of Shareholders, on April 27, 2022.

3.3. Description of any activity involving the company's purchasing its own shares

As at year-end 2021, OMV Petrom held a total of 204,776 own shares, representing 0.0004% of issued share capital.

In 2021 OMV Petrom did not buy back or cancel any of its own shares.

3.4. Where the company owns subsidiaries, mention of the number and the nominal value of the shares issued by the parent company and held by the branches

OMV Petrom has subsidiaries, but none of them owns shares issued by the parent Company.

3.5. Where the company has issued bonds and /or other debt securities, presentation of the way in which the company fulfilled its obligations towards the holders of such securities

Not applicable.

4. Corporate governance report

The Company has always conferred great importance upon the principles of good corporate governance, considering corporate governance a key element underpinning the sustainable growth of the business and also the enhancement of long-term value for shareholders.

To remain competitive in a changing environment, OMV Petrom constantly develops and updates its corporate governance practices, so that it can meet new demands and future opportunities.

Since 2007, the Company has been governed in a two-tier system in which the Executive Board manages the daily business and operations of the Company, whereas the Supervisory Board monitors, supervises and controls the activity of the Executive Board. The powers and duties of the above-mentioned bodies are stated in the Company's Articles of Association, available on the Company's website (www.omvpetrom.com), in the relevant internal regulations and are briefly detailed herein.

The Company is managed in an atmosphere of openness between the Executive Board and Supervisory Board, as well as within each of these corporate bodies. A transparent decision-making process, relying on clear and objective rules, enhances shareholders' confidence in the Company and its management. It also contributes to the protection of shareholders' rights, improving the overall performance of the Company and providing better access to capital and risk mitigation.

The members of the Executive Board and Supervisory Board have always paid due attention to their duty of care and loyalty. Hence, the Executive Board and Supervisory Board have passed their resolutions as required for the welfare of the Company, primarily in consideration of the interests of shareholders and employees.

Bucharest Stock Exchange Corporate Governance Code

The Company first adhered to the Corporate Governance Code issued by the Bucharest Stock Exchange in 2010 and has continued to apply its principles, ever since then.

OMV Petrom complies with almost all of the provisions set forth in the Corporate Governance Code of the Bucharest Stock Exchange of 2016. More details on the Company's compliance status with the principles and recommendations stipulated under the Corporate

Governance Code issued by the Bucharest Stock Exchange are presented in the corporate governance statement, which is a part of this Annual Report.

General Meeting of Shareholders (GMS)

GMS organization

The GMS is the highest deliberation and decision forum of a company. The main rules and procedures of the GMS are laid down in the Company's Articles of Association and in the Rules and Procedures of the GMS, both published on the Company's corporate website, as well as in the relevant GMS convening notice.

The GMS is convened by the Executive Board whenever this is necessary. In exceptional cases, when the Company's interest requires it, the Supervisory Board may also convene the GMS. At least 30 days before the GMS, the convening notice is published in the Official Gazette and in one widely-distributed newspaper in Romania and disseminated to the Financial Supervisory Authority and Bucharest and London Stock Exchanges. At the same time, the convening notice is also made available on the Company's website, together with all explanatory and supporting documents related to items included on the relevant GMS agenda.

The GMS is usually chaired by the President of the Supervisory Board, who may designate another person to chair the meeting. The chairman of the GMS designates two or more technical secretaries to verify the fulfillment of the formalities required by law for carrying out the GMS and for drafting the minutes thereof.

At the first convening, the quorum requirements are met if the shareholders representing more than half of the share capital of the Company are present, with decisions being validly passed with the affirmative vote of shareholders representing the majority of share capital of the Company. The same rules apply both to the Ordinary and Extraordinary GMS. The Ordinary GMS held at the second convening may validly decide on the issues included on the agenda of the first scheduled meeting, irrespective of the number of attending shareholders, by the majority of the votes expressed in such a meeting. For the Extraordinary GMS held at the second convening, the quorum and majority requirements are the same as for the first convening. Where the mandatory legal provisions set out otherwise, the quorum and majority requirements shall be carried out in accordance with such legal provisions.

In observance of capital market regulations, the resolutions of the GMS are disseminated to the Bucharest and London Stock Exchanges and the Financial Supervisory Authority within 24 hours after the relevant event. The resolutions will also be published on the Company's website.

The Company actively promotes the participation of its shareholders in the GMS. The shareholders duly registered in the shareholders' register at the reference date may attend the GMS in person or by representation, based on a general or special proxy. Shareholders may also vote by correspondence, prior to the GMS. The Company makes available at the headquarters and/ or on the Company's website templates of such proxies and voting bulletins for votes by correspondence.

The shareholders of the Company, regardless of their participation held in the share capital, may raise questions in writing or verbally regarding the items on the agenda of the GMS. To protect the interests of our shareholders, the answers to the questions shall be provided by observing the regulations applicable to special regime information (e.g. classified information), including commercially sensitive information, for which disclosure could result in losses or a competitive disadvantage for the Company.

GMS main duties and powers

The main duties of the **Ordinary GMS** are:

- ▶ to discuss, approve or modify the annual financial statements;
- ▶ to distribute the profit and establish the dividends;
- ▶ to elect and revoke the members of the Supervisory Board and the financial auditor and set their remuneration;
- ▶ to assess the activity of the Executive Board members and of the Supervisory Board members, to evaluate their performance and to discharge them of their liability in accordance with the provisions of law;
- ▶ to approve the income and expenditure budget for the next financial year;
- ▶ to approve the remuneration policy for the Executive Board and Supervisory Board members and to give a consultative vote on the remuneration report for the Executive Board and Supervisory Board members.

The **Extraordinary GMS** is entitled to decide mainly upon:

- ▶ changing the corporate form or the business object of the Company;
- ▶ increasing or reducing the share capital of the Company;

- ▶ spin-offs or mergers with other companies;
- ▶ early dissolution of the Company;
- ▶ converting shares from one class into another;
- ▶ amendments to the Articles of Association.

Shareholders' rights

Rights of the Company's minority shareholders are adequately protected according to relevant legislation.

Shareholders have, among other rights provided under the Company's Articles of Association and the laws and regulations currently in force, the right to obtain information about the Company's activity, regarding the exercise of voting rights and the voting results in the GMS.

In addition, shareholders have the right to participate and vote in the GMS, as well as to receive dividends. OMV Petrom observes the one share, one vote, one dividend principle. There are no shares with multiple voting rights, preferential voting rights or maximum voting rights or other voting right restrictions such as non-voting shares without preference, priority shares, golden shares and other voting rights ceilings.

Moreover, shareholders have the right to challenge the decisions of GMS or withdraw from the Company and request the Company acquire their shares, in certain conditions mentioned by the law. Likewise, as per the applicable legislation, one or more shareholders holding, individually or jointly, at least 5% of the share capital, may request the calling of a GMS. Such shareholders also have the right to add new items to the agenda of a GMS, provided such proposals are accompanied by a justification or a draft resolution proposed for approval and copies of the identification documents of the shareholders who make the proposals.

Rights of GDR holders

As endorsed on each GDR certificate, GDR holders have the rights set out in the terms and conditions of the GDRs. These include the right to:

- ▶ withdraw the deposited shares;
- ▶ receive payment in US dollars from the GDR depositary of an amount equal to cash dividends or other cash distributions received by the GDR depositary from the Company in respect of the deposited shares, net of any applicable fees, charges and expenses of the depositary and any taxes withheld;
- ▶ receive from the GDR depositary additional GDRs representing additional shares received by the GDR depositary from the Company by way of free

distribution (or if the issue of additional GDRs is deemed by the GDR depository not to be reasonably practicable or to be unlawful, the net proceeds in US dollars of the sale of such additional shares);

- ▶ request the GDR depository to exercise subscription or similar rights made available by the Company to shareholders (or if such process is deemed by the GDR depository not to be lawful and reasonably practicable, the right to receive the net proceeds in US dollars of the sale of the relevant rights or the sale of the assets resulting from the exercise of such rights);
- ▶ instruct the GDR depository regarding the exercise of any voting rights notified by the Company to the GDR depository subject to certain conditions;
- ▶ receive from the GDR depository copies received by the GDR depository of notices provided by the Company to shareholders or other material information.

Supervisory Board

Supervisory Board members

The Supervisory Board consists of nine members who were appointed by the Ordinary GMS, in accordance with the provisions of Company Law and the Articles of Association. The Supervisory Board's current mandate started on April 28, 2021 and expires on April 28, 2025.

At the beginning of 2021, the Supervisory Board consisted of the following members: Rainer Seele (President), Reinhard Florey (Deputy President), Thomas Gangl, Johann Pleininger, Daniel Turnheim, Jochen Weise, Niculae Havrileț, Radu-Spiridon Cojocaru and Joseph Bernhard Mark Mobius.

Following the expiry of the mandate of the Supervisory Board, the Ordinary GMS held on April 27, 2021 resolved upon the appointment of the new membership of the Supervisory Board for a four year mandate effective as of April 28, 2021, consisting of the following: Rainer Seele (President), Johann Pleininger (Deputy President), Elena Skvortsova, Daniel Turnheim, Wolfram Krenn, Jochen Weise, Niculae Havrileț, Răzvan Eugen Nicolescu and Marius Ștefan.

During 2021, there were two changes in the membership of the Supervisory Board. Thus, following Wolfram Krenn's waiver of his mandate as member of the Supervisory Board, Martijn van Koten was appointed as interim member of the Supervisory Board, as of August 1, 2021 and until the next GMS. Also, the Supervisory Board approved the appointment of Alfred Stern as

interim member and President of the Supervisory Board as of September 1, 2021 and until the next GMS following Rainer Seele's waiver of his mandate.

Therefore, at the end of 2021, as well as at the date of this report, the Supervisory Board had the following composition: Alfred Stern (President), Johann Pleininger (Deputy President), Elena Skvortsova, Daniel Turnheim, Martijn van Koten, Jochen Weise, Niculae Havrileț, Răzvan Eugen Nicolescu and Marius Ștefan.

The CVs of the current Supervisory Board members are available on the Company's corporate website and short presentations are included in the Corporate Governance Report.

Main duties and powers of the Supervisory Board

The Supervisory Board has the following main powers:

- ▶ to exercise control over the management of the Company by the Executive Board;
- ▶ to appoint and revoke the members of the Executive Board;
- ▶ to submit to the GMS a report concerning the supervision activity undertaken;
- ▶ to verify the reports of the members of the Executive Board;
- ▶ to verify the Company's annual separate and consolidated financial statements;
- ▶ to propose to the GMS the appointment and the revocation of the independent financial auditor, as well as the minimum term of the audit contract.

Details on the Supervisory Board works and activities in 2021, as well as the results of the Supervisory Board self-evaluation are included in the Supervisory Board Report.

Supervisory Board functioning

The responsibilities of the members of the Supervisory Board, as well as the working procedures and the approach to conflicts of interest are governed by relevant internal regulations.

The Supervisory Board meets whenever necessary, but at least once every three months. The Supervisory Board may hold meetings in person or by telephone or video conference. At least five of the Supervisory Board members must be present for resolutions to be validly passed. The decisions of the Supervisory Board shall be validly passed by the affirmative vote of the majority of the members present or represented at such Supervisory Board meeting. In the event of parity of votes, the President of the Supervisory Board or the person empowered by him/her to chair the meeting shall have a

casting vote. In urgent cases, the Supervisory Board may take decisions by circulation, without an actual meeting being held, by the majority of votes. The President shall decide on whether issues are of an urgent nature.

Special committees

The Supervisory Board may assign particular issues to certain Supervisory Board members, acting individually or as part of special committees, and may also refer to experts to analyze certain issues. The task of the committees is to issue recommendations for preparing resolutions to be passed by the Supervisory Board itself, without preventing the entire Supervisory Board from dealing with matters assigned to the committees. The special committees established at the level of the Supervisory Board are the Audit Committee and the Presidential and Nomination Committee.

Audit Committee

The Audit Committee is currently composed of five members appointed by decision of the Supervisory Board from among its members.

During 2021, there were some changes in the membership of the Audit Committee.

At the beginning of 2021, the Audit Committee was made of four members, namely: Jochen Weise (President – independent), Reinhard Florey (Deputy President), Niculae Havrileț (member) and Radu-Spiridon Cojocar (member – independent).

Following the approval by the Ordinary GMS of the new mandate of the Supervisory Board, a new composition of the Audit Committee, made of five members, was also approved with effect starting on April 28, 2021 and until the expiration of the current mandate of the Supervisory Board, respectively April 28, 2025, as follows: Jochen Weise (President – independent), Daniel Turnheim (Deputy President), Niculae Havrileț (member), Răzvan Eugen Nicolescu (member – independent) and Marius Ștefan (member – independent). There were no other changes as regards the members of the Audit Committee during 2021.

Therefore, at the end of 2021 as well as at the date of this report, the Audit Committee has the same composition as detailed above.

The Audit Committee's members have adequate qualifications relevant to the functions and responsibilities of the Audit Committee. In addition, three members have also financial, auditing or accounting expertise.

Main duties and powers of the Audit Committee

The main duties and powers of the Audit Committee according to the Audit Committee's Terms of Reference focus on four main areas:

- ▶ Financial reporting – to examine and review the annual financial statements of the Company and the proposal for the distribution of the profits before their submission to the Supervisory Board and subsequently to the GMS for approval; to oversee and approve the nature and level of non-audit services provided by the independent financial auditor to the Company, as well as the issuance of regulations/guidelines with regards to such services;
- ▶ External audit – to consider and make recommendations to the Supervisory Board on the appointment, re-appointment and removal of independent financial auditors, subject to approval by the shareholders;
- ▶ Internal audit, internal controls and risk management – to undertake an annual assessment of the system of internal control;
- ▶ Compliance, conduct and conflicts of interest – to review conflicts of interests in transactions of the Company and its subsidiaries with related parties and examine and review, before their submission to the Supervisory Board for approval, related party transactions that exceed or may be expected to exceed 5% of the Company's net assets with the observance of the legal provisions in place.

Details on the Audit Committee works and activities in 2021 are included in the Supervisory Board Report.

Audit Committee functioning

The working procedures of the Audit Committee are stated in the Audit Committee's Terms of Reference.

The Audit Committee meets on a regular basis, at least three times per year, and on an extraordinary basis if required. The Audit Committee's meetings are chaired by the President or, in his/her absence, by the Deputy or by another member, by virtue of a mandate from the President.

The decisions of the Audit Committee shall be taken by unanimous consensus of all members of the Audit Committee. In case unanimous consensus cannot be reached with respect to a specific item on the agenda, that item will be resolved upon by the Supervisory Board without the consultative opinion of the Audit Committee.

In urgent cases, the Audit Committee may take decisions also by circulation, without an actual meeting being held,

with the unanimous consensus of all members of the Audit Committee. The President shall decide on whether issues are of an urgent nature.

Presidential and Nomination Committee

The Presidential and Nomination Committee is composed of four members appointed by the Supervisory Board among its members.

During 2021, there were some changes in the membership of the Presidential and Nomination Committee.

At the beginning of 2021, the Presidential and Nomination Committee was composed of: Rainer Seele (President), Johann Pleininger (Deputy President), Joseph Bernhard Mark Mobius (member – independent) and Niculae Havrileț (member).

Following the approval by the Ordinary GMS of the new mandate of the Supervisory Board, a new composition of the Presidential and Nomination Committee was approved, with effect starting on April 28, 2021 and until the expiration of the current mandate of the Supervisory Board, respectively April 28, 2025, as follows: Rainer Seele (President), Johann Pleininger (Deputy President), Răzvan-Eugen Nicolescu (member – independent) and Marius Ștefan (member – independent). Moreover, following Rainer Seele's waiver of his mandate as member of the Supervisory Board and of the Presidential and Nomination Committee, Alfred Stern was appointed member and President of the Presidential and Nomination Committee as of September 1, 2021.

Therefore, at the end of 2021 as well as at the date of this report, following these changes in the Supervisory Board membership, the Presidential and Nomination Committee has the following composition: Alfred Stern (President), Johann Pleininger (Deputy President), Răzvan-Eugen Nicolescu (member – independent) and Marius Ștefan (member – independent).

Main duties and powers of the Presidential and Nomination Committee

The main role of the Presidential and Nomination Committee is to be involved in the succession planning for the Executive Board, having full responsibility on the selection process of candidates for appointment in the Executive Board. In addition, the Presidential and Nomination Committee:

- ▶ has the right to make recommendations concerning the proposal of candidates for appointment in the Supervisory Board;
- ▶ is in charge with the preparation of the remuneration policy and the remuneration report for the Executive Board and Supervisory Board members;
- ▶ deals with and decides on matters concerning the remuneration of the Executive Board members and the content of mandate contracts with Executive Board members;
- ▶ carries out the Supervisory Board self-evaluation and the assessment of independency of Supervisory Board members, under the leadership of the President of the Presidential and Nomination Committee.

Presidential and Nomination Committee functioning

The Presidential and Nomination Committee meets on a regular basis, at least once per year, and on an extraordinary basis if required. The Presidential and Nomination Committee's meetings are chaired by the President or, in his/her absence, by the Deputy or by another member, by virtue of a mandate from the President.

The decisions of the Presidential and Nomination Committee shall be validly passed by the affirmative vote of the majority of the members present or represented at the meeting. In the event of parity of votes, the President or the person empowered by him/her to chair the meeting shall have a casting vote. However, the President shall endeavor to achieve that, to the extent possible, resolutions are passed with a consensus among its members.

In urgent cases, the Presidential and Nomination Committee may take decisions also by circular resolution, without an actual meeting being held, by the majority of votes. The President shall decide on whether issues are of an urgent nature.

Executive Board

Executive Board members

The Executive Board of the Company comprises five members, appointed by the Supervisory Board for a mandate of four years ending on April 17, 2023.

During 2021, there were no changes in the membership of the Executive Board.

Main duties and powers of the Executive Board

The main powers of the Executive Board, performed under the supervision and control of the Supervisory Board, are:

- ▶ to establish the strategy and policies regarding the development of the Company, including the organizational structure of the Company and the operational divisions;
- ▶ to submit annually for the approval of the GMS, within four months after the end of the financial year, the report regarding the business activity of the Company, the financial statements for the previous year, as well as the business activity and budget projects of the Company for the current year;
- ▶ to conclude legal acts on behalf of and for the account of the Company, with observance of matters reserved to the GMS or to the Supervisory Board;
- ▶ to hire and dismiss, and to establish the duties and responsibilities of the Company's personnel, in line with the Company's overall personnel policy;
- ▶ to undertake all the measures necessary and useful for the management of the Company, implied by the daily management of each division or delegated by the GMS or by the Supervisory Board, with the exception of those reserved to the GMS or to the Supervisory Board through operation of law or of the Articles of Association;
- ▶ to exercise any competence delegated by the Extraordinary GMS.

The Executive Board reports to the Supervisory Board on a regular basis on all relevant issues concerning the course of business and its operations, strategy implementation, the risk profile and risk management of the Company.

Moreover, the Executive Board ensures that the provisions of the relevant capital markets legislation are complied with and implemented by the Company. Likewise, the Executive Board ensures the implementation and operation of accounting, risk management and internal controlling systems which meet the requirements of the Company.

The members of the Executive Board have the duty to disclose immediately to the Supervisory Board any material personal interests they may have in transactions of the Company as well as all other conflicts of interest. Furthermore, they have the duty to notify other Executive Board colleagues of such interests forthwith.

All business transactions between the Company and the members of the Executive Board as well as persons or

companies closely related to them must be in accordance with normal business standards and applicable corporate regulation. Such business transactions as well as their terms and conditions require the prior approval of the Supervisory Board.

Executive Board functioning

The responsibilities of the Executive Board members, as well as the working procedures and the approach to conflicts of interest are governed by the relevant internal regulations.

The Executive Board may hold meetings in person or by telephone or video conference. The meetings of the Executive Board are held regularly (at least once every two weeks, but usually every week) and whenever necessary for the operative management of the Company's daily business.

The Executive Board shall have a quorum if all members were invited and if at least three members are personally present. The Executive Board shall pass its resolutions by simple majority of the votes cast. In the event of a tie, the President shall have a casting vote. However, the President shall endeavor in her/his best efforts to achieve that, to the extent possible, resolutions are passed unanimously.

Should the nature of the situation requires it, the Executive Board can pass a resolution by circulation based on the written unanimous agreement, without an actual meeting being held. The President shall assess whether such a procedure is called for. Such a procedure may not be used for resolutions pertaining to the annual financial statements of the Company or its registered share capital.

In 2021, the Executive Board met 49 times, either in person or by video conference and passed resolutions by circulation on 4 other occasions in order to approve all matters requiring its approval in accordance with the Articles of Association and the Company's internal regulations, as well as to allow the members of the Executive Board to discuss all significant matters concerning the Company and to inform each other about all relevant issues of their activity.

Diversity and employee development

OMV Petrom embedded a diversity strategy, which is in line with the OMV Group Diversity Strategy, focusing on gender equality and internationality. Diversity is a powerful advantage that helps us creating diversity-based business value. That is why we have established one

important measurable target-gender equality within our Sustainability Strategy 2025. Also, diversity focus is one of the key pillars of our People Strategy defined under the Leadership strategic priority as “Inspiring leaders – building high performing diverse teams”. For 2022, we plan to continue our current programs related to Diversity, Equity and Inclusion, and to develop new action plans based on the OMV Petrom specific results and answers received from Diversity, Equity and Inclusion Quick Poll initiated in 2021. Moreover, during 2022, we will launch the Group Diversity, Equity and Inclusion Strategy for 2030.

In our company, are currently working together four generations of people with different nationalities: Baby Boomers, Generation X, Millennials and Generation Z. We consider this a wealth of diversity and experience we may rely on and, at the same time, we have to nurture it through continuously aligning the organization on purpose, embracing flexibility and promoting diversity intelligence.

OMV Petrom is an associate and subscriber of Diversity Charter in Romania since 2017.

The Diversity Charter is one of the most efficient recognition tools that helps enhancing the diversity and equality of chances through a series of general principles that are voluntarily adhered to by all its subscribers, with the scope of promoting diversity, non-discrimination, inclusion and the equality of chances at the working place.

OMV Petrom is focused on providing knowledge transfer programs and building a robust talent pipeline through cooperation with key universities.

In addition, we aim to have a contribution to the Romanian society by investing in students and young professionals through complex internship and scholarship programs. **OMV Petrom Excellence Scholarship** is a scholarship program and it offers students the opportunity to focus on studies and link between theory and practice. In 2021, 67 students from targeted universities were awarded scholarships.

Our priority is to offer to our employees learning and development opportunities that help us to perform for today, learn for tomorrow and create the energy for a better life. Thus, we want all of our employees to perceive OMV Petrom as a place to learn, grow, connect and collaborate – a great place to work.

We are dedicated to developing our employees’ capabilities. For this, we offer both development opportunities through various learning activities and programs and participation in interdisciplinary and cross functions and countries projects as part of OMV Group.

For the development of our employees, we use a 70-20-10 learning approach, where we largely build on internal knowledge and consider hands-on experiences as the most beneficial way to learn and develop:

- ▶ 70% Learning on the job
- ▶ 20% Learning from others
- ▶ 10% Learning from training.

Women’s advancement

The Company supports gender diversity and promotion of women in management positions although acknowledges the gender gap in the oil and gas industry.

OMV Petrom strives for diverse teams and specifically, at management level, aims to increase female representation in Senior Leadership roles to 30% by 2025. The Company supports this through a number of initiatives such as mentoring, succession planning, and specific programs. Some of the initiatives focused on diversity, equity and inclusion implemented in 2021 are: SHEnergy – Group level program supporting female leadership skills, Diversity & Inclusion Week 2021, #TheManyFacetsOfYou - blog articles campaign to celebrate Diversity and promote Inclusion, Diversity and Inclusion Talks, "Inspired by Diversity" Podcast, and also a diversity, equity and inclusion Quick Poll that offered our employees the opportunity to express their views regarding these topics.

At the end of 2021 and at the date of this report, there were three women in OMV Petrom’s management bodies: Christina Verchere, the CEO and President of the Executive Board, Alina Gabriela Popa, CFO and member of the Executive Board and Elena Skvortsova, member of the Supervisory Board of OMV Petrom. Moreover, at the end of 2021, 29% of the first line directors reporting to the Executive Board were women, whilst the percentage of women at management levels was 30.6%. The proportion of women in the OMV Petrom Group as a whole was 27% at year-end.

OMV Petrom is committed to protecting the rights, opportunities of all employees, by promoting parity and eliminating gender bias, by offering learning opportunities in diversity and by making available to all employees an Ombudsman Department to which employees may raise

work related issues, including gender related, namely the PetrOmbudsman.

Principles of Remuneration Policy

OMV Petrom targets to occupy a strong market position with compensation levels designed to be competitive in the respective labour markets, ideally in reference to the oil and gas sector, in order to attract, motivate and retain the best qualified talents.

To maintain long-term competitiveness, OMV Petrom uses a variety of reward elements to strengthen its position as an attractive employer in the oil and gas industry. The overall remuneration structure is specifically set up to reflect the reward principles of the Company, while paying special attention to market conditions, transparency and internal fairness towards employees and other stakeholders within and outside the organization. OMV Petrom's remuneration principles are targeting more than just being compliant with the legislation. The Company places people at the core of its business, being one of the main pillars of the Company's success.

Starting 2021 financial year, OMV Petrom has a Remuneration Policy for the Executive Board and Supervisory Board in place. The Remuneration Policy was drafted by the Presidential and Nomination Committee, in close cooperation with independent consultants and was approved by the Supervisory Board and ultimately by the Ordinary GMS on 27 April 2021.

The Remuneration Policy is aligned with OMV Petrom's long-term strategy, current market practice, as well as OMV Petrom's shareholders' views and interests. It follows OMV Petrom's core principle of pay according to performance. The current Remuneration Policy is available on the corporate website www.omvpetrom.com in the About Us section, Corporate Governance sub-section.

On 27 April 2022, a revised Remuneration Policy for the 2022 financial year and onwards will be submitted for Ordinary GMS approval.

Remuneration of the Executive Board and Supervisory Board members

The implementation of the Remuneration Policy and the performance outcomes for the financial year 2021 are presented in the 2021 Remuneration Report for OMV Petrom's Executive Board and Supervisory Board, that

will be submitted for consultative vote in the Ordinary GMS on 27 April 2022.

Remuneration of other staff

The employees of OMV Petrom are employed under local Romanian terms and conditions and the salaries are set in RON currency. The employment contracts are concluded with OMV Petrom and governed by the Romanian law. Reflecting additional responsibilities in other OMV Petrom Group companies, there are employees with an additional part time employment contract with other entities within OMV Petrom Group.

The remuneration of OMV Petrom employees is at competitive levels for the relevant oil and gas industry and includes: (i) a fixed base remuneration, paid monthly as a net salary determined by applying to the base gross salary the income tax quotas and social contributions, (ii) other fixed payments, such as fixed bonuses and special allowances according to the Collective Labour Agreement, (iii) other statutory and non-statutory benefits, such as private insurance, holiday indemnity / special days off and, depending on the assigned position, a company car, car compensation fee, commuting and transportation support and (iv) short-term (discretionary and / or annual) performance-related bonuses. The measures / key performance indicators used are based on financial and non-financial metrics.

All amounts are subject to a 20% indemnity allowance, applicable to all working agreements, as a temporary measure, in order to compensate the transfer of the social security contributions from the employer to the employee based on the fiscal changes introduced by OUG no. 79/2017.

Internal control

The Group has implemented an internal control system which includes activities aiming at preventing or detecting undesirable events and risks, such as fraud, errors, damages, non-compliance, unauthorized transactions and misstatements in the financial reporting.

OMV Petrom's internal control system covers all areas of Group operations with the following goals:

- ▶ Compliance with laws and internal regulations;
- ▶ Reliability of financial reporting (accuracy, completeness, and correct disclosure);
- ▶ Prevention and detection of fraud and error;
- ▶ Effective and efficient business operations.

OMV Petrom's internal control system framework consists of the following elements:

Element	Description
Internal control environment	The existence of a control environment forms the basis for an effective internal control system. Group-wide values and principles (e.g. business ethics) and organizational measures (e.g. clear assignment of responsibility and authority, signature rules, and segregation of duties) are defined and adhered to within this system.
Assessment of process and compliance risks	Generally, all business, management and support processes are completed within the scope of the internal control system. They are assessed to identify risky and critical activities, as well as process and compliance risk.
Risk mitigation via control activities	Control activities and measures (e.g. segregation of duties, checks, approvals, IT access rights) are defined, implemented and performed to mitigate significant process and compliance risks.
Documentation and information	Related duties include the documentation of main processes and procedures containing a description of key control activities performed.
Monitoring and audit	Management and the Internal Audit department evaluate the effective implementation of the internal control system.

OMV Petrom's successful management and operations mean creating value for all stakeholders and require systematically and transparently managing the Company while applying the best corporate governance principles. To attain this objective, OMV Petrom has implemented a rigorous Management System.

The Management System represents the set of policies, processes and regulations whose purpose is to manage and control the organization in order to achieve its objectives through optimized utilization of resources.

The Management System provides a structured framework of processes and regulations and describes what the company does, how it is organized, how it manages its business and who is responsible for what. It also ensures the continuous improvement of OMV Petrom's competitiveness by providing appropriate methods and tools.

The Internal Audit department assesses the effectiveness and efficiency of the organization's policies, procedures, and systems which are in place to ensure: proper identification and management of risks, reliability and integrity of information, compliance with laws and regulations, safeguarding of assets, economical and efficient use of resources and the accomplishment of established objectives and goals.

Internal Audit carries out regular audits of individual Group companies and informs the Audit Committee about the results of the audits performed.

The Group has an Accounting Manual that is implemented consistently in all Group companies to ensure the application of uniform accounting for the same business cases. The Group Accounting Manual is updated regularly, based on changes in International Financial Reporting Standards. Furthermore, the organization of the Accounting and Financial Reporting departments is set up to achieve a high-quality financial reporting process. Roles and responsibilities are specifically defined and a revision process – the “four-eye principle” – is applied to ensure the correctness and accuracy of the financial reporting process. The establishment of Group-wide standards for the preparation of annual and interim financial statements by means of the Group Accounting Manual is also regulated by an internal corporate regulation.

In accordance with Chapter 8 of the Ministry of Public Finance Order no. 2844/2016 for approval of Accounting Regulations according to International Financial Reporting Standards, transposing Chapter 10 of the Accounting Directive (2013/34/EU) of the European Parliament and of the Council, OMV Petrom management prepared a consolidated report on payments to governments for the year 2021. This report will be published together with the consolidated financial statements of OMV Petrom for the year ended December 31, 2021.

Subsequent events

Please refer to Note 38 in the Consolidated Financial Statements.

4.1. Presentation of the company's administrators and the following information for each administrator:

mandate between April 28, 2021 and until April 28, 2025, as follows:

a) CV (family name, first name, age, skills, professional expertise, position and length of employment)

As at January 1, 2021, the Supervisory Board of OMV Petrom consisted of nine members, elected for a four-year

Name	Age (years)	Position	Other information
Alfred Stern	57	President of the Supervisory Board As of 1 September 2021	Effective September 1, 2021, Alfred Stern is the new Chairman of the Executive Board and the CEO of OMV. Between April – August 2021, he has been OMV Executive Board Member for Chemicals & Materials. Alfred Stern has been the CEO of Borealis since 2018 and since 2012 a member of the Borealis Executive Board for Polyolefins and Innovation & Technology. Alfred Stern joined Borealis as Senior Vice President Innovation & Technology in 2008, coming from E.I. DuPont de Nemours where he held several leadership positions in the areas of research and development, sales and marketing, and quality and business management in Switzerland, Germany and the United States. In his last assignment, he was Global Business Manager of a business unit in Engineering Polymers in the United States. He holds a PhD in material science and a Master's Degree in polymer engineering and science, both from the University of Leoben in Austria. Alfred Stern has been awarded, among others, the H.F. Mark Medal, the DuPont Award for a new product patent and a Prize of Honour from the Austrian Ministry of Science and Research. Alfred Stern is an Austrian citizen, he is married and has two children.
Johann Pleininger	60	Member As of 10 August 2019 Deputy President As of 28 April 2021	Johann Pleininger studied mechanical and economic engineering and began his career at OMV in 1977. From 2007 to 2013 he was Executive Board member responsible for Exploration & Production at OMV Petrom. Afterwards, he has been the Senior Vice President responsible for the core Upstream countries Romania, Austria, as well as the development of the Black Sea Region. Since September 1, 2015 he has been a member of the OMV Executive Board and is responsible for Upstream (Exploration & Production). As of July 1, 2017 Mr. Pleininger was appointed also Deputy Chairman of the OMV Executive Board.
Elena Skvortsova	52	Member As of 28 April 2021	Elena Skvortsova studied at the Moscow Linguistics University in Russia and at the Thunderbird School of International Management in USA. She began her professional career at Bayer in 1994 as an international management trainee; her latest position at Bayer was Associate Director of Bayer Corporation (Healthcare). Starting 2001, Elena Skvortsova held various leadership positions at Baxter International for 13 years in the United States, Central and Eastern Europe, and the United Kingdom. In 2015, she moved to Linde AG and was responsible

Name	Age (years)	Position	Other information
Daniel Turnheim	47	Member As of 1 January 2017	for the management of the Middle East and Eastern Europe region. From March 2019 to April 2020, following the merger of Linde and Praxair, she headed Praxair Canada Inc., a 100% subsidiary of Linde plc. Elena Skvortsova is a member of the OMV Board of Directors since June 15, 2020 and is responsible for the OMV divisions Marketing & Trading.
Martijn van Koten	52	Member As of 1 August 2021	Martijn van Koten was born in the Netherlands, where he studied Chemical Engineering at Delft University of Technology. He began his professional career at Shell in 1994 taking on several management and technical positions in the refining and downstream business in the UK, Germany and the Netherlands. Starting 2004, Martijn van Koten assumed Manufacturing Site General Manager positions at Shell in Sweden and Singapore, before becoming Vice President Manufacturing East & Middle East in Singapore in 2009 and Vice President Supply & Distribution Americas in the United States in 2013. In 2013, Martijn van Koten joined Borealis as Executive Board Member Operations, HSE & PTS in Austria. From 2018 to June 2021, he was Borealis Executive Board Member Base Chemicals & Operations in Austria. Martijn van Koten is a member of the OMV Board of Directors since July 1, 2021 and responsible for the division Refining. He is married and has two daughters.
Niculae Havrileț	66	Member As of 3 March 2020	Niculae Havrileț graduated the Technical University Cluj Napoca, Faculty of Mechanical Engineering – Technologies. Niculae Havrileț has 40 years of experience in electricity field and natural gas, including over 25 years of experience in various leading positions. Moreover, Niculae Havrileț holds large experience in central public administration. From June 2012 to October 2017, he has been the President of the National Energy Regulatory Authority (ANRE), including member of the Regulatory Authorities Council within the Agency for the Cooperation of Energy Regulators (ACER) and member of the General Meeting of the Council of European Energy Regulators (CEER). From February 2018 to November 2019 he acted as a personal advisor to the Minister of Energy for issuing the National Energy Strategy for 2016-2030 up to 2050. Between 2019 to September 2021, Niculae Havrileț was state secretary within the Ministry of Economy. Starting September 2021, he is the General Manager of Distribuție Energie Electrică România S.A. In 2000, he has received the “Order of the Star of Romania” Knight.

Name	Age (years)	Position	Other information
Răzvan-Eugen Nicolescu	44	Member – independent ¹ As of 28 April 2021	Răzvan-Eugen Nicolescu graduated from the Power Engineering Faculty of Politehnica University of Bucharest. He also completed various economic studies, being a graduate of the MBA program of Solvay Brussels School - Economics and Management, as well as of an executive course on corporate governance at Harvard Business School. Răzvan-Eugen Nicolescu is a recognized specialist in the energy field, with a solid experience in both private and public sector. He has been Director for Regulatory and Public Affairs of OMV Petrom S.A. between 2008-2014, Chairman and Vice-chairman of the European Union Agency for the Cooperation of Energy Regulators (ACER) between 2010 - 2016, as well as Minister of Energy in Romania in 2014, without being a member of any political party. Between February 2015 - April 2021, Răzvan-Eugen Nicolescu has been Partner - Energy Resources and Sustainability Industry Leader of Deloitte Central Europe. Since May 2021 he has been member of the Governing Board of the EIT - European Institute for Innovation and Technology, being appointed by the European Commission.
Marius Ștefan	45	Member – independent ¹ As of 28 April 2021	Marius Ștefan graduated the Bucharest Academy of Economic Studies (ASE), the Faculty of International Business and Economics (REI), and has a master in Management at the National University of Political Studies and Public Administration (SNSPA), a master in Business Administration (MBA) in Strategy at Robert H. Smith School of Business at University of Maryland. He attended various executive education programs at Harvard Business School, Stanford GSB, London Business School, INSEAD and IMD. Marius Ștefan is the co-founder and the CEO of Autonom, the largest mobility network in Romania and he has been involved in the development of various local businesses. Marius Ștefan has over 25 years of experience in various leading positions and holds a large expertise in business and financial strategy. He is the Chairman of the Board of Directors of Endeavor Romania, the world's leading community of high-impact entrepreneurs, Vice Chairman of the Board of Romanian Business Leaders, and serves as a board member of various companies.
Jochen Weise	66	Member - independent ¹ As of 1 November 2016	Jochen Weise graduated in Law from Universities of Bochum and Bonn, Germany where he also received his PhD. He holds non-executive positions as a Supervisory Board member of the Verbundnetzgas AG in Leipzig, Germany, since December 2014 and as Senior Advisor Energy Infrastructure Investments at Allianz Capital Partners in London since November 2010. Previously, he was member of the Management Board, between April 2004 to August 2010, Executive Vice President Gas Supply & Trading, between January 2003 to March 2004, at E.ON Ruhrgas AG, and Director Commercial Sales at Deutsche Shell GmbH, between April 1998 - December 2001.

¹Independent member as per the criteria of the Bucharest Stock Exchange Corporate Governance Code, criteria which are substantially similar with those provided by the Company Law.

b) Any agreements, understanding or family connection between the respective administrators and another person who is responsible for appointing of the respective person in the position of Director.

OMV Petrom's governance follows a two-tier system, with the Executive Board ensuring the management of the Company under the control and supervision of the Supervisory Board.

The members of the Supervisory Board are not appointed by certain persons or certain shareholders. They are appointed by the Ordinary GMS based on shareholders' votes and in compliance with the statutory requirements

4.2. Executive Board

a) Terms of office for the person who is member of the executive management

The Executive Board's current mandate started in April 2019 and runs until April 2023. At January 1, 2021, OMV

Name	Position
Christina Verchere	Chief Executive Officer and President of the Executive Board
Alina-Gabriela Popa	Chief Financial Officer
Christopher Veit	Member of the Executive Board, responsible for Upstream
Radu-Sorin Căprău	Member of the Executive Board, responsible for Downstream Oil
Franck Albert Neel	Member of the Executive Board, responsible for Downstream Gas

b) Any agreement, understanding or family connection between Executive Board members and another person who is responsible for appointing him/her member of the executive management

Executive Board members are appointed by decision of the Supervisory Board. Apart from their management agreements concluded with the Company, Christina Verchere, Christopher Veit and Franck Albert Neel are also party to employment contracts with an OMV entity. The employment contracts are suspended for the duration of their mandate as members of the Executive Board of the Company.

c) The participation of the respective person at the share capital of the company

As part of the program of free distribution of shares to its employees, conducted by OMV Petrom in 2010, 100

relating to quorum and majority. Therefore, there are no such agreements and understandings to be disclosed herein.

c) The participation of the Supervisory Board members at the share capital of the company

Niculae Havrilet holds a number of 111,600 shares issued by OMV Petrom. OMV Petrom does not have knowledge of any other member of the Supervisory Board holding shares issued by the Company.

d) The list of related parties to the company

Please see Annex b).

Petrom's Executive Board is composed of the following members^{vii}:

shares were assigned to Alina-Gabriela Popa, the Chief Financial Officer of OMV Petrom.

4.3. The potential litigations and administrative procedures in which the persons presented under Sections 4.1 and 4.2 were involved over the last 5 years, concerning their activity or capacity to fulfill their duties within OMV Petrom

To the best of our knowledge, at the date of this report, during 2021, there is no ongoing litigation against the members of the Executive Board or Supervisory Board of the Company directly linked with their activity in the Company having a significant impact upon the price of the Company shares or the capacity to hold the position of members of such corporate bodies. However, members of the Executive Board and Supervisory Board might be involved in some court cases or preliminary procedures which do not fall under the aforementioned categories.

^{vii} Starting with January 1, 2022, OMV Petrom's business segments were renamed as follows: Upstream to Exploration & Production; Downstream Oil to Refining & Marketing, and Downstream Gas to Gas & Power.

5. Analysis of the Financial Position, Performance and Cash Flows of the Company

Financial highlights, RON mn	Year ended December 31		
	2021	2020	2019
Sales revenues	21,486	15,437	19,944
Operating Result	3,366	1,499	4,017
Net financial result	(259)	5	68
Net income	2,688	1,382	3,564
Non-current assets	32,415	34,353	34,726
Current assets (including assets held for sale)	16,463	12,377	11,665
Total equity	32,870	32,013	32,351
Non-current liabilities	7,277	8,552	7,879
Current liabilities (including liabilities associated with assets held for sale)	8,731	6,164	6,161
Cash and cash equivalents at the beginning of the year	7,305	6,795	4,901
Cash flow from operating activities	6,374	5,394	6,920
Cash flow from investing activities	(2,024)	(2,934)	(3,120)
Cash flow from financing activities	(1,612)	(1,946)	(1,908)
Effect of foreign exchange rate changes on cash and cash equivalents	10	(4)	1
Cash and cash equivalents at the end of the year	10,054	7,305	6,795

Ratios	Year ended December 31		
	2021	2020	2019
Liquidity ratios			
Current ratio	1.89	2.01	1.89
Acid test	1.68	1.74	1.58
Risk ratios			
Gearing ratio	n.m.	n.m.	n.m.
Indebtedness ratio	0%	0%	1%
Operational ratios			
Stock turnover – days	36	50	43
Receivables turnover – days	34	37	36
Tangible assets turnover	0.90	0.60	0.78
Total assets turnover	0.44	0.33	0.43
Profitability ratios			
Net profit margin	13%	9%	18%
Operating Result margin	16%	10%	20%
Operating Result before depreciation margin	31%	33%	37%
Return on fixed assets (ROFA)	12%	5%	14%
Return on equity (ROE)	8%	4%	11%

Please see Annex c) for definitions of the above ratios.

Compared to 2020, **sales revenues** increased in 2021 by 39% to RON 21,486 mn. Please see section 1.1.4 for a detailed breakdown of sales revenues and explanation of variance. OMV Petrom is an integrated oil and gas

company. As oil produced by the Upstream segment is processed at the Petrobrazi refinery, the Downstream Oil business segment represents the largest share of total sales to external customers: 69% or RON 14,750 mn

(2020: RON 9,505 mn). The Downstream Gas segment's contribution was RON 6,643 mn or approximately 31% of total sales, 7% below 2020 level.

Operating result for the year 2021 amounted to RON 3,366 mn, higher than RON 1,499 mn in 2020, being influenced mainly by the following most significant evolutions:

- ▶ **Sales revenues** increased by 39%;
- ▶ **Net income from consolidated subsidiaries and equity-accounted investments**, that comprise mainly dividends received by OMV Petrom S.A. from its subsidiaries and associates, decreased by RON 311 mn;
- ▶ **Other operating income** decreased by RON (235) mn, mainly due to the fact that 2020 includes revenues from sales of CO2 certificates in amount of RON 180.99 million;
- ▶ **Operating expenses** increased by 24%, mainly due to:
 - ▶ Purchases (net of inventory variation) and Production and operating expenses, which include variable and fixed production costs, as well as costs of goods and materials employed, increased by RON 2,938 mn, mainly as a result of higher cost with third party and equity crude processed and also higher cost of sales for traded goods;
 - ▶ Production and similar taxes increased with RON 1,125 mn mainly due higher Upstream specific taxation due to higher prices, partly offset by lower production volumes;
 - ▶ Depreciation, amortization, impairments and write-ups increased by 10%, mainly due to 2020 reversal of impairment for Brazi gas fired power plant which more than offset the lower net impairment of CGU's in Upstream and lower depreciation charges;
 - ▶ Exploration expenses decreased by RON 618 mn, triggered by a high base effect from write-off of exploration wells in 2020 as a result of revision of the mid-and long-term price assumptions.

The Company's **net financial result** decreased to a loss of RON (259) mn in 2021 from gain of RON 5 mn in 2020, mainly due to higher interest expenses in relation to the discounting of receivables and to the positive effect in 2020 from the recognition of an interest income from clearance of the arbitration proceedings initiated by OMV Aktiengesellschaft at the International Chamber of

Commerce Paris against the Romanian Ministry of Environment.

Net income increased to RON 2,688 mn in 2021 compared to RON 1,382 mn in 2020, due to the positive evolution of the Operating Result offsetting the negative evolution of the net financial result.

As a result of its business activities, OMV Petrom S.A. contributed RON 12,005 mn to the Romanian State budget. Out of this amount, direct taxes represented RON 2,501 mn and indirect taxes RON 9,141 mn. At OMV Petrom Group, contributions to the Romanian State were in amount of RON 12,332 mn (2020: RON 9,609 mn).

OMV Petrom S.A. contribution to the State budget via direct taxes was mainly represented by the profit tax that amounted to RON 403 mn, royalties that amounted to RON 903 mn, employer social contributions that amounted to RON 57 mn, tax on additional revenue from natural gas sales and on exploitation of mineral resources other than natural gas that amounted to RON 751 mn, tax on offshore additional revenues of RON 332 mn and the contribution in amount of RON 9 mn due to the Romanian Energy Regulatory Authority ("ANRE") for energy and gas licenses.

OMV Petrom S.A. contribution to the State budget via indirect taxes was mainly represented by excise (including custom excise) in amount of RON 6,084 mn, VAT (including custom VAT) in the amount of RON 2,455 mn and also employees' related taxes amounting to RON 575 mn.

Total assets amounted to RON 48,878 mn as of December 31, 2021, 5% higher compared to 2020, driven by higher current assets.

Non-current assets decreased by 6% to RON 32,415 mn, compared to the end of 2020 (RON 34,353 mn), mainly due to decrease in property, plant and equipment, as depreciation, net impairments and decrease in decommissioning asset following reassessment exceeded the additions during the period.

The ratio of intangible assets and property, plant and equipment to total assets amounted to 54% (2020: 61%).

Total current assets, including assets held for sale, increased by 33% to RON 16,463 mn compared to RON 12,377 mn at the end of 2020, mostly triggered by higher cash and cash equivalents, higher trade receivables following higher sales and by higher financial assets

mainly in relation to derivatives, partly offset by lower assets held for sale following the divestment of Kazakhstan subsidiaries and the transfer of 40 marginal onshore oil and gas fields.

In December 2020 OMV Petrom signed a transaction for the sale of its 100% shareholding in Kom-Munai LLP and Tasbulat Oil Corporation LLP in Kazakhstan to Magnetic Oil Limited, which led to the reclassification of the costs of investments, including loans granted to them to held for sale as of December 31, 2020. On May 14, 2021, OMV Petrom S.A. completed the sale.

Total equity increased to RON 32,870 mn as of December 31, 2021 compared to RON 32,013 mn as of December 31, 2020, as a result of the net profit generated in the current period partially offset by the distribution of dividends for the financial year 2020 in a gross amount of RON 1,756 mn (gross dividend per share of RON 0.031). The equity ratio slightly decreased to 67% as of December 31, 2021 (December 31, 2020: 69%).

Total liabilities increased by 9% to RON 16,008 mn as of December 31, 2021, as a consequence of an increase in current liabilities, partially offset by the decrease in non-current liabilities.

The decrease in **non-current liabilities** was mainly due to the reassessment of provisions for decommissioning and restoration obligations.

Provisions for decommissioning and restoration amounted to RON 6,234 mn as of December 31, 2021, both short and long term (December 31, 2020: RON 7,511 mn). Revisions in estimates for decommissioning and restoration provisions arise mainly from the yearly reassessment of the unit cost, revision of the estimated net discount rates, as well as the expected timing of the decommissioning and restoration.

The increase in **current liabilities**, excluding those associated with assets held for sale was largely due to higher financial liabilities mainly in relation to derivatives, higher Upstream specific tax liabilities and higher trade payables following higher acquisitions.

The annual stock count of assets, liabilities and equity was performed according to Romanian legislation (Order no. 2861/2009) and the results were recorded in the financial statements as at December 31, 2021.

Cash flow

Cash flow from operating activities increased as compared to 2020, due the higher operating result, partly offset by the unfavorable evolution in working capital. Cash outflows in 2021 consisted mainly in acquisition of tangible and intangible assets, payments of dividends, and working capital.

At the Annual General Meeting of Shareholders held on April 27, 2021, the shareholders of OMV Petrom S.A. approved the distribution of RON 0.031 gross dividend per share. The Company paid dividends in amount of RON 1,741 mn in 2021.

At the Annual General Meeting of Shareholders held on April 19, 2020, the shareholders of OMV Petrom S.A. approved the distribution of RON 0.031 gross dividends per share. The Company paid dividends in the amount of RON 1,740 mn in 2020.

Changes in consolidated OMV Petrom Group

Compared with the consolidated financial statements as of December 31, 2020, consolidated Group changed as follows:

On May 14, 2021, OMV Petrom S.A. completed the sale of its 100% owned subsidiaries in Kazakhstan, Tasbulat Oil Corporation LLP and Kom Munai LLP, to Magnetic Oil Limited. The subsidiaries were deconsolidated starting with the divestment date.

OMV Petrom Georgia LLC, a new subsidiary of OMV Petrom S.A. incorporated in Georgia, is fully consolidated in the group financial statements starting with Q3/21.

On December 15, 2021, OMV Petrom S.A. acquired the remaining 0.01% interest in the subsidiary OMV Petrom Gas S.R.L., reaching the ownership of 100% in this subsidiary.

The detailed structure of the consolidated companies in OMV Petrom Group at December 31, 2021 is presented in the section 7 of the current report.

More details related to the annual consolidated financial statements of the OMV Petrom Group that are public may be obtained from the company website at www.omvpetrom.com.

In accordance with Chapter 8 of the Annex 1 of Ministry of Public Finance Order no. 2844/2016 for approval of Accounting Regulations according to International Financial Reporting Standards, with all subsequent

modifications and clarifications, transposing Chapter 10 of the Accounting Directive (2013/34/EU) of the European Parliament and of the Council, the management prepared a report on payments to governments for the year 2021. This report will be published together with the financial statements of OMV Petrom S.A. for the year ended December 31, 2021.

Non-financial declaration

As per the legal requirements with reference to the disclosure of non-financial information, the Company prepares and publishes a separate Sustainability Report, which includes the information required for the non-financial declaration, describing our sustainability initiatives. OMV Petrom's Sustainability Report for 2021 will be published by May 31, 2022.

6. Corporate governance statement ^{viii}

Provisions of the Bucharest Stock Exchange Corporate Governance Code	Complies	Does not comply or partially complies	Comments
Section A - Responsibilities			
A.1. All companies should have internal regulation of the Board which includes the terms of reference/ responsibilities for the Board and key management functions of the company, applying, among others, the General Principles of this Section.	√		Since April 2007, OMV Petrom has been managed in a two-tier system by an Executive Board, which manages the daily business of the Company under the supervision of the Supervisory Board. The Company's corporate governance structure and principles, as well as the competences and responsibilities of the GMS, the Supervisory Board and the Executive Board are laid down in the Articles of Association, the Rules and Procedures of the GMS, the internal rules of the Supervisory Board and of the Executive Board, and in other relevant internal regulations. The main responsibilities of the Executive Board and Supervisory Board (including its committees), as well as of the GMS are also mentioned in the Annual Report and on the in the Company's website, About Us section, Corporate Governance sub-section.
A.2. Provisions for the management of conflict of interest should be included in Board regulation. In any event, members of the Board should notify the Board of any conflicts of interest which have arisen or may arise, and should refrain from taking part in the discussion (including by not being present where this does not render the meeting non-quotate) and from voting on the adoption of a resolution on the issue which gives rise to such conflict of interest.	√		The members of the Executive Board and the members of the Supervisory Board have, by law, a duty of care and a duty of loyalty to the Company, stated not only in the Company's Articles of Association, but also in other internal regulations. Moreover, the Company has in place internal rules on how to deal with conflicts of interest, when such situations occur, providing for immediate disclosure and refraining from debates/voting on that particular matter.
A.3. The Supervisory Board should have at least five members.	√		The Supervisory Board consists of nine members appointed by the Ordinary GMS, in accordance with the provisions of Company Law and the Company's Articles of Association.
A.4. The majority of the members of the Board should be non-executive. Not less than two non-executive members of the Board of Directors or Supervisory Board should be independent, in the	√		OMV Petrom's governance follows a two-tier system, with the Executive Board ensuring the management of the Company under the control and supervision of the Supervisory Board. The Supervisory Board comprises nine members who are all non-executives. Therefore,

^{viii} The statement summarises the main highlights of the Bucharest Stock Exchange Corporate Governance Code's provisions. For the full text of the Code please refer to Bucharest Stock Exchange website www.bvb.ro

Provisions of the Bucharest Stock Exchange Corporate Governance Code	Complies	Does not comply or partially complies	Comments
<p>case of Premium Tier Companies. Each member of the Supervisory Board should submit a declaration that he/she is independent at the moment of his/her nomination for election or re-election as well as when any change in his/her status arises, by demonstrating the ground on which he/she is considered independent in character and judgment.</p>			<p>the balance between executives and non-executives is ensured.</p> <p>Upon (re)appointing each Supervisory Board member, the Company conducts an independence evaluation based on the independence criteria provided by the Corporate Governance Code (which are substantially similar to those provided by the Company Law). The independence evaluation consists of an individual personal assessment carried out by the relevant Supervisory Board member and is then followed by an external assessment to confirm the independence resulted following such individual personal assessment, as the case may be.</p> <p>Moreover, for the purpose of preparing the Corporate Governance Report of the Annual Report, the Company reconfirmed with all Supervisory Board members their independent or non-independent status as of December 31, 2021.</p> <p>Following this evaluation, it resulted that at the date of this report, three Supervisory Board members meet all the independence criteria provided by the Corporate Governance Code. Information on the independence status of the members of the Supervisory Board is included on the Company's corporate website, within the About Us section, Supervisory Board sub-section, and in the Supervisory Board Report.</p>
<p>A.5. A Board member's other relatively permanent professional commitments and engagements, including executive and non-executive Board positions in companies and not-for-profit institutions, should be disclosed to shareholders and to potential investors before appointment and during his/her mandate.</p>	√		<p>Information on the Supervisory Board and Executive Board members' permanent professional commitments and engagements, including executive and non-executive positions in companies and not-for-profit institutions is included in the Supervisory Board and Executive Board members' CVs, available on the Company's corporate website, within the About Us section, Supervisory Board and Executive Board sub-sections.</p>
<p>A.6. Any member of the Board should submit to the Board information on any relationship with a shareholder who holds either directly or indirectly, shares representing more than 5% of all voting rights.</p>	√		<p>The members of the Executive Board and the members of the Supervisory Board have, by law, a duty of care and a duty of loyalty to the Company, stated not only in the Company's Articles of Association, but also in other internal regulations.</p> <p>The Company has put in place internal rules on how to deal with conflicts of interest.</p>
<p>A.7. The company should appoint a Board secretary responsible for supporting the work of the Board.</p>	√		<p>The Company has a General Secretary, who supports the works of both the Executive Board and Supervisory Board (including its committees).</p>
<p>A.8. The corporate governance statement should inform on whether an evaluation of the</p>	√		<p>Based on a Supervisory Board Self-Evaluation Guideline which provides the purpose, criteria, and frequency of such an evaluation, the Supervisory Board</p>

Provisions of the Bucharest Stock Exchange Corporate Governance Code	Complies	Does not comply or partially complies	Comments
Board has taken place under the leadership of the chairman or the nomination committee and, if it has, summarize key action points and changes resulting from it. The company should have a policy/guidance regarding the evaluation of the Board containing the purpose, criteria and frequency of the evaluation process.			undergoes a self-evaluation process on a yearly basis. The self-evaluation is conducted under the leadership of the President of the Presidential and Nomination Committee. The outcome of the Supervisory Board's self-evaluation for 2021 is presented in the Supervisory Board Report.
A.9. The corporate governance statement should contain information on the number of meetings of the Board and the committees during the past year, attendance by directors (in person and in absentia) and a report of the Board and committees on their activities.	√		The Company's Executive Board meetings are held regularly (at least once every two weeks, but usually every week), while the Supervisory Board meets whenever necessary, but at least once every three months. Details on the number of meetings and attendance at the meetings of the Executive Board and the Supervisory Board, including the Audit Committee and the Presidential and Nomination Committee, during 2021, are included in the Supervisory Board Report and the Corporate Governance Report. The reports of the Supervisory Board and Executive Board for 2021 are included in the Annual Report and submitted for Ordinary GMS's approval.
A.10. The corporate governance statement should contain information on the precise number of the independent members of the Board of Directors or of the Supervisory Board.	√		Following the independence evaluation of the Supervisory Board members, as per the independence criteria provided by the Corporate Governance Code (which are substantially similar with those provided by the Company Law), it resulted that, at the date of this report, three Supervisory Board members meet all the independence criteria stipulated by the Corporate Governance Code. Information on the independence status of the members of the Supervisory Board is included on the Company's corporate website, within the About Us section, Supervisory Board sub-section, and in the Supervisory Board Report.
A.11. The Board of Premium Tier companies should set up a nomination committee formed of non-executives, which will lead the process for Board appointments and make recommendations to the Board. The majority of the members of the nomination committee should be independent.		√	As stipulated in the Company's Articles of Association and applicable law, the Supervisory Board members are appointed by the Ordinary GMS, based on a transparent procedure of appointment and on the majority of votes of the shareholders. Prior to the Ordinary GMS, their CVs are made available for the consultation of the shareholders. The shareholders can supplement the candidates list for the position of member of the Supervisory Board. In accordance with the Company's Articles of Association, the Executive Board members are

Provisions of the Bucharest Stock Exchange Corporate Governance Code	Complies	Does not comply or partially complies	Comments
			<p>appointed by decision of the Supervisory Board based on the majority of votes. OMV Petrom’s Supervisory Board has set up a Presidential and Nomination Committee.</p> <p>The main role of the Presidential and Nomination Committee is to be involved in the succession planning for the Executive Board, having full responsibility on the selection process of candidates for appointment in the Executive Board. In addition, the Presidential and Nomination Committee has the right to make recommendations concerning the proposal of candidates for appointment in the Supervisory Board. The Presidential and Nomination Committee is composed of four members appointed from among its members. As members of the Supervisory Board, all members of the Presidential and Nomination Committee are therefore non-executives.</p> <p>At the date of this report, two members of the Presidential and Nomination Committee are independent and thus, the Company is only "partially compliant" with this provision, but a progress was registered as compared to 2020, when only one independent Supervisory Board member was in the Presidential and Nomination Committee.</p>
Section B - Risk management and internal control system			
<p>B.1. The Board should set up an audit committee, and at least one member should be an independent non-executive. The majority of members, including the chairman, should have proven an adequate qualification relevant to the functions and responsibilities of the committee. At least one member of the audit committee should have proven adequate auditing or accounting experience. In the case of Premium Tier companies, the audit committee should be composed of at least three members and the majority of the audit committee should be independent.</p>	√		<p>OMV Petrom’s Supervisory Board has set up an Audit Committee from among its members. The members of the Audit Committee are therefore all non-executives. As of 28 April 2021, the Audit Committee is composed of five Supervisory Board members, out of which three are independent. Therefore, at the date of this report, the Company is “compliant” with this provision. The Audit Committee includes members who have adequate qualifications relevant to the functions and responsibilities of the Audit Committee. In addition, three members have also financial, auditing or accounting.</p>
<p>B.2. The audit committee should be chaired by an independent non-executive member.</p>	√		<p>As members of the Supervisory Board, all members of the Audit Committee, including the president of the Audit Committee, are non-executives. Based on the independence evaluation, it resulted that at all times during 2021 as well as at the date of this</p>

Provisions of the Bucharest Stock Exchange Corporate Governance Code	Complies	Does not comply or partially complies	Comments
B.3. Among its responsibilities, the audit committee should undertake an annual assessment of the system of internal control.	√		report, the president of the Audit Committee meets all independence criteria provided by the Corporate Governance Code.
B.4. The assessment should consider the effectiveness and scope of the internal audit function, the adequacy of risk management and internal control reports to the audit committee of the Board, management's responsiveness and effectiveness in dealing with identified internal control failings or weaknesses and their submission of relevant reports to the Board.	√		<p>The main roles and functions of the Audit Committee, as detailed in the Terms of Reference for the Audit Committee, consist of the following:</p> <ul style="list-style-type: none"> ▶ examining and reviewing the annual separate and consolidated financial statements and the proposal for profit distribution; ▶ considering and making recommendations on the appointment, re-appointment or removal of the independent external financial auditor, which is to be elected by the Ordinary GMS; ▶ undertaking an annual assessment of the internal control system considering the effectiveness and scope of the internal audit function, the adequacy of risk management and internal control reports to the Audit Committee, the responsiveness and effectiveness of management to deal with identified internal control failings or weaknesses and their submission of relevant reports to the Supervisory Board; ▶ reviewing conflicts of interests in transactions of the Company and its subsidiaries with related parties; ▶ evaluating the efficiency of the internal control system and risk management system; ▶ monitoring the application of statutory and generally accepted standards of internal auditing; ▶ regularly receiving a summary of the main findings of the audit reports, as well as other information regarding the activities of the Internal Audit department and evaluating the reports of the internal audit team; ▶ examining and reviewing, before their submission to the Supervisory Board for approval, related party transactions that exceed or may be expected to exceed 5% of the Company's net assets, in accordance with Related Party Transactions Policy, and observing also the legal provisions in place; ▶ overseeing and approving the nature and level of non-audit services provided by the independent financial auditor to the Company, including by issuance of regulations/guidelines regarding such services.
B.5. The audit committee should review conflicts of interests in transactions of the company and its subsidiaries with related parties.	√		
B.6. The audit committee should evaluate the efficiency of the internal control system and risk management system.	√		
B.7. The audit committee should monitor the application of statutory and generally accepted standards of internal auditing. The audit committee should receive and evaluate the reports of the internal audit team.	√		
B.8. Whenever the Code mentions reviews or analyses to be exercised by the Audit Committee,	√		The Audit Committee submits periodic reports to the Supervisory Board on the specific subjects assigned to it.

Provisions of the Bucharest Stock Exchange Corporate Governance Code	Complies	Does not comply or partially complies	Comments
these should be followed by cyclical (at least annual), or ad-hoc reports to be submitted to the Board afterwards.			
B.9. No shareholder may be given undue preference over other shareholders with regard to transactions and agreements made by the company with shareholders and their related parties.	√		The Company applies equal treatment to all its shareholders. According to the internal Policy on Related Party Transactions in place within the Company, related party transactions are considered on their merits in accordance with the normal industry standards, applicable laws and corporate regulations.
B.10. The Board should adopt a policy ensuring that any transaction of the company with any of the companies with which it has close relations, that is equal to or more than 5% of the net assets of the company (as stated in the latest financial report), should be approved by the Board following an obligatory opinion of the audit committee and fairly disclosed to the shareholders and potential investors, to the extent that such transactions fall under the category of events subject to disclosure requirements.	√		The Company adopted an internal Policy on Related Party Transactions providing for the main principles of review, approval and disclosure of related party transactions, according to the legal provisions in place and the Company's statutory documents, including the fact that related party transactions that exceed or may be expected to exceed, either individually or jointly, an annual value of 5% of the Company's net assets must be approved by the Supervisory Board following the approval of the Executive Board and based on the review of the Audit Committee of the respective transaction. OMV Petrom submits reports on significant transactions with its related parties to the Financial Supervisory Authority and to the Bucharest Stock Exchange. Such disclosure reports are reviewed by the independent financial auditor according to the relevant laws in force.
B.11. The internal audits should be carried out by a separate structural division (internal audit department) within the company or by retaining an independent third-party entity.	√		Internal audits are carried out by a separate structural department within the Company, namely the Internal Audit department.
B.12. To ensure the fulfillment of the core functions of the internal audit department, it should report functionally to the Board via the audit committee. For administrative purposes and in the scope related to the obligations of the management to monitor and mitigate risks, it should report		√	The Internal Audit department administratively reports to the CEO. Still, the Internal Audit department continues to maintain some functional reporting to the Executive Board, meaning that the Company only "partially complies" with this provision. Nonetheless, the Audit Committee is regularly informed about the main internal audit findings and other activities of the Internal Audit department. Moreover, the Audit Committee approves the audit charter (which stands for the terms of reference of the Internal Audit

Provisions of the Bucharest Stock Exchange Corporate Governance Code	Complies	Does not comply or partially complies	Comments
directly to the chief executive officer.			<p>department and which describes its purpose, authority and responsibility) and approves the annual internal audit plan. Therefore, in our opinion, the independence and objectivity of the internal audit function is not impaired by this reporting structure. Likewise, the Internal Audit Department did not encounter, in its past experiences, cases that could be considered as jeopardizing its independence or objectivity due to these functional reporting lines.</p> <p>The Company is assessing how to fully comply with this provision in the future.</p>
Section C - Fair rewards and motivation			
<p>C.1. The company should publish a remuneration policy on its website and include in its annual report a remuneration statement on the implementation of this policy during the annual period under review.</p> <p>Any essential change of the remuneration policy should be published on the corporate website in a timely fashion.</p>	√		<p>Starting with the 2021 financial year, the Company has a Remuneration Policy which is aligned with OMV Petrom's long-term strategy, current market practice, as well as OMV Petrom's shareholders' views and interests. It follows OMV Petrom's core principle of pay granted according to performance.</p> <p>The Remuneration Policy is available on the corporate website in the About Us section, Corporate Governance sub-section.</p> <p>The implementation of the Remuneration Policy and the performance outcomes are presented in the annual Remuneration Report for OMV Petrom's Executive Board and Supervisory Board. The 2021 Remuneration Report for OMV Petrom's Executive Board and Supervisory Board will be submitted for consultative vote in the Ordinary GMS on 27 April 2022.</p>
Section D - Building value through investors' relations			
<p>D.1. The company should have an Investor Relations function - indicated, by person(s) responsible or an organizational unit, to the general public. In addition to information required by legal provisions, the company should include on its corporate website a dedicated Investor Relations section, both in Romanian and English, with all relevant information of interest for investors, including:</p> <p>D.1.1. Principal corporate regulations: the articles of association, general shareholders' meeting procedures.</p> <p>D.1.2. Professional CVs of the members of its governing bodies, Board members' other</p>	√		<p>The Company has a special department dedicated to Investor Relations that can be contacted via e-mail at investor.relations.petrom@petrom.com.</p> <p>Likewise, OMV Petrom has a special section of the corporate website dedicated to Investor Relations, where the following main information/documents are available, both in English and Romanian:</p> <ul style="list-style-type: none"> ▶ Articles of Association – in the About us section, Corporate Governance sub-section; ▶ Rules and Procedures of the GMS – in the About Us section, General Meeting of Shareholders sub-section; ▶ Detailed professional CVs for all members of the Executive Board and Supervisory Board – in the About Us section, Supervisory Board and Executive Board sub-sections; ▶ Current reports and periodic reports – in the Investors section, Investor News and Publications sub-sections;

Provisions of the Bucharest Stock Exchange Corporate Governance Code	Complies	Does not comply or partially complies	Comments
<p>professional commitments, including executive and non-executive Board positions in companies and not-for-profit institutions;</p> <p>D.1.3. Current reports and periodic reports (quarterly, semi-annual and annual reports);</p> <p>D.1.4. Information related to general meetings of shareholders;</p> <p>D.1.5. Information on corporate events;</p> <p>D.1.6. The name and contact data of a person who should be able to provide relevant information on request;</p> <p>D.1.7. Corporate presentations (e.g. IR presentations, quarterly results presentations etc.), financial statements (quarterly, semi-annual, annual), auditor reports and annual reports.</p>			<ul style="list-style-type: none"> ▶ Convening notices and supporting materials for the GMS – in the About Us section, General Meeting of shareholders sub-section; ▶ Financial calendar and information on other corporate events – in the Investors section, Financial Calendar and Events sub-sections; ▶ Name and contact information of a person able to provide investors with relevant information on request – in the Investors section, Contact Investor Relations sub-section; ▶ Investor Presentations, Annual and Interim Reports, Annual and Interim Financial Statements, both separate and consolidated, including also the independent financial auditor reports, as the case – in the Investors section, Investor News and Publications sub-sections.
<p>D.2. A company should have an annual cash distribution or dividend policy. The annual cash distribution or dividend policy principles should be published on the corporate website.</p>	√		<p>The Company's Dividend Policy is published on its corporate website in the Investors section, Shares and GDRs / Dividends sub-section as well as in the About Us section, Corporate Governance sub-section.</p>
<p>D.3. A company should have adopted a policy with respect to forecasts, whether they are distributed or not. Forecasts mean the quantified conclusions of studies aimed at determining the total impact of a list of factors related to a future period (so called assumptions): by nature, such a task is based upon a high level of uncertainty, with results sometimes significantly differing from forecasts initially presented. The policy should provide for the frequency, period envisaged, and content of forecasts. Forecasts, if published, may only be part of annual, semi-annual or quarterly reports. The forecast policy should</p>	√		<p>The Company has a Forecast Policy which is published on its corporate website in the About Us section, Corporate Governance sub-section.</p>

Provisions of the Bucharest Stock Exchange Corporate Governance Code	Complies	Does not comply or partially complies	Comments
be published on the corporate website.			
D.4. The rules of general meetings of shareholders should not restrict the participation of shareholders in general meetings and the exercising of their rights. Amendments of the rules should take effect, at the earliest, as of the next general meeting of shareholders.	√		The details regarding the organization of the GMS are mentioned in the Company's Articles of Association and the Rules and Procedures of the GMS, as well as briefly stated in the Corporate Governance Report. Likewise, OMV Petrom publishes convening notices for every GMS which describe in detail the procedure to be followed for the respective meeting. In this manner, the Company ensures that the GMSs are adequately conducted and well organized, while the shareholders' rights are duly observed.
D.5. The independent financial auditors should attend the shareholders' meetings when their reports are presented there.	√		The independent financial auditors attend the Ordinary GMS whereby the annual separate and consolidated financial statements are submitted for approval.
D.6. The Board should present to the annual general meeting of shareholders a brief assessment of the internal controls and significant risk management system, as well as opinions on issues subject to resolution at the general meeting.	√		All matters submitted for GMS approval are subject to the Supervisory Board's approval according to Company's internal rules. Moreover, the Annual Report submitted for GMS approval contains a brief assessment of the internal controls and significant risk management systems.
D.7. Any professional, consultant, expert or financial analyst may participate in the shareholders' meeting upon prior invitation from the Chairman of the Board. Accredited journalists may also participate in the general meeting of shareholders, unless the Chairman of the Board decides otherwise.	√		The Rules and Procedures of the GMS provide for the possibility for any professional, consultant, expert, financial analyst or accredited journalists to participate in the GMS, upon prior invitation from the President of the Supervisory Board.
D.8. The quarterly and semi-annual financial reports should include information in both Romanian and English regarding the key drivers influencing the change in sales, operating profit, net profit and other relevant financial indicators, both on quarter-on-quarter and year-on-year terms.	√		The quarterly and semi-annual financial reports include information in both Romanian and English regarding the key drivers influencing the change in sales, operating profit, net profit and other relevant financial indicators, both on quarter-on-quarter and year-on-year terms.
D.9. A company should organize at least two meetings/conference calls with analysts and investors each year. The information	√		OMV Petrom organizes one-to-one meetings and conference calls with financial analysts, investors, brokers and other market specialists to present the financial elements relevant for their investment

Provisions of the Bucharest Stock Exchange Corporate Governance Code	Complies	Does not comply or partially complies	Comments
<p>presented on these occasions should be published in the Investor Relations section of the company website at the time of the meetings/conference calls.</p>			<p>decision. In 2021, OMV Petrom organized four conference calls following the publication of the quarterly results. In addition, the Company held one-on-one and group meetings and attended analyst and investor conferences, which in the context of the COVID-19 pandemic, were organized all online. With the occasion of the Strategy 2030 release, the Company also organised a Capital Market Day and a virtual non deal road show. For more details, please also see the Annual Report's section relating to OMV Petrom on the capital markets. The Investor Presentations were made available at the time of the meetings / conferences on the corporate website, in the Investors section, Events, Roadshows and Conferences sub-sections.</p>
<p>D.10. If a company supports various forms of artistic and cultural expression, sport activities, educational or scientific activities, and considers the resulting impact on the innovativeness and competitiveness of the company part of its business mission and development strategy, it should publish the policy guiding its activity in this area.</p>	√		<p>OMV Petrom conducts various activities regarding education, social and environmental responsibility, as well as governance, supporting the local communities in which it operates. OMV Petrom concentrates its sustainability efforts on five focus areas: health, safety, security and environment, carbon efficiency, innovation, employees and business principles and social responsibility. More details in relation thereto may be found in the Sustainability Report for 2021, which will be issued by the Company, in accordance with the legal requirements regarding the disclosure of non-financial information.</p>

Declaration of the management

We confirm to the best of our knowledge that the separate financial statements for the year ended December 31, 2021 prepared in accordance with IFRS as requested by Ministry of Finance Order no. 2844/2016 with all subsequent modifications and clarifications give a true and fair view of OMV Petrom S.A. assets, liabilities, financial position and profit or loss, as required by the

applicable accounting standards, and that the Directors' report gives a true and fair view of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties associated with the expected development of the Company.

Bucharest, March 17, 2022

The Executive Board

Christina Verchere
Chief Executive Officer
President of the EB

Alina Popa
Chief Financial Officer
Member of the EB

Christopher Veit
Member of the EB
Upstream

Franck Neel
Member of the EB
Downstream Gas

Radu Căprău
Member of the EB
Downstream Oil

7. Annexes

a. List of consolidated companies in OMV Petrom Group at December 31, 2021

Parent company			
OMV Petrom S.A.			
Subsidiaries			
UPSTREAM		DOWNSTREAM OIL	
OMV Offshore Bulgaria GmbH	100.00%	OMV Petrom Marketing S.R.L.	100.00%
OMV Petrom Georgia LLC	100.00%	Petrom Moldova S.R.L.	100.00%
		OMV Petrom Aviation S.R.L. ¹	100.00%
		OMV Srbija DOO	99.96%
		OMV Bulgaria OOD	99.90%
DOWNSTREAM GAS		CORPORATE & OTHER	
OMV Petrom Gas S.R.L.	100.00%	Petromed Solutions S.R.L.	99.99%
Associated company, accounted for at equity			
OMV Petrom Global Solutions S.R.L.			25.00%

¹ 1 (one) share owned through OMV Petrom Marketing S.R.L.

b. The list of the persons affiliated to the company

Code of Company	OMV Group consolidated companies - including OMV Petrom Group consolidated companies as of 31 December 2021
OMV	OMV Aktiengesellschaft
ABU	OMV Abu Dhabi E&P GmbH
ADNOC	Abu Dhabi Oil Refining Company
ADNOCT	ADNOC Global Trading LTD
ADPINV	Abu Dhabi Petroleum Investments LLC
ADPO	Abu Dhabi Polymers Company Limited (Borouge)
BAYP	Bayport Polymers LLC
BHOLAT	OMV Borealis Holding GmbH
BORAAG	Borealis AG
BABSWE	Borealis AB
BAGMDE	Borealis Agrolinz Melamine Deutschland GmbH
BAGMAT	Borealis Agrolinz Melamine GmbH
BANTBE	Borealis Antwerpen N.V.
BBNHUS	Borealis BoNo Holdings LLC
BBRA	Borealis Brasil S.A.
BCHIFR	Borealis Chimie S.A.S.
BCIRC	Borealis Circular Solutions Holding GmbH
BCOMUS	Borealis Compounds Inc.
BFSBE	Borealis Financial Services N.V.
BFR	Borealis France S.A.S.
BGSNOR	Borealis Group Services AS
BINDNK	Borealis Insurance A/S (captive insurance company)
BIT	Borealis ITALIA S.p.A.
BKALBE	Borealis Kallo N.V.
BLASRB	Borealis L.A.T doo Beograd
BLATFR	Borealis L.A.T France S.A.S.
BLATAT	Borealis L.A.T GmbH
BPLNLD	Borealis Plastomers B.V.
BPODE	Borealis Polymere GmbH
BPOBE	Borealis Polymers N.V.
BPOFIN	Borealis Polymers Oy
BPOAT	Borealis Polyolefine GmbH
BPECFR	Borealis Produits et Engrais Chimiques du Rhin S.A.S.
BQESP	Borealis Química España S.A.
BSVSWE	Borealis Sverige AB
BTOFIN	Borealis Technology Oy
BUK	Borealis UK LTD
BUS	Borealis USA Inc.
BDYKOR	DYM Solution CO., LTD
BECOAT	Ecoplast Kunststoffrecycling GmbH
BETSWE	Etenförsörjning i Stenungsund AB
BFEBGR	FEBORAN EOOD

BMTCDE	mtm compact GmbH
BMTPDE	mtm plastics GmbH
BNOVUS	Novealis Holdings LLC
BROSFR	Rosier France S.A.S.
BROSBE	Rosier S.A.
BRONLD	Rosier Nederland B.V.
BSBHUS	Star Bridge Holdings LLC
BORO	Borouge Pte. Ltd.
BRENA	Renasci N.V.
BULG	OMV BULGARIA OOD
C2PATG	C2PAT GmbH
C2PATK	C2PAT GmbH & Co KG
DIRA	Diramic Insurance Limited
DTAL	Deutsche Transalpine Oelleitung GmbH
ECOGAS	OMV Gas Marketing & Trading GmbH
ECONDE	OMV Gas Marketing & Trading Deutschland GmbH
ECONHU	OMV Gas Marketing & Trading Hungária Kft.
ECONIT	OMV Gas Marketing & Trading Italia S.r.l.
EILNZ	Energy Infrastructure Limited
ELG	Erdöl-Lagergesellschaft m.b.H.
EPHNZ	Energy Petroleum Holdings Limited
EPILNZ	Energy Petroleum Investments Limited
EPSKG	EPS Ethylen-Pipeline-Süd GmbH & Co KG
FETRDE	Avanti Deutschland GmbH
FREYKG	Freya Bunde-Etzel GmbH & Co. KG
GASTR	OMV Enerji Ticaret Anonim Şirketi
GENMBH	GENOL Gesellschaft m.b.H.
HUB	Central European Gas Hub AG
ISERV	OMV - International Services Ges.m.b.H.
MOLDO	Petrom-Moldova S.R.L.
NEO	Neochim AD
NZEA	OMV New Zealand Limited
OABUAE	OMV Abu Dhabi Offshore GmbH
OADP	OMV Abu Dhabi Production GmbH
OAUST	OMV AUSTRALIA PTY LTD
OBINA	OMV Bina Bawi GmbH
OCTS	OMV Clearing und Treasury GmbH
ODUNA	DUNATÁR Kőolajtermék Tároló és Kereskedelmi Kft.
OEPA	OMV Austria Exploration & Production GmbH
OETAL	Transalpine Ölleitung in Österreich Gesellschaft m.b.H.
OFFBLG	OMV Offshore Bulgaria GmbH
OFFMOR	OMV Offshore Morondava GmbH
OFS	OMV Finance Services GmbH
OFSNOK	OMV Finance Services NOK GmbH
OFSUSD	OMV Finance Solutions USD GmbH
OGI	OMV Gas Logistics Holding GmbH

OGMTBE	OMV Gas Marketing & Trading Belgium
OGMTF	OMV Gas Marketing Trading & Finance B.V.
OGSA	OMV Gas Storage GmbH
OGSG	OMV Gas Storage Germany GmbH
OHUN	OMV Hungária Ásványolaj Korlátolt Felelősségű Társaság
OILEXP	OMV Oil Exploration GmbH
OILPRO	OMV Oil Production GmbH
OIRAN	OMV (IRAN) onshore Exploration GmbH
OJA3	OMV Jordan Block 3 Upstream GmbH
OLIB	OMV OF LIBYA LIMITED
OMEA	OMV Middle East & Africa GmbH
OMVD	OMV Deutschland GmbH
OMVDM	OMV Deutschland Marketing & Trading GmbH & Co. KG
OMVDO	OMV Deutschland Operations GmbH & Co. KG
OMVDS	OMV Deutschland Services GmbH
OMVDR	OMV Retail Deutschland GmbH, Burghausen
OMVEP	OMV Exploration & Production GmbH
OMVINT	OMV International Oil & Gas GmbH
OMVRM	OMV Downstream GmbH
OMVRUS	OMV Russia Upstream GmbH
OMVSK	OMV Slovensko s.r.o.
ONAFRU	OMV Offshore (Namibia) GmbH
ONAMEX	OMV (NAMIBIA) Exploration GmbH
ONOR	OMV (NORGE) AS
ONSHOL	OMV Switzerland Holding AG
OPEI	Preussag Energie International GmbH
OPGSOL	OMV Petrom Global Solutions SRL
OPLNZ	OMV NZ Production Limited
ORMMEA	OMV Refining & Marketing Middle East & Asia GmbH
OSERB	OMV SRBIJA d.o.o.
OSTIT	OMV Supply & Trading Italia S.r.l.
OSUPE	OMV Supply & Trading AG
OTCH	OMV Česká republika, s.r.o.
OTNPRO	OMV (Tunesien) Production GmbH
OTRAD	OMV Supply & Trading Limited
OUPI	OMV Upstream International GmbH
OYEM70	OMV Block 70 Upstream GmbH
OYEM86	OMV Myrre Block 86 Upstream GmbH
PARCO	Pak-Arab Refinery Limited
PCGAS	EEX CEGH Gas Exchange Services GmbH
PDYNHU	PETRODYNE-CSEPEL Zrt.
PEARL	Pearl Petroleum Company Limited
PETAV	OMV PETROM Aviation S.R.L.
PETEX	OMV Petroleum Exploration GmbH
PETGAS	OMV PETROM GAS SRL
PETGEO	OMV PETROM GEORGIA LLC

PETMED	PETROMED SOLUTIONS SRL
PETPO	PetroPort Holding AB
POGI	OMV Gaz Iletim A.S.
ROMAN	OMV PETROM MARKETING SRL
SEAMMY	SapuraOMV Upstream (Americas) Sdn. Bhd.
SEAUMY	SapuraOMV Upstream (Australia) Sdn. Bhd.
SEBLMX	SapuraOMV Block 30, S. de R.L. de C.V.
SEMXYM	SapuraOMV Upstream (Mexico) Sdn. Bhd.
SEMYBH	SapuraOMV Upstream (Malaysia) Inc.
SEZMY	SapuraOMV Upstream (NZ) Sdn. Bhd.
SEOCMY	SapuraOMV Upstream (Oceania) Sdn. Bhd.
SESABH	SapuraOMV Upstream (Southeast Asia) Inc.
SESWMY	SapuraOMV Upstream (Sarawak) Inc.
SEUPMY	SapuraOMV Upstream (Holding) Sdn. Bhd.
SEWEAU	SapuraOMV Upstream (Western Australia) Pty Ltd
SIOT	Società Italiana per l'Oleodotto Transalpino S.p.A.
SLOVJA	OMV SLOVENIJA trgovina z nafto in naftnimi derivati, d.o.o.
SNGPRU	OJSC Severneftegazprom
SNO	OMV Solutions GmbH
SOUPMY	SapuraOMV Upstream Sdn. Bhd.
YEALMA	OMV (YEMEN) Al Mabbar Exploration GmbH
YEM2	OMV (Yemen Block S 2) Exploration GmbH
YRGMRU	JSC GAZPROM YRGM Development

c. Definitions

Liquidity ratios

Current ratio = Current assets¹/ Current liabilities²

Acid test = (Current assets¹ - Inventories)/ Current liabilities²

¹ include assets held for sale; ² include liabilities associated with assets held for sale

Risk ratios

Gearing ratio = Net debt/ Equity in %

Net debt = Interest bearing debts + Lease liabilities - Cash and cash equivalents

Indebtedness ratio = Interest bearing debts (long term) / Equity in %

Equity ratio = Equity / (Total Assets) in %

Operational ratios

Stock turnover – days = Average inventories/ (Purchases (net of inventory variation) + Production and operating expenses + Production and similar taxes + Depreciation, amortization and impairment charges) in days

Receivables turnover – days = Average trade receivables/ Sales revenues in days

Tangible assets turnover = Sales revenues/ Property, plant and equipment

Total assets turnover = Sales revenues/ Total assets

Profitability ratios

Net profit margin = Net income for the year/ Sales revenues in %

Operating Result margin = Operating Result / Sales revenues in %

Operating Result before depreciation margin = Operating Result before depreciation/Sales revenues in %

Operating Result before depreciation = Operating Result + Depreciation and amortization + Net impairment losses/ (gains)

Return on fixed assets (ROFA) = Operating Result / Average fixed assets in %

Return on equity (ROE) = Net income for the year/ Average equity in %
