

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

In 2023, 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 to the Audit Committee. KPMG Audit SRL audited the 2023 separate financial statements, read the Directors' Report and has not identified information which is materially inconsistent with the separate financial statements or their knowledge obtained in the audit or otherwise appears to be materially misstated 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 separate financial statements of OMV Petrom, including the management reports for the year ended December 31, 2023 and the Executive Board proposal for

allocation of the profit, including distribution of dividends, are submitted to the approval of the Supervisory Board meeting of March 15, 2024 and afterwards in the Ordinary General Meeting of Shareholder to be held on April 24, 2024.

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, 2023.

Hence, the separate financial statements of OMV Petrom, for the year ended December 31, 2023, 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 and will further be submitted for approval in the Ordinary General Meeting of Shareholders to be held on April 24, 2024.

Furthermore, we have reviewed and approved the separate report on payments to governments for the year 2023, 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 15, 2024

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, refining of crude oil, marketing of petroleum products, sale of natural gas, as well as production and sales of electricity. The Company performs its activity either directly (mainly in Romania) or through its affiliates in Romania (marketing of petroleum products and production of biofuels), Bulgaria (exploration of hydrocarbons and marketing of petroleum products), Georgia (exploration of hydrocarbons), Serbia and Republic of Moldova (marketing of petroleum products).

As at December 31, 2023, 28.15% of the Company's capital represented the free float, traded as shares within the Premium category of the Bucharest Stock Exchange, under SNP symbol. GDRs were also traded within the Standard category on the main market of the London Stock Exchange (LSE) until October 25, 2023 (last trading day). Market capitalization as of December 31, 2023 was RON 35,798,052,725.

The Company is the parent company of OMV Petrom Group ("the Group"). Separate financial

statements of the Company for the year ended December 31, 2023 are prepared in accordance with Order of the Ministry of Finance no.2844/2016 approving the accounting regulations compliant with the International Financial Reporting Standards, with all subsequent modifications and clarifications. The annual consolidated financial statements are also prepared by the Company in accordance with IFRS as endorsed by the European Union (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 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 segment.

As at December 31, 2023 and 2022 the total share capital amounted to RON 6,231,166,705.80, representing 62,311,667,058 shares with a nominal value of RON 0.1 per share. The shareholders' structure as at December 31, 2023 and as at December 31, 2022 is presented below:

	No. of shares	Percent
OMV Aktiengesellschaft	31,876,679,783	51.157%
Romanian State through the Ministry of Energy	12,897,296,810	20.698%
Legal entities and private individuals	17,537,690,465	28.145%
Total	62,311,667,058	100.000%

Following OMV Petrom shareholders' decision, the GDRs were delisted from the main market of the London Stock Exchange in 2023.

As of December 31, 2022 the number of GDRs was 127,544, equivalent of 19,131,600 ordinary shares, representing 0.031% 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 oil 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 oil, petroleum products, petrochemicals and chemicals, equipment, machines and specific technologies;
- ▶ Production of biofuels;
- ▶ Sale of natural gas;
- ▶ 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, 2023 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 31, 2023, OMV Petrom S.A. sold 50% shares in OMV Petrom Biofuels S.R.L. to OMV Downstream GmbH, thus OMV Petrom S.A. retained 25% ownership and OMV Downstream GmbH reached 75% ownership. The company was deconsolidated in the Group financial statements and accounted for using the equity method starting with June 2023.

d) Asset acquisitions and/or alienation

There were no significant divestments or outsourcing projects finalized in 2023.

e) Overview of the main results of the company

2023 was a strong year of execution which characterized OMV Petrom's agility and resilience. We completed major steps in our 2030 Strategy, 2023 representing a turning point in our transformation journey. We contributed significantly to the security of Romania's energy supply by diversifying our supply sources and carrying out important planned turnarounds in the context of heightened geopolitical risk, caused by the conflict in the Middle East and the ongoing war in Ukraine.

Many key project milestones were achieved in 2023 as we deliver on our Strategy 2030 ambitions. Our Neptun Deep flagship project made notable progress with final investment decision taken in June and the awarding of more than 80% of the execution agreements by the year end. We also continued to roll out our renewable power and e-mobility portfolios. In 2023, OMV Petrom made significant progress towards its strategic objective of more than 1 GW capacity of renewable power installed by 2030, together with partners. We have already developed a strong portfolio of projects, opportunities and initiatives with different phasing of implementation, a well-balanced mix of own developed projects and partnerships. The investments in renewable power will lead to green power sales making up for more than 20% of our total power sales by the end of the decade, thus contributing to decarbonizing our business and supporting our customers' transition to cleaner energy.

The first important project was already announced in 2022: four photovoltaic (PV) parks with a total capacity of ~450 MW to be built together with Complexul Energetic

Oltenia. In 2023, the financing contracts have been signed with the Ministry of Energy by the representatives of the four legal entities, beneficiaries of this financing and responsible for implementing the projects. The total investments required for the development of the four photovoltaic parks amount to over EUR 400 mn, approximately 70% being financed through the Modernization Fund. The four parks should supply electricity to the national energy system by 2026.

Other major renewable power projects have progressed in 2023. In June, OMV Petrom signed an agreement to purchase several projects to build photovoltaic parks in Romania, with a total installed power of ~710 MW. The projects are being developed until "ready-to-build" phase by the Danish developer Jantzen Renewables in locations with potential for strong yields in terms of solar energy. The completion of the transaction is estimated for 2024, once the ready to build status is reached.

At the end of 2023, we signed the acquisition of 50% of the largest wind power portfolio of projects in Romania. Together with our partner, Renovatio, we will develop, build and operate 1 GW capacity of renewable projects, out of which 950 MW wind and 50 MW photovoltaic. The completion of the transaction is estimated for 2024. According to our current estimates, the solar park will supply electricity to the national energy system starting 2024, while the wind parks will start production gradually. The projects have received access to the electricity network.

In the mobility area, our target for 2030 is to have more than 500 points of alternative fuels, thus contributing to decarbonizing passenger cars transportation. In 2023, we delivered on our ambition to become the largest e-mobility player via the acquisition of Renovatio Asset Management, the owner of Romania's leading electrical vehicles (EV) charging network, with more than 400 EV charging points in Romania and with plans to increase to approximately 650 by 2026. The closing of the transactions is expected to take place in 2024, after fulfilment of certain conditions. Earlier in the year, we signed a financing agreement within the Connecting European Facilities (CEF) program for installing 328 charging points on TEN-T corridor in Romania.

Our total group network at the end of 2023 comprised 272 fast and ultra fast EV charging points installed, part of them in partnerships, and we will continue the program of installing charging points within our own filling stations network, as well as in other locations.

In our traditional activities, we partly offset the decline in hydrocarbon production, better than initially expected, we increased our gas sales despite the depressed market, we successfully finalized the turnarounds of our key downstream assets and we finalized the rollout of myAuchan stores in Petrom-branded filling stations a year ahead of schedule.

People safety is of paramount importance to us and we have a strong safety record. Sadly, however, we did experience a fatality in 2023 having lost a contractor's employee in a fatal accident during the refinery turnaround. Every loss is a tragedy and we express our sincere condolences to our colleague's family. Our express focus is to return to a zero fatality rate in 2024, in-line with our "Committed to Zero Harm - Protect People, Environment, and Assets" vision.

Our carbon intensity index decreased by around 11% and we achieved a decrease in methane intensity by 73%, both vs. 2019. Our overarching ambition is to reduce the carbon intensity of our operations by 30% in 2030, compared to 2019 level.

Our strong operational performance enabled us to contribute significantly to the economic and social development of our communities. We ramped up our investments to RON 4.7 bn at Group level. This was achieved despite continuing to operate in a high inflationary environment and weaker market fundamentals, as reflected by the decline in Group Clean CCS Operating Result to RON 8.5 bn, in line with the 37% sales decline. Our resilience to macroeconomic headwinds is further illustrated by a decline in Group operating cash flow of only 11% to RON 10 bn. This performance allowed us to remain one of the largest contributors to the Romanian state budget, with RON 16 bn, yet 19% lower yoy. We also take pride in having made social contributions of around RON 200 mn to various health, educational and environmental projects in 2023.

Our ability to generate solid cash flow provided the foundation for distributing our historical-high dividends last year, with a competitive yield of 19.6%, reflecting also the second special dividend distributed to shareholders. Total dividends paid in 2023 amounted to RON 5.1 bn. Furthermore, the market's confidence in OMV Petrom's performance led to share price appreciation of 37% over the year, outperforming the main local index by 5 percentage points and the sector average by 39 percentage points. Together with dividends, this led to a total shareholder return of 56% in 2023.

Based on our 2023 results, the Executive Board has proposed a gross base dividend of RON 0.0413/share for the 2023 financial year, up 10% yoy. The Board has also announced its intention to propose an additional special dividend in 2024, the third in the company's history. The

base dividend proposal was approved by the Supervisory Board and is subject to further approval by the GMS on April 24, 2024, while the special dividend would be subject to a future GMS.

1.1.1 General evaluation elements

Items from separate financial statements, RON mn	2023	2022	2021
Net income	3,944	10,288	2,688
Net turnover *	33,162	55,838	21,486
Operating Result	7,409	11,991	3,366
Operating expenses	27,012	45,666	18,647
Liquidity (cash and cash equivalents)	12,950	13,853	10,054

* For the purpose of this report, turnover corresponds to the Sales Revenues line from Income Statement, part of Separate Financial Statements prepared in accordance with Order of the Ministry of Public Finance no. 2844/2016 approving the accounting regulations compliant with the International Financial Reporting Standards

In 2023, OMV Petrom's Operating Result amounted to RON 7,409 mn, lower compared to RON 11,991 mn in 2022, mostly driven by the lower market prices and lower availability of our assets due to planned maintenance activities, mainly of Petrobrazi refinery and Brazi power plant.

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

RON mn	2023	2022	2021
Romania	31,544	49,478	20,543
Rest of CEE	1,559	6,118	932
Rest of Europe	59	242	11
TOTAL	33,162	55,838	21,486

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 energy 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 oil transportation is handled by the state owned company Conpet S.A.
- **Natural gas:** OMV Petrom accounts for around a third of the gas production in Romania. Gas equity volumes are complemented with third party supply gas

volumes, and 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 delivered to internal consumers (such as the Brazi power plant). Given the legislation in force, starting April 2022, OMV Petrom supplied the available gas production to the regulated market for households and district heating consumption. For the delivery of the natural gas, OMV Petrom uses the national pipeline system operated by Transgaz and also the distribution networks.

- **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 780 fuel filling stations as of end-2023, of which 555 filling stations in Romania and the other 225 in the neighboring countries: Bulgaria, Serbia and the

Republic of Moldova. Retail market shareⁱ in the operating region slightly decreased to 30% (2022: 31%), in the context of increased competition.

- **Electricity:** 2023 was a very good year for our power business, reflecting our strong operational performance through optimization of products, countries, supply and sales channels, as well as constant strive for maximization of business opportunities.

Our Brazi power plant covered around 7% of the national power generation mix, contribution impacted by the planned outage with the entire capacity from March to beginning of July 2023. It was the largest planned outage since the start of operations in 2012, with the first steam turbine major inspection. After the outage, the power plant delivered an exceptional output, with record high production levels. For the full year, Brazi power plant net electrical output reached 4.2 TWh. For the delivery of the power, OMV Petrom uses the national power grid of Transelectrica and distributions networks.

c) Analysis of various types of Company's revenues

The weight of each revenue category in total revenues as well as each product/ service category in total turnover are presented in the tables below:

Item	Total value – RON mn			Share in revenues (%)		
	2023	2022	2021	2023	2022	2021
Operating revenues *	34,410	57,668	22,028	96	98	97
thereof Turnover	33,162	55,838	21,486	92	95	94
Financial revenues **	1,448	887	753	4	2	3
TOTAL	35,858	58,555	22,781	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.

ⁱ 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);

Item	Total value – RON mn			Share in revenues (%)		
	2023	2022	2021	2023	2022	2021
Revenues from contracts with customers						
Crude Oil, NGL, condensates	370	300	59	1	1	-
Natural gas, LNG and power	11,289	20,527	6,269	34	37	29
Fuels and heating oil	18,975	22,857	12,555	57	41	58
Other goods and services	1,907	2,709	2,157	6	5	10
Revenues from other sources						
Net revenues in relation to power sales within the scope of IFRS 9	557	9,498	324	2	17	2
Other goods and services	65	(53)	123	0	0	1
Total turnover	33,163	55,838	21,486	100	100	100

d) New products

OMV Petrom continues to take important steps to increase the share of biofuels:

In 2022 Petrobrazi became the first ISCC (International Sustainability and Carbon Certification) certified refinery in the country capable of producing sustainable aviation fuel (SAF) and hydrotreated vegetable oil (HVO) by co-processing biological feedstocks. OMV Petrom is considering expanding its production capacity to produce sustainable fuels from a wide range of residual feedstocks, such as used cooking oil.

Used cooking oil is one of the main renewable feedstocks to produce SAF and HVO, which used within the transportation sector would considerably reduce carbon emissions. By using SAF, CO₂ emissions from commercial flights are approximately 80% lower than conventional fuel.

In 2023 OMV Petrom has signed an agreement to purchase 50% of the shares of the Romanian company "Respiră Verde SRL", a local leader in the collection of used cooking oil. The closing of the transaction is expected to take place in 2024, after fulfilment of certain conditions, including the clearance of the Competition Council and of the Commission for Screening of Foreign Direct Investments.

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 2023, year with turnaround, OMV Petrom processed 766 thousand tons imported crude oil (2022: 1,241 thousand tons).

1.1.4. Overview of the sale activity

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

Turnover per segments of activity, RON mn	Year ended December 31		
	2023	2022	2021
Exploration and Production	60	60	54
Refining and Marketing	21,186	25,722	14,750
Gas and Power	11,874	30,016	6,643
Corporate and Other	42	39	39
Total	33,162	55,838	21,486

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

The Company's turnover in 2023 decreased by 41% compared to 2022, to RON 33,162 mn. Turnover decreased mainly impacted by lower commodity prices and lower sales volumes of electricity, only partially compensated by higher sales volumes of natural gas.

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		
	2023	2022	2021
Exploration and Production	57	58	145
Refining and Marketing	26,878	31,282	19,216
Gas and Power	11,834	29,969	6,616
Corporate and Other	40	36	35
Total	38,808	61,344	26,011

Group turnover per segments refers to sales to third parties (excluding intra-group sales), from note Segment information included in Consolidated Financial Statements.

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 %		
	2023	2022	2021	23/22	22/21	21/20
Total refined product sales (kt)	5,450	5,522	5,339	(1)	3	10
thereof retail sales (kt)	3,072	3,043	2,944	1	3	4
Gas sales (TWh)	46.8	46.1	48.9	1	(6)	16
thereof to third parties (TWh)	37.9	35.8	38.4	6	(7)	21
Brazi net electrical output (TWh)	4.2	5.0	4.8	(17)	5	(11)

OMV Petrom Group's total refined product sales amounted to 5,450 kt in 2023, representing a 1% decrease compared to 2022, on lower equity products volumes.

Group retail sales volumes were 1% higher than in 2022, reaching 3,072 kt, mainly supported by demand increase. In Romania, retail sales reached 2,597 kt in 2023, broadly flat compared to 2022. Therefore, in 2023, the average throughput per station increased to 5.72 mn liters (2022: 5.66 mn liters) in Romania, while at Group level it increased to 4.83 mn liters (2022: 4.76 mn liters).

In 2023, the total non-fuel margin at Group level increased by 6.5% compared to the previous year, helped by a strong contribution of the Gastro and Shop activities. With the implementation of MyAuchan project finalized, this partnership will continue to be one of the key contributors to the non-fuel business of OMV Petrom.

Overall, Group non-retail sales decreased by 4% compared to 2022, reflecting lower product availability

due to refinery turnaround. Leadership position in gasoline sales on the Ukrainian market was reinforced in 2023. Jet fuel sales continued their upward trend, surpassing the 2019 level and therefore becoming the new reference year for sales volumes in the industry.

In 2023, the non-retail business continued to be a strong contributor to the overall OMV Petrom result, capitalizing on market opportunities, improved processes and effective cost management. A strong focus remained on digitalization, operational excellence and customer centricity, in line with company strategy.

After an unprecedented year with record high prices for both gas and power in 2022, markets have gradually readjusted in 2023 close to pre-crisis levels, still, with persistent volatility. However, in Romania, this downward trend in prices has not translated into consumption recovery.

In 2023, the liquidity on the Romanian centralized market BRM further decreased in the context of a highly

regulated environment. Traded gas volumes, covering a variety of standard products for medium and long term (with delivery including in 2024) totalled 2.9 TWh (2022: 15.4 TWh), at an average price of RON 207/MWhⁱⁱ. The average gas price on the BRM day ahead market was 66%ⁱⁱⁱ lower compared to the record high level in 2022, in line with the evolution of European gas hubs.

In 2023, our gas sales performance was very strong, despite the depressing market environment in terms of prices, margins and volumes. OMV Petrom's total gas sales volumes were 1% higher yoy, at 46.8 TWh, a strong achievement, considering overall weaker market demand and liquidity. Given the legislation in force, starting April 2022, OMV Petrom supplied a significant part of its available gas production to the regulated market for households and district heating consumption, namely 10.4 TWh in 2023 (2022: 3.8 TWh). The declining equity volumes were complemented with third party sources, also lower yoy, around 75% from gas sales in Romania being supplied from equity and 25% from third parties sources.

In 2023, we successfully achieved a very good position on the Romanian gas market, managing to improve our sales to end-users. We continue to focus on stronger business collaboration with our customers, we persevere in our efforts to be a reliable business partner, willing to find innovative, mutually beneficial solutions.

We continue to progress in diversifying our gas supply portfolio from third parties, especially in terms of imported gas sources, via other routes and products. In 2023, we concluded the first gas purchase contract with Botaş (Türkiye), valid until March 2025, as well as a memorandum of understanding to expand collaboration in the field of liquified natural gas (LNG) in Southeast Europe, thus contributing to our customers' and the entire country's security of supply.

OMV Petrom was appointed as Supplier of Last Resort (FUL) for the Romanian gas market in May and December, although a lower number of customers joined our portfolio in 2023 compared to 2022.

At the end of 2023, OMV Petrom had 2.0 TWh of gas in storage, fully compliant with the obligation to store gas.

Similar to the gas market, power prices significantly declined throughout Europe in 2023. Prices on OPCOM followed the trends on the European markets, spot baseload power price declining throughout the year, averaging RON 514/MWh in 2023 (61% lower vs. 2022).

2023 was a very good year for our power business, reflecting our strong operational performance through optimization of products, countries, supply and sales channels, as well as constant strive for maximization of business opportunities.

Our Brazi power plant covered around 7% of the national power generation mix, contribution impacted by the planned outage with the entire capacity from March to beginning of July 2023. It was the largest planned outage since the start of operations in 2012, with the first steam turbine major inspection. After the outage, the power plant delivered an exceptional output, with record high production levels. For the full year, Brazi power plant net electrical output reached 4.2 TWh.

Starting 2023, under the Centralised Electricity Purchasing Mechanism (MACEE), Brazi power plant had the obligation to sell a significant portion of its production to OPCOM at a regulated price of 450 RON/MWh.

We made very good progress on enlarging our regional power operations, the activities on the neighbouring power markets being expanded in 2023, significantly contributing to the strong power result. We have expertise and access to relevant markets and trading platforms, enabling cross market optimisation.

For the full year 2024, OMV Petrom expects the average Brent oil price to be around USD 80/bbl. We expect the refining margins to be around USD 10/bbl. Also we estimate that in Romania, the demand for retail fuels, gas and power, will be slightly above the 2023 level.

Legislative measures introduced in 2022 for the gas and power markets with regards to prices, margins, storage and contributions remain in place until end-March 2025. Companies that produce and refine crude oil pay a contribution of RON 350 for each tonne of crude oil processed for 2022 and 2023; the contribution for 2023 is due for payment at the end of June 2024 and amounts to RON 1.24 bn. A new tax on turnover was introduced as of January 1 (0.5% for OMV Petrom S.A. and OMV Petrom

ⁱⁱ Standard products refers to all products offered on the BRM a trading platform i.e. weekly products, monthly products, quarterly products, gas-year products etc. and the price could include storage related tariffs in connection with the gas volumes sold/extracted from storage.

ⁱⁱⁱ Average computed based on daily trades published on BRM platform.

Marketing S.R.L.) with an estimated total annual impact of below RON 250 mn in 2024. The new tax is applicable in 2024-2025.

With regards to our strategic pillar Optimize traditional business, in the Exploration and Production segment, we expect production to be above 106 kboe/d, considering no divestments. We will continue to focus on the most profitable barrels, through assessing selective fields divestments. We plan investments of around RON 4.7 bn, of which around half for Neptun Deep. The rest will be used mainly for drilling around 40 new wells and sidetracks and for performing up to 500 workovers. In the Refining and Marketing segment, our refinery utilization rate is estimated to be above 95%, while total refined product sales volumes are forecasted to be higher yoy; retail fuel sales volumes expected to be also higher yoy. In the Gas and Power segment, total gas sales volumes are estimated to be lower yoy, mainly due to lower supply volumes, while the net electrical output is forecasted to be higher yoy, reflecting a shorter Brazi power plant planned outage.

With regards to our strategic pillar Grow regional gas, we will progress with our flagship project Neptun Deep. The aim is to finalize awarding of the main contracts, focus on permitting activities, start construction and prepare to spud the first well in 2025. With regards to Han Asparuh offshore Bulgaria, we continue exploration activity, while in the case of Georgia offshore exploration Block II seismic acquisition remains on hold.

With regards to our strategic pillar Transition to low and zero carbon, we target to reduce the carbon intensity of our operations by 30% until 2030 vs. 2019. Our plans related to alternative mobility are to accelerate the expansion of the EV charging network in the region with the ambition to reach around 1,000 charging points by year-end, including from the announced M&A transaction. In addition, we plan to progress in developing a renewable power portfolio via partnerships. We expect to close in 2024 the announced M&A transactions, subject to regulatory approvals and we envisage gradually starting electricity production in 2024. For all these projects, we are working on securing EU funds.

b) Company's market share. Main competitors

With daily hydrocarbon production of 113.3 kboe/d and an oil/gas split of roughly 48%/52% in 2023, OMV Petrom

accounts for almost the entire crude oil production and for around a third of the gas production in Romania.

According to ANRE, national gas consumption decreased by around 7% in 2023 as compared to 2022, industrial users' offtake continuing to decline throughout the year, as well as gas to power, with some uplift only at year end.

Regarding the supply sources, national gas consumption was covered by a slightly increasing domestic gas production and a lower share of imports compared to the previous year. During the year, gas prices normalized, overall registering significantly lower levels versus 2022 records. The market gas prices in Romania followed the European market evolution throughout the entire year.

Regulations introduced by Romanian authorities in 2022 were in place during 2023 as well, the gas and power markets continuing to be highly regulated.

On the power market, as per currently available data from the grid operator, national electricity consumption decreased by 5% to 53 TWh in 2023 (2022: 56 TWh). The national electricity production increased by 3% to 57 TWh (2022: 55 TWh). The increased power generation in 2023 was covered by significantly higher production from hydro sources, as well as from renewables, partially offset by lower coal and gas production. Romania was a net power exporter for the year overall, compared to a net power importer in 2022.

Based on partial data available at this time, the hydropower plants covered ~32% of the total national electricity production, the nuclear-power plant ~20%, the coal power plants ~14%, the gas-powered power plants ~17%, while renewables covered the remainder ~16%. The Brazi power plant covered 7% of Romania's electricity production in 2023.

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 2023, the refineries processed a total quantity of approximately 10.4 mn tons of crude oil^{iv}.

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

Retail market share^v in the operating region slightly decreased to 30% (2022: 31%), in the context of 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:

	The average number of employees		
	2023	2022	2021
Average for the year	7,228	7,372	8,271

The average number of employees decreased in 2023 as a result of reorganization and restructuring programs continued by the Company as a consequence of process optimization and cost efficiency measures.

As of December 31, 2023, the OMV Petrom S.A. workforce comprises 75.85% employees with a high school diploma or higher degrees in oil engineering and other fields (technical/financial/legal etc., thereof 50.42% higher degrees and 25.43% 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.

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 post-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.

Although there was a high number of labor litigations in the past derived from some previous CLA provisions, at the date of this report, just a few of these types of litigations are still in progress, only limited claims were received in the last years and most cases have been won by OMV Petrom (decisions are final).

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. The provisions of the CLA signed in 2023 were drafted and negotiated taking into consideration the litigation experience. The currently applicable CLA expires at the end of 2025. 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.

^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).

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 which is 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 2023, exploration expenditures slightly increased to RON 146 mn (2022: RON 145 mn), mainly driven by higher drilling expenditures, partially offset by lower geological and geophysical expenses.

The research and development activities are performed mainly through the Institute of Research and Technological Design (ICPT) Campina that is part of the Exploration and Production 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 2023, total expenses incurred by ICPT were in the amount of RON 18.3 mn (2022: RON 17.4 mn) and in 2024 are expected to reach RON 25.5 mn. Capital expenditure was in the amount of RON 4.2 mn (2022: RON 2.9 mn), while for 2024 it is anticipated to be around RON 3 mn.

In addition to ICPT Campina activities, the Company was also involved in R&D activities related to low carbon businesses areas.

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 Governance

OMV Petrom is evolving in a dynamic business landscape. Effective risk governance is essential for successfully navigating through uncertainties inherent to the nature of OMV Petrom's operations.

Risk prevention is integrated into the decision-making processes of everyday business activities at every level of our organization. The Executive Board sets, communicates, and ensures implementation of our risk management approach and objectives throughout the Group. Strategic risks are managed through specialized 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.

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 which is ensured by applying a "three lines of defense model": 1. business management, 2. risk management and oversight functions, 3. internal audit.

OMV Petrom is constantly enhancing the EWRM process based on internal and external requirements.

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. The process is facilitated by a Group-wide IT system supporting the established individual process steps: risk identification, risk analysis, risk evaluation, risk treatment, reporting, and risk review through continuous monitoring of changes to the risk profile. The overall risk resulting from the bottom-up risk management process is computed using Monte Carlo simulations (for a 95% confidence level) and compared against planning data for a mid-term three-year horizon. The identified risks are analyzed depending on their nature, taking into consideration their causes, consequences, historical trends, volatility, and potential impact on cash flows.

It is OMV Petrom's view that the Group's overall risk is significantly lower than the sum of the individual risks due to its integrated nature and the fact that various risks partially offset each other. The balancing effects of industry risks, however, can often lag or weaken over time. OMV Petrom's risk management activities therefore focus on the net risk exposure of the Group's existing and future portfolio. The interdependencies and correlations between different risks are also reflected in the Company's consolidated risk profile.

Risk management and insurance activities are centrally coordinated at the corporate level by the Treasury, Risk & Insurance Management department. This department 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 who are best suited to oversee and manage the respective risk.

The overall objective of the risk policy is to safeguard the cash flows in line with the Group's risk appetite.

Financial and non-financial risks are regularly identified, assessed, and reported through the Group's EWRM process.

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

OMV Petrom's EWRM process has been set up in accordance with ISO 31000 Risk Management International Standard and comprises a dedicated risk organization working under a robust internal regulation framework using an information technology infrastructure. The effectiveness of the EWRM system is evaluated by an external auditor on an annual basis.

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.

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. 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 have 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 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, electricity, and CO₂ certificates. Market risk has core strategic importance within OMV Petrom Group's risk profile and liquidity. The market price risks of OMV Petrom's commodities are closely analyzed, quantified, and evaluated. Corresponding optimization and hedging activities are undertaken to mitigate those risks. Such activities include margin hedges as well as stock hedges executed by using financial instruments. An optimization, trading, and hedging risk control governance system defines clear mandates including risk thresholds for such activities.

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. In light of a challenging geopolitical and economic environment with high inflation, volatile commodity prices, rising interest rates, and distorted supply chains, special attention is paid to changes in payment behavior. 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 and 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 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 analyzed, 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. In the context of implementing the Strategy 2030, the 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.

The execution of major onshore and offshore projects may be affected by changes to the respective regulatory or fiscal frameworks, by the unavailability of contractors, or the lack of qualified staff. Project costs may be negatively impacted by price inflation, labor shortages, or the disruption or reorganization of supply chains. In new business areas, in particular, OMV Petrom may more often invest through partnerships and joint ventures, which may expose the company to increased governance and credit risks and may negatively impact project execution. The effect of any of these risks may have a

material adverse impact on OMV Petrom's business, results of operations, and financial condition.

As OMV Petrom's activities rely on information technology systems, the company may experience disruption due to major cyber events. Security controls are therefore implemented across the Group to protect information and IT assets that store and process information. **IT-related risks** are assessed, monitored regularly, and managed actively with dedicated information and security programs across the organization. OT (Operational Technology) related risks are reflected in the assessment of process safety risks. OMV Petrom recognizes the emergence of AI-related risks and is actively integrating measures within existing security controls to address potential disruptions and vulnerabilities associated with artificial intelligence.

OMV Petrom focuses on assessing the potential vulnerabilities of the Company to climate change (e.g., water deficiency, droughts, floods, landslides), the impact of the Company on the environment and the mitigation actions that will ensure a successful transition to a low-carbon environment (e.g. carbon emission reductions, compliance with new regulatory requirements). The short- and mid-term physical vulnerabilities related to climate change are identified and reported in the EWRM process. Additionally, OMV Petrom has performed a robust climate and vulnerability assessment for most of its main assets to identify the resilience to physical risks related to climate change using the Inter-governmental Panel on Climate Change (IPCC) scenarios corresponding to the time horizon suggested by the EU taxonomy.

In terms of **regulatory compliance risks**, the company is in dialogue with the Romanian authorities on topics of

relevance for the industry. In the last few years, we have seen a number of fiscal and regulatory initiatives put in discussion and/or implemented. This increases legislative volatility with influence on the overall business environment.

Moreover, in the context of the energy crisis in Europe, additional regulatory measures such as subsidy schemes, gas and power price caps and over-taxation are being implemented. If energy prices in Europe remain at high levels, there is a risk that further regulatory and fiscal interventions may impact OMV Petrom financials.

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 (e.g., climate change, traditional business, regional gas growth, human capital and communities, as well as political and regulatory). 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 strategic objectives.

Strategic risk	Details
Climate change	Climate change risk refers to the risk of not meeting 2030 target ambitions for GHG emissions reduction, further underpinned by the risks regarding the implementation of the strategic low and zero-carbon business projects portfolio, the reduction of emissions of existing operations and assets, in the context of a potentially accelerated transition.
Traditional Business	In E&P, the sustainability focus, climate change targets and the cost management policy put pressure on traditional fossil fuel projects. E&P focus is on high grading of portfolio, Neptun Deep and building new low-carbon business areas (e.g., CCS). In R&M, the sustainability focus and climate change targets put pressure on traditional fuels demand driving R&M business towards transition to a low-carbon environment through developing a sustainable product portfolio and accelerating e-mobility plans.

Regional Gas Growth	The regional gas growth strategic risk in the Black Sea includes the Neptun Deep project and possible future projects in the Black Sea area. Geopolitical and regulatory risks, as well as operational and delivery risks might occur. These risks can trigger a delay or cancellation of exploration and potential developments in the Black Sea and risk of not delivering in time the first gas from Neptun Deep in 2027.
Human Capital and Communities	Human capital risks might arise from a variety of causes and can emerge under the following areas: loss of human capital, low employee engagement, lack of knowledge transfer, industry reputation or unbalanced relation with social partners. Attracting, retaining, and growing talents under the new market conditions while implementing People & Culture strategy ensures the needed employee experience. OMV Petrom acknowledges the significance of local communities where it operates and strives to build collaborative partnerships with them. The company endeavors to align its long-term sustainability/ESG agenda with the immediate needs identified in the communities where it operates.
Political and Regulatory	Potential change in policy following super-electoral year may generate regulatory changes and taxes, but mostly dictated by state budget needs. Separately, the company promotes the need for new legislation relating to low-carbon emissions technologies by engaging with private and public sector stakeholders – in order to generate public acceptance and support for such projects. This also materialized in attracting EU funding and committing resources to new business lines (renewable power, e-mobility, green hydrogen, biofuels and others).

OMV Petrom thoroughly monitors geopolitical developments, including the ongoing Russia-Ukraine conflict and any additional sanctions and countersanctions resulting from it, as well as the conflicts in the Middle East / Red Sea that have raised concerns about regional stability and their potential impact on OMV Petrom's business activities.

Continued and/or intensified disruptions in Russian commodity flows to Europe could result in further increases in European energy prices. Further sanctions on Russia and countersanctions issued by Russia could lead to disruptions

in global supply chains and shortages, e.g., energy products, raw materials, agricultural products, and metals and consequently lead to further increases in operational cost. OMV Petrom is responding to the situation with targeted measures to safeguard the Company's economic stability, as well as the secure supply of energy.

In addition, disruptions in supply chains, high inflation, and rising interest rates, could lead to a significant deterioration in economic growth, which in turn, could affect demand for OMV Petrom's products.

Climate change risk management

Climate change related risks and opportunities are integrated into OMV Petrom's EWRM process aimed at identifying, assessing, and managing business-related risks. The risks related to climate change might reflect a potential impact of acute or chronic events such as more frequent extreme weather events or systemic changes to our business due to changing legal framework and changing of customer behaviours. The acute risks are analysed for their impact on the Company's three-year financial plan. The effects of chronic 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 the strategic decision-making.

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.

The **ESG risks** are addressed in OMV Petrom through sustainability material topics: climate change and energy transition, environment, supply chain, health, safety & wellbeing, business principles & economic impacts,

employees, communities, and human rights. Detailed information is presented in our Sustainability Report.

As a supporter of the recommendations issued by the Task Force on Climate-related Financial Disclosures (TCFD), OMV Petrom acknowledges and responds to climate change-related risks in accordance with TCFD recommendations, as well as the double materiality perspective proposed by the EU Non-Financial Reporting Directive.

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.

1.1.9. Estimates of the company's activity

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

Outlook for 2024

For the full year 2024, OMV Petrom expects the average Brent oil price to be around USD 80/bbl. We expect the refining margins to be around USD 10/bbl. Also we estimate that in Romania, the demand for retail fuels, gas and power, will be slightly above the 2023 level.

Legislative measures introduced in 2022 for the gas and power markets with regards to prices, margins, storage and contributions remain in place until end-March 2025. Companies that produce and refine crude oil pay a contribution of RON 350 for each tonne of crude oil processed for 2022 and 2023; the contribution for 2023 is due for payment at the end of June 2024 and amounts to RON 1.24 bn. A new tax on turnover was introduced as of January 1 (0.5% for OMV Petrom S.A. and OMV Petrom Marketing S.R.L.) with an estimated total annual impact of below RON 250 mn in 2024. The new tax is applicable in 2024-2025.

In the Exploration and Production segment, we expect production to be above 106 kboe/d, considering no divestments. We will continue to focus on the most profitable barrels, through assessing selective fields divestments. We plan investments of around RON 4.7 bn, of which around half for Neptun Deep. The rest will be used mainly for drilling around 40 new wells and sidetracks and for performing up to 500 workovers.

In the Refining and Marketing segment, our refinery utilization rate is estimated to be above 95%, while total refined product sales volumes are forecasted to be higher yoy; retail fuel sales volumes expected to be also higher yoy.

In the Gas and Power segment, total gas sales volumes are estimated to be lower yoy, mainly due to lower supply volumes, while the net electrical output is forecasted to be higher yoy, reflecting a shorter Brazi power plant planned outage.

With regards to our strategic pillar Transition to low and zero carbon, we target to reduce the carbon intensity of our operations by 30% until 2030 vs. 2019.

Investments for 2024

At OMV Petrom Group level, we expect a marginally positive free cash flow before dividends, due to the higher investments. Organic CAPEX is estimated at RON 6.5 bn (2023: RON 4.7 bn), with increased investments dedicated mainly to the Neptun Deep as well as low and zero carbon projects, mostly SAF/HVO, renewables and the charging points network for electrical vehicles (EVs). Additional investments for the announced low and zero carbon M&A transactions would bring total CAPEX to around RON 8 bn. Investments require predictable and stable regulatory and fiscal environment.

With regards to our strategic pillar Grow regional gas, we will progress with our flagship project Neptun Deep. The aim is to finalize awarding of the main contracts, focus on permitting activities, start construction and prepare to spud the first well in 2025. With regards to Han Asparuh offshore Bulgaria, we continue exploration activity, while in the case of Georgia offshore exploration Block II seismic acquisition remains on hold.

At Group level, our plans related to alternative mobility are to accelerate the expansion of the EV charging network in the region with the ambition to reach around 1,000 charging points by year-end, including from the announced M&A transaction. In addition, we plan to progress in developing a renewable power portfolio via partnerships; we expect to close in 2024 the announced M&A transactions, subject to regulatory approvals and we envisage gradually starting electricity production in 2024. For all these projects, we are working on securing EU funds.

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 2023 are presented in section 5.

b) Company's investments and other additions

Investments¹⁾, RON mn	2023	2022	2021
Exploration and Production	2,793	2,632	2,122
Refining and Marketing	1,749	632	510
Gas and Power	57	30	168
Corporate and Other	97	60	17
Total	4,696	3,354	2,817
+/- Other adjustments ²⁾	1,327	564	(153)
Additions according to statement of non-current assets (intangible and tangible assets)	6,023	3,918	2,664

1) Include amounts for fixed assets additions, financial investments, advance payments on fixed assets, and excludes increases from reassessment of provisions.

2) Other adjustments includes increases from reassessment of provisions and excludes financial investments and advance payments on fixed assets

Investments made by OMV Petrom S.A. in 2023 amounted to RON 4,696 mn, higher by 40% compared to 2022.

Investments in Exploration and Production activities (RON 2,793 mn) represented 59% of 2023 total, being 6% higher than in 2022. The increase was mainly due to Neptun Deep project (Final Investment Decision in 2023), partially counterbalanced by lower drilling and workover activities.

Refining and Marketing investments amounted to RON 1,749 mn in 2023. The majority of investments were

directed to the Petrobrazi refinery for projects connected with the planned turnaround, coke drums replacement and for ongoing projects such as the new aromatic complex and the new crude oil tank.

Gas and Power investments (RON 57 mn) were higher than in 2022 (RON 30 mn), mostly directed to Brazi power plant planned maintenance.

Corporate and Other investments amounted to RON 97 mn, higher compared to 2022 (RON 60 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		
	2023	2022	2021
Exploration and Production	4,182	3,626	1,689
Refining and Marketing	2,161	4,003	2,310
Gas and Power	1,490	4,682	(307)
Corporate and Others	(168)	(255)	(102)
Consolidation ¹	(256)	(64)	(225)
Total	7,409	11,991	3,366

¹ Consolidation line reflects the elimination of inter-segmental profit

During 2023, in the **Exploration and Production** segment, Operating Result amounted to RON 4,182 mn, compared to RON 3,626 mn in 2022. The operating result reflected lower prices and sales volumes, higher production costs, unfavorable FX and lower E&P taxation. Domestic crude oil and NGL production was 19.96 mn bbl, 5% down compared with 2022. Domestic gas production was 21.42 mn boe, 5% lower compared to the 2022 level. The main factors that impacted production in Romania in 2023 were natural decline, partly

counterbalanced by the contribution of workovers and new wells. Production cost in Romania was USD 16.0/boe, 21% higher vs. 2022 in the context of a positive one-off effect related to a tax audit in Q2/22, as well as due to lower production available for sale, increased overall costs, and unfavorable FX in 2023; in RON terms, it increased by 19% to RON 73.0/bbl.

In the **Refining and Marketing** segment, Operating Result decreased to RON 2,161 mn, as compared to

RON 4,003 mn in 2022, as a result of lower refining margins and utilization rate as well as reduced product availability due to the planned turnaround of the refinery. Operating result was also impacted by the net income from consolidated subsidiaries and equity accounted investments in amount of RON 646 mn (2022: RON 661 mn). In 2023, the OMV Petrom indicator refining margin decreased by USD 2.6/bbl to USD 14.0/bbl, as a result of weaker spreads for diesel and jet. The refinery utilization rate decreased to 80% (2022: 95%), reflecting the Q2/23 planned turnaround after five years of operations without major planned shutdowns.

In the **Gas and Power** segment, Operating Result was RON 1,490 mn (2022: RON 4,682 mn), reflecting the operational performance in both gas and power segments, yet impacted by market dynamics and existing regulations, and net temporary losses from electricity forward contracts. By comparison, the Operating Result from 2022 reflected net temporary gains from electricity forward contracts.

The gas business had a robust performance, achieved in a very challenging market environment, with declining consumption, low market liquidity and significantly lower prices reducing margins. We have achieved a strong performance on our end users portfolio, with higher volumes sold. We have also recorded a good contribution from volumes extracted from storage in Q1/23. However, we have recorded reduced margins from both equity and third party gas, mainly on transactions outside Romania.

On the power business line, the result was built on transactions outside Romania, with good margin opportunities. Lower yoy net electrical output was recorded as the Brazi power plant was in planned outage with the entire capacity from March to beginning of July 2023. Brazi power plant generated a net electrical output of 4.16 TWh (2022: 5.01 TWh).

Operating Result in the **Corporate and Other** segment amounted to RON (168) mn, (2022: RON (255) mn).

2. Tangible Assets of the Company and its affiliates

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.

Exploration and Production:

At the end of 2023, OMV Petrom operated 152 commercial oil and gas fields in Romania (end-2022: 150), reflecting the addition of Domino and Pelican South offshore gas fields from the Neptun Deep block.

The Company has a significant asset base in its Exploration and Production 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 are currently used as storage for excisable products (gasoline, diesel, FAME, additives) and for crude oil.

In 2023, 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 555 retail filling stations in Romania and 225 stations in the neighboring countries of Bulgaria, Serbia and the Republic of Moldova.

Number of retail filling stations per country	2023	2022	2021
Romania	555	555	561
Republic of Moldova	69	69	69
Bulgaria	93	93	94
Serbia	63	63	63
Total	780	780	787

Company's tangible assets, RON mn (Net Book Value)	Balance at 31.12.2023	Balance at 31.12.2022
Land, land rights and buildings, incl. buildings on third-party property	1,091	1,129
Oil and gas assets	20,303	16,126
Plant and machinery	4,692	4,160
Other fixtures and fittings, tools and equipment	247	272
Assets under construction	1,728	1,082
Total tangible assets	28,061	22,768

2.2. The degree of wear-out for fixed assets

The core items within the Exploration and Production 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:

Company's tangible assets, RON mn (accumulated depreciation and impairments)	Balance at 31.12.2023	Balance at 31.12.2022
Land, land rights and buildings, incl. buildings on third-party property	1,502	1,411
Oil and gas assets	29,288	27,741
Plant and machinery	7,443	7,196
Other fixtures and fittings, tools and equipment	602	516
Assets under construction	10	6
Total accumulated depreciation and impairments for tangible assets	38,845	36,869

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, 2023, 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

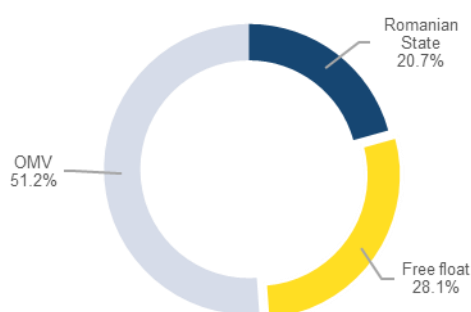
financial losses in full due to the absence of Company's legal liability, assumed retentions of loss (including decisions to not insure a risk within the tolerance level) or unacceptable risks for the insurers (exclusions) for which

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

OMV Petrom's shareholder structure remained relatively unchanged in 2023: 51.2% – OMV Aktiengesellschaft, 20.7% – Romanian State while the remaining 28.1% represented the free float in the form of shares traded



An analysis of our shareholder structure, as at the end of 2023, shows that 67.9% of the free float was held by Romanian institutional shareholders (2022: 65.6%), and 12.5% by retail investors (2022: 12.0%) of which around 97% were Romanians. The remaining free float was held by foreign institutional shareholders, as follows: 5.0% from the USA (2022: 5.1%), 1.8% from Hungary (2022: 2.7%), 2.0% from the UK and Ireland (2022: 2.3%), 9.8% from other European countries (2022: 11.5%), and 1.1% from rest of the world (2022: 0.7%).

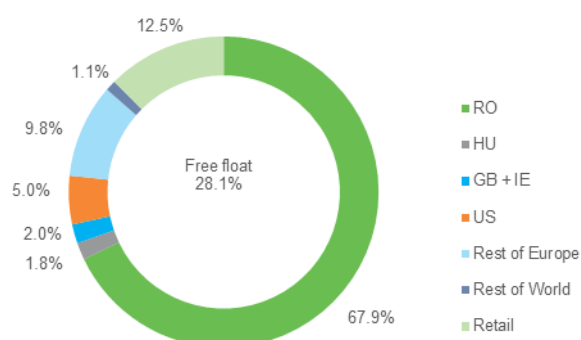
Shares

2023 was a year when both the European and the Romanian energy sector recorded lower prices, yet demand

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

within the Premium category of the Bucharest Stock Exchange (BSE). GDRs were also traded within the Standard category on the main market of the London Stock Exchange (LSE) until October 25, 2023 (last trading day).

At the end of 2023, 651 legal entities from Romania and abroad held 87.5% of the free float securities or 24.6% of OMV Petrom total share capital, with the remaining 12.5% of the free float or 3.5% of total capital being held by around 479,000 private individuals, mostly Romanians.



for our products, mainly gas and power in Romania remained on a downward trend. The energy markets adjusted to a large extent to the new reality of non-Russian supply sources and were less volatile. In Romania, the regulatory measures implemented in 2022 in the gas and power sector were maintained, while a new solidarity tax on refined crude oil was introduced, which induced some volatility in OMV Petrom share price mainly in the first half of the year.

2023 was quite an eventful year in terms of Strategy 2030 execution, with most notable milestones related to Neptun Deep and some of our low and zero carbon projects, mainly in the renewable power and e-mobility areas. The news on

final investment decision related to Neptun Deep announced on June 21 was very long awaited by the market and was followed by the development plan endorsement by the regulator on August 3, and the main execution contracts awardings on August 3 and December 12. These announcements were welcomed by investors, considering the subsequent upward evolution of the share price.

OMV Petrom share ended the last trading session of the year on December 29 at RON 0.5745, 37% higher yoy, outperforming the BET index by 5.0 percentage points. Our share price also significantly **outperformed most of its peers**, both oil and gas majors and regional peers, which appreciated by 9% on average.

The **total shareholder return** including only the record high base dividend of RON 0.0375/share for the 2022 financial year and paid in 2023 was 46%. After including also the special dividend paid in 2023, the total shareholder return was 56%.

After Hidroelectrica's initial public offering (IPO) in mid 2023 OMV Petrom became the second-largest Romanian company listed on the Bucharest Stock Exchange by **market capitalization**, which stood at RON 35.8 bn or EUR 7.2 bn at the end of 2023. This represented around 12% of the total market capitalization of the companies listed on the BSE or around 17% of the capitalization of the BET index.

Chronologically, the year started with a solid share price increase, but from a low base, when markets were reacting to the introduction of the EU solidarity tax in December 2022. Early January, we recorded the **highest daily trading volume** on the Regular market of 62.2 mn shares on the first day of trading, followed by a drop in share price to RON 0.4295 on January 6, marking its **lowest level for the year**.

The announcements on dividend distributions were in line with market expectations. **Technical corrections** on ex-dividend dates were both below the dividend values. On the **ex-base dividend date** of May 12, OMV Petrom (SNP) share price corrected by 5.3% (or RON 0.0264/share), less

than the 2022 base dividend per share (DPS) of RON 0.0375. On the **ex-special dividend date** of September 27, SNP share price corrected by 5% (or RON 0.0300/share), again less than the special dividend value of RON 0.0450/share.

The **highest share price of the year** of RON 0.6010 was recorded on September 20, likely on trading before ex-special dividend date.

Quarterly results publication, generated mostly neutral reactions among analysts, and the share price evolution reflected this, closing almost unchanged. The exception was on the day of Q3/23 results release, when the share price decreased by 2.5%, partly due to some technical reasons, namely the sale of the supporting shares of the non-converted GDRs in the last days of October, in the context of the GDRs' delisting. This had a positive impact on trading volumes and a negative impact on the share price.

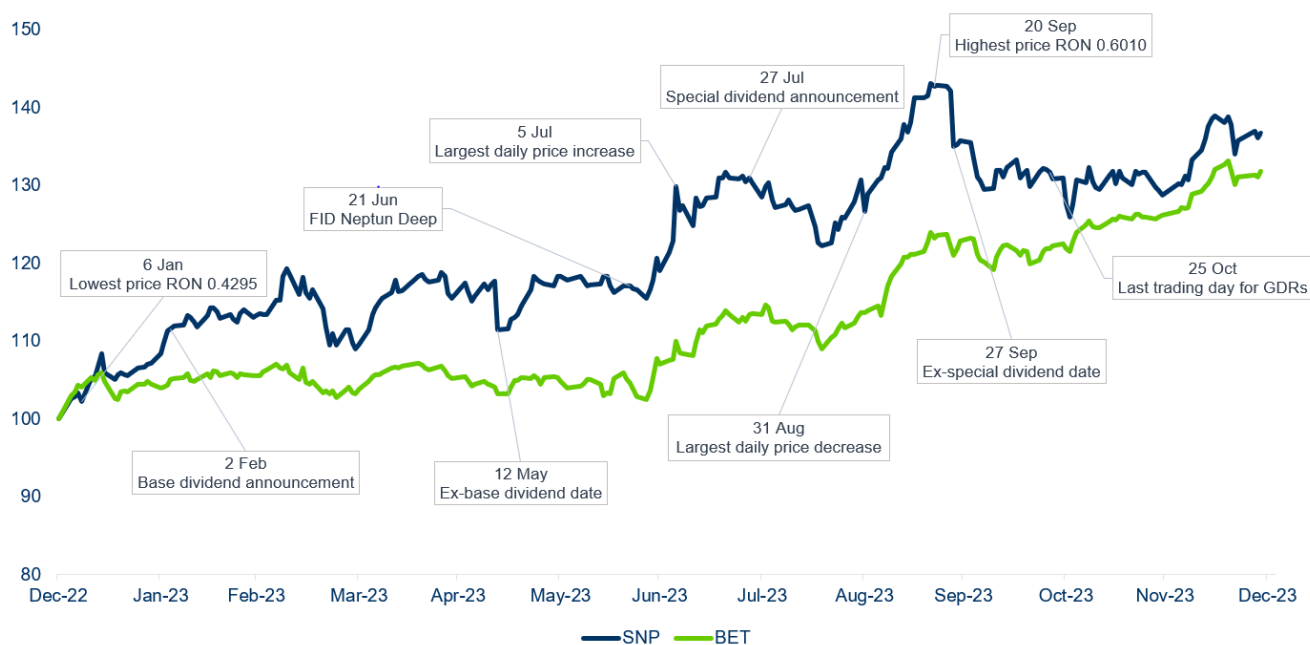
The **highest daily share price appreciation** of 5.7% was recorded on July 5. Conversely, the **highest daily share price depreciation** of 3.1% was recorded on August 31, to a large extent in relation to MSCI indices rebalancing moves by major international investment funds.

In 2023, the **average share price** for trades on the Regular market was RON 0.5147, 11% higher than the 2022 figure of RON 0.4637, significantly outperforming the 18% yoy decrease of the average Brent oil price, mostly due to natural hedge derived from our vertical business integration.

The **average daily traded volume**, including Deal trades, was 12.9 mn shares, down 9 % yoy (2022: 14.2 mn). The **average daily traded value** was RON 6.68 mn, up 2% yoy. The 2023 average daily traded value in EUR terms was EUR 1.35 mn.

OMV Petrom shares were maintained in the FTSE indices at the March and September 2023 reviews. **We have exceeded the FTSE threshold** of around 7 mn shares traded in ten out of twelve months of 2023.

OMV Petrom share price (SNP) and BET performance 2023 30 December 2022 = 100



The domestic indices evolution also exhibited lower volatility and upward trends. The **BET index** (representing the 20 most liquid blue-chip stocks listed on the BSE) closed the year 32% above the end-2022 value. **BET-TR (total return BET)** appreciated by 40% yoy in 2023. The **BET-NG index** (comprising stocks in the energy and utilities sectors), in which OMV Petrom has a weight of around 30%, performed in line with the main local index, and increased by 31% yoy. **The BET-BK index** (designed as a benchmark for asset managers and institutional investors) also increased by 31% yoy.

The Bucharest Stock Exchange benefited in 2023 of a new listing, namely Hidroelectrica's initial public offering (IPO), which increased investors' focus on and their interest in local market.

Global and European equities recovered during 2023 from their deep losses in 2022, yet in the context of new crises

emerging on top of the ongoing Russia-Ukraine conflict, such as the banking crisis in March (in US and Switzerland) and rising Middle East tensions starting October. A persistently weak Chinese economy was partly offset by the resiliency of the US economy, while discussions on interest rates hikes by the major central banks and OPEC+ actions throughout the year impacted market sentiment as to prospects of oil demand/supply balance. Oil and gas sector specific indices underperformed, reflecting weaker results of constituent companies after the outperformance in the previous year, when their results were outstanding. Nevertheless, they outperformed the Brent oil price (STOXX Europe 600/Oil & Gas closed 3.4% higher yoy, while STOXX Europe 600 increased by 12.7% yoy). DAX index increased by 20.3% yoy, FTSE 100 increased by 3.8% yoy, while Dow Jones Industrial average index increased by 13.7% yoy.

OMV Petrom S.A. share symbols

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

OMV Petrom shares - at a glance

	2023	2022	Δ (%)
Number of shares (mn)	62,311.7	62,311.7	0
Market capitalization (RON mn) ¹	35,798	26,171	37
Market capitalization (EUR mn) ¹	7,196	5,290	36
Year's high (RON)	0.6010	0.5300	13
Year's low (RON)	0.4295	0.3960	8
Year end (RON)	0.5745	0.4200	37
EPS (RON)	0.0647	0.1684	(62)
Total dividend per share (RON)	0.0413	0.0825 ³	n.a.
Thereof base dividend per share (RON)	0.0413 ²	0.0375	10
Dividend yield (%) ⁴	7.2	19.6	(63)
Payout ratio (%) ⁵	64	50	28

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 24, 2024; it refers to base dividend only;

³ The 2022 value includes RON 0.0375/share base dividend for 2022 and RON 0.0450/share special dividend declared and paid in 2023; a special dividend is also planned to be announced in 2024;

⁴ Calculated based on the closing share prices as of the last trading day of the respective year; figure for 2022 includes also the special dividend declared and paid in 2023;

⁵ Computed based on the Group's net profit attributable to stockholders of the parent; figure for 2022 includes also the special dividend declared and paid in 2023.

Global Depositary Receipts (GDR)

Following OMV Petrom shareholders' decision, the GDRs were delisted from the main market of the London Stock Exchange. The **GDR price on the last trading day** on October 25, 2023 was USD 18.4, translating into a 28.7% yoy increase. In 2023, the GDR price was mostly on an upward trend, ranging between a USD 18.4 **high** (first reached on October 18) and a USD 14.2 **low** (first reached on January 11).

In total, 3,527 GDRs were traded in 2023 (2022: 19,821), while the **daily average number of GDRs traded** was 17 (2022: 80).

The **highest monthly trading volume and value** were reached in August (1,903 GDRs worth of USD 34,635). The **total value of GDRs traded** in 2023 was USD 0.06 mn (2022: USD 0.32 mn).

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 2023, OMV Petrom S.A. held a total number of 204,776 own shares without voting rights (suspended voting right shares), representing 0.0003% of total share capital. In 2023, OMV Petrom did not buy back or cancel any Treasury shares.

Investor Relations activities

During 2023, the company's top management and the Investor Relations (IR) team had an active presence on the local and foreign capital markets, by attending brokers' conferences and organizing calls for analysts and investors, as well as non-deal road shows. Such interactions provided the opportunity to regularly update investors and analysts on

the Strategy 2030 execution and our quarterly operational and financial performance, as well as on the company's response to challenges posed by energy prices volatility and the changes of the local sector specific regulatory and fiscal environment.

In 2023, we attended eleven events, of which four non-deal road shows and seven brokers' conferences. A number of six events benefited from some of our top management presence, whereas five were at IR level only. During these events, the total number of one-on-one and group meetings with investors increased to around 100. We met investment funds from Romania, UK, US, France, Germany, Italy, Belgium, Estonia, Sweden, Austria, Czech Republic,

Slovakia, Poland, Greece, Hungary, Malta, Croatia, Slovenia and New Zealand.

During 2023, 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 sector specific regulations on our sustainability strategy, low and zero carbon capital expenditure plans and long-term business sustainability 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. This includes, among others, the **Trading Update of Key Performance Indicators (KPIs)**, which provides early guidance on OMV Petrom's key trends for the quarter, the **Quarterly report**, the **Factsheet**, a **conference call with analysts and investors**, the **related presentation with speech** and **Data supplement** file, as well as the transcript of the **Questions and Answers** session during quarterly conference calls, all published on the company's 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 Bucharest Stock Exchange website and also posted in the Investors section on the company's website.

Analyst coverage of OMV Petrom shares

At the end of 2023, **OMV Petrom stock was covered by eleven analysts** (2022: ten), of whom five (or 45%) had "Buy" or equivalent ratings (end of 2022: 90%) and six (or 55%) had a "Hold" or equivalent rating (end-2022: 10%). Unchanged since 2021, our shares have got no "Sell" rating. One analyst initiated coverage (IPOPEMA), while some brokerage houses have changed analysts, and one of them thus put our stock under review (Concorde Securities). **The average target price (TP) was RON 0.623**, translating into

a **8.5% upside potential** compared to the share price of RON 0.5745 on the last day of trading in the year. This compares to an average TP of RON 0.661 as at end-2022 (unadjusted).

Dividends

The Supervisory Board has approved the Executive Board's proposal to the Ordinary GMS to distribute a gross base dividend per share of RON 0.0413 for the year 2023, which is at the high end of the 5-10% range stated in the dividend guidance. This translates into a total cash outflow of RON 2,573 mn, a payout ratio of 64% of the Group's 2023 net profit attributable to stockholders of the parent (2022: 50%¹), or 59% of the Group's 2023 free cash flow (2022: 62%). The 2023 base dividend proposal is subject to the approval of the forthcoming Ordinary GMS on April 24, 2024.

The Executive Board also announced the intention to propose in 2024 the distribution of a special dividend. The potential distribution of special dividends would be subject to the approval of a future Ordinary General Meeting of Shareholders.

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	2023	2022	2021
Dividends allocated, RON mn	2,573.46 ¹	5,140.70 ²	4,480.53 ³

¹ Subject to GMS approval;

² Includes RON 0.0375/share base dividend for 2022 and RON 0.0450/share special dividend declared and paid in 2023.

³ Includes RON 0.0341/share base dividend for 2021 and RON 0.0450/share special dividend declared and paid in 2022.

¹ Calculated including RON 0.0375/share base dividend for 2022 and RON 0.0450/share special dividend declared and paid in 2023.

On March 17, 2022, the Supervisory Board approved the Executive Board's proposal to distribute base dividends of RON 0.0341 per share. The dividend proposal was approved by the Ordinary General Meeting of Shareholders, on April 27, 2022. The payment of the dividends started on June 6, 2022.

On June 21, 2022, the Supervisory Board approved the Executive Board's proposal to distribute special dividends of RON 0.0450 per share. The special dividend proposal led to a total dividend/share distributed in 2022 of RON 0.0791 (including the RON 0.0341 base dividend approved by the ordinary meeting of shareholders on April 27), resulting in a payout ratio of 156%, based on the Group's 2021 net profit attributable to stockholders of the parent. The special dividend proposal was approved by the Ordinary General Meeting of Shareholders, on July 26, 2022. The payment of the dividends started on September 2, 2022.

On March 16, 2023, the Supervisory Board approved the Executive Board's proposal to distribute base dividends of RON 0.0375 per share. The dividend proposal was approved by the Ordinary General Meeting of Shareholders, on April 26, 2023. The payment of the dividends started on June 7, 2023.

On July 28, 2023, the Supervisory Board approved the Executive Board's proposal to distribute special dividends of RON 0.0450 per share. The special dividend proposal led to a total dividend/share distributed in 2023 of RON 0.0825 (including the RON 0.0375 base dividend approved by the ordinary meeting of shareholders on April 26), resulting in a payout ratio of 50%, based on the Group's 2022 net profit attributable to stockholders of the parent. The special dividend proposal was approved by the Ordinary General Meeting of Shareholders, on

4. Company administration

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 creation for its shareholders. To remain competitive in a challenging environment, especially during recent times when the focus on environmental, social and corporate governance (ESG) elements increased significantly, OMV Petrom constantly develops and updates its corporate

September 12, 2023. The payment of the dividends started on October 19, 2023.

On March 15, 2024, the Supervisory Board approved the Executive Board's proposal to distribute base dividends of RON 0.0413 per share, resulting in a payout ratio of 64%, based on the Group's 2023 net profit attributable to stockholders of the parent. The dividend proposal is subject to approval by the Ordinary General Meeting of Shareholders, on April 24, 2024. In addition, a special dividend is planned to be announced in 2024.

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

As at year-end 2023, OMV Petrom held a total of 204,776 own shares, representing 0.0003% of issued share capital.

In 2023 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.

governance practices, so that it can meet new demands and also current 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 two above-mentioned bodies are stated in the Company's Articles of Association which is available on the Company's website (www.omvpetrom.com), in the relevant internal regulations and 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 issued by the Bucharest Stock Exchange in 2016. More details on the Company's compliance status with the principles and recommendations stipulated under the Corporate Governance Code 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 the 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 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 Stock Exchange. 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 Stock Exchange 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 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 vote by correspondence, prior to the GMS. Also, the shareholders may vote by electronic means prior to the GMS via eVOTE online platform, in accordance with the provisions of art. 197 of Regulation no. 5/2018, if such voting method is indicated in the convening notice for the respective 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;
- ▶ 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 applies 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 to 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.

Supervisory Board

Supervisory Board members

According to the Articles of Association, the Supervisory Board consists of nine members, one position being vacant at the date of this report. The Supervisory Board members 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 2023, the Supervisory Board consisted of the following members: Alfred Stern (President), Martijn van Koten (Deputy President), Reinhard Florey – interim member, Daniel Turnheim Katja Tautscher – interim member, Jochen Weise, Niculae Havrileț, Răzvan-Eugen Nicolescu and Marius Ștefan. During 2023, there was a change in the membership of the Supervisory Board. Thus, following Daniel Turnheim's waiver of his mandate as member of the Supervisory Board, Berislav Gaso was appointed as interim member of the Supervisory Board, as of March 17, 2023 and until the next GMS.

The Ordinary GMS held on April 26, 2023 approved the appointment of Reinhard Florey, Katja Tautscher and Berislav Gaso as permanent members of the Supervisory Board.

Therefore, at the end of 2023, the Supervisory Board had the following composition: Alfred Stern (President), Martijn van Koten (Deputy President), Reinhard Florey, Berislav Gaso, Katja Tautscher, Jochen Weise, Niculae Havrileț, Răzvan Eugen Nicolescu and Marius Ștefan. Starting February 12, 2024, Niculae Havrileț waived his

mandate as member of the Supervisory Board of OMV Petrom, thus his seat becoming vacant.

Therefore, at the date of this report, the Supervisory Board had the following composition: Alfred Stern (President), Martijn van Koten (Deputy President), Reinhard Florey, Berislav Gaso, Katja Tautscher, Jochen Weise, 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 2023, 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 or represented 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 composed of five members appointed by decision of the Supervisory Board from among its members.

At the beginning of 2023, the Audit Committee had the following five members: Jochen Weise (President – independent), Reinhard Florey (Deputy President), Niculae Havrileț (member), Răzvan Eugen Nicolescu (member – independent) and Marius Ștefan (member – independent). During 2023, there was no change in the membership of the Audit Committee.

Therefore, at the end of 2023, the Audit Committee had the same composition as mentioned above.

Following the waiver of his mandate as a member of the Supervisory Board of OMV Petrom, Niculae Havrileț ceased to hold the position as a member of the Audit Committee of OMV Petrom starting February 12, 2024, thus his seat becoming vacant.

Therefore, at the date of this report, the Audit Committee has the following composition: Jochen Weise (President – independent), Reinhard Florey (Deputy President), Răzvan Eugen Nicolescu (member – independent) and Marius Ștefan (member – independent).

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 separate and consolidated 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;
- ▶ 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; 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;
- ▶ Internal audit, internal controls and risk management – to undertake an annual assessment of the internal control system;
- ▶ 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, the related party transactions that exceed or are 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 2023 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.

At the beginning of 2023, the Presidential and Nomination Committee was composed of: Alfred Stern (President), Martijn van Koten (Deputy President), Răzvan-Eugen Nicolescu (member – independent) and Marius Ștefan (member – independent). During 2023, there was no change in the membership of the Presidential and Nomination Committee.

Therefore, at the end of 2023, as well as at the date of this report, the Presidential and Nomination Committee has the same composition as mentioned above.

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.

Presidential and Nomination Committee works

In 2023, the Presidential and Nomination Committee met two times, one meeting being organized virtually and one in person. All members of the Presidential and Nomination Committee attended all the meetings of the Presidential and Nomination Committee in 2023. Therefore, the participation rate was 100%. Moreover, the Presidential and Nomination Committee submitted its approval in writing by circulation, without an actual meeting being held, on one other occasion.

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 16, 2027.

At the beginning of 2023, the Executive Board was composed of the following members: Christina Verchere (CEO and President), Alina Gabriela Popa (CFO and member), Hans Christopher Veit (member in charge of Exploration & Production activity), Radu Sorin Căprău (member in charge of Refining & Marketing Oil activity) and Franck Neel (member in charge of Gas & Power activity).

On February 23, 2023, the Supervisory Board reappointed the following members of the Executive Board of OMV Petrom for a four-year mandate starting April 17, 2023 until April 16, 2027: Christina Verchere as

CEO and President of the Executive Board, Alina Gabriela Popa as CFO and member of the Executive Board, Radu Sorin Căprău as Executive Board member responsible for Refining & Marketing activity and Franck Albert Neel as Executive Board member responsible for Gas & Power activity. Moreover, during the same meeting, the Supervisory Board approved the appointment of Cristian Hubati as new Executive Board member responsible for Exploration & Production activity for a four-year mandate starting April 17, 2023 until April 16, 2027, following the expiry on April 16, 2023 of the mandate as Executive Board member of Hans Christopher Veit.

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 organization 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 require 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 2023, the Executive Board met 54 times, either in person or by video conference and passed resolutions by

circulation on 8 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, Equity & Inclusion and Employee Development

The continuous involvement of Executive Board Members in a series of internal and external events and programs emphasizes the focus on DE&I of our Senior Management as well as strong commitment towards an inclusive and equitable organization.

In 2023 we continued our DE&I journey towards creating an inclusive diverse and equitable workplace. We mobilized our internal teams to create and implement impactful initiatives.

Our DE&I Vision encompasses three pillars:

- ▶ **Diversity of thought and experience**, thus our aim is to become an organization where our difference(s) are embraced and used as a catalyst for growth and creativity.
- ▶ **Equitable opportunity** – our actions are targeted towards actively removing barriers so that each one of us will grow and contribute to the success of our company.
- ▶ **To ensure an inclusive and safe space**, through building a culture of trust and respect, working together for everyone to bring their full selves at work.

Moreover, we undertook the following key actions that strengthened the DE&I in OMV Petrom: Creating a DE&I Committee in OMV Petrom that is cross divisional and acts on a voluntary basis to design, deliver and measure the effectiveness of all implemented activities. This Committee focuses on four priority areas: Gender, Parents, Disabilities and Generations.

DE&I Events 2023:

- ▶ **Gender:** Through the Group DE&I Program, we dedicated an entire week in March 2023 to celebrating the women of our company with the theme #EmbraceEquity. This involved workshops, blog articles, and events aimed predominantly at our female employees and designed to foster awareness about equity. Among these events, we hosted an external keynote speaker to address the topic of "Self-value versus market value", as well as "Career

development for women". We also held a special virtual event inviting our female leaders, guided by our female Executive Board members to discuss diversity topics. Alongside these activities, we run an internal communication campaign dedicated to "Embrace Equity".

► **Parents:**

- In June, we hosted an event titled "Eco Friendly for Kids and Parents" which gathered around 60 participants. It tackled environmental sustainability and offered useful advice on improving our environmental stewardship, within a lively interactive workshop.
- In December 2023 we continued our annual tradition, "Bring Your Kids to Work...to Celebrate Christmas", with its second physical event for parents and children. More than 150 children who attended had the opportunity to learn more about the Oil & Gas Industry and got to spend quality time with their parents before Christmas.
- Additionally, we compiled a comprehensive "New Parents Training", designed to assist new parents navigate the administrative elements of childbirth and their subsequent return to work. This will be introduced in 2024.

- Our **Disabilities** stream, consisting of a multi-disciplinary team of professionals, acted to create awareness and establish an inclusive space for our colleagues with disabilities. In October 2023, they organized an event aimed at promoting the significance of inclusivity for individuals with disabilities. With the occasion of the event, Disability stream launched their first resource, a Guide for Employees and Managers. This guide comprises general information about disabilities, a related toolkit for assistance as well as recommended behavior when interacting with a disabled person. A dedicated digital space for addressing Disability matters was also created and made available in conjunction with this Guide.

- **Generations:** A communication campaign and contest for all generations working together in OMV Petrom was very well received by our employees. We are continuously working to identify the most relevant way to transfer the knowledge between the generations.

DE&I Programs&Learning:

- During the **OMV Petrom Excellence Scholarship** program's 4th edition in 2022-2023, we provided private scholarships to 77 students interested in the energy industry, which were mentored by 57 professionals in developing projects. We also make it a priority to balance gender in our programs and support women seeking to advance in technical fields, 48% of our program participants being female students.
- In 2023, we held the second edition of "**Her Energy Academy**". This Mentoring and Personal Branding program, jointly run by OMV Petrom and a partnering NGO, engages 20 young women with soft-skills training, facilitating their path to a successful career in the energy industry. For six months, the students took part in workshops, seminars, and visits to Petrobrazi Refinery and Petrom City, focusing on areas such as self-awareness, employability, personal branding, and critical thinking. They were also mentored by 20 accomplished female leaders across OMV Petrom, who offered individual advice, encouragement, the chance to cultivate close connections and shared their real-world experiences to help shape their careers.
- **Open4U** – In 2023, we had our 11th edition of the "Open4U" internship program that welcomed 100 students from diverse academic backgrounds (technical, IT, economic, socio-humanistic) for a learning journey across multiple divisions, each mentored individually. Primarily for top undergraduate and MA students, our program connects the younger generation with OMV Petrom colleagues, providing them a platform to kickstart their careers with the assistance of our experts during a two-month internship. Interns have the opportunity to dive into the specifics of the energy industry, gain exposure to our business environment, and work alongside outstanding teams. The "Open4U" internship program started in 2012 and, to date, has seen participation from over 900 enthusiastic students, who shared their passion and desire for learning with us.

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 dedicated to developing its 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.

In 2022 we started, and we will continue over the next 2 years, to adjust our current learning and development curricula to the new strategy of the Group and embedding the new values, competencies and new ways of working and leading.

Intense efforts have been made to identify development needs and adapt skills to support the implementation of business projects in the area of sustainability and circular economy, preparing the launch of **Sustainability Academy**, together with a consistent technical offering beginning of 2023.

The most talented employees set out on a development journey to enhance their knowledge on strategic sustainability current business approaches and grow as transformational leaders. 6 Petrom leaders participated in **Leading Ahead**, a new talent Group program, designed together with a top ranked business school in Executive Education.

Grow – one of the most impactful culture change program through developing essential leadership skills and then by securing the right habits – was cascaded to the next level of management (L3), affecting approximately 400 leaders and their direct reports approximately 3,000 persons.

Approximately 200 L3, L4 and L5 managers were part of the **Leadership Communication** program, this contributing to the development and improvement of leadership skills at organizational level.

And as we are determined to promote a culture of continuous learning, we monitor the number of employee training hours, which increased this year, up to an average of 33 hours per employee.

Women's advancement

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

OMV Petrom strives for diverse teams and thus, aims to increase the percentage of women at senior management levels (including female executives and women in

advanced management career level) to 32% by 2025. The Company supports this through a number of initiatives such as mentoring, succession planning, and specific programs. Additional information will be available in the 2023 Sustainability Report.

During 2023, OMV Petrom had three women in its management bodies: Christina Verchere, the CEO and President of the Executive Board, Alina Gabriela Popa, CFO and member of the Executive Board and Katja Tautcher, member of the Supervisory Board of OMV Petrom.

Moreover, at the end of 2023, the percentage of women at senior management levels (including female executives and women in advanced management career level) was 31.6%.

The percentage of women at all management levels was 30.1%.

The proportion of women in the OMV Petrom Group as a whole was 27.2% at year-end 2023.

OMV Petrom is committed to protecting the rights and opportunities of all employees, by promoting parity, eliminating gender bias and by offering learning opportunities. Also, OMV Petrom makes available to all employees an Ombudsman Department, namely the PetrOmbudsman, to which they may raise work related issues, including gender related.

Principles of Remuneration Policy

OMV Petrom targets to reach a 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. This enables us to have a rewarding offer in place, which attracts, motivates and retains those people who are OMV Petrom's competitive advantage and a vital factor for OMV Petrom's sustainable success.

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. When setting up our reward structures and individual compensation packages, we always pay attention to internal equity.

OMV Petrom has in place a Remuneration Policy for the Executive Board and Supervisory Board. It was drafted

by the Presidential and Nomination Committee, in close cooperation with independent consultants, and approved by the Supervisory Board and ultimately by the Ordinary GMS. Since 2022, a revised Remuneration Policy reflecting the Strategy 2030, which outlines how the Company plans to manage its transition to be fit for a lower carbon future, is applicable in OMV Petrom.

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, Management & Corporate Governance sub-section.

Remuneration of the Executive Board and Supervisory Board members

The application of the Remuneration Policy and the performance outcomes for the financial year 2023 are presented in the 2023 Remuneration Report for OMV Petrom's Executive Board and Supervisory Board, that will be submitted for consultative vote in the Ordinary GMS on April 24, 2024.

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.

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, OMV Petrom granted a 20% indemnity allowance, applicable to all working agreements, as a temporary measure. Starting with January 1, 2023, this 20% allowance was included in the base salary, but this may be subject to change in the future in case the legal provisions regulating payment of social security contributions will undergo amendments.

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.

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 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 included in 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	Documentation includes central databases with defined controls accessible for all relevant stakeholders. Periodic information is provided to management and governing bodies in respect of internal control system status update (spot checks performed, self assessments, etc.)
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 processes, regulations and internal controls, whose purpose is to manage and control the organization in order to achieve its objectives through optimized utilization of resources.

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, with all subsequent additions and modifications, 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 2023. This report will be published together with the consolidated financial statements of OMV Petrom for the year ended December 31, 2023.

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, 2024, the Supervisory Board of OMV Petrom consisted of nine members, elected for a four-year

Name	Age (years)	Position	Other information
Alfred Stern	59	President of the Supervisory Board As of 1 September 2021	Effective September 2021, Alfred Stern is the Chairman of the Executive Board and the CEO of OMV. Between April and August 2021, he was 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.
Martijn van Koten	54	Member As of 1 August 2021 Deputy President As of 1 January 2023	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, being responsible for the division Refining. Since January 1, 2023, he is responsible for the division Fuels & Feedstock. He is married and has two daughters.
Reinhard Florey	59	Member As of 1 November 2022	Reinhard Florey graduated in mechanical engineering and economics from Graz University of Technology while also completing his music studies at the Graz University of Fine Arts.

Name	Age (years)	Position	Other information
			He started his career in corporate consulting and strategy consulting. From 2002 to 2012 he worked in different Senior Management and CFO positions worldwide for Thyssen Krupp. His most recent post was as CFO and deputy CEO of Outokumpu. Since July 1, 2016 Reinhard Florey has been the CFO of OMV Aktiengesellschaft.
Berislav Gaso	50	Member As of March 17, 2023	Berislav Gaso holds a master's degree in Mechanical Engineering from the Technical University of Munich, Germany, and a PhD in Business Administration from the University of St. Gallen, Switzerland. Berislav Gaso has held various management positions in the MOL Group after working as a junior partner at McKinsey & Company. Most recently, he was Executive Vice President in charge of MOL Group's Exploration & Production Division. On March 1, 2023, Berislav Gaso assumed his role as a member of the Executive Board of OMV Aktiengesellschaft, where he is responsible for the Energy Division.
Katja Tautscher	52	Member As of 1 January 2023	Katja Tautscher graduated in law (Magister iuris) from University of Vienna, Law Faculty, Vienna, Austria and holds an executive MBA from INSEAD. She is member of the Austrian Bar Association since 2001 and admitted as a solicitor in England and Wales since 2005. From 1996 to 2006 she worked in different positions in prestigious law firms such as Clifford Chance (Düsseldorf), Allen & Overy (London, UK), Wolf Theiss (Vienna, Austria & Ljubljana, Slovenia). Her most recent position was as Chief Legal and Compliance Officer of Borealis AG, Vienna, Austria and since June 2022, Katja Tautscher became the SVP General Counsel of OMV Group.
Niculae Havrileț	67	Member As of 3 March 2020 and waived his mandate as of 12 February 2024	Niculae Havrileț graduated the Technical University Cluj Napoca, Faculty of Mechanical Engineering – Technologies. Niculae Havrileț has 40 years of experience in electricity and natural gas sectors, 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 was 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 December 2019 and until September 2021, Niculae Havrileț was state secretary within the Ministry of Economy, while between September 2021 and March 2022, he was the General Manager of Distribuție Energie Electrică România S.A. Starting June 2021, he is the Vicepresident of Romania Energy Center. In 2000, he has received the "Order of the Star of Romania" Knight.
Răzvan-Eugen Nicolescu	46	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 of Economics and Management, as well as of an executive course on corporate governance at

Name	Age (years)	Position	Other information
			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 was 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 and 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	47	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 the 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 has 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	68	Member - independent ¹ As of 1 November 2016	Jochen Weise graduated in Law from the Universities of Bochum and Bonn, Germany, where he also received his PhD. He holds a non-executive position as Senior Advisor Energy Infrastructure Investments to Allianz Capital Partners in London since November 2010. Previously, he was Supervisory Board member of Verbundnetzgas AG in Leipzig, Germany between December 2014 and June 2022, member of the Management Board, between April 2004 and August 2010, Executive Vice President Gas Supply & Trading, between January 2003 and March 2004, at E.ON Ruhrgas AG, and Director Commercial Sales at Deutsche Shell GmbH, between April 1998 and 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.

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

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 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 123,118 shares issued by OMV Petrom and Răzvan-Eugen Nicolescu

Name	Position
Christina Verchere	Chief Executive Officer and President of the Executive Board
Alina-Gabriela Popa	Chief Financial Officer
Cristian Hubati	Member of the Executive Board, responsible for Exploration and Production
Radu-Sorin Căprău	Member of the Executive Board, responsible for Refining and Marketing
Franck Albert Neel	Member of the Executive Board, responsible for Gas and Power

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. OMV Petrom does not have knowledge of any agreement, understanding or family connection between Executive Board members and the persons responsible for their appointment as members of the Executive Board of OMV Petrom.

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 shares were assigned to Alina-Gabriela Popa, the Chief Financial Officer of OMV Petrom, and 100 shares to Cristian Hubati, member of the Executive Board.

holds 8,000 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).

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 2023 and runs until April 2027.

At January 1, 2024, OMV Petrom's Executive Board is composed of the following members:

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 2023, 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.

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

The figures from below tables are either extracted from or computed using the information included in Separate Financial Statements prepared in accordance with Order of the Ministry of Public Finance no. 2844/2016 approving the accounting regulations compliant with the International Financial Reporting Standards:

Financial highlights, RON mn	Year ended December 31		
	2023	2022	2021
Sales revenues	33,162	55,838	21,486
Operating Result	7,409	11,991	3,366
Net financial result	202	(64)	(259)
Net income	3,944	10,288	2,688
Non-current assets	35,086	31,927	32,415
Current assets (including assets held for sale) *	21,460	25,548	16,463
Total equity	37,930	39,144	32,870
Non-current liabilities	9,963	7,878	7,277
Current liabilities (including liabilities associated with assets held for sale) *	8,652	10,454	8,731
Cash and cash equivalents at the beginning of the year	13,853	10,054	7,305
Cash flow from operating activities	10,441	11,019	6,374
Cash flow from investing activities	(5,455)	(3,075)	(2,024)
Cash flow from financing activities	(5,887)	(4,147)	(1,612)
Effect of foreign exchange rate changes on cash and cash equivalents	(1)	2	10
Cash and cash equivalents at the end of the year	12,950	13,853	10,054

Ratios	Year ended December 31		
	2023	2022	2021
Liquidity ratios			
Current ratio *	2.48	2.44	1.89
Acid test *	2.18	2.13	1.68
Risk ratios			
Gearing ratio	n.m.	n.m.	n.m.
Indebtedness ratio	0%	0%	0%
Operational ratios			
Stock turnover – days	42	21	36
Receivables turnover – days	35	22	34
Tangible assets turnover	1.18	2.45	0.90
Total assets turnover *	0.59	0.97	0.44
Profitability ratios			
Net profit margin	12%	18%	13%
Operating Result margin	22%	21%	16%
Operating Result before depreciation margin	32%	30%	31%
Return on fixed assets (ROFA)	27%	46%	12%
Return on equity (ROE)	10%	29%	8%

*) Comparative information dated December 31, 2022 has been restated as OMV Petrom voluntarily changed its accounting policy for the presentation of purchased emission certificates and provisions for CO₂ emissions in the balance sheet. For further details see OMV Petrom Separate Financial Statements Note 4 Accounting and valuation principles.

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

Sales revenues of RON 33,162 mn in 2023 decreased by 41% compared to 2022. The Refining and Marketing segment's contribution was RON 21,186 mn representing approximately 64% of total sales (18 pp higher than in 2022), followed by Gas and Power segment which accounted for 36% of total sales to third parties in 2023, with a contribution of RON 11,874 mn (2022: RON 30,016 mn). Exploration and Production accounted for only 0.2% of total sales revenues as OMV Petrom is an integrated energy company and sales in Exploration and Production are largely intra-group sales rather than third party sales. Please see section 1.1.4 for a detailed breakdown of sales revenues and explanation of variations.

Operating result for 2023 decreased to RON 7,409 mn, compared to RON 11,991 mn in 2022, being influenced mainly by the following most significant evolutions:

- ▶ **Sales revenues** decreased by 41%;
- ▶ **Net income from consolidated subsidiaries and investments in associates**, that comprise mainly dividends received by OMV Petrom S.A. from its subsidiaries and associates, decreased by RON 37 mn;
- ▶ **Other operating income** decreased by RON (523) mn, mainly due to the decrease in relation with compensation from Romanian authorities for sales of natural gas and electricity at capped prices, as well as in relation to the elimination of the subsidies supporting voluntary price reduction for the sale of diesel and gasoline;
- ▶ **Operating expenses**, mainly as follows:
 - ▶ Purchases (net of inventory variation) which include costs of goods and materials employed decreased by RON 11,525 mn, mainly due to lower acquisitions of electricity and natural gas as well as lower imported crude oil, partially offset by higher volumes of traded petroleum products in order to sustain the planned turnaround of the Petrobrazi refinery;
 - ▶ Production and operating expenses, which include variable and fixed production costs, as well as costs of goods and materials employed, decreased by RON 2,331 mn, mainly due to lower power overtaxation, following the change in legislation applicable starting with 1 January 2023, as well as lower expenses with CO2 certificates, following lower emissions, as a result of planned

outage of Brazi power plant, and lower market prices;

- ▶ Production and similar taxes decreased with RON 2,957 mn mainly due lower Exploration and Production specific taxation due to both lower prices and lower production volumes;
- ▶ Depreciation, amortization, impairments and write-ups decreased by 38%, as 2022 was negatively impacted by impairments (net of write-ups) for tangible assets in E&P;
- ▶ Exploration expenses decreased by RON 25 mn, mainly due to lower write-offs, lower geological and geophysical expenses, and lower exploration seismic activities.

The Company's **net financial result** improved to a gain of RON 202 mn in 2023 from a loss of RON (64) mn in 2022, mainly due to higher interest income on bank deposits.

On May 12, 2023, the Law no. 119/2023 for the approval of the Government Emergency Ordinance 186/2022 for the implementation of the Council Regulation (EU) 2022/1854 regarding the solidarity contribution was published in the Official Gazette. For companies that produce and refine crude oil, the law introduced the obligation to pay a contribution of RON 350 for each tonne of crude oil processed for the years 2022 and 2023. Therefore, OMV Petrom reflected in 2023 the **Solidarity contribution on refined crude oil** in amount of RON 2,729 mn, out of which RON 1,485 mn for 2022 and RON 1,244 mn for 2023, presented as a separate line in the condensed consolidated income statement, above Taxes on income line.

Net income decreased to RON 3,944 mn in 2023 compared to RON 10,288 mn in 2022, due to the negative evolution of the Operating Result and negative impact of solidarity contribution on refined crude oil.

As a result of its business activities, OMV Petrom S.A. contributed RON 15,721 mn to the Romanian State budget (2022: RON 19,464 mn). Out of this amount, direct taxes represented RON 5,846 mn (2022: 9,165 mn) and indirect taxes RON 8,897 mn (2022: RON 9,374 mn). At OMV Petrom Group, contributions to the Romanian State were in amount of RON 16,173 mn (2022: RON 20,080 mn).

OMV Petrom S.A. contribution to the State budget via direct taxes was mainly represented by the profit tax paid

that amounted to RON 842 mn (2022: RON 2,132 mn), royalties that amounted to RON 881 mn (2022: RON 2,094 mn), tax on additional revenue from sales of onshore natural gas and on exploitation of mineral resources other than natural gas that amounted to RON 1,507 mn (2022: RON 2,581 mn), contributions to the Energy Transition Fund that amounted to RON 680 mn (2022: RON 1,536 mn), solidarity contribution on refined crude oil paid in 2023 for 2022 of RON 1,485 mn, tax on additional revenues from sales of offshore natural gas of RON 144 mn (2022: RON 699 mn), employer social contributions that amounted to RON 59 mn (2022: RON 51 mn) and the contribution in amount of RON 22 mn (2022: RON 11 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 5,702 mn (2022: RON 6,093 mn), VAT (including custom VAT) in the amount of RON 2,605 mn (2022: RON 2,713 mn) and also employees' related taxes amounting to RON 586 mn (2022: RON 541 mn).

Total assets amounted to RON 56,546 mn as of December 31, 2023, 2% lower compared to 2022, driven by lower current assets, partly offset by higher non-current assets.

Non-current assets increased by 10% to RON 35,086 mn, compared to the end of 2022 (RON 31,927 mn), mainly due to increase in property, plant and equipment, as additions during the period and the increase in decommissioning asset following reassessment exceeded the depreciation and net impairments. Moreover, without having impact on the indicator, following the final investment decision on Neptun Deep project, the related oil and gas assets in amount of approximately RON 2.4 bn were reclassified from intangible assets into property, plant and equipment.

The ratio of intangible assets and property, plant and equipment to total assets amounted to 50% (2022: 45%).

Total current assets, including assets held for sale, decreased by 16% to RON 21,460 mn compared to RON 25,548 mn at the end of 2022, mostly triggered by lower cash and cash equivalents, lower trade receivables following declining sales, mainly in Gas and Power segment, decrease in inventories driven by lower gas volumes in stock and lower third party petroleum products, as well as lower other financial assets. The

reduction in other financial assets was driven mainly by the decrease in cash guarantees for transactions with energy products and lower financial assets in relation with derivatives, partly offset by increase in short-term investments, mainly in Treasury bills.

Total equity decreased to RON 37,930 mn as of December 31, 2023 compared to RON 39,144 mn as of December 31, 2022, mainly as a result of the distributions of base dividend for the financial year 2022 and of the special dividends approved on September 12, 2023 in a total amount of RON 5,141 mn, partly offset by the net profit generated in 2023. The equity ratio slightly decreased to 67% as of December 31, 2023 (December 31, 2022: 68%).

Total liabilities slightly increased by 2% to RON 18,615 mn as of December 31, 2023, following the increase in non-current liabilities, almost entirely offset by the decrease in current liabilities.

The increase in **non-current liabilities** was mainly due to the reassessment of provisions for decommissioning and restoration obligations, largely following decrease in the net discount rates and higher estimated costs. Provisions for decommissioning and restoration amounted to RON 8,885 mn as of December 31, 2023, both short and long term (December 31, 2022: RON 6,913 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 decrease in **current liabilities** was driven mainly by the decrease in other provisions, mainly in connection with other risks assessed by the Company in the area of gas and power taxation, by lower interest bearing debts in relation to loans from subsidiaries, by the decrease of financial liabilities mostly in relation to derivatives, and by lower income tax liabilities. These impacts were partially offset by increase in other liabilities, largely related to the solidarity contribution on refined crude oil for 2023.

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, 2023.

Cash flow

Cash outflows in 2023 consisted mainly in relation to payments for dividends, acquisition of tangible and intangible assets and investments in securities and

exceeded the cash inflows generated from operating activities.

At the Annual General Meeting of Shareholders held on April 26, 2023, the shareholders of OMV Petrom S.A. approved the distribution of dividends for the financial year 2022 for the gross amount of RON 2,337 mn (gross base dividend per share of RON 0.0375).

At the Ordinary General Meeting of Shareholders held on September 12, 2023, the shareholders of OMV Petrom S.A. approved the distribution of special dividends for the gross amount of RON 2,804 mn (gross special dividend per share of RON 0.0450). Total dividends paid in 2023 amounted to RON 5,101 mn.

Changes in consolidated OMV Petrom Group

Compared with the consolidated financial statements as of December 31, 2022, consolidated Group changed as follows:

On May 31, 2023, OMV Petrom S.A. sold 50% shares in OMV Petrom Biofuels S.R.L. to OMV Downstream GmbH, thus OMV Petrom S.A. retained 25% ownership and OMV Downstream GmbH reached 75% ownership. The company was deconsolidated in the Group financial statements and accounted for using the equity method starting with June 2023.

The detailed structure of the consolidated companies in OMV Petrom Group at December 31, 2023 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 additions and modifications, 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 2023. This report will be published together with the financial statements of OMV Petrom S.A. for the year ended December 31, 2023.

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 2023 will be published by April 30, 2023.

6. Corporate governance statement ^{vii}

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.	√		OMV Petrom is 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 Company's website, About Us section, Management & 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-quorate) 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 relevant 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, one position being vacant at the date of this report. The Supervisory Board members are all

^{vii} 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
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>non-executives. Therefore, the balance between executives and non-executives is ensured.</p> <p>Upon appointment of 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 for those that consider themselves independent.</p> <p>Moreover, for the purpose of preparing the Corporate Governance Report section of the Annual Report, the Company reconfirmed with all Supervisory Board members their independent or non-independent status as of December 31, 2023.</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, in the About Us section, Management & Corporate Governance sub-section, and in the Supervisory Board Report.</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.	√		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, in the About Us section, Management & Corporate Governance sub-section.
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>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 relevant internal regulations.</p> <p>The Company has put in place internal rules on how to deal with conflicts of interest.</p>
A.7. The company should appoint a Board secretary responsible for supporting the work of the Board.	√		The Company has a General Secretary, who supports the works of both the Executive Board and Supervisory Board (including its committees).
A.8. The corporate governance statement should inform on whether an evaluation of the	√		Based on a Supervisory Board Self-Evaluation Guideline which provides the purpose, criteria, and frequency of such an evaluation, the Supervisory Board

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 2023 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 2023, are included in the Supervisory Board Report and the Corporate Governance Report. The reports of the Supervisory Board and Executive Board for 2023 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, in the About Us section, Management & Corporate Governance sub-section, and also 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.</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. The Audit Committee is composed of five Supervisory Board members (one position being vacant at the date of this report), out of which three are independent. Therefore, at the date of this report, the Company is "compliant" with this provision.</p> <p>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 experience.</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.</p> <p>Based on the independence evaluation, it resulted that at all times during 2023 as well as at the date of this report, the president of the Audit Committee meets all independence criteria provided by the Corporate</p>

Provisions of the Bucharest Stock Exchange Corporate Governance Code	Complies	Does not comply or partially complies	Comments
Governance Code.			
B.3. Among its responsibilities, the audit committee should undertake an annual assessment of the system of internal control.	√		<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 are 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.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.	√		
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, these should be followed by cyclical (at least annual), or ad-	√		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
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 are 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 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 directly to the chief executive officer.		√	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 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

Provisions of the Bucharest Stock Exchange Corporate Governance Code	Complies	Does not comply or partially complies	Comments
			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. The Company is assessing how to fully comply with this provision in the future.
Section C - Fair rewards and motivation			
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. Any essential change of the remuneration policy should be published on the corporate website in a timely fashion.	√		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. The Remuneration Policy is available on the corporate website in the About Us section, Management & Corporate Governance sub-section. 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 2023 Remuneration Report for OMV Petrom's Executive Board and Supervisory Board will be submitted for consultative vote in the Ordinary GMS on 24 April 2024.
Section D - Building value through investors' relations			
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: D.1.1. Principal corporate regulations: the articles of association, general shareholders' meeting procedures. D.1.2. Professional CVs of the members of its governing bodies, Board members' other professional commitments, including executive and non-executive Board positions in companies and not-for-profit institutions;	√		The Company has a special department dedicated to Investor Relations that can be contacted via e-mail at investor.relations.petrom@petrom.com. 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: ▶ Articles of Association – in the Investors section, Corporate Governance/ Documents sub-section, as well as in the About us section, Management & Governance/ Corporate Governance/ Documents sub-section; ▶ Rules and Procedures of the GMS – in the Investors section, Corporate Governance / Documents sub-section, as well as in the About Us section, Management & Governance / Documents sub-section; ▶ Detailed professional CVs for all members of the Executive Board and Supervisory Board – in the Investors section, Corporate Governance sub-section and in the About Us section, Management & Governance/ Supervisory Board or Executive Board sub-sections;

Provisions of the Bucharest Stock Exchange Corporate Governance Code	Complies	Does not comply or partially complies	Comments
<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"> ▶ Current reports and periodic reports – in the Investors section, News and Shareholder Information and Publications sub-sections; ▶ Convening notices and supporting materials for the GMS – in the Investors section, Corporate Governance / General Meeting of Shareholders sub-section, as well as in the About Us section, Management & Governance/ Corporate Governance/ General Meeting of Shareholders sub-section; ▶ Financial calendar and information on other corporate events – in the Investors section, News and Shareholder Information sub-section; ▶ Name and contact information of a person able to provide investors with relevant information on request – in the Investors section, News and Shareholder Information 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, News and Shareholder Information and Publications sub-sections.
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.	√		The Company's Dividend Policy is published on its corporate website in the Investors section, Shares & Dividends sub-section, as well as in the About Us section, Management & Corporate Governance sub-section.
<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</p>	√		The Company has a Forecast Policy which is published on its corporate website in the About Us section, Management & Corporate Governance sub-section.

Provisions of the Bucharest Stock Exchange Corporate Governance Code	Complies	Does not comply or partially complies	Comments
reports. The forecast policy should 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 and operational 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	√		OMV Petrom organizes one-to-one meetings and conference calls with financial analysts, investors, brokers and other capital market specialists to present

Provisions of the Bucharest Stock Exchange Corporate Governance Code	Complies	Does not comply or partially complies	Comments
each year. The information presented on these occasions should be published in the Investor Relations section of the company website at the time of the meetings/conference calls.			the financial and operational elements relevant for their investment decision. In 2023, OMV Petrom organized four conference calls following the publication of the quarterly results. In addition, the Company's top management and the Investor Relations team had an active presence on the local and foreign capital markets, by attending brokers' conferences and organizing calls for analysts and investors as well as non-deal road shows. 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, News and Shareholder Information sub-sections.
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.	√		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 the following focus areas: transition to low carbon business, running responsible operations, innovation and digitalization and fostering people and communities. More details in relation thereto may be found in the Sustainability Report for 2023, which is issued by the Company, in accordance with the legal requirements regarding the disclosure of non-financial information.

Declaration of the management

We confirm to the best of our knowledge that the separate financial statements for the year ended December 31, 2023 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 15, 2024

The Executive Board

Christina Verchere
Chief Executive Officer
President of the EB

Alina Popa
Chief Financial Officer
Member of the EB

Cristian Hubati
Member of the EB
Exploration and Production

Franck Neel
Member of the EB
Gas and Power

Radu Căprău
Member of the EB
Refining and Marketing

7. Annexes

a. List of consolidated companies in OMV Petrom Group at December 31, 2023

Parent company

OMV Petrom S.A.

Subsidiaries

Exploration and Production		Refining and Marketing	
OMV Offshore Bulgaria GmbH (Austria)	100.00%	OMV Petrom Marketing S.R.L.	100.00%
OMV Petrom Georgia LLC (Georgia)	100.00%	OMV Petrom Aviation S.R.L. ¹	100.00%
OMV Petrom E&P Bulgaria S.R.L. ²	100.00%	Petrom Moldova S.R.L. (Moldova)	100.00%
		OMV Bulgaria OOD (Bulgaria)	99.90%
		OMV Srbija DOO (Serbia)	99.96%
Corporate and other			
		Petromed Solutions S.R.L.	100.00%

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

² former OMV Petrom Gas S.R.L., previously reported under Gas & Power segment

Incorporated Joint operations³

Gas and Power

S. Parc Fotovoltaic Isalnita S.A.	50.00%
S. Parc Fotovoltaic Rovinari Est S.A.	50.00%
S. Parc Fotovoltaic Tismana 1 S.A.	50.00%
S. Solarist Tismana 2 S.A.	50.00%

³ Joint operations structured through separate legal entities; accounted for as OMV Petrom's share of assets, liabilities, income and expenses held or incurred jointly

Associated company, accounted for at equity

Refining and Marketing

OMV Petrom Biofuels S.R.L. ⁴	25.00%
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Corporate and Other

OMV Petrom Global Solutions S.R.L.	25.00%
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⁴ In Q2/23 OMV Petrom S.A. sold 50% shares in OMV Petrom Biofuels S.R.L. to OMV Downstream GmbH, therefore OMV Petrom Biofuels S.R.L. became an associate for OMV Petrom S.A.

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 2023
OMV	OMV Aktiengesellschaft
ADNOC	Abu Dhabi Oil Refining Company
ADNOCT	ADNOC Global Trading LTD
ADPINV	Abu Dhabi Petroleum Investments LLC
BABSWE	Borealis AB
BANTBE	Borealis Antwerpen N.V.
BAYP	Bayport Polymers LLC
BBLUNL	BlueAlp Holding B.V.
BBNHUS	Borealis BoNo Holdings LLC
BBRA	Borealis Brasil S.A.
BCIRC	Borealis Circular Solutions Holding GmbH
BCOMUS	Borealis Compounds Inc.
BDYKOR	DYM SOLUTION CO., LTD
BECOAT	Ecoplast Kunststoffrecycling GmbH
BETSWE	Etenförsörjning i Stenungsund AB
BFR	Borealis France S.A.S.
BFSBE	Borealis Financial Services N.V.
BGSNOR	Borealis Group Services AS
BHOLAT	OMV Borealis Holding GmbH
BINDNK	Borealis Insurance A/S (captive insurance company)
BIT	Borealis ITALIA S.p.A.
BKALBE	Borealis Kallo N.V.
BMTCDE	mtm compact GmbH
BMTPDE	mtm plastics GmbH
BNOVUS	Novealis Holdings LLC
BORAAG	Borealis AG
BORMEH	Borealis Middle East Holding GmbH
BORO	Borouge Pte. Ltd.
BORO4	Borouge 4 LLC
BOROLC	Borouge PLC
BORREC	Recelerate GmbH
BPETNL	Petrogas International B.V.
BPLNLD	Borealis Plastomers B.V.
BPOAT	Borealis Polyolefine GmbH
BPOBE	Borealis Polymers N.V.
BPODE	Borealis Polymere GmbH
BPOFIN	Borealis Polymers Oy
BQESP	Borealis Química España S.A.
BRENBE	Renasci N.V.
BRHOBE	Renasci Oostende Holding N.V.
BRIAIT	Rialti S.p.A.
BRREBE	Renasci Oostende Recycling N.V.

BRSCBE	Renasci Oostende SCP N.V.
BSBHUS	Star Bridge Holdings LLC
BSVSWE	Borealis Sverige AB
BTOFIN	Borealis Technology Oy
BUK	BOREALIS UK LTD
BULG	OMV BULGARIA OOD
BUS	Borealis USA Inc.
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.
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
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.
KILPP	Kilpilahden Voimalaitos Oy
MOLDO	Petrom-Moldova S.R.L.
NZEA	OMV New Zealand Limited
OABUAE	OMV Abu Dhabi Offshore GmbH
OADP	OMV Abu Dhabi Production GmbH
OAUST	OMV AUSTRALIA PTY LTD
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
OFS	OMV Finance Services GmbH
OFSNOK	OMV Finance Services NOK GmbH
OFSUSD	OMV Finance Solutions USD GmbH
OGEO	OMV Austria Geothermal GmbH
OGI	OMV Gas Logistics Holding GmbH
OGMTBE	OMV Gas Marketing & Trading Belgium BVBA
OGMTF	OMV Gas Marketing Trading & Finance B.V.
OGREEN	OMV Green Energy GmbH
OGSA	OMV Gas Storage GmbH
OGSG	OMV Gas Storage Germany GmbH
OHUN	OMV Hungária Ásványolaj Korilátolt Felelősségű Társaság

OILEXP	OMV Oil Exploration GmbH
OILPRO	OMV Oil Production GmbH
OIRAN	OMV (IRAN) onshore Exploration GmbH
OLIB	OMV OF LIBYA LIMITED
OMVD	OMV Deutschland GmbH
OMVDM	OMV Deutschland Marketing & Trading GmbH & Co. KG
OMVDO	OMV Deutschland Operations GmbH & Co. KG
OMVDS	OMV Deutschland Services GmbH
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.
ONOR	OMV (NORGE) AS
OPBF	OMV Petrom Biofuels SRL
OPGSOL	OMV Petrom Global Solutions SRL
OPLNZ	OMV NZ Production Limited
ORFFBE	OMV Renewable Fuels & Feedstock B.V.
ORMMEA	OMV Refining & Marketing Middle East & Asia GmbH
OSERB	OMV SRBIJA d.o.o.
OSTIT	OMV Supply & Trading Italia S.r.l.
OTCH	OMV Česká republika, s.r.o.
OTNPRO	OMV (Tunesien) Production GmbH
OTRAD	OMV Supply & Trading Limited
OUPI	OMV Upstream International GmbH
OWALL	Circular Feedstock Walldürn GmbH
PARCO	Pak-Arab Refinery Limited
PCGAS	EEX CEGH Gas Exchange Services GmbH
PEARL	Pearl Petroleum Company Limited
PETAV	OMV PETROM Aviation S.R.L.
PETGAS	OMV PETROM E&P BULGARIA S.R.L.
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.
SEMXY	SapuraOMV Upstream (Mexico) Sdn. Bhd.
SENZMY	SapuraOMV Upstream (NZ) Sdn. Bhd.
SEOCMY	SapuraOMV Upstream (Oceania) Sdn. Bhd.
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.

SNO	OMV Solutions GmbH
SOMVMY	SAPURAOMV UPSTREAM (MALAYSIA) SDN. BHD.
SOUPMY	SapuraOMV Upstream Sdn. Bhd.
YEM2	OMV (Yemen Block S 2) Exploration GmbH

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 %

**Înștiințare cu privire la îndreptarea unei erori
ne semnificative în Raportul Anual aferent
anului financiar încheiat la 31 Decembrie 2023**

**Notice regarding the correction of insignificant
error in the Annual Report for the financial year
ended on 31 December 2023**

OMV Petrom S.A. anunță că în Raportul Anual al Grupului OMV Petrom aferent anului financiar încheiat la 31 Decembrie 2023, în capitolul dedicat performanței operaționale a segmentului de Rafinare și Marketing, textul următor de la pagina 34 a variantei în limba engleză, respectiv pagina 36 a variantei în limba română:

OMV Petrom S.A. announces that in the Annual Report of the OMV Petrom Group for the financial year ended on 31 December 2023, in the chapter dedicated to the operational performance of Refining and Marketing business segment, the following wording from page 34 in the English version and page 36 in the Romanian version:

„În 2023, marja totală obținută din comercializarea produselor complementare la nivel de Grup a crescut cu 6,5% față de anul precedent, creștere sprijinită de o contribuție solidă a segmentelor Gastro și Shop.”

“In 2023, the total non-fuel margin at Group level increased by 6.5% compared to the previous year, helped by a strong contribution of the Gastro and Shop activities.”

se va modifica și înlocui cu următorul text:

shall be amended and replaced with the following wording:

„În 2023, marja totală obținută din comercializarea produselor complementare la nivel de Grup a crescut cu 10% față de anul precedent, creștere sprijinită de o contribuție solidă a segmentelor Gastro și Shop.”

“In 2023, the total non-fuel margin at Group level increased by 10% compared to the previous year, helped by a strong contribution of the Gastro and Shop activities.”

Aceeași modificare se aplică și la pagina 86 a variantei în limba engleză, respectiv pagina 89 a variantei în limba română a Raportului Anual al OMV Petrom S.A.

The same change applies also to page 86 in the English version and page 89 in the Romanian version of the Annual Report of OMV Petrom S.A.

București
23 aprilie 2024

Bucharest
23 April 2024