

05.03.2014 – 09:31 Uhr

## **EANS-News: OMV Aktiengesellschaft / Report pursuant to section 65 para 1b in conjunction with sections 171 para 1 and 153 para 4 Stock Corporation Act**

Corporate news transmitted by euro adhoc. The issuer/originator is solely responsible for the content of this announcement.

Capital measures/OMV / Austria / Oil / Gas

Wien (euro adhoc) - OMV Aktiengesellschaft  
Corporate register number: 93363z  
ISIN: AT 0000743059

Report pursuant to section 65 para 1b in conjunction with sections 171 para 1 and 153 para 4 Stock Corporation Act

The Executive Board of OMV Aktiengesellschaft ("OMV" or "Company") has been authorized by resolution of the Annual General Meeting of the Company held on May 17, 2011, subject to the approval of the Supervisory Board but not to any further resolution of the General Meeting, to dispose of or utilize within five years of the adoption of the resolution, treasury shares in the Company also by other means than via stock exchange or public offering, in particular to satisfy stock options or long-term incentive plans for employees, senior employees and members of the Company's Executive Board or the management boards of its affiliates, or other employee stock ownership plans and for any other legal purpose.

The Executive Board and the Supervisory Board of OMV intend to make use of such authorization and to resolve upon an allocation of up to a maximum of 273,001 treasury shares in the Company under the Long Term Incentive Plan 2011 (LTIP 2011), which was approved by the Annual General Meeting of the Company on May 17, 2011, and under the Matching Share Plan 2013 (MSP 2013), which was approved by the Annual General Meeting of the Company on May 15, 2013, to members of the Executive Board and senior executives of the OMV Group (up to 241,569 for current and former members of the Executive Board and up to 31,432 for other senior executives). The Executive Board and the Supervisory Board of OMV Aktiengesellschaft, represented by the Remuneration Committee, therefore report as follows.

### **R E P O R T:**

#### **1. Long Term Incentive Plan 2011**

The Long Term Incentive Plan (LTIP) 2011 is a performance-based and long-term compensation instrument for the Executive Board and selected senior executives of OMV Group that shall promote the mid and long-term value creation at OMV and align the interests of the management and shareholders through long-term investments in shares. For the plan eligible were the members of the Executive Board (mandatory participation) and other senior executives of OMV Group (optional participation). The plan also seeks to prevent inadequate risk-taking. The defined performance criteria must not be amended during the performance period of the plan.

#### **Personal investment**

The participants were obliged to make the following personal investments in OMV shares: the Chairman of the Executive Board 100%, the Deputy Chairman of the

Executive Board 85% and the other Executive Board members 70% of their respective annual gross base salary; the other participating senior executives had to invest, at the discretion of the participant, EUR 15,000, EUR 30,000, EUR 60,000, EUR 90,000 or EUR 120,000 in OMV shares.

The personal investment had to take place in the year 2011. Investments for the LTIP 2010 were also recognized for the LTIP 2011. The participants had to transfer the invested shares to an OMV custodial account or individual custodial account. The invested shares have to be held at least until March 31, 2016 (subject to the withdrawal provisions). The use of all financial instruments, including but not limited to hedges, to lock in the value of participants' investments is prohibited and results in the loss of the entitlement to participate.

Members and former members of the Executive Board made the following personal investments for purposes of the LTIP 2011 (including the personal investments already made under the LTIP 2010 but excluding the personal investment and shareholding requirements under the LTIPs 2012 and 2013):

Gerhard Roiss:	Invested shares: 34,932
David C. Davies:	Invested shares: 25,614
Wolfgang Ruttenstorfer:	Invested shares: 38,278
Werner Auli:	Invested shares: 20,096
Jaap Huijskes:	Invested shares: 12,136
Manfred Leitner:	Invested shares: 12,993

#### Plan mechanisms

The own invested shares will be allocated proportionally to the relevant performance criterion, each calculated target number will be rounded down. Before vesting date (March 31, 2014) the potential bonus-shares are "virtual", i.e. the participants do not hold the shares and have no voting or dividend rights. As of the vesting date the definite number of shares shall be calculated depending on the achievement of the performance criteria. The definite number of shares to be granted represents the sum (rounded up) of the bonus shares of each single criterion calculation. The so calculated bonus shares will be delivered in shares or in cash, depending on the individual arrangement with the respective participant. These shares are at the free discretion of the participant.

The number of shares per performance criterion is calculated using the relevant target achievement percentage. The minimum of bonus shares per performance criterion is 0% of the per performance criterion defined target number of shares. The maximum of bonus shares per performance criterion is 200% of the per performance criterion defined target number of shares. Overall the minimum of bonus shares is 25% and the overall maximum of bonus shares is 175% of the number of shares allocated to them in 2011.

The performance criteria aiming at sustainable internal and external value creation are:

- 30%: Absolute total shareholder return (TSR)
- 30%: Absolute economic value added (EVA): Cumulative 3-year target.
- 30%: Absolute earnings per share (EPS): Average 3-year target, performance is calculated by comparing the average EPS within the performance period.
- 10%: Absolute safety performance: cumulative 3-year target.

In 2011, the performance targets were set for the performance period (January 1, 2011 until December 31, 2013) and communicated to plan participants. It was

not allowed to modify the performance criteria thereafter.

#### Share transfer/pay-out

The participants shall receive the bonus either in the form of shares or cash.

Already at the point in time when the participant declares his/her participation in the LTIP 2011, on the basis of an individual agreement a decision was made as to whether the participant will receive the cash equivalent amount of the bonus shares in seven installments to be effected in cash or through a one-off cash payment (after deduction of taxes and duties). Those participants with whom a cash payment in a single amount (installment) was agreed may declare by March 15, 2014 at the latest that they would like to have a transfer of bonus shares (after deduction of taxes and duties) to an individual depot instead of the cash payment. The cash bonus amount will be calculated by using the OMV's closing price at vesting date (March 31, 2014).

If the approval of the Supervisory Board takes place on vesting date or earlier, the share transfer shall be executed on the next business day after the vesting date, otherwise the transfers shall take place at the beginning of the following month but latest three months after the determination of the performance criteria achievement and approval by the Supervisory Board. In the event that cash payments or share transfers are made on the basis of incorrect or false data, the overpayment has to be repaid to the Company.

The participants' personal investment shares must be held until March 31, 2016.

#### Rules for leaving participants

##### Bad leavers:

- Before the vesting date (March 31, 2014): Unvested bonus shares from the plan shall be forfeited and shares invested by participants shall be retransferred when the participant leaves the Company.
- During the holding period: Shares invested by the participant shall be retransferred when the participant leaves the Company.

##### Good leavers:

- Before the vesting date (March 31, 2014): Unvested plans continue pro rata temporis relative to the entry year followed by the holding period; shares invested by the participant shall be retransferred at the end of the last plan.
- During the holding period: Shares invested by the participant shall be retransferred at the end of the last plan.

##### Retirement, permanent disability:

- Before the vesting date (March 31, 2014): Unvested plans continue pro rata temporis relative to the entry year followed by the holding period; shares invested by the participant shall be retransferred at the end of the last plan.
- During the holding period: Shares invested by the participant which are not required for other unvested plans are retransferred.

##### Death:

- Before the vesting date (March 31, 2014): Unvested plans shall be evaluated and settled in cash per the date of the death, and shares invested by the participant shall be retransferred as soon as possible.
- During the holding period: Shares invested by the participant shall be retransferred as soon as possible.

##### Disposal of the Group company where the participant is employed:

- Before the vesting date (March 13, 2014): Unvested plans continue followed by

the holding period, and own investments are retransferred at the end of the last plan.

- During the holding period: Own investments are retransferred at the end of the last plan.

## 2. Matching Share Plan 2013

### Plan purpose and objectives

The Matching Share Plan (MSP) 2013 is, as an integral part of the annual bonus agreement, a long-term compensation and incentive instrument for the Members of the Executive Board that promotes retention and combines the interests of management and shareholders via a long-term investment in restricted shares. The plan also seeks to prevent unnecessary risk-taking. The MSP provides shares which will be used in order to fulfill personal investment and shareholding requirements under the existing and future long term incentive plans until such requirement is fulfilled (see vesting/payout). All shares to be granted under the MSP 2013 will be used to fulfill such personal investment and shareholding requirements under the LTIPs, will be transferred to a trustee deposit account of the Company and will be subject to a holding period.

Based on the resolution of the Annual General Meeting of the Company held on May 15, 2013, for Executive Board members, an award of shares will be made to match 100% of their gross annual cash bonus. The maximum gross annual cash bonus can amount to 100% of the annual gross base salary and is based on the following performance criteria: 40% financial targets, 30% production and growth targets, 10% efficiency targets and 20% sustainability targets.

The shares granted have to be reduced or have to be returned in the case of a clawback event. Furthermore, if the shares or cash equivalent was based on incorrect calculations of the bonus, the Executive Board members are obligated to return or pay back benefits obtained due to such wrong figures.

The performance criteria defined for the annual bonus must not be amended during the term of the MSP.

### Plan mechanisms

On determination of the annual cash bonus by the Remuneration Committee of the Supervisory Board, an equivalent matching bonus grant will be made net (after deduction of taxes) in company shares which shall be transferred to a trustee deposit, managed by the company, to be held for three years. Executive Board members can choose between cash payment or shares if and to the extent that they have already fulfilled the shareholding requirements for the LTIP 2013 applicable to Executive Board members. Dividends earned from the vested shares are paid out in cash to the Executive Board members.

### Determination of number of shares

On determination of the gross annual cash bonus an award of 100% of the gross annual cash bonus earned in the previous year is made in company shares. The number of shares awarded is calculated as follows: The gross annual cash bonus amount is divided by the average closing price for OMV shares at the Vienna Stock Exchange over the three-month period November 1, 2013 - January 31, 2014. The resulting number of shares is rounded down.

### Effective dates and term

- Plan start: January 1, 2013 as an integral part of the annual bonus agreement
- Vesting Date: March 31, 2014, subject to Supervisory Board approval
- Holding period (to the extent applicable): 3 years from vesting.

## Share transfer/Pay-out

If authorization for the share transfer has been given by the Supervisory Board on Vesting Date or earlier, transfer of bonus shares will be executed on the next business day after Vesting Date, otherwise the transfer takes place with the beginning of the next month following the authorization. The company does not cover any share price risk caused by the delay or by transfer.

To the extent the shareholding requirement under the LTIP 2013 for Executive Board members is not fulfilled, the payment will, subject to legal restrictions, if any, be automatically made in the form of shares (net after tax deduction) until the requirement is reached. As far as the shareholding requirement is fulfilled, the payout can be made also in cash. The Executive Board members can opt for (i) single payment in shares, or (ii) single payment in cash, or (iii) cash payment in instalments. Executive Board members must make this decision by quarter three of the year the plan starts. If such a decision cannot be taken because of compliance relevant information the payment will automatically be made in cash (single payment).

The delivery of shares or cash payment to the participants is made net after deduction of taxes (payroll tax deduction).

## Leaving Executive Board members

The rules outlined above for the LTIP 2011 apply, provided that for good leavers and in the case of retirement and permanent disability the vesting of unvested awards remains subject to a decision to be made by the Supervisory Board in its discretion.

## Clawback

Under the following circumstances, the Supervisory Board may reduce the number of shares vesting under the MSP or may request from the Executive Board members a retransfer of shares or a repayment of cash payments which have been granted or made under the MPS:

- Reopening of audited financial statements due to miscalculation.
- Material failure of risk management which leads to significant damages (like Deep Water Horizon accident, Texas City Refinery accident).
- Serious misconduct of individual Executive Board member which violates Austrian law.

## 3. Number of awardable shares

According to the above mentioned criteria of the LTIP 2011 and the MSP 2013 and the achievements of the performance criteria the maximal number of bonus shares awardable to the current and former members of the Executive Board and other senior executives are as follows:

Gerhard Roiss:	66,888
David C. Davies:	52,731
Wolfgang Ruttenstorfer:	11,034
Werner Auli (estate):	23,170
Hans-Peter Floren:	17,064
Jaap Huijskes:	37,154
Manfred Leitner:	33,528

Other senior executives: 31,432

The numbers of shares mentioned above are gross numbers. The actual number of transferred shares will be a net amount after deduction of taxes and duties and will be published after the transfer on the website of OMV under [http://www.omv.com/portal/01/com/omv/OMVgroup/Investor\\_Relations/OMV\\_Share/Share\\_Buybacks\\_Sales/2014](http://www.omv.com/portal/01/com/omv/OMVgroup/Investor_Relations/OMV_Share/Share_Buybacks_Sales/2014).

#### 4. Exclusion of shareholders' opportunity to purchase treasury shares

As outlined above, OMV treasury shares shall be granted to the members of the Executive Board and other senior executives of OMV Group under the Long Term Incentive Plan 2011 and to Executive Board members under the Matching Share Plan 2013. OMV thereby intends to increase the focus of the participating persons on the long-term company value and their identification with the Company. The LTIP 2011 and the MSP 2013 are performance-based and long-term compensation and incentive instruments which shall promote the mid and long-term value creation at OMV, align the interests of the management and shareholders through long-term investment in shares and minimize risks. For such purpose it is necessary to exclude, in respect of the treasury shares used for the LTIP 2011 and the MSP 2013, the shareholders' opportunity to purchase OMV treasury shares.

The LTIP 2011 was approved by the Annual General Meeting of the Company on May 17, 2011. The MSP 2013 was approved by the Annual General Meeting of the Company on May 15, 2013.

The interests of the Company prevail over the shareholders' interest in having an opportunity to purchase OMV treasury shares. Taking into account all circumstances the exclusion of the shareholders' opportunity to purchase treasury shares is necessary, reasonable, appropriate, in the best interest of the Company and therefore objectively justified.

Vienna, March 2014 The Executive Board and the Supervisory Board

Further inquiry note:

OMV

Investor Relations:

Felix Rüscher

Tel. +43 1 40 440-21600

e-mail: [investor.relations@omv.com](mailto:investor.relations@omv.com)

Media Relations:

Johannes Vetter

Tel. +43 1 40 440-22729

e-mail: [media.relations@omv.com](mailto:media.relations@omv.com)

Internet Homepage: <http://www.omv.com>

end of announcement

euro adhoc

company: OMV Aktiengesellschaft

Trabrennstraße 6-8

A-1020 Wien

phone: +43 1 40440/21600

FAX: +43 1 40440/621600

mail: [investor.relations@omv.com](mailto:investor.relations@omv.com)

WWW: <http://www.omv.com>

sector: Oil & Gas - Downstream activities

ISIN: AT0000743059

indexes: ATX Prime, ATX  
stockmarkets: official market: Wien  
language: English

Original content of: OMV Aktiengesellschaft, transmitted by news aktuell  
Diese Meldung kann unter <https://www.presseportal.de/en/pm/25311/2679415> abgerufen werden.