

STANDALONE

Financial Statement 2023



Keep Discovering







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About Borealis

Executive Board



Thomas Gangl
Chief Executive Officer
 Appointed in April 2021
 Male / Austrian national

Prior to joining Borealis as new CEO in April 2022, Thomas Gangl was a member of the OMV Executive Board and in charge of Refining & Petrochemical Operations at OMV from 2019. Since starting in 1998 as a process engineer, his OMV career positions include General Manager of OMV Deutschland GmbH and Senior Vice President, Business Unit Refining & Petrochemicals. Thomas Gangl studied process engineering at the Vienna University of Technology, Austria, and mechanical engineering at the University of Salford in Manchester, United Kingdom.

Significant external positions

Borouge PLC; Vice Chairperson of the Board of Non-Executive Directors

World Energy Council Austria (WEC); Vice President of the Board of Non-Executive Directors

Austro-Arab Chamber of Commerce; Member of the Board of Non-Executive Directors

World Business Council for Sustainable Development (WBCSD); Member of the Board of Non-Executive Directors

Österreichischer Verband Creditreform (ÖVC); Member of Advisory Council



Daniel Turnheim
Chief Financial Officer
 Appointed in June 2023
 Male / Austrian national

Daniel Turnheim joined Borealis after a long-standing career in OMV Group. After joining OMV in 2002, he held various senior management functions in OMV Finance, including Head of Controlling at OMV UK in London, United Kingdom and a two-year assignment to Petrol Ofisi in Istanbul, Turkey. From 2011 to 2012, Daniel Turnheim held the role of Chief Financial Officer at OMV Petrom in Bucharest, Romania, before being appointed Senior Vice President Finance & Tax at OMV AG. Daniel Turnheim holds a Master's degree from the Vienna University of Economics and Business in Vienna, Austria.

Significant external positions

Member of Borouge PLC Audit Committee

Member of Baystar Finance & Audit Committee



Lucrèce Foufopoulos-De Ridder
Executive Vice President Polyolefins, Circular Economy Solutions and Innovation & Technology

Appointed in January 2019 – until December 2023

Female / dual Belgian-Swiss citizenship

Lucrèce Foufopoulos-De Ridder was appointed to the Borealis Executive Board as Executive Vice President Polyolefins, Circular Economy Solutions and Innovation & Technology in January 2019. She joined Borealis after a career of more than 20 years in the chemical and petrochemical industry, most recently at Eastman, where she served as Vice President & General Manager of the Rubber Additives business unit. Prior to that, Lucrèce Foufopoulos-De Ridder held a variety of positions at multinationals, including Dow Chemical, Rohm and Haas, Dow Corning and Tyco. Lucrèce Foufopoulos-De Ridder holds a European Master's degree in Polymer and Composites Engineering from the University of Leuven, and a Master's degree in Materials Science & Engineering from the University of Ghent, both in Belgium.

Significant external positions

Borouge Pte. Ltd.; Member of the Board of Non-Executive Directors

Plastics Europe – Vice President of the Steering Board, Chair of the Advocacy Committee



Wolfram Krenn
Executive Vice President
Base Chemicals & Operations
 Appointed in July 2021
 Male / Austrian national

Wolfram Krenn was appointed Executive Vice President Base Chemicals and Operations and member of the Borealis Executive Board in July 2022. Immediately prior to joining Borealis, Wolfram Krenn had held the position of Senior Vice President for Refining Assets at OMV since 2019. Having started his career at OMV in 1998 as a process engineer, he gained international experience in production and operations as lead for OMV Petrom's Petrobrazi Refinery in Romania. In 2018, he was appointed Senior Vice President Site Management Schwechat, Austria. Wolfram Krenn holds a Master's degree in Chemical Engineering from the Technical University of Graz, Austria.

Significant external positions

TÜV Austria Holding AG; Member of the Supervisory Board



Philippe Roodhooft
Executive Vice President
Joint Ventures & Growth Projects
 Appointed in November 2017
 Male / Belgian national

Philippe Roodhooft was appointed Executive Vice President Middle East and Growth Projects in November 2017, after having served since 2013 as Chief Operating Officer of Borouge ADP in the UAE. Prior to that, Philippe Roodhooft held Vienna-based senior management positions, including Senior Vice President Supply Chain and Product Management for Polyolefins, Senior Vice President Operations for the Borealis Group and General Manager for the Central European production sites. He holds a Master's degree in Applied Science from Katholieke Universiteit Leuven in Belgium, with a specialization in Production Management and Electro Mechanical Engineering.

Significant external positions

Bayport Polymers LLC; Chairman of the Board of Non-Executive Directors Borouge Pte. Ltd.; Vice Chairman of the Board of Non-Executive Directors Borouge PLC; Member of the Board of Non-Executive Directors



Craig Arnold
 was appointed Borealis Executive Vice President Polyolefins, Circular Economy Solutions and Innovation & Technology with effect from February 1, 2024, succeeding Lucrèce Foufopoulos-De Ridder.



OUR PURPOSE

Re-inventing essentials for
sustainable living

OUR VISION

Be a global leader in advanced
and sustainable chemicals and
material solutions





Borealis Strategy 2030

GEOGRAPHICAL EXPANSION

Become a fully global partner to our customers

We grow through M&A and selected builds in NAM, Middle East and Asia. We leverage Borealis's market presence for growth in Asia.

TRANSFORMATION

Evolve to fully customer-centric approach to offer advanced and sustainable material solutions

Circular Economy

We lead the transformation to a truly circular economy across all our applications.

Value Add

We invest in compounding and adjacencies to accelerate value creation through innovation.



SUSTAINABILITY

We significantly reduce our CO₂ footprint

STRONG FOUNDATION

Build on safety, people and culture to sustain strong growth

Safety

Goal Zero guides our strategic aspiration to be among the safest companies in the industry.

People

People make it happen. We shape an experience where everyone can perform at their best and make a difference.

Innovation & Technology

Accelerate circularity, drive specialty growth and create more value in licensing and catalyst technology.

Performance Excellence

We focus on excellence across all activities. Utilize technology and digitalization to drive efficiencies.



Our Values

Considering the impact of everything we do.

We show respect, speak up and act responsibly towards each other, our customers and the environment.



Defining tomorrow by welcoming new perspectives today.

We learn by being inclusive, asking questions, sharing our knowledge and having the courage to try new things.



Overcoming obstacles and finding solutions to deliver high performance.

We take ownership, trusting and empowering each other to make bold decisions to deliver safely and at speed.



Our Business

Borealis is one of the world's leading providers of advanced and sustainable polyolefin solutions. In Europe, Borealis is also an innovative leader in polyolefins recycling and a major producer of base chemicals. We leverage our polymer expertise and decades of experience to offer value-adding, innovative and circular material solutions for key industries such as consumer products, energy, healthcare, infrastructure and mobility.

With operations in over 120 countries and head offices in Vienna, Austria, Borealis employs around 6,000 people. In 2023, we generated a net profit of EUR 168 million. OMV, the Austria-based international energy, fuels & feedstock and chemicals & materials company, owns 75% of our shares. The Abu Dhabi National Oil Company (ADNOC), based in the United Arab Emirates (UAE), owns the remaining 25%.

In re-inventing essentials for sustainable living, we build on our commitment to safety, our people, innovation and technology, and performance excellence. We are accelerating the transformation to a circular economy of polyolefins and expanding our geographical footprint to better serve our customers around the globe. Our operations are augmented by two important joint ventures: Borouge (with ADNOC, headquartered in the UAE); and Baystar™ (with TotalEnergies, based in the US).

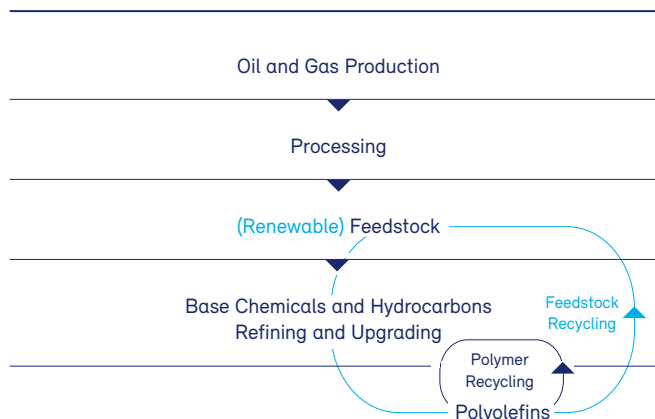
Value creation through innovation is at the core of Borealis' strategy

Borealis continuously invests in its people, its Borstar® and other proprietary technologies and in its working processes, both internally and with external partners. The result is continuous technological improvement.

As a leading innovator in its industries, Borealis continuously identifies and anticipates unmet market needs to consequently develop the corresponding solutions. Using proprietary technologies, innovative tools and leveraging expertise acquired over many years, Borealis unlocks materials' molecular properties and creates tailor-made products.

Borealis enhances this process with in-depth market knowledge, a cross-functional approach and an emphasis on open innovation.

Fig. 1: **Chemical production flow**



Industry Segments

Borealis clusters its businesses in two business segments: Polyolefins and Base Chemicals.

Polyolefins

The value-adding polyolefin products manufactured by Borealis form the basis of many valuable plastics applications that are an intrinsic part of modern life. Borealis works closely with its customers and industry partners to provide innovative and value-creating plastics solutions in a variety of industries and segments. These solutions make end products safer, lighter, more affordable, durable and circular. In short: they enable more sustainable living.

Circular Economy

Borealis recognizes Circular Economy as imperative across all its industry applications and is dedicated to the entire cascade of circular solutions, including reuse and design for recycling. Borealis also offers solutions produced from (advanced) mechanically recycled feedstock (Borcycle™ M), chemically recycled feedstock (Borcycle™ C) and renewable-based feedstock (Borneewables™). These sustainable solutions embody the aims of our EverMinds™ approach dedicated to promoting and advancing circularity in the industry to ensure the continued success of our customers and partners.



Advanced polyolefin solutions

Consumer Products

With over 50 years of experience in the industry, Borealis is an innovative and reliable supplier of advanced and circular polyolefin plastic materials used in consumer products. Proprietary Borealis Borstar technology enables production of eco-efficient, sustainable and high-performing solutions for flexible and rigid packaging, and for hygiene and filtration applications.

Borcycle M and the ISCC PLUS-certified Borcycle C products based on mechanically and chemically recycled feedstock as well as the ISCC PLUS-certified Borneables products using renewable-based feedstock meet a growing demand for high-sustainability packaging applications. In addition, via Design for Recycling (DfR) Borealis accelerates the transformation of the plastics industry towards circularity.

All of these innovative solutions designed for eco-efficiency and easy recycling play a significant role also in safeguarding the quality and safety of consumer and industrial products, while also fulfilling demand for enhanced functionality, convenience and sustainability. They protect and preserve, prevent spoilage and minimize waste.

Energy

For over six decades, Borealis has been a leading provider of value-creating polyolefin compounds for the energy industry and a partner of choice for wire and cable customers. Our global presence is assured thanks to our own operations outside Europe such as Rockport (US), and DYM SOLUTION CO., LTD (South Korea), as well as through our joint ventures Borouge (UAE) and Baystar (US).

The proprietary technologies and advanced material solutions accelerating electrification and the green energy transition include our industry-wide platform Borlink™; the sustainable engineering polymer class Stelora™; the solar brand Quentys™; and our Borclean™ capacitor film resins.

As a reliable partner, Borealis provides high-performance compounds for insulation and protection of land and submarine applications; power transmission and distribution; network and communication cables; energy storage and capacitors. Our Borcycle M, Borcycle C and Borneables portfolios of ISCC PLUS-certified circular solutions help meet growing industry demand for high-quality and more sustainable cable and capacitor polymers.

Healthcare

As a leading supplier of advanced polyolefins for medical and diagnostic devices and pharmaceutical packaging, Borealis has been a reliable and trusted partner to the industry for over 25 years. The cornerstone of Borealis Healthcare is the Bormed™ Concept, founded on the principles of service, commitment and conformance, with unrivaled regulatory and technical support provided to material engineers to enable innovation.

Medical polyolefins in the Bormed grade portfolio offer superior technical performance, fulfilling the most stringent requirements in terms of safety and quality. As a global supplier, Borealis can ensure long-term supply security.

As a circular economy pioneer, Borealis offers material solutions from its ISCC PLUS-certified Borneables and Borcycle C grade portfolios to deliver the same high material performance as virgin grades, but with a reduced carbon footprint.

Infrastructure

As a trusted and experienced partner with more than 50 years of experience (since 1967), Borealis offers market-leading polyethylene and polypropylene materials for pipe systems in water and gas distribution, waste water and sewage disposal, plumbing, heating, and industrial, along with multi-layer steel pipe coating solutions for onshore and offshore oil and gas pipelines. With the proprietary Borealis Borstar technology as the main foundation, complimented by selected other processes, Borealis can offer a wide variety of tailored pipe solutions.

Fig. 2: Industries served by Borealis' polyolefins applications



Consumer Products



Energy



Healthcare

With our advanced polyolefins for virgin and circular economy solutions, we serve these industries:



Infrastructure



Mobility



Solutions for Polymers

In addition, Borcycle M and the ISCC PLUS-certified Borcycle C compounds based on mechanically and chemically recycled feedstock as well as the ISCC PLUS-certified Bornevables compounds using renewable-based feedstock meet a growing demand for high-sustainability building and infrastructure pipe polymers.

By offering more durable and reliable as well as circular pipe solutions, Borealis' step-change innovations continue to boost the sustainability of pipe networks by making them safer, leak free, longer lasting and more efficient, with installation costs reduced by up to 60% compared to the traditional pipe material.

Based on Borealis' European assets, its Middle Eastern joint venture Borouge as well as the American joint venture Baystar, Borealis confirms its position as a partner of choice for global pipe customers, helping to meet the growing needs and requirements of the building and infrastructure industry today and in the future.

Mobility

For over 50 years, Borealis has been a leading supplier of innovative polyolefin-based solutions for engineering applications in the mobility industry. Together with our value chain partners around the globe, we are developing solutions for a more sustainable and energy-efficient future.

The proprietary Borstar technology forms the foundation of high-performance, cost-effective and lightweight polypropylene materials that can substitute for conventional materials like metal.

As an alternative to fossil fuel-based polyolefins, our renewable-based feedstock Bornevables and advanced mechanical recycling Borcycle M portfolios can help reduce the carbon footprint of vehicles. Our leading-edge material solutions are found in automotive interior, exterior, e-powertrain and under the hood applications.



Solutions for Polymers

Borealis continually develops novel and performance-enhancing solutions, such as polymer modifiers (plastomers and elastomers), foam solutions and reinforced polyolefins for structural parts. These material solutions may be designed for new or existing applications.

In polymer modifiers, Borealis continues to expand its wide range of attractive solutions. The Queo™ brand helps bridge the performance gap between conventional plastics, such as polyethylene (PE), and conventional elastomers, like ethylene propylene diene monomer. Queo makes it possible to meet or even surpass the most demanding requirements in sealing, flexibility, compatibility and processability.

Borealis' high melt strength (HMS), polypropylene-based foamed products fulfill the varying and sophisticated needs of both converters and consumers in the packaging, automotive and construction industries. For example, foam solutions in packaging offer excellent recyclability, especially when compared to conventional alternatives. Furthermore, HMS polypropylene (PP) foam also offers weight reduction, heat stability (for microwaveable packaging) and good thermal insulation properties.

Borealis' reinforced polyolefins are novel, performance-enhancing material solutions. The wide range of PP compounds are globally available and help contribute to enhanced sustainability, for example, through improved cost and energy efficiency.

Base Chemicals

As the building blocks of the chemical industry, base chemicals are used to manufacture the essential products and applications used by industry and consumers in daily life. Base chemicals are used in diverse sectors, including aviation, mobility, renewable energy, consumer appliances, advanced packaging, healthcare and many others.

Borealis produces a wide range of these base chemicals, including ethylene, propylene, C4 hydrocarbons, hydrogen, phenol and acetone. Its Borvida™ portfolio of sustainable base chemicals produced using non-food waste and residues from biomass and chemically recycled waste enhance the circularity of these essential building blocks. Together with OMV, Borealis is one of the largest olefins producers in Europe. Thanks to its joint ventures with

Borouge (UAE) and Baystar (US), Borealis is a sizeable international player in the industry.

The Borealis Base Chemicals business is tasked with sourcing renewable power, natural gas and main utilities (e.g. steam, water and nitrogen) for all its Base Chemicals and Polyolefins production locations in Europe. This integral function plays an important role in enabling Borealis to lower its own emissions and achieve its ambitious sustainability targets.

Olefins and Co-products

Borealis sources feedstock like naphtha, butane, propane and ethane from the oil and gas industry. It uses its olefin units to convert feedstock into the building blocks of the chemical industry: olefins (ethylene and propylene); and C4 hydrocarbons (petrochemical derivatives e.g. butanes, n- and iso-butylene, butadiene), among others.

Ethylene, propylene and C4 base chemicals are produced in steam crackers in Finland and Sweden, and in Abu Dhabi, as part of the Borouge joint venture. An ethane cracker with an annual production capacity of one million metric tons of ethylene commenced operations in 2023 as part of the Baystar joint venture in Texas (US). Propylene and hydrogen are also produced at Borealis' propane dehydrogenation (PDH) plant in Kallo (Belgium). A second PDH plant currently under construction will triple Kallo's propylene capacity once started up.

For the most part, ethylene is captively used for Borealis' polyethylene applications. It is also sold to customers in the acetaldehyde value chain for vinyl acetate monomer.

Propylene is captively used for Borealis' polypropylene applications, and is also sold to customers across several value chains, including acrylonitrile (for ABS, nitrile rubber and plastics); acrylic acid (for superabsorbent fibers such as diapers); butyraldehyde (for solvents, plasticizers, acrylic esters); and propylene oxide (for polyols, polyurethane and polyester resins).

Borealis sources the required feedstock and olefins from its owners, or purchases them on the market. A range of co-products from the steam cracking process are also sold on international markets. These include butadiene, butene raffinate 1, ethyl tertiary butyl ether (ETBE), benzene and pyrolysis gasoline (pygas).

Borealis produces hydrogen in its own PDH plant in Kallo and at its steam crackers in Stenungsund (Sweden) and Porvoo (Finland). As one of nature's essential building blocks, hydrogen combines easily with other elements and molecules. These combinations give rise to many other things, including energy. Hydrogen is, thus, crucial to global decarbonization efforts. It is a viable alternative to conventional fossil-fuel feedstock, and will become a key enabler for sustainable chemicals, such as renewable syngas, or methanol from CO₂.

Phenol and Acetone

In the Nordic and Baltic regions of Europe, Borealis is the leading producer of phenol and acetone. Used in industry as a starting material for plastics, phenol is commonly found in adhesives, construction materials, carpets, mobile phones and household appliances.

The phenol, benzene, cumene and acetone produced by Borealis in Finland are mainly sold to its Northern European industry customers for the manufacture of adhesives, fibers, epoxy resins and polycarbonates. Acetone is frequently used in acrylics, fibers, pharmaceuticals, and in paint solvents. Benzene is often used as a base chemical for other chemical processes, such as cyclohexane for nylon, and styrene for polystyrene.

Circular Base Chemicals

One way in which Borealis is proactively accelerating the transition to a circular economy is through circular base chemicals. These materials lessen our dependence on fossil fuels, drastically lower the environmental footprint of manufactured products, and reduce CO₂ emissions.

The Borvida portfolio comprises Borvida™ B, which are circular base chemicals (such as ethylene, propylene and phenol) made from non-food waste biomass. Borvida™ C materials are made using chemically recycled post-consumer waste. In the future, Borvida™ A will offer sustainable base chemicals derived from atmospheric carbon capture.

In line with the mass balance accounting method, the ISCC PLUS-certified materials in the Borvida portfolio can be tracked, traced and verified across the entire value chain. This ensures circularity from feedstock to end product.

Power, Natural Gas and Utilities

The Borealis Base Chemicals business unit is responsible for sourcing renewable power and natural gas for all European Base Chemicals and Polyolefins production locations, in addition to managing primary utilities. The business unit, thus, plays a crucial role in ensuring that Borealis achieves its ambitious, long-term Energy & Climate goals. These include using an ever higher share of renewable power in its own operations. By 2030, 100% of electricity used in Borealis Polyolefins and Base Chemicals operations should be renewable in origin, thanks to a diverse renewable energy portfolio based on wind, solar and hydropower. Scope 1 and Scope 2 emissions shall be reduced from 5.1 million metric tons per year (from a 2019 baseline) to 2 million metric tons by 2030, with expanded use of renewable power sources making up the majority of Scope 2 emissions reductions.





Financial Statements

including Management Report



Auditor's Report

Report on the Financial Statements

Audit Opinion

We have audited the financial statements of Borealis AG, Vienna, Austria, which comprise the Balance Sheet as at December 31, 2023, the Income Statement for the year then ended, and the Notes.

In our opinion, the financial statements comply with the legal requirements and present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and its financial performance for the year then ended, in accordance with Austrian Generally Accepted Accounting Principles and other legal or regulatory requirements.

Basis for our Opinion

We conducted our audit in accordance with Regulation (EU) 537/2014 ("AP Regulation") and Austrian Standards on Auditing. These standards require the audit to be conducted in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities" section of our report. We are independent of the Company, in accordance with Austrian company law and professional regulations, and we have fulfilled our other responsibilities under those relevant ethical requirements. We believe that the audit evidence we have obtained up to the date of the auditor's report is sufficient and appropriate to provide a basis for our audit opinion on this date.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. These matters were addressed in the context of our audit of the financial statements as a whole, however, we do not provide a separate opinion thereon.

Recoverability of shares in affiliated companies and loans to affiliated & associated companies

Refer to notes "Accounting and valuation policies", 1 "Fixed assets" and F "Financial result".

Risk for the Financial Statements

The carrying value of shares in affiliated companies amounts to EUR 3,141 million as of December 31, 2023, after an impairment loss incurred in the amount of EUR 300 million in 2023. The carrying value of loans to affiliated & associated companies amounts to EUR 843 million as of December 31, 2023.

The significant shares in and loans to affiliated and associated companies are subject to an impairment assessment on each balance sheet date to identify impairment triggers. If necessary, impairment calculations are carried out. The results of these calculations are highly dependent on estimates of future cash flows assumptions as well as assumptions for determining discount rates.

There is a risk for the financial statements that the valuation of shares in and loans to affiliated and associated companies which are to a large extent is misstated.

Our Response

We assessed the recoverability of the shares in and loans to affiliated and associated companies, as well as loans to associated companies as follows:

- We examined the impairment assessment process conducted by management.
- We assessed the appropriateness of the valuation methods used for the impairment calculations.
- We agreed the future cash flows included in the impairment calculations with the mid-term planning, that has been presented to the supervisory board.
- With the assistance of our valuation specialists we assessed the appropriateness of the assumptions used to determine the discount rates by comparing them with market and industry-specific benchmarks.
- We verified the mathematical accuracy of the impairment calculations.
- We assessed the adequacy of the disclosures in the financial statements.

Other Matter

The audit of the financial statements of Borealis AG as of December 31, 2022 was performed by another auditor, who expressed an unqualified audit opinion on the financial statements dated February 22, 2023.

Other Information

Management is responsible for other information. Other information is all information provided in the annual report, other than the financial statements, the management report and the auditor's report.

Our opinion on the financial statements does not cover other information and we do not provide any kind of assurance thereon.

In conjunction with our audit, it is our responsibility to read this other information and to assess whether, based on knowledge gained during our audit, it contains any material inconsistencies with the financial statements or any apparent material misstatement of fact.

If we conclude that there is a material misstatement of fact in other information, we must report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Austrian Generally Accepted Accounting Principles and other legal or regulatory requirements and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or errors.

Management is also responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our audit opinion. Reasonable assurance represents a high level of assurance, but provides no guarantee that an audit conducted in accordance with AP Regulation and Austrian Standards on Auditing (and therefore ISAs), will always detect a material misstatement, if any. Misstatements may result from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with AP Regulation and Austrian Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.

Moreover:

- We identify and assess the risks of material misstatements in the financial statements, whether due to fraud or error, we design and perform audit procedures responsive to those risks and obtain sufficient and appropriate audit evidence to serve as a basis for our audit opinion. The risk of not detecting material misstatements resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- We conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the respective note in the financial statements. If such disclosures are not appropriate, we will modify our audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the notes, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the audit committee regarding, amongst other matters, the planned scope and timing of our audit as well as significant findings, including any significant deficiencies in internal control that we identify during our audit.
- We communicate to the audit committee that we have complied with the relevant professional requirements in respect of our independence, that we will report any relationships and other events that could reasonably affect our independence and, where appropriate, the related safeguards.



– From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit i.e. key audit matters. We describe these key audit matters in our auditor’s report unless laws or other legal regulations preclude public disclosure about the matter or when in very rare cases, we determine that a matter should not be included in our audit report because the negative consequences of doing so would reasonably be expected to outweigh the public benefits of such communication.

Report on Other Legal Requirements Management Report

In accordance with Austrian company law, the management report is to be audited as to whether it is consistent with the financial statements and prepared in accordance with legal requirements.

Management is responsible for the preparation of the management report in accordance with Austrian company law and other legal or regulatory requirements.

We have conducted our audit in accordance with generally accepted standards on the audit of management reports.

Opinion

In our opinion, the management report is consistent with the financial statements and has been prepared in accordance with legal requirements. The disclosures pursuant to Section 243a UGB are appropriate.

Statement

Based on our knowledge gained in the course of the audit of the financial statements and our understanding of the Company and its environment, we did not note any material misstatements in the management report.

Additional Information in accordance with Article 10 AP Regulation

We were elected as auditors at the Annual General Meeting on February 28, 2023 and were appointed by the supervisory board on June 1, 2023 to audit the financial statements of Company for the financial year ending on December 31, 2023.

We have been auditors of the Company since the financial statements at December 31, 2023.

We declare that our opinion expressed in the “Report on the Financial Statements” section of our report is consistent with our additional report to the audit committee, in accordance with Article 11 AP Regulation.

We declare that we have not provided any prohibited non-audit services (Article 5 Paragraph 1 AP Regulation) and that we have ensured our independence throughout the course of the audit, from the audited Company.

Engagement Partner

The engagement partner is Mr Karl Braun.

Vienna, February 22, 2024

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Karl Braun m.p.

Austrian Chartered Accountant

Management Report as of December 31, 2023

Ukraine and Geopolitical Conflict

The Borealis Executive Board and senior management have taken specific actions in response to the war in Ukraine. Maintaining business continuity while ensuring human health and safety is the paramount concern. Borealis employs very few people in Russia and has no production operations in either Russia or Ukraine. Sales to Russia and Belarus have been halted. After terminating contracts with Russian-based suppliers, Borealis is now procuring feedstock from the US. The reliable and cost-effective transportation of liquefied petroleum gas (LPG) from North America to the Borealis crackers in Porvoo (Finland), Stenungsund (Sweden) as well as to the PDH unit in Kallo (Belgium) is made possible by long-term charter contracts for custom-built LPG vessels.

While operations at Borealis sites have not been disrupted by the conflicts in Europe or the Middle East, plans are in place to address contingencies such as supply chain disruptions. In monitoring the geopolitical situation closely, the Group continually adapts and updates its measures to ensure stable material procurement for Borealis production sites.

Business Overview

The Brent crude market remained volatile throughout 2023, with the average price of USD 83/bbl lower than the 2022 average of USD 101/bbl. Even given supply management and the extension of OPEC+ supply cuts into the first quarter of 2024, concerns regarding the global macroeconomic climate and China's lagging recovery weighed heavily on the oil markets. Core inflation remained sticky in developed markets, resulting in rising interest rates which are however expected to have peaked in the fourth quarter of 2023.

Naphtha prices increased from USD 559/metric ton (t) in December of 2022 to a 2023 peak of USD 717/t in March, supported by higher crude prices and increased blending of naphtha into the gasoline pool as the differential between crude and naphtha narrowed. In July, naphtha prices fell to USD 552/t, in line with low seasonal demand from refineries as well as lower crude prices. At year end, naphtha prices stood at USD 640/t.

Ethylene and propylene contract prices were impacted by the naphtha price development. Ethylene started the year at EUR 1,170/t and, supported by healthy demand in the spring turnaround season, peaked in March at EUR 1,290/t.

Unprecedented industry destocking occurred during the seasonally weak summer months. Ethylene prices hit a low of EUR 1,120/t in July and ended the year at EUR 1,185/t. The price of propylene rose from EUR 1,075/t in January to EUR 1,185/t in April, closing out the year at EUR 1,050/t.

The polyolefins market remained weak overall in 2023 but was temporarily bolstered from January to April by the spring turnaround season and optimism surrounding China's post-COVID opening. Industry profitability plunged in the summer months, with unprecedented levels of industry destocking due to underlying factors such as import pressure, high inventories, expectation of falling polyolefin prices, and the annual demand slowdown during the holidays. Industry profitability and operating rates fell to levels last recorded during the height of the global financial crisis of 2007–2008. While industry profitability recovered somewhat post summer with seasonal decline towards year end, it remained very weak.

Strategy

The Borealis Strategy 2030 is a strategic evolution centered on sustainability. Since its launch in 2022, it has guided Borealis in its efforts to transform the Company and expand its global presence, while at the same time significantly reducing the Group's CO₂ footprint. Built on the strong foundation of its people, corporate culture and safety mindset, the Borealis Strategy 2030 enables Borealis to deliver value-added solutions in collaboration with its customers and partners to accelerate the transition to a circular economy of plastics. Its emphasis on innovation and technology in tandem with performance excellence is a catalyst for growth in high potential areas such as specialty polyolefins, compounding, catalyst technologies and the licensing thereof.

Joint Ventures and Global Growth Projects

Borealis achieves geographic expansion by way of joint ventures, mergers and acquisitions and by new builds on several continents. It is crucial to boost the production capacity of both base chemicals as well as advanced and sustainable polyolefin-based solutions based on proprietary Borealis technologies in order to better serve global customers and drive the circular economy transition.



The largest global growth project currently underway is Borouge 4, situated within the Borouge joint venture founded by Borealis and the Abu Dhabi National Oil Company (ADNOC) in 1998. Ground was broken in 2022 for the construction of Borouge 4, the new USD 6.2 billion facility at the existing complex in Ruwais (UAE). The increased production capacity of advanced base chemicals and polyolefins, which will be unlocked once Borouge 4 comes onstream, will further enhance its role as it supplies large volumes to customers in the Middle East and Asia as well as feedstock to the adjacent TA'ZIZ Industrial Chemicals Zone.

The Baystar™ joint venture with TotalEnergies in Pasadena, Texas (US) passed a most significant milestone in October 2023 with the start-up of the new 625,000 metric ton/year Borstar® polyethylene (PE) unit (Bay 3). This growth project has brought the state-of-the-art Borstar third generation (3G) technology to the US in the most advanced Borstar plant ever built outside of Europe. With the completion of the USD 1.4 billion PE unit, Baystar has doubled its production capacity. As a fully integrated petrochemicals venture, it will supply value-added specialty polymers primarily to the booming energy, infrastructure and consumer product sectors in North America. In addition to the new Bay 3, the Baystar site comprises an ethane-based steam cracker (started up in 2022), two legacy PE production units and the TotalEnergies ethane cracker in adjacent Port Arthur.

A major European growth endeavor is the new, global-scale PDH plant at the existing Borealis production site in Kallo. Upon its expected start-up in 2025, the projected annual propylene production will be 740,000 metric tons. Up until late 2022, construction had been halted after misconduct on the part of one of the site's former contractors led Borealis to terminate all contracts and restart the tender process. Substantial progress has been made since work resumed in mid-summer 2023, and on-site mobilization has picked up speed. Borealis does not tolerate breaches of work ethics or contractual non-compliance in any aspects of its operations. The Kallo case has resulted in the implementation of in-depth monitoring measures to ensure full compliance in the future.

Acquisitions

In October, Borealis successfully closed its acquisition of Italy-based Rialti, a leading polypropylene (PP) compounder of recyclates used in injection molding and extrusion processes. In the same month, Borealis declared its intent to acquire Integra Plastics, an advanced mechanical recycling company based in Bulgaria. Once regulatory approvals have been obtained, this transaction will further boost recycling capacity for the Borealis portfolio. At the end of November, Borealis increased its share in Belgium-based recyclers Renasci from 50.01% to 98.56%.

In order to simplify Borealis' overall group structure, in December 2023 Borealis AG acquired from Borealis Polymers N.V., by inter-group sale and purchase via implementation of Share Purchase Agreements, 99.94% of the shares of Borealis Kallo N.V. and 90% of the shares of Borealis Antwerpen N.V. As a result, Borealis AG holds 100% of the shares of all Belgian entities.

Divestments

The divestment process of the Borealis nitrogen business unit (including fertilizers, technical nitrogen and melamine products) which commenced in February 2021 was completed as of July 5, 2023. Final regulatory approvals were obtained at the end of June 2023, after which Borealis divested its former asset to Czech-based AGROFERT, whose binding offer had been submitted in June 2022. The parties continue the process of customary closing accounts adjustments. Payment may be deferred in part subject to contractually stipulated conditions. The Borealis Executive Board has full confidence that AGROFERT, as a leading European fertilizer concern, will remain committed to maintaining supply security and the development of production facilities in the long term.

In September 2022, a binding agreement made by YILDIRIM for the acquisition of Borealis' shares in Rosier was first announced. On January 2, 2023, Borealis reported that it had divested all of its shares in Rosier after finalizing the agreement with the YILDIRIM Group.

Circular Economy

In the Borealis Strategy 2030, the strategic goal of geographical expansion is complemented by that of transformation: Borealis is cementing its position as a fully customer-centric supplier of sustainable material solutions which add value to society and accelerate the transition to a circular economy. Long an industry front-runner in circularity, Borealis aims to further increase the share of circular products in its overall production output in the coming years. These include recycled and renewable-based polymers in its Borcycle™ C, Borcycle™ M, and Bornewables™ grade portfolios, as well as the renewable hydrocarbons in the Borvida™ family of base chemicals.

Upon certification of the Borealis polyolefin compounding site in Monza (Italy) in July 2023, all Borealis polyolefin and polyolefin compounding sites in Europe have now been certified ISCC PLUS (International Sustainability and Carbon Certification). This mark of quality ensures traceability by way of objective, third-party verification of critical points along the supply chain.

Recycling facilities operated by Renasci in Ostend (Belgium), mtm in Niedergebra (Germany) and Ecoplast in Wildon (Austria) have also been ISCC PLUS-certified. Borealis was the first virgin polyolefins player in Europe to have entered into mechanical recycling by acquiring mtm plastics in 2016, and Austria-based Ecoplast in 2018. Now 100% owned by the Borealis Group, the combined mtm and Ecoplast output will be augmented by high-quality volumes from the recent acquisition Rialti and, at a later date to be determined, Integra Plastics.

In addition to ongoing collaboration with OMV centered on the patented OMV ReOil® technology, Borealis is working closely with its upstream partner Neste and its Neste RE™ technology to take the commercialization of chemically recycled plastics to the next level. The majority stake acquired in late 2023 in Renasci also gives Borealis access to chemically recycled feedstock for the grades in its ISCC PLUS-certified Borcycle™ C portfolio. Because the chemical recycling process valorizes residual waste streams which would otherwise be landfilled or incinerated, it is a valuable complement to mechanical recycling. The virgin-grade quality of monomers produced in chemical recycling processes makes them suitable for use in the production of high-end polyolefin applications in food-grade consumer packaging, infrastructure and healthcare.



Technological Innovation

As a pillar of the strong Borealis foundation, innovation drives transformation in all areas of business activity. Making good on the corporate purpose of “Reinventing Essentials for Sustainable Living” requires ongoing investment in research and development (R&D). Proprietary technologies such as Borstar® form the base for material solutions which help the industry address urgent societal and environmental issues such as decarbonization, the green-energy transition and waste reduction. Its suite of technologies enables Borealis to continually expand its offer of advanced specialty polyolefins in order to capitalize on promising market opportunities in lucrative niche applications in sectors such as renewable energy, mobility, healthcare, consumer packaging and the circular sphere.

In May, Borealis launched a new class of engineering polymers produced from renewably sourced feedstock: Stelora™ opens up an abundance of options for technically advanced applications requiring high heat resistance, such as in e-mobility and renewable energy generation. The introduction of the Bornewables line of Queo™, a portfolio of polymers and elastomers based on renewable feedstock, took place in the same month.

The EverMinds™ platform founded in 2018 is one way in which Borealis is spearheading the circular economy transition. By encouraging collaboration among value chain partners and other stakeholders in the name of circularity, Borealis is facilitating the development of a broad range of eco-efficient applications across diverse industry sectors. In 2023, highlights included the development of a new monomaterial pouch for dry foodstuffs containing over 95% PP and fully compatible for mechanical recycling. Bornewables grades were used to enhance the circularity of BOPP film used in flexible packaging, while Bornewables PP for absorbent hygiene products were able to help improve the ecological footprint of nonwovens.

Innovation at Borealis is global in scope. Nearly 600 are employed at one of three innovation hubs: the Innovation Headquarters in Linz (Austria) as well as the Innovation Centers in Porvoo (Finland) and Stenungsund (Sweden). Borealis also operates Borstar pilot plants for PE in Porvoo, and for PP in both Porvoo and Schwechat (Austria). Catalyst manufacturing plants in Linz and Porvoo are augmented by a pilot facility in Porvoo.

Borealis continues to head the list of patent filers in Austria. In 2023, Borealis filed 128 new priority patent applications at the European Patent Office, the same number filed as in 2022. As of December 2023, the Borealis Group holds around 12,000 individual patents or patent applications which are subsumed in approximately 1,500 patent families. The growing number of patents is proof positive of the Group’s dedication to Value Creation through Innovation.

Review of the Financial Performance

The operating result decreased from a profit of EUR 869 million in 2022 to a loss of EUR 24 million in 2023. This drop must be considered in the context of current market challenges (which affect all petrochemical companies), namely ongoing market volatility; stubborn inflation and high energy costs, particularly in Europe; weak margins; and record polyolefins overcapacity in the face of feeble demand.

The financial result decreased from a financial income of EUR 7,585 million in 2022 to a financial income of EUR 346 million in 2023. The main drivers for this decrease were one-time effects in the previous year, with the sale of Borouge entities to Borealis Middle East Holding GmbH (EUR 7,187 million) and the write-up of Borealis L.A.T. GmbH (EUR 99 million), on the one hand, whereas one-time effects in the current year relate to the sale of the nitrogen business (“Borealis NITRO”, EUR 294 million) and the write-up of Borealis Polymers OY (EUR 168 million). On the other hand, dividends decreased by 67% from EUR 514 million in 2022 to EUR 170 million in 2023 and impairments of financial assets increased from EUR 33 million in 2022 to EUR 300 million in 2023.

Overall, Borealis AG generated a net income of EUR 319 million in 2023 compared to a net income of EUR 8,276 million in 2022.

KPI Overview

	2023 EUR thousand	2022 EUR thousand
Cash flow from operating activities	395	-391,229
Cash flow from investing activities	226,380	1,296,602
Cash flow from financing activities	-677,190	-680,236
Net cash flow for the period	-450,416	225,137
Cash and cash equivalents (including internal bank ¹⁾) as of January 1	2,275,174	2,050,037
Cash and cash equivalents (including internal bank ¹⁾) as of December 31	1,824,759	2,275,174
Change in cash and cash equivalents (including internal bank ¹⁾)	-450,416	225,137

1) included in financial statement caption "Accounts payable to affiliated companies"

	2023	2022
Equity ratio ²⁾	82.0%	81.1%
Return on equity ³⁾	2.4%	61.7%
EBIT (in EUR thousand) ⁴⁾	368,894	8,669,530
ROCE ⁵⁾	1.9%	81.4%
Gearing ratio ⁶⁾	-5.0%	-5.3%

2) Equity divided by Total assets // 3) Net income divided by Total equity // 4) Net income + Taxes on income + Interest and similar expenses + Other interest and similar income //

5) Operating profit, profit and loss from sale of operations, after imputed tax, divided by average capital employed // 6) Interest-bearing debt, less cash and cash equivalents, divided by total equity



Review of Sales

In 2023, Borealis AG sold 3.31 mn metric tons of polyolefins, slightly less than the 3.36 mn sold in 2022. The decline is due primarily to imports into the European market. The macroeconomic situation was difficult throughout the year, with weak economic growth, high energy prices in Europe and ongoing supply chain bottlenecks. The industry situation was also bleak, with sluggish demand in the face of record-level polyolefins capacity additions and increased imports to Europe. In response, the entity has adopted initiatives to improve inventory and working capital management by lowering cracker utilization and protecting margins from oversupply.

Review of Cost Development

The lower feedstock price environment saw a sharp reduction in 2023 cost of materials compared to 2022. The negative macroeconomic scenario throughout the year, with weak economic growth and high inflation, resulted in sluggish demand and lower sales and distribution costs, where freight costs decreased from EUR 369 mn in 2022 to EUR 357 mn in 2023. Guided by an unwavering commitment to Value Creation through Innovation, spending on research and development (comprising costs for the Borealis Innotech organization and depreciation of R&D assets) increased from EUR 59 mn in 2022 to EUR 66 mn in 2023.

The average number of employees increased by 49 employees to 351 by the end of 2023.

Changes to the Supervisory Board and Executive Board

In April 2023, Daniela Vlad, OMV Executive Vice President Chemicals & Materials and member of the OMV Executive Board, was appointed Chairperson of the Borealis Supervisory Board, replacing Alfred Stern, OMV CEO. Daniel Turnheim was appointed Borealis Chief Financial Officer for a three-year period taking effect as of June 1, 2023. He takes over from Mark Tonkens, who left the Borealis Executive Board by mutual agreement at the end of May 2023. As of February 1, 2024, Craig Arnold assumes the position of Executive Vice President Polyolefins, Circular Economy Solutions and Innovation & Technology held by Lucrece Foufopoulos-De Ridder up until December 31, 2023.

Strong Foundation Performance Excellence (SFPE): Weathering the storm

The implementation focused performance improvement program has been launched in 2022 as part of Borealis 2030 Strategy. The program is set up to deliver significant sustainable profit improvements and helps to protect margins short-term and mitigate the current downturn in the industry.

2023 marked an important year for SFPE as strong results could be reported from the profitability improvement measures across our value chain. The program supported the results by around EUR 140 million for the group in 2023. The measures aim at optimizing product pricing, reducing variable costs through feedstock sourcing improvements, enhancing operational efficiency in energy consumption, uplifting the reliability of our assets and leveraging integrated margin opportunities. Given the prolonged and deeper downturn a dedicated fixed costs program has been launched as part of SFPE in addition to other short-term measures to weather the storm. Focus points of the fixed costs program include optimizing inventories, enhancing maintenance processes, managing discretionary expenses. Additionally, the program focuses on streamlining internal and external spend structures in line with our Borealis values. The targeted fixed costs reductions will achieve a mid-term run rate of EUR 100 million savings for the group.

Funding and Financing

Borealis AG continues to benefit from its well-diversified financing portfolio and the related maturities of those refinancing sources, as well as from its improved liquidity position after a period of strong business results. Furthermore, Borealis has well-established access to capital markets as well as private placements, which serve as additional sources of financing. Overall, the Company has sufficient liquidity headroom, which provides flexibility and supports further growth.

Borealis AG has representations in Abu Dhabi.

Non-financial performance indicators are not monitored separately for Borealis AG but rather within the context of the entire Borealis Group.

Risk Management

Borealis' enterprise risk management enables management to effectively deal with uncertainty and associated risks and opportunities in order to enable the Company's leadership to base decisions on sound assessments of the associated risks and opportunities and to preserve and enhance its value for the organization in a proactive and preventive manner. Borealis' risk consolidation and reporting provides the Executive Board with an overview of the Company's and the Group's risk exposure and a tool to track the status of mitigation actions taken by the risk owners in their efforts to reduce risk exposure. The internal control systems, as well as the risk management in relation to accounting processes, define all processes used to ensure the economic viability and accuracy of accounting systems, thereby reducing the proneness to error, protecting assets against losses due to damage, negligence or fraud, and guaranteeing the conformity of company procedures with its Articles of Association, Group directives and legal framework. The control environment for the accounting process is characterized by a clearly defined operational and organizational structure. The finance organization periodically performs a self-assessment of defined internal controls and takes action as needed. Accounting guidelines are laid down in a Group manual which is continuously revised and subject to obligatory implementation by Borealis AG and its subsidiary companies.

Borealis has standardized resource planning software which is used throughout the Group. Close cooperation with the internal and external audit functions, which validate the application of uniform accounting standards by means of an international network, ensures the comprehensive and efficient statutory auditing of the Group's financial statements.

In addition to the accounting process, Borealis AG is also subject to other risks for which an adequate risk management system has been implemented. Strategic risks are risks that may negatively impact the Company's strategy or its reputation. To counteract these risks, appropriate contingency plans have been put in place which are intended to ensure that strategies can be implemented as planned. Strategic risks usually relate to long-term trends such as market and industry shifts, strategic moves in relation to competitive conditions (e.g. innovations, mergers and acquisitions, etc.), or attacks on the Company's reputation that have long-lasting effects. Operative risks include health, safety and the environment, as well as price risks related to finished products, which frequently occur in the Company's business activities. They are managed through a wide range of control mechanisms and may involve the use of financial derivative instruments. Subsequently, potential financial risks and corresponding risk mitigation measures are discussed. Risk management for the Group companies is driven by Borealis AG. Borealis AG addresses the following financial risks:

Credit Risk

The management has set up processes to continuously monitor default risk. The level of default risk relating to a specific debtor consists of the sum of all outstanding trade receivables and is reconciled with the individually agreed credit limit. Evaluations of credit limits take place on a daily basis and, in addition, the entire customer portfolio is reviewed at least once a year. Changes to the credit limits must be approved on a case-by-case basis. On the balance sheet date, Borealis AG was not exposed to any significant concentrations of default risks (up to 10% of the outstanding external trade receivables). No significant default risks associated with trade receivables sold under the factoring program remain with Borealis AG.

Liquidity Risk

Liquidity reserves are managed on a day-to-day basis in order to ensure that sufficient liquidity is available at all times while at the same time keeping working capital at the lowest level possible.



Foreign Currency Risk

Borealis AG is exposed to foreign currency risks through transactions such as sales, purchases or financing denominated in currencies other than EUR. The key foreign currency risks are associated with the fluctuations of USD, SEK and GBP against EUR (ranking reflects materiality). Borealis AG hedges sales and purchases and other forecast positions denominated in currencies other than EUR. The Company can also hedge long-term business risks within predefined limits at any time. Positions held in foreign currencies are generally hedged through a combination of forward exchange contracts.

Interest Rate Risk

Borealis AG uses modified duration as a means of managing its interest rate risk, whereby average modified duration may only deviate from a predefined value within a given range. Borealis AG has therefore purchased interest rate derivatives denominated in USD to reach this target. The terms and conditions of interest rate derivatives purchased must conform to the underlying current or future loan requirements with regard to maturity or other conditions.

Market Price Risk

The Company uses large quantities of petrochemical raw materials and energy in its various production processes. The price risk in respect of the raw materials and finished products is continuously monitored and hedged where appropriate. In addition, derivative instruments are used to smoothen the effects of energy price fluctuations on the income statement and, thus, on the Company's equity in the long term.

Outlook for 2024

The year 2023 was a turbulent and challenging one for the entire industry. The Borealis Executive Board and its senior management anticipate a prolonged and deepening trough as increased global production capacity collides with lagging demand. These shorter-term factors are joined by long-term developments that are reshaping the petrochemicals industry, such as carbon reduction efforts; the transition to a circular economy; structural changes in key industries such as mobility and energy; and digitalization and technological disruption, to name only a few.

The Borealis Strategy 2030 is, however, a solid foundation which provides stability in turbulent times. Thanks to carefully managed growth and expansion efforts, and leadership in innovation and the circular economy sphere, Borealis is ideally positioned to capitalize on future market opportunities as they arise. In the meantime, the Strong Foundation – Performance Excellence (SFPE) program launched in 2022 is already mitigating the worst effects of the industry downturn by delivering long-term profit improvements across the entire Borealis Group.

Making good on the commitment to “Zero Harm” will be the chief priority in 2024. While the Group posted excellent results in process and occupational safety in 2023, there is still work to be done on improving the TRI rate. The recently launched initiative “HSSE 2030” envisions Borealis as the industry leader in health, safety, security and the environment by 2030. We have full confidence that Borealis will make meaningful progress towards this goal in 2024 thanks to the dedication and commitment of its people.



Vienna, February 22, 2024

Executive Board:

Thomas Gangl m.p.
Chief Executive Officer

Daniel Turnheim m.p.
Chief Financial Officer

Wolfram Krenn m.p.
Executive Vice President
Base Chemicals & Operations

Philippe Roodhooft m.p.
Executive Vice President
Joint Ventures & Growth Projects

Craig Arnold m.p.
Executive Vice President
Polyolefins, Circular Economy Solutions
and Innovation & Technology



Financial Statements Standalone

Balance Sheet as of December 31, 2023

	31.12.2023 EUR	31.12.2022 EUR thousand
Assets		
A. Fixed assets		
I. Intangible assets		
1. Rights and licenses	32,451,670.31	33,812
II. Tangible assets		
1. Office equipment	1,250,845.24	1,072
2. Construction in progress	309,662.22	2,529
	1,560,507.46	3,601
III. Financial assets		
1. Investments in affiliated companies	3,140,627,311.09	2,681,533
2. Loans to affiliated companies	122,403,820.44	131,536
thereof with residual maturity of more than one year EUR 118,403,820.44; 2022: EUR 127,536 thousand		
3. Investments in associated companies	5,712,892.28	5,463
4. Loans to associated companies	720,780,524.32	612,356
thereof with residual maturity of more than one year EUR 698,916,914.16; 2022: EUR 591,883 thousand		
5. Securities	9,017,983.00	6,664
	3,998,542,531.13	3,437,552
	4,032,554,708.90	3,474,965

	31.12.2023 EUR	31.12.2022 EUR thousand
Assets		
B. Current assets		
I. Inventories		
1. Raw materials and supplies	404,910,626.42	427,559
2. Finished goods and merchandise	722,989,274.92	877,922
	1,127,899,901	1,305,481
II. Receivables and other assets		
1. Trade receivables	399,514,745.20	532,327
thereof with residual maturity of more than one year EUR 0.00; 2022: EUR 0 thousand		
2. Receivables from affiliated companies	8,079,030,308.12	8,678,745
thereof with residual maturity of more than one year EUR 6,615,659,410.17; 2022: EUR 7,048,369 thousand		
3. Receivables from associated companies	265,147,844.26	187,457
thereof with residual maturity of more than one year EUR 202,621,000.18; 2022: EUR 38,956 thousand		
4. Other receivables and other assets	336,253,954.80	283,065
thereof with residual maturity of more than one year EUR 0.00; 2022: EUR 0 thousand		
	9,079,946,852.38	9,681,594
in total thereof with residual maturity of more than one year EUR 6,818,280,410.35; 2022: EUR 7,087,325 thousand		
III. Cash and cash equivalents	2,002,112,536.44	2,079,030
	12,209,959,290.16	13,066,105
C. Prepaid expenses	15,134,943.28	11,047
D. Deferred tax assets	17,274,998.21	5,895
Total assets	16,274,923,940.55	16,558,013



	31.12.2023 EUR	31.12.2022 EUR thousand
Shareholders' Equity and Liabilities		
A. Shareholders' equity		
I. Nominal capital called up and paid in subscribed capital EUR 300,000.00; 2021: EUR 300 thousand	300,000.00	300
II. Capital reserves		
1. Appropriated	101,604,460.00	101,604
2. Unappropriated	1,539,783,410.00	1,539,783
	1,641,387,870.00	1,641,388
III. Revenue reserves		
1. Legal reserves	30,000.00	30
IV. Retained earnings thereof profit carried forward EUR 11,378,756,089.74; 2022: EUR 3,502,453 thousand	11,697,920,537.68	11,778,756
	13,339,638,407.68	13,420,474
B. Provisions		
1. Provisions for pensions	15,786,603.69	16,596
2. Provisions for severance	590,543.00	320
3. Other provisions	172,182,608.95	213,749
	188,559,755.64	230,665
C. Liabilities		
1. Bonds	300,000,000.00	300,000
thereof with residual maturity of up to one year EUR 0.00; 2022: EUR 0 thousand		
thereof with residual maturity of more than one year EUR 300,000,000.00; 2022: EUR 300,000 thousand		

	31.12.2023 EUR	31.12.2022 EUR thousand
Shareholders' Equity and Liabilities		
2. Bank loans and overdrafts	1,211,223,936.23	1,263,401
thereof with residual maturity of up to one year EUR 305,845,526.21; 2022: EUR 40,149 thousand		
thereof with residual maturity of more than one year EUR 905,378,410.02; 2022: EUR 1,223,252 thousand		
3. Trade accounts payable	328,519,877.97	395,799
thereof with residual maturity of up to one year EUR 328,519,877.97; 2022: EUR 395,799 thousand		
thereof with residual maturity of more than one year EUR 0.00; 2022: EUR 0 thousand		
4. Accounts payable to affiliated companies	724,899,476.59	825,316
thereof with residual maturity of up to one year EUR 724,899,476.59; 2022: EUR 25,316 thousand		
thereof with residual maturity of more than one year EUR 0.00; 2022: EUR 0 thousand		
5. Accounts payable to associated companies	146,045,656.83	88,518
thereof with residual maturity of up to one year EUR 146,045,656.83; 2022: EUR 88,518 thousand		
thereof with residual maturity of more than one year EUR 0.00; 2022: EUR 0 thousand		
6. Other liabilities	36,036,829.61	33,839
thereof taxes: EUR 3,777,445.90; 2022: EUR 2,548 thousand		
thereof social security: EUR 0.00; 2022: EUR 0 thousand		
thereof with residual maturity of up to one year EUR 36,036,829.60; 2022: EUR 33,839 thousand		
thereof with residual maturity of more than one year EUR 0.00; 2022: EUR 0 thousand		
	2,746,725,777.23	2,906,874
in total thereof with residual maturity of up to one year EUR 1,541,347,367.20; 2022: EUR 1,383,622 thousand		
in total thereof with residual maturity of more than one year EUR 1,205,378,410.02; 2022: EUR 1,523,252 thousand		
Total equity and liabilities	16,274,923,940.55	16,558,013



Income Statement for the Year 2023

	31.12.2023 EUR	31.12.2022 EUR thousand
1. Sales	6,684,550,067.69	8,801,357
2. Increase or decrease in finished goods	-123,232,735.95	86,777
3. Other operating income		
a) Income from the release of provisions	11,318,661.17	0
b) Other income	162,344,497.24	307,845
4. Cost of materials and purchased services		
a) Cost of materials	-4,336,376,011.74	-5,941,186
b) Cost of purchased services	-1,631,121,726.57	-1,600,966
	-5,967,497,738.31	-7,542,151
5. Personnel expenses		
a) Salaries	-56,213,944.68	-52,838
b) Social contributions	-16,699,018.15	-10,156
thereof pension fund contributions (+ income / - expense) EUR -2,273,670.85; 2022: EUR 2,449 thousand		
aa) thereof expense for severance payments and corporate staff and self-employment fund contributions EUR -1,175,559.21; 2021: EUR -1,063 thousand		
bb) thereof expense for statutory social security and payroll-related taxes and contributions EUR -9,568,208.59; 2022: EUR -8,858 thousand		
	-72,912,962.83	-62,994
6. Amortization and depreciation of		
a) intangible and tangible assets	-3,149,914.13	-3,924
b) current assets, insofar as these exceed the usual depreciation in the corporation	-7,500,013.50	-358
	-10,649,927.63	-4,282
7. Other operating expenses		
a) Taxes, other than those reported in line item 17	-14.08	0
b) Other expenses	-708,213,632.79	-717,598
	-708,213,646.87	-717,598
8. Subtotal of line 1 to 7	-24,293,785.49	868,954

	31.12.2023 EUR	31.12.2022 EUR thousand
9. Income from investments	169,700,300.07	514,222
thereof affiliated companies EUR 169,700,300.07; 2022: EUR 66,847 thousand		
10. Interest income from long-term loans	60,573,758.17	33,636
thereof affiliated companies EUR 0.00; 2022: EUR 0 thousand		
11. Other interest and similar income	175,900,254.25	75,796
thereof affiliated companies EUR 93,630,360.96; 2022: EUR 35,331 thousand		
12. Gains on sale of financial assets and gains from reversal of impairment	462,868,020.53	7,286,074
13. Expenses arising from financial assets	-299,954,678.90	-33,354
thereof affiliated companies EUR -299,954,678.90; 2022: EUR 32,974 thousand		
Depreciation EUR -299,954,678.90; 2022: EUR -33,354 thousand		
14. Interest and similar expenses	-222,652,464.15	-291,893
thereof affiliated companies EUR -46,292,864.10; 2022: EUR -7,002 thousand		
15. Subtotal from line 9 to 14	346,435,189.97	7,584,481
16. Income before tax (subtotal from line 8 and 15)	322,141,404.48	8,453,435
17. Taxes on income	-2,976,956.54	-177,833
thereof income from deferred tax assets EUR 11,322,847.08; 2022: EUR 4,897 thousand		
18. Income after tax	319,164,447.94	8,275,600
19. Net assets through demerger	0.00	703
20. Net income for the year	319,164,447.94	8,276,303
21. Profit carried forward from previous year	11,378,756,089.74	3,502,453
22. Retained earnings	11,697,920,537.68	11,778,756



Notes

I. Accounting and Valuation Policies

The financial statements have been prepared in accordance with the Austrian Commercial Code (“UGB”), Austrian Generally Accepted Accounting Principles, and the general standard of presenting a true and fair view of the financial position and financial performance of the entity. The presentation of the financial statements also meets the criteria set out in the Austrian Commercial Code.

Presentation, valuation and disclosure of financial statement items are in line with the Austrian Commercial Code and its special regulations for corporations. The financial statements have been prepared on a going concern basis and assets and liabilities have been reported using the principle of individual valuation. The financial statements have been compiled according to the principle of completeness. The principle of prudence was taken into account insofar as, in particular, only gains realized at the balance sheet date were accounted for. All recognizable risks and impending losses incurred up to the balance sheet date were included. Estimates are based on prudent judgment. Where there were statistically determined experiences arising from similar facts, those experiences were taken into account for estimates.

Prevailing accounting and valuation principles have been maintained.

Tangible and intangible assets are reported at cost less accumulated depreciation/amortization and impairment losses. Impairments of tangible and intangible assets in excess of scheduled depreciation are recognized as write-downs where impairment is deemed to be permanent.

Financial assets are carried at cost. In the event of sustained and material impairment, a lower fair value is recognized. Fair value is calculated by applying the discounted cash flow model using the weighted average cost of capital of the Company at the time of calculation.

Loans to affiliated companies are reported at cost. In the event of sustained and material impairment, lower values are recognized.

Raw materials and supplies are capitalized at acquisition cost in line with the weighted average price method. Feedstock, polyolefins and olefins are capitalized at acquisition cost in line with the first in, first out (FIFO) method.

Finished goods are stated at the lower of production cost, originating from the Company’s cost accounting, or net sales value. Services not yet invoiced are valued at production cost. Acquisition/production costs are stipulated following the first-in, first-out (FIFO) method. Production costs comprise:

- Prime costs
- Special production costs
- Variable factory overheads
- Appropriate portions of variable and fixed overhead costs to the extent that they relate to the period of production

The subsequent valuation of inventories is carried out according to the strict lower of cost or market principle.

Receivables and other assets are reported at nominal value. All recognizable individual risks were accounted for using a cautious valuation approach. As from 01/2014 Borealis AG has its own EU-ETS account. In order to facilitate the emission rights needs within the Borealis Group a new structure is implemented. All existing rights were moved into the Borealis AG before the end of 2014. The intention is that during the year, only Borealis AG National Registry account will be administered in order to facilitate trading activities. (To be considered as a pool account). Borealis AG is responsible that entities have sufficient emission rights for surrendering. Yearly new allocations and surrendering remains within the scope of the local registry accounts, with a consequence that posting of the new allocations, amortisation of the government grant & posting of the actual emitted rights together with the surrendering remains in the local books. The emission certificates move between the group members and their registry accounts only through sale and purchase transactions, based on a spot price valid on the relevant trading platform on the day of agreement.

According to AFRAC Position Paper No. 27 dated June 2022 ¹⁾ “Accruals for pensions and severance payments, provisions for jubilee bonuses and comparable obligations falling due in the long term under the provision of the Austrian Commercial Code”, provisions for pensions are calculated actuarially using the projected-unit-credit method and mortality tables “AVÖ 2018-P”. Additionally, the earliest date possible for retirement age according to Austrian social insurance legislation is adopted for the calculation. The discount rate used is 3.50% (2022: 3.50%). The discount rate is determined by reference to market rates on the balance sheet date at which high quality corporates are able to borrow capital for the average residual term of the liability. No staff fluctuation deduction is considered. Additionally, an average increase in pension payments of 2.25% (2022: 2.60%) is considered. The interest expenses relating to provisions for pensions along with effects on changes in discount rates are recorded under the corresponding personnel expense.

Provisions for jubilee bonuses are calculated in accordance with IFRS ²⁾ (IAS ³⁾ 19) using a discount rate of 3.75% (2022: 3.55%). The discount rate is determined by reference to market rates on the balance sheet date. Additionally, a fluctuation deduction of 2.00% (2022: 2.00%) as well as an average wage and salary increase of 4.00% (2022: 4.90%) are used for the calculations.

The corporate law provision for severance payments was actuarially calculated according to AFRAC Position Paper No. 27 “Accruals for pensions and severance payments, provisions for jubilee bonuses and comparable obligations falling due in the long term under the provision of the Austrian Commercial Code” (June 2022), according to the rules of IFRS (IAS 19) by using the present value method based on the mortality tables of the Actuarial Association of Austria (AVÖ 2018-P). The earliest date possible for retirement age according to Austrian social insurance legislation is adopted for the calculation. The discount rate (current market interest rate) is 3.50%. A fluctuation deduction of 2.00% and a future salary increase of 4.00% were taken into account.

At year end, all risks recognizable in the light of sound commercial judgment and contingent liabilities are provided for, including provisions for impending losses from negative fair values of derivative instruments. Provisions with a residual term of more than one year are discounted using customary market rates.

Liabilities are reported at settlement amount.

The income statement has been prepared using the total expenditure format.

Obligatory disclosures on financial statement items were omitted where there were no corresponding facts.

The financial statements are prepared in EUR (i.e. reporting currency). Generally, receivables denominated in other currencies are valued at the lower of acquisition rate or the exchange rate prevailing on the balance sheet date, whereas liabilities denominated in foreign currencies are valued at the higher rate of origin or the exchange rate prevailing on the balance sheet date.

Derivative financial instruments are reported at the lower of acquisition cost or the fair value on the balance sheet date. Provisions for impending losses from outstanding transactions are measured following the imparity principle. Derivative financial instruments are accounted for according to the principle of individual valuation. Starting on January 1, 2011, due to the implementation of the new AFRAC position paper, derivative financial instruments designated for hedging purposes have been presented and measured as a unit with the underlying transaction. Predominantly, pending transactions and future cash flows are hedged.

The prerequisites for the formation of valuation units are individual risk compensation, matching interest rate maturities and currencies, matching credit ratings and matching maturities. Hedging cash flows requires the hedge to be highly effective in achieving offsetting changes in cash flows attributable to the hedged risk (risks of transactions being matched by counter-risks of derivatives) during the period for which the hedge is designated.

1) AFRAC: Austrian Financial Reporting and Auditing Committee // 2) International Financial Reporting Standards // 3) International Accounting Standards



Hedge accounting requires the entity to assess retrospectively whether the hedge relationship was highly or completely effective during the particular period. Hedge ineffectiveness of designated derivative instruments is recognized in profit or loss via provisions for impending losses.

Hedge accounting requires designated derivatives to form a valuation unit with the hedged transactions or items. Future sales and purchases in a foreign currency whose exchange rate is fully hedged with foreign exchange forwards are

valued at the agreed forward exchange rate. In the case of effective hedge relationships of cash flow hedges, the measurement of provisions for impending losses of designated derivatives is based on opposite income-related cash flows of the hedged transaction.

Deferred tax assets are recognized for differences between the carrying amounts of assets, provisions, liabilities and other deferred items and their tax bases to the extent that it is probable that the differences will be recovered in future periods.

II. Notes to the Balance Sheet

Assets

1. Fixed Assets

Development of fixed assets:

EUR	Acquisition Cost				Balance as of December 31, 2023
	Balance as of January 1, 2023	Additions	Disposals	Reclassification	
Intangible assets					
Rights and licences	77,376,686.93	844,075.23	0.00	11,624.00	78,232,386.16
	77,376,686.93	844,075.23	0.00	11,624.00	78,232,386.16
Tangible assets					
Office equipment	3,943,295.04	164,292.98	-1,585,154.21	948,577.17	3,471,010.98
Construction in progress	2,529,136.13	309,662.22	-1,568,934.96	-960,201.17	309,662.22
	6,472,431.17	473,955.20	-3,154,089.17	-11,624.00	3,780,673.20
Financial assets					
Investments in affiliated companies	3,729,395,455.49	850,412,496.20	-347,252,480.17	56,057.60	4,232,611,529.12
Loans to affiliated companies	131,536,240.53	0.00	-9,132,420.09	0.00	122,403,820.44
Investments in associated companies	5,462,893.28	1,500,000.00	-1,250,000.00	0.00	5,712,893.28
Loans to associated companies	612,356,032.72	108,424,491.60	0.00	0.00	720,780,524.32
Securities	6,771,690.01	2,303,085.56	-734.97	-56,057.60	9,017,983.00
	4,485,522,312.03	962,640,073.36	-357,635,635.23	0.00	5,090,526,750.16
Total fixed assets	4,569,371,430.13	963,958,103.79	-360,789,724.40	0.00	5,172,539,809.52

The following affiliated companies signed toll manufacturing contracts with Borealis AG:

- Borealis Polyolefine GmbH, Austria
- Borealis Polymere GmbH, Germany
- Borealis Polymers N.V., Belgium
- Borealis Kallo N.V., Belgium
- Borealis Antwerpen N.V., Belgium
- BOREALIS ITALIA S.p.A.
- Borealis AB, Sweden
- Borealis Polymers Oy, Finland
- Borealis Plastomers B.V., the Netherlands

Borealis AG supplies all raw materials, consumables and other means of production to the toll manufacturers for finished goods fabrication. These finished goods as well as the factors of production thereby remain property of Borealis AG, with end products being marketed by Borealis AG itself and toll manufacturers being remunerated for their services at market rates.

Accumulated Amortization/Depreciation				Carrying Value		
Balance as of January 1, 2023	Additions	Disposals	Write-up	Balance as of December 31, 2023	Balance as of December 31, 2022	Balance as of December 31, 2023
-43,564,451.61	-2,216,264.24	0.00	0.00	-45,780,715.85	33,812,235.32	32,451,670.31
-43,564,451.61	-2,216,264.24	0.00	0.00	-45,780,715.85	33,812,235.32	32,451,670.31
-2,871,670.26	-933,649.89	1,585,154.41	0.00	-2,220,165.74	1,071,624.78	1,250,845.24
0.00	0.00	0.00	0.00	0.00	2,529,136.13	309,662.22
-2,871,670.26	-933,649.89	1,585,154.41	0.00	-2,220,165.74	3,600,760.91	1,560,507.46
-1,047,862,427.26	-299,667,147.06	87,545,356.29	168,000,000.00	-1,091,984,218.03	2,681,533,028.23	3,140,627,311.09
0.00	0.00	0.00	0.00	0.00	131,536,240.53	122,403,820.44
-1.00	-285,031.84	285,031.84	0.00	-1.00	5,462,892.28	5,712,892.28
0.00	0.00	0.00	0.00	0.00	612,356,032.72	720,780,524.32
-107,690.36	-735.00	735.00	107,690.36	0.00	6,663,999.65	9,017,983.00
-1,047,970,118.62	-299,955,413.90	87,833,623.13	168,107,690.36	-1,091,984,219.03	3,437,552,193.41	3,998,542,531.13
-1,094,406,240.49	-302,105,327.83	89,418,777.54	168,107,690.36	-1,139,985,100.62	3,474,965,189.64	4,032,554,708.90



Intangible Assets

Intangible assets purchased from affiliated companies amount to acquisition costs of EUR 31,802,173.36 (2022: EUR 31,802 thousand).

Amortization/Depreciation is calculated on a straight-line basis over expected useful lives of three to nineteen years. In the 2023 financial year, no impairment losses on intangible assets have been recognized (2022: EUR 0 thousand).

Tangible Assets

Depreciation is calculated on a straight-line basis over expected useful lives of three to ten years.

Financial Assets

Investments in affiliated and associated companies are broken down as shown in the following table:

Investments in affiliated companies	Country	City	Investment in %	Proportional equity IFRS 2023 EUR thousand	Proportional net profit IFRS 2023 EUR thousand
Borealis Antwerpen N.V.	Belgium	Zwijndrecht	100.00	13,780	3,664
Borealis Brasil S.A.	Brazil	Itatiba	80.00	42,783	7,912
Borealis Circular Solutions Holding GmbH	Austria	Vienna	100.00	33,096	-27,972
Borealis Financial Services N.V.	Belgium	Mechelen	100.00	200,182	11,450
Borealis France S.A.S.	France	Courbevoie	100.00	-10,258	-639,032
Borealis Insurance A/S (captive insurance company)	Denmark	Copenhagen	100.00	97,952	7,752
BOREALIS ITALIA S.p.A.	Italy	Monza	100.00	17,837	1,069
Borealis Kallo N.V.	Belgium	Kallo	100.00	354,858	17,336
Borealis Plastomers B.V.	Netherlands	Geleen	100.00	40,825	3,290
Borealis Polymere GmbH	Germany	Burghausen	100.00	74,365	-5,265
Borealis Polymers N.V.	Belgium	Beringen	100.00	415,704	150,433
Borealis Polymers Oy	Finland	Porvoo	100.00	375,814	18,496
Borealis Química España S.A.	Spain	Barcelona	100.00	795	199
Borealis Sverige AB	Sweden	Stenungsund	100.00	270,332	26,134
Borealis Technology Oy	Finland	Porvoo	100.00	29	0
BOREALIS UK LTD	UK	Manchester	100.00	3,523	925
Borealis USA Inc.	USA	Houston	100.00	694,441	8,936
DYM SOLUTION CO., LTD	South Korea	Cheonan	100.00	39,844	3,242
Renasci N.V.	Belgium	Oostende	98.56	-2,786	-27,112
Rialti S.p.A.	Italy	Taino	100.00	44,132	181

Investments in affiliated companies	Country	City	Investment in %	Proportional equity IFRS 2022 EUR thousand	Proportional net profit IFRS 2022 EUR thousand
Borealis Argentina SRL	Argentina	Buenos Aires	98.00	11	6
BOREALIS ASIA LIMITED	Hong Kong	Hong Kong	100.00	692	38
BOREALIS CHEMICALS ZA (PTY) LTD	South Africa	Germiston	100.00	115	16
Borealis Chile SpA	Chile	Santiago	100.00	113	107
Borealis Chimie S.A.R.L.	Morocco	Casablanca	100.00	309	34
Borealis Colombia S.A.S.	Colombia	Bogota	100.00	57	29
Borealis Denmark ApS	Denmark	Copenhagen	100.00	124	17
Borealis Digital Studio B.V.	Belgium	Zaventem	100.00	988	325
Borealis México, S.A. de C.V.	Mexico	Mexico City	100.00	595	-78
Borealis Plásticos, S.A. de C.V.	Mexico	Mexico City	100.00	28	-6
Borealis Plastik ve Kimyasal Maddeler Ticaret Limited Sirketi	Türkiye	Istanbul	100.00	242	204
Borealis Poliolefinas da América do Sul Ltda.	Brazil	Itatiba	100.00	4,134	1,654
Borealis Polyolefins d.o.o.	Croatia	Zagreb	100.00	33	6
Borealis Polyolefins S.R.L.	Romania	Bucharest	100.00	28	4
Borealis Polyolefins s.r.o.	Slovakia	Bratislava	100.00	7	2
Borealis Polska Sp. z o.o.	Poland	Warsaw	100.00	398	192
Borealis RUS LLC	Russia	Moscow	100.00	862	59
Borealis s.r.o.	Czech Republic	Prague	100.00	179	42

Investments in affiliated companies	Country	City	Investment in %	Proportional preliminary equity local GAAP 2023 in EUR thousand	Proportional preliminary net profit local GAAP 2023 in EUR thousand
Borealis Middle East Holding GmbH	Austria	Vienna	100.00	960,633	454,610
Borealis Polyolefine GmbH	Austria	Schwechat	100.00	145,860	13,874
Ecoplast Kunststoffrecycling GmbH	Austria	Wildon	100.00	1,263	-7,220



Investments in affiliated companies	Country	City	Investment in %	Proportional preliminary equity local GAAP 2022 in EUR thousand	Proportional preliminary net profit local GAAP 2022 in EUR thousand
mtm compact GmbH	Germany	Niedergebra	100.00	1,064	-221
mtm plastics GmbH	Germany	Niedergebra	100.00	5,515	1,614

Investments in associated companies	Country	City	Investment in %	Proportional preliminary equity local GAAP 2022 in EUR thousand	Proportional preliminary net profit local GAAP 2022 in EUR thousand
C2PAT GmbH	Austria	Wien	25.00	11	1
Recelerate GmbH	Germany	Herborn	50.00	851	-149

Investments in associated companies	Country	City	Investment in %	Proportional equity IFRS 2023 in EUR thousand	Proportional net profit IFRS 2023 in EUR thousand
Kilpilahden Voimalaitos Oy	Finland	Porvoo	20.00	4,328	1,835

Loans to affiliated companies totaling EUR 122,403,820.44 (2022: EUR 131,536 thousand) will mature within one year, in the amount of EUR 4,000,000.00 (2022: EUR 4,000 thousand), and in more than five years, in the amount of EUR 118,403,820.44 (2022: EUR 127,536 thousand).

Securities serve to fulfil coverage requirements for pension provisions. In the financial year, a write-up of EUR 107,690.36 (2022: impairment loss EUR 380 thousand) was recognized for securities.

Loans to associated companies totaling EUR 720,780,524.32 (2022: EUR 612,356 thousand), the amount of EUR 698,916,914.16 (2022: EUR 592 thousand) will mature in more than five years. Loans to Bayport Polymers LLC, USA, total EUR 0.00 (2022: EUR 0 thousand) will mature in one year, EUR 698,916,914.16 (2022: EUR 591,883 thousand) mature in more than five years.

2. Receivables and Other Assets

Other receivables and other assets comprise purchased emission rights amounting to EUR 173,207,203.71 (2022: EUR 164,802 thousand) and are stated at acquisition cost. Emission rights were disclosed under trade receivables until 2022; the previous year's amount was reclassified in 2023.

Receivables from affiliated companies are broken down into trade receivables of EUR 116,359,840.94 (2022: EUR 59,784 thousand) and other receivables of EUR 7,962,670,467.18 (2022: EUR 8,618,961 thousand). Most of the other receivables from affiliated companies are from Borealis Middle East Holding GmbH in the amount of EUR 6,288,512,819.28 (2022: EUR 6,743,375 thousand) coming from the sale of Borouge Pte. Ltd. and Abu Dhabi Polymers Company Limited in 2022.

Receivables from associated companies are exclusively trade receivables. There is no material income that will affect cash flow after the balance sheet date.

Borealis AG has a factoring program under which the Company sells certain trade receivables to external parties. The Company does not retain any major interest in the trade receivables and thus derecognizes the receivables sold accordingly. Borealis AG continues to administer the relationship with debtors and transfers all receivables collected and previously sold to the purchaser under this program. Several reserves are deducted from the nominal value of the sold receivables and will be released upon transfer of the respective collected receivables to the purchaser. As of December 31, 2023, receivables worth EUR 406,528,083.50 (2022: EUR 363,960 thousand) were sold to the purchaser under the factoring program.

3. Deferred Tax Assets

Changes in deferred tax assets, broken down into types of temporary differences and unused tax losses carried forward, are reported as follows:

EUR thousand	Fixed assets	Current assets	Unused tax losses carried forward	Provisions	Total
Deferred tax assets as of January 1, 2023	959	2,079	0	2,857	5,895
Recognized through profit and loss in 2023	12,259	-573	0	-306	11,380
Deferred tax assets as of December 31, 2023	13,218	1,506	0	2,551	17,275



A tax rate of 23% was used to measure the temporary differences. Deferred taxes include long-term temporary differences totaling EUR 12,873,731.71 (2022: EUR 14,015 thousand).

Shareholders' Equity and Liabilities

1. Shareholders' Equity

Nominal and Paid-Up Share Capital

The share capital of Borealis AG amounts to EUR 300,000.00 (2022: EUR 300,000.00) and is divided into 300,000 (2022: 300,000) fully paid shares with a par value of EUR 1.00, none of which have special voting rights.

Capital Reserves

The reported unappropriated capital reserves result from indirect shareholder grants by OMV Aktiengesellschaft amounting to EUR 10,000.00 and by OMV Refining & Marketing GmbH amounting to EUR 643,990,000.00.

In addition, on the basis of an agreement on a contribution in kind between Borealis AG, Vienna and IPIC Denmark Holdings ApS dated December 5, 2005, relating to a 40% interest in Borealis A/S and a 50% interest in IOB Holdings A/S, a sum of EUR 1,195,920,552.86 was allocated to the unappropriated capital reserves.

Furthermore, due to an agreement on a contribution in kind between Borealis AG, Vienna, International Petroleum Investment Company, Abu Dhabi, and OMV Aktiengesellschaft, Vienna, regarding AMI Agrolinz Melamine International GmbH, Linz, an amount of EUR 101,604,460.00 was allocated to the appropriated capital reserves.

Retained Earnings

Borealis AG intends to pay a dividend of EUR 103,000,000.00 thousand (2022: EUR 1,054,000 thousand) and to carry forward the remaining balance.

2. Other Provisions

	2023 EUR	2022 EUR thousand
Provisions for customer rebates and bonuses	40,812,060.22	47,916
Provisions for outstanding invoices	39,175,593.56	86,913
Provisions for social fund	13,594,534.51	1,895
Provisions for impending losses from incomplete transactions	10,499,282.63	9,992
Provisions for long-term incentive plan	8,675,752.93	12,268
Provisions for accrued interest	6,683,556.21	7,009
Provisions for employee bonuses	6,199,586.04	4,782
Provisions for unused vacation	4,162,784.41	4,983
Provisions for jubilee bonuses	2,059,553.00	2,093
Other provisions	40,319,905.44	35,899
Total	172,182,608.95	213,749

3. Liabilities

The maturities of liabilities are broken down in the following table:

EUR	2023	
	Carrying value as of 31.12.2023	Thereof maturity > five years
Bank loans and overdrafts	1,211,223,936.23	203,042,679.28
Accounts payable to affiliated companies	724,899,476.59	0.00
Trade accounts payable	328,519,877.97	0.00
Bonds	300,000,000.00	0.00
Accounts payable to associated companies	146,045,656.83	0.00
Other liabilities	36,036,829.61	0.00
Total	2,746,725,777.23	203,042,679.28

EUR	2022	
	Carrying value as of 31.12.2022	Thereof maturity > five years
Bank loans and overdrafts	1,263,401,228.92	361,065,550.88
Accounts payable to affiliated companies	825,316,307.06	0.00
Trade accounts payable	395,798,911.79	0.00
Bonds	300,000,000.00	0.00
Accounts payable to associated companies	88,518,480.94	0.00
Other liabilities	33,838,712.04	0.00
Total	2,906,873,640.75	361,065,550.88



Accounts payable to affiliated companies consist of financial payables of EUR 229,606,415.95 (2022: EUR 474,232 thousand) and trade payables of EUR 495,293,060.64 (2022: EUR 351,084 thousand).

Accounts payable to associated companies are exclusively trade payables.

Other liabilities do not include any material expenses that will produce an outflow of cash after the balance sheet date.

4. Obligations from the Use of Fixed Assets Not Stated in the Balance Sheet

EUR thousand	2023	
	Expenses for the next financial year	Expenses for the next five financial years
Obligations from lease agreements	51,278	147,956
Obligations from rental agreements	3,177	1,583
Total	54,455	149,539

5. Notes to Financial Instruments

According to the financial policy of the Borealis Group, inter alia, derivative instruments are designated to hedge relationships in order to reduce the risks of operating, finance and investment activities, i.e. risks of foreign exchange rates, interest rates and commodity prices. Therefore, Borealis AG uses foreign exchange forwards, interest rate swaps, cross-currency interest rate swaps and commodity derivatives (feedstock, electricity and natural gas).

Financial risk management is centralized in the Treasury and Funding Department where foreign exchange risks in conjunction with short-term cash flows are hedged and limits for long-term foreign exchange exposure are set.

The majority of borrowings are based on fixed interest rates. The portion of borrowings that is based on variable interest rates is transformed into fixed interest rates using interest rate swaps.

Part of the forecast feedstock purchases and finished goods sales is hedged by feedstock swaps. Commodity price risks are managed by feedstock traders and monitored by Trade Support and Risk Management. Forecast energy purchases are hedged using electricity and natural gas swaps.

At the balance sheet date, financial instruments are broken down as follows and reported in the respective balance sheet items:

Derivatives	2023					Balance sheet item
	Nominal value		Fair value EUR thousand		Carrying value EUR thousand	
	Unit		Positive	Negative		
Forward exchange forwards	174,100	USD thousand	3,070	-68	0.00	
	1,441,000	SEK thousand	6,847	0		
thereof valuation unit with hedged transaction	174,100	USD thousand	3,070	-68	0.00	
	1,441,000	SEK thousand	6,847	0		
Interest rate swaps	0	EUR thousand	0	0	0.00	
	110,000	USD thousand	2,911	0		
thereof valuation unit with hedged transaction	0	EUR thousand	0	0	0.00	
	110,000	USD thousand	2,911	0		
Forward exchange contracts	0	GBP thousand	0	0	-	
	5,000,000	JPY thousand	0	-10,499	-10,499	Other provisions
thereof valuation unit with hedged transaction	0	GBP thousand	0	0	0,00	
	0	JPY thousand	0	0		
Commodity derivatives	747,711	metric tons	24,901	-4,694	0,00	Other provisions
	4,221	GWh	3,070	-68		
thereof valuation unit with hedged transaction	596,323	metric tons	24,901	-4,694	-	
	4,221	GWh	3,070	-68	-	

Derivatives	2022					Balance sheet item
	Nominal value		Fair value EUR thousand		Carrying value EUR thousand	
	Unit		Positive	Negative		
Forward exchange forwards	279,300	USD thousand	7,405	-197	-	
	1,706,000	SEK thousand	0	-3,827	-	
thereof valuation unit with hedged transaction	279,300	USD thousand	7,405	-197	-	
	1,706,000	SEK thousand	0	-3,827	-	
Interest rate swaps	0	EUR thousand	0	0	-	
	110,000	USD thousand	5,941	0	-	
thereof valuation unit with hedged transaction	0	EUR thousand	0	0	-	
	110,000	USD thousand	5,941	0	-	
Forward exchange contracts	0	GBP thousand	0	0	-8,834	Other provisions
	5,000,000	JPY thousand	0	-8,834	-	
thereof valuation unit with hedged transaction	0	GBP thousand	0	0	-	
	0	JPY thousand	0	0	-	
Commodity derivatives	1,119,721	metric tons	25,137	-19,642	-1,158	Other provisions
	4,042	GWh	315,809	-5,856		
thereof valuation unit with hedged transaction		metric tons	25,137	-18,484	-	
		GWh	315,809	-5,856	-	



The fair value of foreign exchange forwards corresponds to the quoted market price on the balance sheet date, i.e. the present value of the quoted forward price. The fair value of interest rate swaps corresponds to the calculated amount the Group would receive or pay in the event of closing the position on the balance sheet date, with current interest rates taken into account. The fair value of commodity derivatives corresponds to the market price quoted at the balance sheet date.

Impending losses from negative fair values of derivative instruments, not presented as valuation units, have been provided for in provisions amounting to EUR 10,499,282.00 thousand (2022: EUR 9,992 thousand) as at the balance sheet date.

Foreign exchange forwards mature at an average of six months, where all contracts existing as at the balance sheet date mature by the end of 2023 at the latest. As at the balance sheet date, Borealis AG had outstanding interest rate derivatives with maturities until 2024 as well as cross-currency interest rate swaps maturing in 2024.

As at the balance sheet date, Borealis AG had commodity derivatives transactions for hedging the price of raw materials maturing at an average of four months and for hedging the price of energy and gas maturing at an average of 23 months. Commodity derivatives mature no later than 2026.

Provisions for impending losses are accrued for foreign exchange forwards and commodity derivatives, respectively, in the event that those pending transactions show a negative fair value on the balance sheet date and are not designated as hedging instruments. Foreign exchange forwards and commodity derivatives, respectively, which show a positive fair value on the balance sheet date and are not designated as hedging instruments, are not capitalized. Interest rate swaps for hedging interest-bearing loans are not capitalized as they are deemed to form a valuation unit with the underlying loan. The parameters of the hedged item and the hedging instrument, which determine the extent of the change in value, are identical but opposite (critical terms match). Accordingly, the hedging relationship is considered effective and does not exhibit any ineffectiveness.

Expenses and income from derivative instruments not used to hedge relationships are generally disclosed in the profit and loss items as other operating expenses and other operating income, respectively. Equally, results from derivative instruments related to financing or financial investments are generally disclosed in the financial result. Where derivatives are designated as hedging instruments, the results achieved are disclosed in the same profit and loss items as the results of the hedged transaction.

The hedge effectiveness of all existing hedges is assessed prospectively using the critical-term-match method. The retrospective assessment uses the cumulative dollar-offset method. For a hedge to be classified highly effective, the actual results of the hedge (retrospective hedge effectiveness assessment) have to be within a range of 80% to 125%. The effectiveness tests of hedging relationships showed that there was no ineffectiveness as at December 31, 2023.

6. Contingent Liabilities

Borealis AG assumed guarantees amounting to EUR 3,116,142.88 (2022: EUR 3,031 thousand) for external loans and liabilities to affiliated companies. In addition, Borealis AG provides two parental guarantees, which are treated as contingent liabilities, in the amount of EUR 698,455,981.00 (2022: EUR 624,977 thousand) to Baystar. Borealis AG granted a guarantee for the funding of Borouge 4 LLC under the Italian Export Credit Agency agreement. The total guarantee amounts to EUR 1,154,751 thousand plus interest. On December 31, 2023, the financing agreement had been drawn in the amount of EUR 1,399,636 thousand by Borouge 4 (of which EUR 535,747 thousand plus interest was guaranteed by Borealis).

III. Notes to the Income Statement

A. Sales and Cost of Materials

Sales and cost of materials relate to the sale of products from the Borealis Group, predominantly to external customers.

EUR thousand	Sales by Market and Business Areas 2023			
	Polyolefins	Base Chemicals	Other	Total
EU countries	3,786,656	879,974	200,075	4,866,705
Non-EU countries	592,020	148,200	67,765	807,985
Total Europe	4,378,676	1,028,173	267,840	5,674,690
Asia	325,180	4,394	0	329,574
Africa	223,561	0	0	223,561
North America	132,082	35,844	2,238	170,164
South America	124,200	54	0	124,254
Middle East (excl. UAE)	39,414	0	112,168	151,582
United Arab Emirates	8,859	0	16	8,875
Australia, New Zealand	1,848	4	0	1,852
Total	5,233,820	1,068,468	382,262	6,684,550

EUR thousand	Sales by Market and Business Areas 2022			
	Polyolefins	Base Chemicals	Other	Total
EU countries	4,802,846	1,299,666	347,079	6,449,591
Non-EU countries	753,316	416,110	0	1,169,426
Total Europe	5,556,162	1,715,776	347,079	7,619,017
Asia	413,245	6,436	0	419,681
Africa	200,995	0	0	200,995
North America	170,652	31,645	14,872	217,168
South America	163,970	0	0	163,970
Middle East (excl. UAE)	32,690	0	112,037	144,727
United Arab Emirates	31,969	0	1,593	33,562
Australia, New Zealand	2,232	4	0	2,235
Total	6,571,915	1,753,860	475,582	8,801,357



B. Other Operating Income

In the 2023 financial year, insurance compensation of EUR 6,699,412.00 (2022: EUR 4,029 thousand) for the business interruption at Schwechat is included in the remaining other operating income. Further, realized FX gains in the amount of EUR 143,824,668.55 are included in the other operating income (2022: EUR 212,883 thousand).

C. Personnel Expenses

In the 2023 financial year, the average number of employees was 351 (2022: 302). Exclusively white-collar workers are employed.

Severance payments, pension fund as well as corporate staff and self-employment fund contributions are broken down as follows:

	2023 EUR	2022 EUR thousand
Executive Board	612,622.99	580
Managerial employees	932,959.72	1,014
Other employees	1,858,955.59	1,451
Total	3,404,538.30	3,045

Voluntary severance payments amounted to EUR 228,486.85 (2022: EUR 81 thousand) and are broken down as follows:

	2023 EUR	2022 EUR thousand
Executive Board	0,00	0
Managerial employees	228,486.85	0
Other employees	0,00	81
Total	228,486.85	81

D. Other Operating Expenses

	2023 EUR	2022 EUR thousand
Freight	356,899,733.83	369,455
Derivatives	68,503,446.25	37,966
Research and development costs	66,204,903.22	58,618
Consulting services	44,671,661.50	47,862
Storage	32,611,019.62	29,710
Insurance	27,325,222.18	24,796
Royalties	16,236,494.75	16,666
Commission	13,177,361.33	12,791
Rents	4,620,185.97	4,285
Training sessions, seminars	4,962,121.18	2,597
Travel expenses	2,167,975.03	2,115
Sundry	70,833,507.93	110,738
Total	708,213,632.79	717,598

E. Audit Expenses

	2023 EUR	2022 EUR thousand
Audits of statutory national and consolidated financial statements	404,279.00	415
Other assurance services	194,407.30	441
Other services	1,045.00	0
Total	599,731.30	856



F. Financial Result

The financial result is broken down as follows:

	2023 EUR	2022 EUR thousand
Income from investments		
Borealis L.A.T GmbH, Austria	97,732,402.79	0
Borealis AB Stenungsund, Sweden	26,010,508.25	0
Borealis Polymers Oy, Finland	17,148,082.15	528
Borealis Polyolefine GmbH, Austria	11,999,981.36	44,000
Borealis Polymere GmbH, Germany	10,875,000.00	0
Borealis Brasil S.A., Brazil	4,422,214.94	3,894
Borealis Italia S.p.A., Italy	1,100,000.00	550
Borealis RUS LLC, Russia	189,757.59	0
Borealis Plastik ve Kimyasal Maddeler Ticaret Limited Şirketi, Türkiye	181,259.45	250
Borealis s.r.o., Czech Republic	41,064.05	33
Borealis Sverige AB, Sweden	29.49	0
Abu Dhabi Polymers Company Ltd., UAE	0.00	411,397
Borouge Pte. Ltd., Singapur	0.00	35,978
Borealis Agrolinz Melamine GmbH, Austria	0.00	17,500
Borealis Colombia S.A.S., Colombia	0.00	47
Borealis Chile SpA, Chile	0.00	45
	169,700,300.07	514.222
Interest income from long-term loans		
Bayport Polymers LLC, USA	59,094,900.69	32,317
Kilpilahden Voimalaitos Oy, Finland	1,390,725.96	1,294
Borealis Polyolefine GmbH, Austria	0,00	25
Other	88,131.52	0
	60,573,758.17	33,636

	2023 EUR	2022 EUR thousand
Other interest and similar income		
Interest income from intercompany financing	102,209,134.63	35,707
Interest and other income from interest rate swaps and FX hedges	6,829,927.22	24,645
Other	66,861,192.40	15,444
	175,900,254.25	75,796
Gains on sale and from the write up of financial assets		
Gain on sale of shares in affiliated companies	294,402,924.67	7,187,102
Write-up of affiliated companies	168,000,000.00	98,972
Other write-up of investements	358,140.50	0
Write-up of derivatives of financial assets	106,955.36	0
	462,868,020.53	7,286,074
Expenses arising from financial assets		
Impairment of Borealis France S.A.S., Courbevoie, France	209,812,569.26	0
Impairment of Borealis Circular Solutions Holding GmbH	63,750,000.00	0
Impairment of mtm plastics GmbH	24,378,252.80	0
Impairment of Rosier S.A., Moustier, Belgium	1,726,325.00	32,974
Impairment of securities held as fixed assets	0.00	380
Other	287,531.84	0
	299,954,678.90	33,354
Interest and similar expenses		
Result from foreign exchange translations	121,275,813.67	222,243
Interest expenses from intercompany financing	41,983,543.44	2,957
Interest charged by banks	36,954,849.12	31,699
Interest and similar expenses arising from interest rate swaps and FX hedges	8,964,452.15	25,690
Interest expenses in the context of forfaiting	1,227,019.65	4,077
Other	12,246,786.12	5,227
	222,652,464.15	291,893
Financial Result	346,435,189.97	7,584,481



In the financial year 2023, Borealis AG finished the sale of the nitrogen business, which resulted in gains of EUR 294,402,924.67. Due to a sustainable value recovery there was a write-up on affiliated companies on the shares of Borealis Polymers Oy, Finland: therefore, a historical impairment was reversed.

Due to an unfavorable economic development, the shares in Borealis France S.A.S., mtm plastics as well as Borealis Circular Solutions Holding GmbH had to be impaired.

G. Taxes on Income

Since the 2021 financial year, the Company has been a member of a tax group in line with Section 9 of the Corporate Income Tax Act ("KStG") with OMV Aktiengesellschaft as the group parent. According to the tax group agreement, if the income derived by the Company during a financial year is positive, the Company has to make a tax compensation payment for this financial year to the group parent. In the event of a negative tax result, the parent company does not have to pay any tax compensations. Negative tax results are carried forward by the group parent and will be deducted from positive tax results of the group member in the future. With the exception of deferred taxes, the tax expense stated in the income statement results entirely from the tax group and therefore represents a tax allocation. The tax rate applied is 24% (previous year: 25%).

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which Borealis operates. Under the legislation, the parent company will be required to pay a top-up tax on profits of its subsidiaries that are taxed at an effective tax rate of less than 15%. The legislation will be effective for Borealis' financial year beginning on January 1, 2024. Borealis AG is within the scope of the enacted or substantively enacted legislation and has performed an assessment of the potential exposure to Pillar Two income taxes.

The assessment of the potential exposure to Pillar Two income taxes is based on the most recent tax filings, country-by-country reporting and financial statements of the constituent entities as well as on the mid-term planning data. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which the Group operates are above 15% and no material exposure to Pillar Two income taxes is expected.

H. Significant Events After the Balance Sheet Date

Borealis has had no significant events after the reporting date.

IV. Other Information

The total remuneration received by Executive Board members amounted to EUR 8,194 thousand (2022: EUR 6,461 thousand):

- Active Board members: EUR 6,498 thousand (2022: EUR 6,196 thousand)
- Former Board members: EUR 1,696 thousand (2022: EUR 265 thousand)

along with additional payments into pension funds amounting to EUR 488 thousand (2022: EUR 486 thousand).

Active members of the Supervisory Board received remuneration totaling EUR 856 thousand (2022: EUR 856 thousand). Members of the Company Boards have not been granted any advances, loans or guarantees.

Borealis AG is a large joint stock corporation pursuant to Section 221 of the Austrian Commercial Code.

Borealis AG prepares consolidated financial statements in compliance with IFRS, including the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the EU and as applicable to the financial year. The consolidated financial statements are filed under No. 269858a in the Commercial Register in Vienna.

Borealis AG is included in the consolidated financial statements of OMV Aktiengesellschaft, Vienna, Austria.

Executive Board

Thomas Gangl (Chairperson), Mark Tonkens (Member until May 31, 2023), Daniel Turnheim (Member since June 1, 2023), Wolfram Krenn, Philippe Roodhooft, Lucrece De Ridder (Member until December 31, 2023), Craig Arnold (Member since February 1, 2024)

Supervisory Board

Alfred Stern (Chairperson until April 18, 2023), Daniela Vlad (Chairperson since April 19, 2023), Khaled Salmeen (Vice Chairperson), Reinhard Florey, Martijn Arjen van Koten, Khaled Al Zaabi



Vienna, February 22, 2024

Executive Board:

Thomas Gangl m.p.
Chief Executive Officer

Daniel Turnheim m.p.
Chief Financial Officer

Wolfram Krenn m.p.
Executive Vice President
Base Chemicals & Operations

Philippe Roodhooft m.p.
Executive Vice President
Joint Ventures & Growth Projects

Craig Arnold m.p.
Executive Vice President
Polyolefins, Circular Economy Solutions
and Innovation & Technology



Statement of the Executive Board according to Section 124(1)(3) of the Vienna Stock Exchange Act

We confirm to the best of our knowledge that the standalone financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company of the Group as required by the applicable accounting standards

and that the Management 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 the Company faces.

Vienna, February 22, 2024

Executive Board:

Thomas Gangl m.p.
Chief Executive Officer

Daniel Turnheim m.p.
Chief Financial Officer

Wolfram Krenn m.p.
Executive Vice President
Base Chemicals & Operations

Philippe Roodhooft m.p.
Executive Vice President
Joint Ventures & Growth Projects

Craig Arnold m.p.
Executive Vice President
Polyolefins, Circular Economy Solutions
and Innovation & Technology



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