

Getting further **together**

2013-2014 KMG International Sustainability Report



KazMunayGas
International



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With over 7.500 employees in 12 main markets, we are running operations in refining, petrochemical production, retail, trading, upstream and industrial services. This diversity helps us gain a unique perspective on the opportunities created by growth and development of the business cycle, as well as the economic, environmental and social challenges and their impact on our activity. We gain first-hand experience of the interdependencies and the crucial need for collaboration between the wide range of stakeholders involved in our operations. Our sustainability practices are built on this understanding, deeply ingrained in the way we do business.

Zhanat Tussupbekov
Chief Executive Officer

Message From Our CEO

Based on sound corporate governance, a comprehensive compliance network, and a preventive risk management framework, we strive to conduct our business in accordance with the highest ethical standards and in full compliance with applicable laws.

Even though this is KMG International's first stand-alone Sustainability Report, our past achievements over the years in terms of sustainability stand witness to our commitment and the strategic focus we have placed in ensuring the durable development of our Group and our communities.

One of the key recent developments, of which we are very proud, is the fact that, following a highly complex revamping and upgrade program at Petromidia Refinery, KMG International has become the first local fuel producer to align to the Euro 5 fuel emissions standard and the refinery improved its overall energy efficiency.

Safety is a core principle at KMG International and the success of every activity we undertake is measured by our ability to conduct our work safely every day. We are committed to continually improving our health and safety practices and procedures, and to enhancing training on specific preventive actions. Thus, our internal policies and crisis procedures are updated periodically and our people are provided with comprehensive trainings every year, so as to minimize the potential health and safety risks posed by the nature of our activities. One of our most prized achievement to date is that our safety indicators have shown a positive evolution and KMG International recorded no fatal incident in any of its areas of operations in

2013 and 2014.

We care deeply about the economic, environmental and social impact of our activities on our employees, stakeholders and communities where we are active. Therefore, we have continued widespread tracking of specific measures related to energy, water, waste, material use and community support so that we can better analyze and improve our performance. The challenges we faced led us to intensify our efforts and the results are more proof of our responsibility and commitment to all of our stakeholders.

We are constantly improving our environmental policy, in order to reduce damage and pollution and ensure we can keep the environment as clean as possible for current and future generations. Thus, we have managed to reduce our SO₂ emissions by 90.63% and improved our waste recovery rate, reaching a percentage of 97.7%. Also, one of our major performances is represented by the alignment to the national and European environmental requirements with regard to the emissions of sulfur oxides, nitrogen oxides and dust. Additionally, we have obtained significant reductions in wastewater discharged and total waste, of 25% and 32.26% respectively.

KMG International employees are our most important asset and that is why we have focused extensively in improving their working environment, as well as their professional expertise and prospects. In this direction, we began the implementation of a comprehensive human resources management system to identify skill gaps and provide development opportunities for employees that support our business strategies. As of 2014, all of our

employees are included in performance and career programs.

Furthermore, our responsibility towards community has been translated into numerous projects which have contributed to the development of the areas where we operate, either through the *Together for Each and Everyone* program in Romania and Republic of Moldova, or through direct contributions of employees, sponsorship of sports activities (support for the Montpellier football team in France; in Georgia – we endorse the national K1 champion Giga Chikadze and 13-year-old tennis player Ani Shanidze) cultural events (partner of George Enescu International Festival and Contest) and educational activities.

We bring our sustainability expertise to every activity and project we undertake. From safe work practices, energy efficiency and carbon management to anti-corruption practices and community involvement, we have established processes and best practices to guide our operations.

We here at KMG International are committed to continually improving our sustainability practices and performance, as it benefits not only our stakeholders and our business, but mainly the community.

Our 2013-2014 Sustainability Report – Getting Further Together - details our economic, environmental and social commitments and captures our relationship with the world. I warmly invite you to read our report and learn more about how KMG International is working towards achieving global economic growth and development, while supervising and managing issues that could impact our stakeholders.



I strongly believe sustainability stems from responsibility. More specifically, we have the responsibility and obligation to future generations to control the impact we have on the environment and society.

Our evolution over the past few years stands witness for our efforts to become one of the most sustainable oil & gas players in the national and regional market.

The sustainability strategic areas of KMG International refer to our people and the workplace, environment, community and marketplace.

Azamat Zhangulov
Senior Vice President

Interview With Our Senior Vice President

What does sustainability represent to you?

This is the age of sustainable development, when financial performance relies on the environmental and social impact of corporations. Corporate responsibility is an investment and must never be regarded as a burden for the company, while various programs developed in the fields of education, environment protection and community development bring added value.

I believe sustainability stems from responsibility. More specifically, we have the responsibility and obligation to future generations to control the impact we have on the environment and society.

Our business is part of society and needs to play its part in shaping it, providing employment and opportunities to people, providing efficient solutions and high-end products while satisfying the needs of all our stakeholders.

How does your sustainability strategy link to the Group's overall business strategy?

Incorporating sustainability into our strategy and targets means minimizing our negative impact and maximizing our positive impact. For several years now we have strived to incorporate sustainability principles in every aspect of our business strategy and we are proud to have accomplished significant achievements in all our operations, from refining to upstream, retail or trading.

Our evolution over the past few years stands witness for our efforts to become a sustainable oil & gas player in the national and regional market. Not only did we manage to increase the efficiency of our operations, reduce our emissions

and waste, but we also became the first local fuel producer to align to Euro5 fuel emissions standard. However, we have not only invested in the technical aspects of our business, but also in our people and the community we operate in. Our internships and career development programs, as well as our CSR platform have grown tremendously, providing better opportunities and a better future for numerous people.

Sustainability is one of the major pillars of our business strategy and we intend to go further.

How do you address sustainability issues with your stakeholders?

One of our guiding principles is transparency regarding our performance, and we find it especially important for sustainability.

Working in an industry that uses finite natural resources, we know that the way we secure our feedstock, develop our people and manage our product portfolio will not only impact the environment and society, but also our business success.

It is important to us that our stakeholders understand our challenges in becoming more sustainable so that we can find ways together to garner their support in moving forward. This sustainability report is only one example of how we seek to engage them, to measure our progress and collaborate in view of future improvement. The success model that we have developed involves planning, taking action, getting feedback and adapting, in order to make sure that we are making progress towards reaching our goals.

What were the special focus areas of sustainability work in 2013 and 2014? What is the nature of the projects unfolded in these areas throughout the reporting period?

At Group level, there are plans and budget allocations for environmental protection projects in each business unit – retail, refining, corporate governance – which are both technical (investments in technology) and CSR, aimed at both increasing awareness and providing efficient solutions to environmental issues as well as at supporting the harmonious development of the communities we operate in.

To be brief, I will exemplify some of the projects supporting our sustainable development which marked the mentioned period. In terms of technical projects, in 2014, Rompetrol Rafinare financed a project for the installation of a particle reduction system at the Catalytic Cracking Unit, with the purpose of reducing our emissions.

Moreover, we can proudly announce that following the upgrade in Petromidia Refinery, we are the first specialized Romanian company which successfully ended the transition period for the alignment of production plants to European environmental requirements.

Also, the Group acknowledges the importance of environmental protection, with focus on Black Sea, Siutghiol Lake, Danube Delta and Petromidia-adjacent communities of Corbu, Navodari and Constanta. As such, our environmental projects focused not only on waste management, biodiversity preservation and pollution prevention activities, but also on raising awareness on environmental issues through dedicated CSR actions, with the participation of employees such as Open Doors for the children of employees, Black Sea Action Day or volunteering in the



national environmental campaign "Let's Do It, Romania!".

For 2015, we have planned 10 environmental projects for the retail sector. All of these entail modernization and upgrade works which will be launched/continued in 2015 with a direct or indirect environmental and safety component.

Total investments in environmental projects amount to over 100 million dollars annually.

We also continued our corporate social responsibility program "Together for Each and Everyone", aimed at developing local communities. With more than 300,000 beneficiaries since its beginning in 2009, 101 projects implemented in sustainable environment and healthcare, the program has provided funding to the communities in excess of USD 1.5 mln.

How do you intend to continue your activity in the upcoming years in terms of sustainability? What are your sustainability goals?

In our approach to sustainability we look beyond basic safety and environmental considerations, taking into account all aspects of our operations, as well as the need to generate a positive impact through our activity.

Measurement is an important component of our management approach as we are constantly looking for opportunities to improve our performance. We are especially focused on safety. Our performance in this area has already improved significantly in the past few years. However, our ultimate goal is to achieve zero recordable injuries and zero incidents globally.

With respect to our environmental performance, we also target improvement. Throughout our

operations, we are investing in technology and operational infrastructure to ensure that we are more energy efficient and maximizing our use of resources.

Also, in order to improve our overall efficiency, we have developed the Change for Good program, which aims at an improved efficiency by 2018 of the entire flow of operations, specific to the refinery – petrochemical trading – raw material supply, retail – marketing upstream – industrial services.

Where do you stand on meeting national and international requirements in connection to sustainability matters?

We have achieved a great deal over the years in terms of aligning to local and international sustainability standards. However, we are aware

that there is always room for more and we have to challenge ourselves constantly as we strive to be a sustainable company with a long-term vision and strategy. In terms of meeting safety and environmental standards, we are proud to be one of the most responsible players in the market. However, sustainability includes many other aspects. Being sustainable means to simultaneously lead in the social, environmental and financial fields. But, through the continual effort of each and every one of our employees, we are making improvements every day, getting further towards a better future.



Corporate Governance

Corporate Governance provides coherent information concerning the framework in which KMG International activates at operational and managing level, thus ensuring the transparency of all activities.

Operational profile

KMG International NV (former the Rompetrol Group NV) was incorporated in November 1999. Its sole shareholder is KMG Investments BV.

- At the end of 2013, KMG International comprised 49 companies (44 legal entities, 5 branches and representative offices) – joint stock or limited liability companies – headquartered in 15 countries.
- At the end of 2014, KMG International comprised 52 entities (44 legal entities - joint stock or limited liability companies and 8 branches and joint-ventures) – headquartered in 15 countries (Romania, Kazakhstan, The Netherlands, Georgia, France, Spain, Bulgaria, Ukraine, Turkey, Singapore, Switzerland, Libya, Iraq, Oman, Gibraltar).

The Articles of Association and the regulations applicable to each entity comply with the local law and provide the rules for administration and activity. In Romania, the main applicable regulations are Law 31/1990 concerning commercial companies and Law 297/2004 concerning the capital market (for stock-exchange listed companies).

Management

The management of KMG International NV has a unified management system, including 6 (six) members of which one executive (the Chief Executive Officer – CEO) and five non-executive members.

Current structure of the Company's Board of Directors includes Mr. Daniyar Berlibayev (Chairman, Non-Executive Director), Mr. Zhanat Tussupbekov (Chief Executive Officer), Azamat Zhangulov (Non-Executive Director), Johan Frederik Lodewijk Frowein (Non-Executive Director, independent), Wolff Emile Eduard (Non-Executive Director, independent), Mendes de Leon Ramon Diego (Non-Executive Director, independent).

The CEO is responsible, in accordance with the Articles of Association, for the everyday management of the company and its subsidiaries. According to the statutory provisions, the CEO alone is authorized to represent the company. The CEO may delegate his managing function for certain operations/groups of operations to certain third parties. So, at KMG International level there are Deputy Executive Managers specialized in different types of activities specific to the Group.

Board members together are responsible for the company's management and the general affairs of the company's enterprise, including for setting and achieving the company's objectives, strategy and policies.

The non-executive members of the Board of Directors are responsible for the general policy of the Company and for the supervision of the management position. In order to support its activities, the Board of Directors is in charge with

founding specialized committees like the Audit Committee or Remuneration Committee.

The unified management system is also implemented within the Group subsidiaries.

The decisional right upon internal operations of every company is divided at different decisional levels:

- Shareholders' General Meeting
- Board of Directors/Sole Director
- General Manager and Financial Manager

Major corporate changes

In 2013, the major changes that had a significant impact on KMG International's corporate structure were the following::

- Incorporation of KazMunayGas Engineering BV, 100% owned by KMG International NV; main activity - financial and holding activities for the industrial services performed at the Group level
- Incorporation of Rompetrol Exploration & Production SRL with a new role for the Group's E&P activity, part of the strategic development plan
- Changes in Rom Oil share capital: Rominserv, Ecomaster Servicii Ecologice SRL sold their interest in Rom Oil to Rompetrol Rafinare SA which currently holds 99,9998505% of the share capital
- It was decided to resume the activity of Rominserv Kazakhstan (the liquidation process was stopped) and also Rominserv SRL was registered in Pavlodar, as a result of developing the industrial services in this country.

2014 was marked by the following major corporate achievements:

- March 6, 2014 was the date when both The Rompetrol Group NV and the shared services company, The Rompetrol Group Corporate Center, changed their name to KMG International NV, respectively to KMG Rompetrol SRL.
- The incorporation of Rompetrol Drilling SRL, headquartered in Prahova County, Ploiesti, with support activities for petroleum and natural gas extraction as its main activity.
- The divestment of Ecomaster Servicii Ecologice SRL at the end of July, 2014.
- Rompetrol SA and Rompetrol Well Services sold their shares in Rompetrol Rafinare SA to KMG International NV.
- KMG Engineering bought 100% in Rominserv Kazakhstan.
- KMG Engineering bought 99,9996623% in Rominserv SRL (Romania).
- 50% of Rompetrol Ukraine and AGAT Ltd divested in November 2014.
- KMG Trading AG opened a representative office in Ukraine, Odessa.





Our Operations

KMG International N.V. (formerly named The Rompetrol Group N.V.) is an international oil company with operations in 15 countries throughout Europe, Central Asia and North Africa. The Group is active primarily in refining, marketing and trading, with additional operations in exploration and production, and other oil industry services such as drilling, EPCM, and transportation.

KMG International owns the largest and most modern refinery in Romania and the Black Sea region – Petromidia Năvodari – which boasts a processing capacity of over 5 million tons annually.

The company's retail network operates over 1,100 fuel distribution points under the "Rompetrol" brand in Romania, Georgia, Bulgaria, Moldova, and under the Dyneff brand in France and Spain.

Our brands

Corporate



rompetrol

KazMunayGas
Group
Member

Retail and marketing



rompetrol



Petrochemical and industrial services



PropanePowerStation

Mai multă energie, mai mult confort!



injection
solutions

extrusion
solutions

blow
solutions



Main markets

- 1 Romania
- 2 The Netherlands
- 3 Kazakhstan
- 4 Bulgaria
- 5 Republic of Moldova
- 6 Georgia
- 7 France
- 8 Spain
- 9 Switzerland
- 10 Turkey
- 11 Libya
- 12 Ukraine



Corporate

KMG International (Netherlands)
 KMG Rompetrol (Romania)
 KazMunayGas JSC (Kazakhstan)



Refining & Petrochemicals

Rompetrol Rafinare (Petromidia)
 Rompetrol Vega
 The Petrochemical Division



Retail & Marketing

Rompetrol Downstream (Romania)
 Rompetrol Gas (Romania)
 Rompetrol Moldova
 Rompetrol Bulgaria
 Rompetrol Georgia
 Dyneff France & Spain



Trading & Supply Chain Management

KMG Trading
 Rompetrol Ukraine
 Rompetrol Turkey



Petrochemicals & Industrial Services

Rominerv
 Palplast
 Rominerv Valves IAIFO
 Rompetrol Quality Control



Upstream

Rompetrol SA
 Rompetrol Well Services



2013

Major Projects & Achievements



January

KMG International continued to supply aviation fuel to the Mobile Emergency Response and Rescue Service (SMURD).



February

We sponsored the Sfantul Pantelimon and Marie S. Curie hospitals in Bucharest.



March

Upstream Division started drilling an exploration well in the Zegujani block.



March

Refining and Petrochemicals Division unfolded \$55 mln worth of technological works.



April

Vector Energy AG becomes KMG Trading AG, consolidates all trade operations.



May

Petromidia becomes the first refinery in Romania aligned to EU environmental standards.



April

5th edition of CSR program Together for Each and Everyone is launched.



April

Rompetrol Rafinare completes and commissions \$53 mln carbon-capture installation at the Petromidia refinery



June

Petromidia refinery reaches lowest processing cost (\$21 per ton), accounts for 43% of national output.



July

Expanded distribution network in Moldova and Bulgaria by 12 filling stations.



July

Completed \$50 mln project for oil terminal in Port-la-Nouvelle in partnership with Total Group.



July

Rominserv signs consultancy agreement for new petrochemical complex in Atyrau.



July

16 projects selected in the Together for Each and Everyone program in total value: of USD 225,000.



August

Rominserv signs \$1.72 bln service agreement for upgrade works at Pavlodar refinery in Kazakhstan.



September

KMG International was the main partner of the George Enescu Music Festival.



September

Rompetrol brand redesign and new filling station concept.



October

Rominserv signs service agreement for upgrade works at Shymkent refinery.



November

KMG International opens two new filling stations in Moldova, reaching 59 in total.

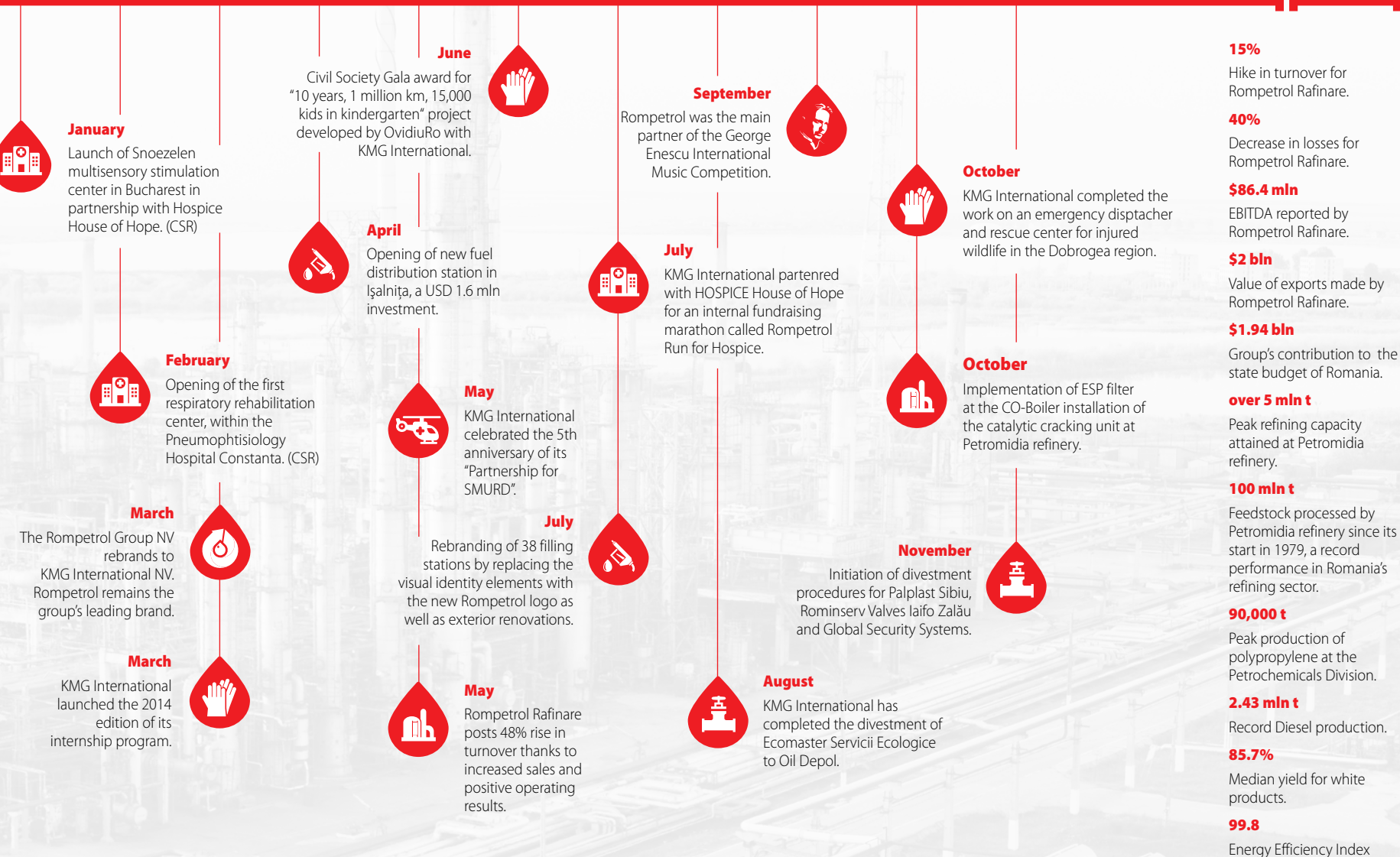
**\$1.7 bln**

Value of exports carried out by Rompetrol Rafinare, the leading exporter in Romania.

\$1.4 bln

Group's contribution to the state budget.

2014





About This Report

This is the first edition of KMG International's Sustainability Report, prepared in accordance with the Global Reporting Initiative G4 Guidelines.

We used the Global Reporting Initiative's (GRI) G4 Sustainability Reporting Guidelines as a guide for determining the relevant content in developing this report as they are the most commonly used sustainability guidelines and reporting principles around the world, being recognized as the best practice barometer in this area. Moreover, we based our decision on the need of developing consistent reporting activities, as KazMunayGas Kazakhstan, the shareholder of KMG International, also uses GRI to report on their sustainable development performances.

The report covers all significant aspects related to the economic, social, environmental and marketplace performance of KMG International Group and member companies with significant operations. It covers the January 2013 – December 2014 period and the intention is to issue reports on an annual basis. For comparability purposes, indicators are presented in parallel with those for previous years.

Besides achievements and results, we present the challenges we face and the directions of

potential development, in order to provide a balanced view of our performance.

To translate global sustainability trends into our business strategy, we have extended our analysis to identify all the areas where KMG International produces impact, together with the aspects which are of high relevance for our stakeholders. We conducted the materiality assessment in order to prioritize our efforts and future prospects.

The structure of the report follows the sustainability strategic areas of KMG International: our people and the workplace, environment, community and marketplace.

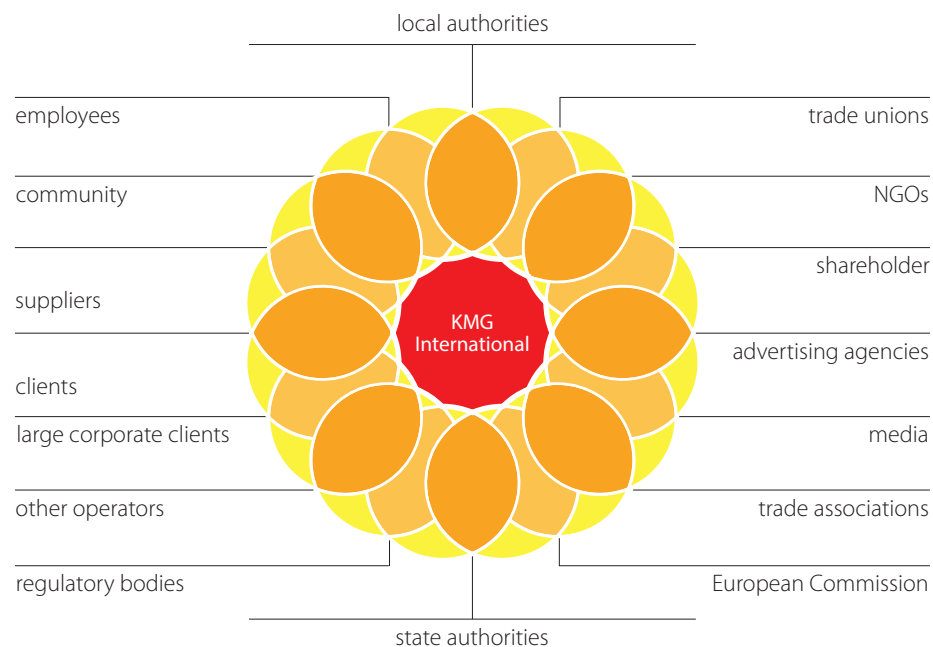
Our Stakeholders

As major player in the Romanian and regional market, KMG International has a wide variety of key stakeholders, ranging from the Government, in its dual capacity as a regulator and a shareholder, to our own employees, unions, customers, opinion shapers, such as the media, and members of the community, either as individuals or as members of various organizations and associations.

These stakeholders comprise all individuals and groups who have an interest in, or believe they may be affected by decisions regarding the management of our projects, operations and other interests.

We aim to learn the expectations of all our stakeholders, by means of a fluid and constant dialogue, which would facilitate the survey and understanding of their needs so that they are taken into account and incorporated into the strategy and management of our material matters.

Furthermore, we strive to proactively engage stakeholders in a variety of ways and respond to questions and concerns in a timely and transparent manner. Nevertheless, our approach is evolving and growing along with our operations.



Materiality Assessment

It is crucial that we understand the perception of our stakeholders with reference to our responsibilities. For this reason we conduct surveys in order to identify their expectations and major themes of interest they would like to be more often informed about in their relation with the Group.

In order to establish the materiality aspects for this report, we addressed questions about a wide range of issues which have an impact on stakeholders and which derive from our responsibilities as a large oil & gas player. Besides the market surveys and discussions with our customers, as well as the direct communication with authorities, the materiality assessment involved a qualitative research with employees

and NGOs. We invited them to evaluate the topics covered by the GRI indicators in terms of importance for our business as well as topics of personal interest which they would like to see disclosed in the report. The second step was to scale all the predefined items based on average results and list the topics suggested by the respondents. The information for the report was gathered based on the priority level assigned after the consultation with stakeholders.

The results and the levels of disclosure were represented by taking into consideration the scale of each topic, based on the common vision of stakeholders and the sustainability reporting team.

indicators in descending order of score

Economic

EC7-8 indirect economic impacts
EC1-4 economic performance
EC5-6 market presence
EC9 procurement practices
OG1 sector specific

People

LA5-8 occupational health & safety
LA9-11 training and education
LA12 diversity & equal opportunity
LA4 labor relations
OG9 sector specific
HR10-11 supplier assessment
LA1-3 employment
LA13 equal pay for men and women
HR3 non-discrimination
HR5 child labor
HR6 forced/compulsory labor
HR8 indigenous rights
HR12 human rights grievances

LA14-15 supplier assessment
LA16 labor grievance mechanisms
HR1-2 investment
HR4 freedom of association
HR7 security practices
HR9 internal assessment

Environmental

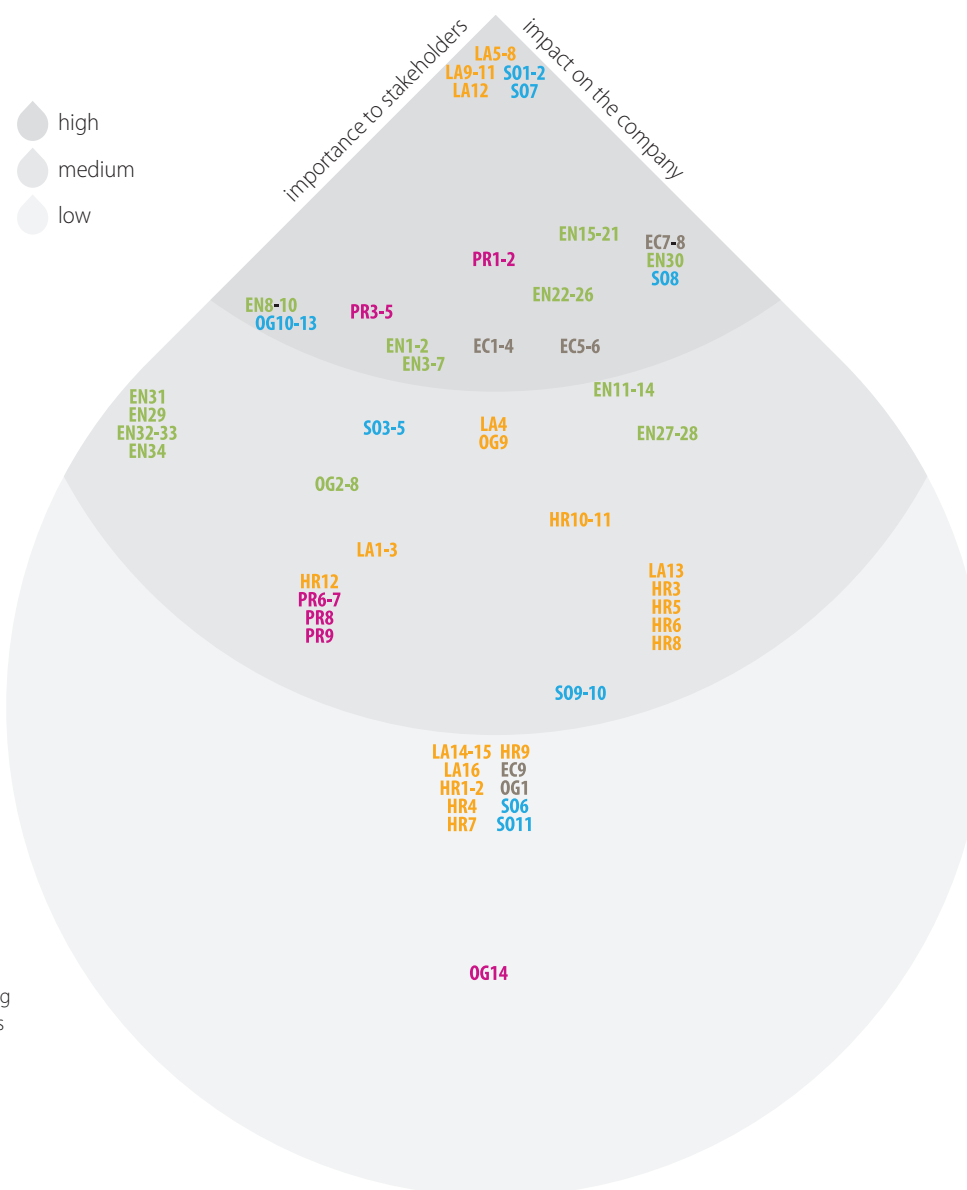
EN15-21 emissions
EN30 transport
EN22-26 effluents and waste
EN8-10 water
EN1-2 materials
EN3-7 energy
EN11-14 biodiversity
EN27-28 products and services
EN31 overall
EN29 compliance
EN32-33 supplier assessment
EN34 grievance mechanisms
OG2-8 sector specific

Community

S01-2 local communities
S07 anti-competitive behavior
S08 compliance
OG10-13 sector specific
S03-5 anti-corruption
S09-10 supplier assessment
S06 public policy
S011 grievance mechanisms

Marketplace

PR1-2 customer health and safety
PR3-5 product and service labeling
PR6-7 marketing communications
PR8 customer privacy
PR9 compliance
OG14 sector specific





Code of Conduct

KMG International has rapidly grown into a multinational Group of companies engaged in a variety of activities pertaining to the Oil & Gas Industry: drilling, EPCM (Engineering, Procurement, Construction Management), exploration and production, retail & marketing, trading & supply chain, refining and petrochemicals. We are as ambitious and hard-working as ever, and our aim is to become one of the largest independent oil companies in Europe and obtain a strong position in the Black Sea and Mediterranean areas.

However, our long-term success cannot be possible without a solid foundation built on clear principles and values like integrity, honesty, and responsibility.

Through responsibility we understand accountability, transparency, ethical behavior, respect of stakeholder interests, respect for the rule of law, respect for international norms of behavior, respect for human rights and social involvement.

Integrity and honesty are a part of our credo. We are honest with others and ourselves. We meet the highest ethical standards in all business dealings. We do what we say we will do. We accept responsibility and hold ourselves accountable for our work and our actions.

Therefore, this Code sets up the basic rules outlining our approach to the business ethics, and it is built upon the following principles:

- 💡 **Respect for our employees:** We respect our employees and provide support for their constant improvement;
- 💡 **Continuous involvement:** We are always in contact with and involved in the development of all our stakeholders;
- 💡 **Health, safety and security:** We take good care of the health, safety and security of our employees, suppliers and communities where we undertake our activities;
- 💡 **Risk management:** We strive to identify, evaluate and manage the risks for the communities that host us, our employees, our contractors, the environment and our business;
- 💡 **Education and leadership:** We promote leadership among the youth, especially through activities that encourage social responsibility and entrepreneurship;
- 💡 **Respect for the local community:** We respect, protect and promote the human rights, the culture, the traditions and the values of the local communities where we undertake our activities and we contribute to the improvement of social involvement;
- 💡 **Best practices:** We adhere to the best global practices. The principles in the United Nations Global Compact and the OECD guidelines for multinational enterprises guide all our activities.

We live in a fast-paced world where business is almost constantly experiencing far-reaching structural changes and companies are under public scrutiny to become good corporate citizens. We, the KMG International community, believe that meeting the high standards of business ethics does not only create growth, but it is also fundamental in shaping the relationship with all our stakeholders.

We are a dynamic leader in the regional oil sector and believe that our success is possible because it stems from and is shaped by a well-defined set of values:

- 💡 **Our people:** We place the highest priority on the needs of our employees. Our actions are always determined by their dynamism, contemporary spirit, creativity and experience.
- 💡 **Care, integrity and responsibility:** We are a worldwide trustworthy partner and a valued corporate citizen. We are honest with all our stakeholders and take responsibility for our actions.
- 💡 **Determination:** The strength of our business stems from our strong will and our determination to succeed and deliver excellence in everything we do.
- 💡 **Environmental protection:** Both we and our suppliers adhere to all the national laws and regulations governing the environment

and proper management of resources, wherever we or they operate.

- 💡 **Sustainability:** We support the principles set forth in the Universal Declaration of Human Rights and maintain the high standards of integrity. Also, through developing profitable business and active engagement with the local communities, we aim to ensure that our business practices contribute to long-term economic and social development.
- 💡 **High quality:** We are committed to quality in everything we do and we strive to continuously improve. We are passionate about achieving quality results which exceed expectations – our own and those of the stakeholders.
- 💡 **Commitment to leadership:** We use our experience, our technology and perseverance to offer products and services at the highest standards and are committed to leadership in all our actions, which directly or indirectly impact all our stakeholders.



Code of Ethics

KMG International believes a strong commitment to ethics and compliance drives responsible behavior and enhances financial performance. Corruption, anti-competitive behaviors and non-compliance are ethical issues that have significant implications for our long-term success.

Our comprehensive ethics and compliance program guides our employees and business partners and enables us to manage our compliance and ethics risks. This dynamic program involves leadership and oversight, risk assessments, policies and procedures, extensive communication and training programs, monitoring, reporting and other initiatives.

KMG International Code of Ethics is the centerpiece of the company's commitment to conducting its global business legally and with high standards of integrity, comprising the organization's values, principles, standards and norms of behavior. It has been developed based on best practices and was approved by the highest governance body (Board of Directors).

Starting 2014, training on the Code of Ethics is provided on an annual basis to all employees, each acknowledging its principles and committing to comply with the Code's provisions by giving a signed statement. The Code is published internally and is available in both Romanian and English.

Risk management

KMG International is committed to ensure compliance with all relevant laws, regulations,

policies and procedures and any adopted standards applicable to the company. Our approach is to use a rigorous process to identify potential risks that might occur during project execution and develop risk-mitigation strategies that proactively address these risks.

The Group has no tolerance for corruption and conducts its operations with integrity, fairness and transparency. We want our employees and the third parties we collaborate with to understand our expectations of them, anticipate ethical conduct risks, accept personal responsibility and be committed to doing the right thing.

For the projects we pursue, we proactively develop and implement mitigation strategies for risks with the potential to affect our company and stakeholders. A modern international company cannot expect to have strong financial performance without responsible governance and risk management.

Anti-bribery and anti-corruption policy

KMG International Anti-Bribery and Anti-Corruption Policy was developed in 2014 in compliance to the applicable anti-corruption laws, being aimed at protecting the reputation of the Group and all its entities by minimizing the risks of bribery and corruption within its business.

KMG International prohibits all forms of commercial bribery, including any kind of facilitation related to business conduction, gifts,

donations, exceeding hospitality. Our compliance policy is meant to prevent and to ensure a fair, transparent activity and also to maintain a good reputation as an employer and business partner.

The purpose of our Anti-Bribery and Anti-Corruption Policy is to not only prevent bribery and corruption at Group level but also to increase employee awareness and understanding with regard to bribery and corruption, promote integrity, accountability and proper management of the business in an ethical and transparent manner.

The Anti-Bribery and Anti-Corruption Policy is applicable to all Group entities, employees and business units, collaborators (lawyers, consultants and experts, contracted personnel, persons engaged under a management and/or civil contract), third parties, or any other person associated with the Group.

Communication and training are among the most critical components for the success of any ethics and compliance program, which is why training on anti-corruption issues is delivered to all employees (including governance body members) and all entities (regions) on a regular basis while the Anti-Bribery and Anti-Corruption Policy is communicated to all Group entities, and any associated third parties.

We continually improve and enhance our internal policies concerning ethics and compliance by monitoring our evolving risks and benchmarking best practices in our company while aligning to national and international regulations in the field.

Advice seeking and grievance mechanisms

Our goal is for every employee to feel confident in seeking advice and reporting any good faith ethical concern without fear of retaliation, and to conduct timely and thorough investigations in order to maintain our high standards for ethics and compliance.

In this respect, KMG International employs various advice seeking and grievance mechanisms, in order to provide employees the optimum tools in any business situation. Thus, in addition to their immediate supervisor, employees have the opportunity to seek guidance with the line manager and functional corporate departments (HR, Compliance). Dedicated email addresses are to be used and the advice is treated in a confidential manner.

Clients, partners, suppliers and subcontractors are also encouraged to report any suspected misconduct involving or affecting KMG International, whether or not the concern involves the supplier or contractor.

The company also uses a whistle blowing mechanism that is managed by the Compliance department. An external email is used by employees and business partners to report concerns about unethical or unlawful behavior and matters related to integrity, in a strictly confidential manner. This mechanism is regulated by internal policies and contains non-retaliation provisions. Trainings on accessing the mechanism and reporting have been provided to all employees in the company.



Memberships and Affiliations

Externally, we engage with clients and other stakeholders through our day-to-day operations as well as through memberships and involvement with numerous international, regional and local industry associations:

American Chamber of Commerce (AmCham)

Operating different working committees and task forces on environment, energy, corporate governance, taxations, competition, labor market etc.

Conservation of Clean Air and Water in Europe (CONCAWE)

Managing all petroleum products, based on REACH regulations (the European Community Regulation on chemicals and their safe use), within ECHA – European Chemical Agency. Rompetrol Rafinare has been a member since 2008.

Foreign Investors Council (FIC)

Committed to facilitating the dialogue between policy makers and the foreign investment community.

International Advertising Association (IAA)

A unique strategic partnership, which defends the common interests of all subjects in the entire spectrum of marketing communications - from advertisers to media companies, agencies and direct marketing firms and individual practitioners.

KazEnergy

Promoting the creation of favorable conditions for the dynamic and sustainable development of the fuel and energy sector of the Republic of Kazakhstan.

National Agency of Exporters and Importers (ANEIR)

Acting to create a legislative economic, financial and banking framework, likely to expand the export-import volume of Romania.

Romanian Advertising Council (RAC)

A professional, non-governmental, non profit and independent organization. The main activity of the Council is represented by self-regulation in advertising.

Romanian Association of Drilling Contractors (ACFR)

Member of the International Association of Drilling Contractors – IADC, the International Society of Oil Engineers – SPE, both of them with headquarters in Houston-USA, as well as member of the Association of Oil and Gas Engineers.

Romanian Petroleum Association (ARP)

Aiming to provide the framework required to facilitate cooperation between oil companies in Romania.

Romanian Petroleum Exploration and Production Companies Association (ROPEPCA)

Aimed at achieving a transparent working environment in the upstream oil and gas sector in Romania to the highest standards and latest technology.

The Petroleum Club of Romania

Romania's most exclusive gathering of energy professionals, allowing industry players to explore new opportunities as well as to provide a conduit for dialogue with authorized Romanian and international entities.

Kazakhstan Chamber of International Commerce (KAZCIC)

A branch of the Kazakhstan National Chamber of Entrepreneurs, its mission is to contribute to the development of Kazakhstan through the support of domestic companies in foreign trade.



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rompetrol
Kazakhstan Gas
Group member



KMG International has more than 7,600 employees operating in 15 countries, 12 main markets throughout Europe, Central Asia and North Africa. A decisive role in our ability to conduct a successful business at this level is attributed to our skilled, qualified and diverse workforce, operating in a safe, ethical and mutually trustworthy environment.

Our people help us gain and build competitive advantage through their energy, creativity and local insights. It is essential that we treat them fairly and with respect, we reward them competitively, invest in their personal and professional development, listen to their views and take their interests into account, in order to ensure that we remain responsive to a rapidly changing world.

In this respect, our goal is to attract, preserve and develop a high-performing and efficient workforce and provide a transparent and inclusive environment that will enable us to meet our current and future business needs.

Florin Luca

Group HR Director



Our Approach

KMG International operates in full compliance with national and international legislation. Our comprehensive Human Resources strategy provides the grounds for fair work practices, competitive market-based wages and benefits and specific programs for the development of employee talents and skills.

We have built a balanced work environment, guided by values like inclusion, equality, mutual trust and coordination. We protect the rights of our employees, care for their well-being and provide a professional development platform. From this perspective, our aim is to optimize both corporate values and employees' benefits.

KMG International encourages leadership and out-of-the-box approaches amongst its employees. We also maintain a team-based working environment, so that our people acquire higher chances of meeting their full potential.

We are determined to create a work environment in which the risks could be avoided at most times, if not eliminated. This aim is met through a constant risk evaluation and the implementation of safety measures.

Our policies, procedures and practices support our commitments to human rights observance and create opportunities for each and every employee to be productive and secure and to develop professionally regardless of gender, nationality, age or any other factor protected by law.

Our main objective for 2015 is to extend the implementation of the "Change for Good" program aiming at streamlining the activity in Romania at Group level.

Human Resources Management

Workforce structure

The size of our workforce followed a rather stable trend during 2013 and 2014, a slight increase, by approximately 1%, being visible in 2014. KMG International workforce now numbers 7,599 employees (data available in December 2014). The stability in our employee numbers and the slight growth tendency reflect the successful path of our business, achieved despite the competitive labor market, where the skills and experience we require are in short supply.

We make a concentrated effort to hire and train local employees, including senior managers, in our office and project locations. By hiring locally, we demonstrate our commitment to sustaining the growth of communities where we work.

Once we recruit people, our aim is to give them challenging and rewarding careers in a working environment that is supportive and motivating.

We provide people with the opportunity to develop their professional and personal skills, offering a range of development opportunities and training courses. We are committed to creating a working environment where everyone has the opportunity to learn, develop and contribute.

According to EC directives, KMG International operations which fulfill the reporting requirements (over 500 employees and over EUR 20 million turnover) are those based in Romania, France & Spain (Dyneff) and Georgia. Thus, the following reporting data will focus mainly on these three locations.

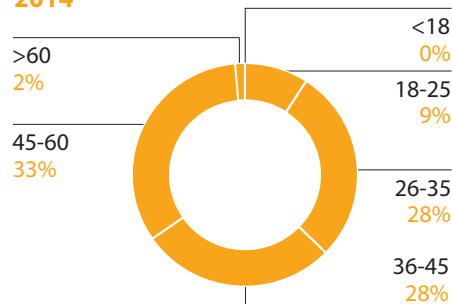
From the demographical standpoint, KMG International employed an average of 7,599 people in 2014, compared to the 2013 average of 7,474 people.

The most prominent age group in the company's workforce structure is represented by

the "46-60 years" category, closely followed by "36-45 years" and "26-35 years". Although there has been an increase in new hires in the "18-25 years" category, it is still underrepresented, compared to the three already mentioned.

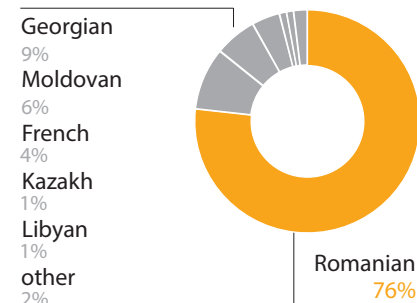
Total headcount age distribution at Group level

2014



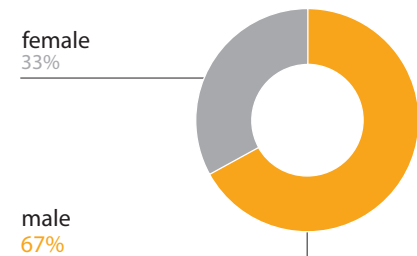
Employee nationality at Group level

2014

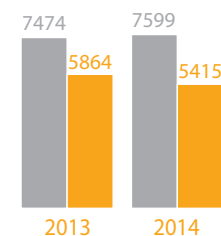


Employee gender distribution at Group level

2014



Headcount evolution total Romania





In 2014, the number of new hires in Romania decreased from 757 in 2013 to 698, while in France & Spain (Dyneff) increased with 1% and in Georgia the percentage of new hires decreased by 2%, from one year to another.

In terms of male-female new hires distribution, the situation is different depending on the region of the Group's operations. Thus, in Romania female new hires increased in 2014 from 3.60% of the total Group population in 2013, to 3.82% in 2014. Male new hires represented 5.37% in 2014 (408), compared to 6.53% in 2013 (488).

However, in France & Spain (Dyneff), things look a bit different from the rest of operations. Even if in 2014 the percentage of female new hires decreased from 33.08% to 30.85%, these numbers are still higher than male new hires, with only 82 new male hires in 2014 vs. 133 new female hires, compared to 67 vs. 146 in 2013.

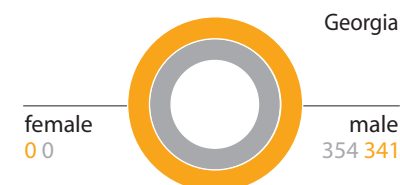
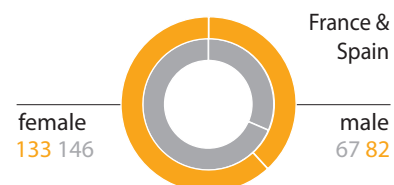
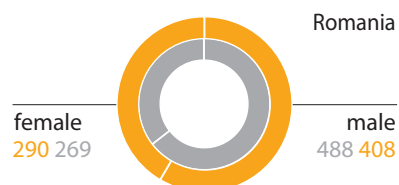
At Group level, split male female of turnover is the following: 622 female and 995 male in 2013 compared to 554 female and 904 male in 2014.

Regarding return to work and retention rates following parental leave, in countries with significant operations for KMG International (Romania, France, Spain and Georgia), the only information pertaining to this topic is connected to the operations of the Group in Romania.

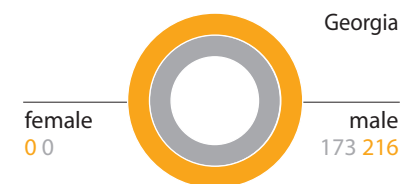
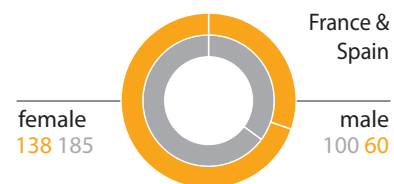
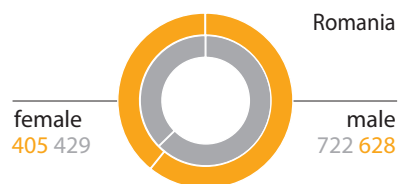
In 2013, 103 female employees and 13 male employees returned to work from parental leave, of which only 78 female and 11 male employees were still employed 12 months after their return to work. Thus, retention rates are lower than return-to-work rates, with 1.35% for female employees compared to 1.79% and 0.19% for male employees compared to 0.23%.

In 2014, although return-to-work rates were lower than in 2013, retention rates recorded higher values, with 1.37% for female employees

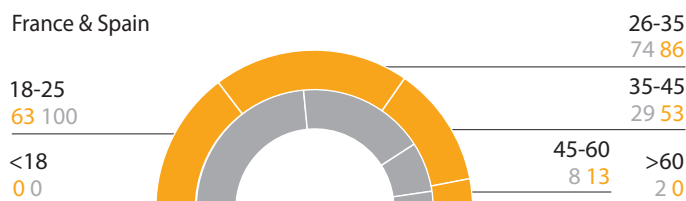
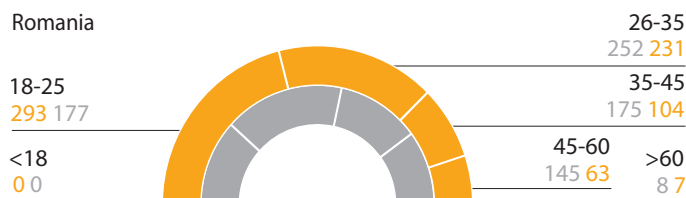
New hires by gender 2013 2014



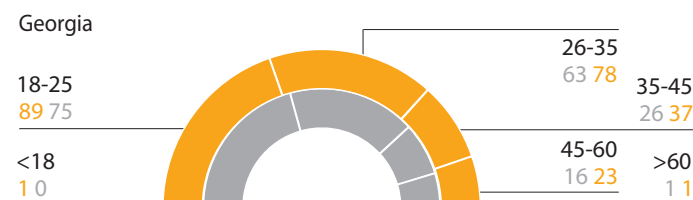
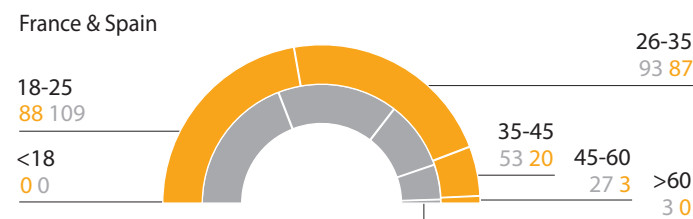
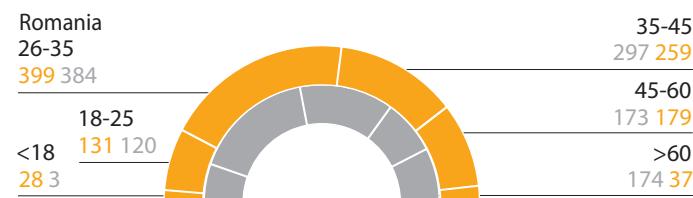
Employee turnover by gender 2013 2014



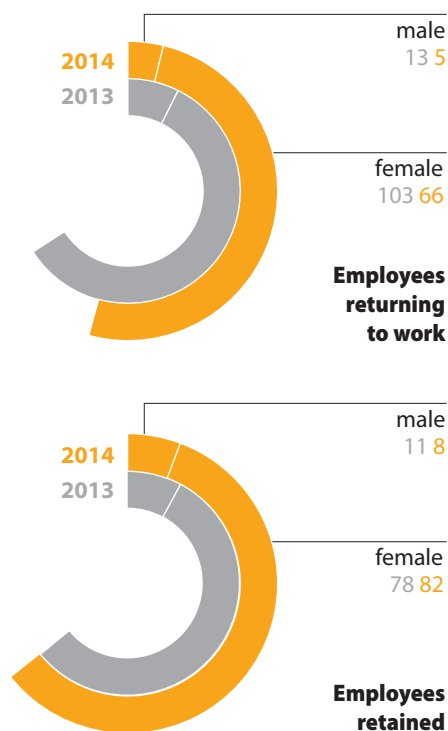
New hires by age group 2013 2014



Employee turnover by age group 2013 2014



and 0.19% for male employees. Nevertheless, 2014 saw an increase in female employees' retention rates.



Labor practices

Code of conduct

KMG International's strong commitment to ethics and compliance sets the parameters for human rights and fair labor practices that apply across the Group.

As of June 2014, KMG International approved the introduction of the "Supplier Code of Conduct" for all its contractors and suppliers, with the purpose of ensuring that KMG International and all its subsidiary suppliers are in full compliance with all applicable national and international laws and regulations on protecting human rights, safe working conditions, promoting fair employment conditions, responsible management of environmental issues and high ethical standards.

By this, KMG International requires its suppliers and their subcontractors to comply with the Supplier Code of Conduct and to verify compliance by providing information and allowing access to their premises.

The Supplier Code of Conduct is applicable to any party that contributes to the products, services and other business activities. The Supplier Code of Conduct shall be applied to the Group's suppliers throughout the contractual agreement. Any violations of this Code may jeopardize the supplier's business relationship with KMG International, up to and including termination.

Non-discrimination

KMG International values every member of its workforce and has policies that promote a workplace where every person is treated with dignity and respect. We also expect that employees will treat each other with dignity and respect as stated in our company policy.

Nevertheless we acknowledge the possibility for incidents to happen in this direction but, at the same time, we commit to provide fair and quick solutions, in accordance to the legal framework of our operations and our Group's Code of Conduct.

Child labor

KMG International observes and abides by minimum age laws and regulations prohibiting the hiring of underage persons on any of its projects or in any global offices, and the company's policies and practices reflect this approach. The Group has legitimate internships, apprenticeships and other related programs and strives to ensure that all programs meet laws and regulations related to hiring and compensation.

We do not utilize or support child labor in any way and we follow standard requirements in all countries in which we operate.

Forced labor

KMG International does not promote, condone, practice or tolerate the use of forced or compulsory labor and the Group's policies and practices are reflective of this approach. The Group takes measures to adhere to all applicable local laws and regulations regarding forced or compulsory labor, including those related to





wages and benefits. The Group has no knowledge of any significant risks for compulsory or forced labor incidents in any of its operations or its suppliers' and subcontractors'.

Freedom of association and collective bargaining

The Group acknowledges employees' legal rights to choose without fear of retaliation, coercion or harassment, whether or not to join third-party organizations. These rights are in accordance with the law related to third-party involvement, which may include labor unions and/or trade unions, in countries in which we work.

Grievance mechanisms

KMG International encourages employees and other stakeholders to report any activities that are not in compliance with its internal policies and regulations and provides 3 different types of grievance mechanisms, each one with separate e-mail address, as follows:

a. Whistle-blower mechanism – anonymous complaints to be addressed to Group Management.

b. Compliance mechanism – personal specific complaints to be addressed to the Compliance Department.

c. My Voice mechanism – personal specific complaints to be addressed to the Human Resources Department.

Wages, compensation, benefits

Annually, an external benchmarking is carried out to understand changes in the market compared to the previous year. Based on the average increase/decrease of each reference market, the corresponding salary grids are

updated to reflect current market realities. The updated salary grids are approved by the KMG International Remuneration Committee and they are used as further reference for any pay adjustment.

At Group level, KMG International has, for all the Romanian entities, and for all their employees (local or expatriates), a Pay & Benefits Policy in force, which ensures:

- Pay for employees' roles and value-added contribution to the company and to the customers;
- Pay more when the performance (both at individual and organizational level) exceeds targets than when it is below targets;
- Reward performance based on measures that are directly linked to business strategy and operations, and that are within employees' line of sight;
- Be internally equitable (based on the job levels) while considering market differences in pay.

Policy states that the payment package is composed of base salary and variable pay (bonuses). Additionally, benefits (cash/ non-cash reward elements) can be applied. Base salary is regulated through the provisions of the Pay and Benefits policy. Variable pay may consist of:

- Performance bonus - regulated through Performance Management Procedure and Policy for Performance Evaluation and Remuneration for Top Management;
- Different Bonus schemes for production, operational, sales and projects jobs, which are settled separately within procedures at company level;
- Collective Labor Agreements (CLA) at company level, which settle the calculation and payment rules for the following variable

pay elements: profit sharing, overtime allowance, night shift allowance, etc.

Benefits relate to:

- Cash benefits (vacation bonus, marriage, birth, relocation, pregnancy and postpartum, kindergarten, medical care, retirement, and death allowance)
- Non-cash / in kind benefits (meal tickets, gift vouchers for employees' children, life, illness and disability insurance, health and medical care, transportation and commuting expenses, discounts for company products or other third party suppliers, etc.)

Termination payments are available according to the provisions of CLAs in force.

For all the other foreign based entities, the same principles regarding remuneration apply: payment package is composed of base salary and variable pay (bonuses). Additionally, benefits (cash/ non-cash reward elements) can apply. These vary from entity to entity, based on the specific requirements of each country.

Diversity and equal opportunity

KMG International is committed to diversity and equal employment opportunities for all employees and job candidates. In keeping with our aim to foster diversity and cultivate leadership, we employ a high number of local nationals in our international operations.

The proportion of senior management hired from the local community at significant locations of operation (Romania, France & Spain and Georgia) represents 60% in Romania, 90% in France & Spain and 90% in Georgia. Proportions were kept throughout 2013 and 2014.

We provide equal opportunity in recruitment, career development, promotion, training and reward for all employees regardless of color, ethnicity or physical ability.

We actively monitor the representation of women and local nationals in senior leadership positions, and have talent development processes to support us in delivering more diverse representation.



Training and Career Development

KMG International provides training and development programs and processes that give employees an opportunity to advance their careers over the long term and stay relevant in the ever-changing job market conditions.

In 2013, at KMG International level, the average number of training hours per employee was 11.7.

Female employees benefited, in average, of 12.9 hours of training, while male employees benefited, in average, of 11.1 hours. Managers benefited, in average, of 13.6 hours of training, while Execution level employees benefited, in average, of 11.4 hours.

In 2014, at KMG International level, the average number of training hours per employee was 8.2.

Female employees benefited, in average, of 9.8 hours of training, while male employees benefited, in average, of 7.5 hours.

Managers benefited, in average, of 41.31 hours of training, while Execution level employees benefited, in average, of 29.31 hours (calculated for 2014 as total number of hours of training/number of managers, not as average meaning total number of hours of training/total nr. of managers, respectively calculated as total number of hours of training/nr. of execution level employees trained, not as average meaning total number of hours of training/total number of execution level employees).

In accordance with Law 319/2006 and the nomenclature for the classification of

occupations (COR) – some positions need mandatory training courses (e.g.: electrician, welder, turner, LPG operator, crane operator). Thus, in the Refining Business Unit, in 2013, 884 employees from Rompetrol Rafinare and 265 employees from Rompetrol Petrochemicals participated in at least one training session. Most of the trainings (82%) were conducted in the technical area (for which the issuance of a CFA, PMP, ACCA certificate of completion is requested), compared to personal development (developing leadership and management qualities, communication skills development, time management courses, etc), that have a smaller share (18%).

In 2013, in KMG International only managers

were evaluated from the performance point of view and received regular performance assessments. From 2014, the performance assessments were extended to all employees (100%).

In 2014, from the employee population who received regular performance assessments, 33% were females and 67% males.

2014 was the year in which the career management process was started in KMG International, by establishing a pool of talents. Starting 2015, the career management program will be continuously implemented within the Group.





Occupational Health and Safety

We are aware of the fact that we conduct our business in a sector which involves a higher level of risk to health, safety and security and that is why the safety of our employees and contractors represents a matter of the utmost importance.

At Group level, accident statistics have been reported quarterly since 2010, monthly from mid-2011 and weekly from 2012. For all entities in the Group there are risks assessments in place.

In each entity of KMG International there are health and safety committees composed by representatives of the labor administration and representatives of the employees, according to Law no.319/2006 on occupational health and safety.

For example, the Group's Refining Business Unit Committee on workplace health and safety includes the following:

- General Director, who is also President of the Workplace Health and Safety Committee (CSSM);
- Employer representatives with responsibilities for workplace health and safety (Refinery Plant Director, Petrochemical Plant Director, Utilities Plant Director, Plant Inspection Director; QHSE Manager, HR Manager);
- 7 (seven) workers' representatives with specific responsibilities in the health and safety field of work;
- Labor Medicine practitioner;
- HS Coordinator, who is also Secretary of CSSM.

As for the Retail, Trading & Supply Chain, and Non-Core Business Units, weekly/ monthly/

quarterly QHSE reports are compiled (safety rates/incident reporting and follow up/ measure plans by internal/second/third party audit process).

Moreover, medical checks, medical reports and risk assessments are carried out annually for each workplace per entity.

All health and safety activities of the entities in KMG International are regulated according to the national Labor Code provisions and the formal agreements signed with trade unions.

No events resulting in loss of human life were recorded in KMG International in 2013 and 2014.

All the occupational health and safety activity performance indicators registered at Group level showed a positive evolution. We have achieved good results due to applying a uniform occupational health and safety policy, both

within the Group entities and in relation to our subcontractors.

Successfully managing health and safety issues to the lowest possible risk levels is an essential component of our strategy and integral to the way we do business. KMG International continually evaluates its health and safety principles and procedures throughout its operations to ensure that they are according to standard.

OCCUPATIONAL SAFETY		REFINING		UPSTREAM		NON-CORE	
		2013	2013	2013	2013	2013	2013
Safety Incidents	Fatalities (FTL)	0	0	0	0	0	0
	First Aid Cases (FAC)	0	1	1	1	1	2
	Medical Treatment Cases (MTC)	0	0	0	0	0	0
	Days Away from Work Cases (DAFWC)	3	0	0	0	1	2
	Lost Time Injury Cases (LTI)	3	0	0	0	1	2
Total Recordable Injury Cases (TRI)		3	0	0	0	1	2
Safety rates	Fatal Incidents Rate (FIR)	0	0	0	0	0	0
	Lost Time Injury Frequency (LTIF)	1.37	0	0	0	0.26	0.59
	Total Recordable Injury Rate (TRIR)	1.37	0	0	0	0.26	0.59
	Frequency Rate (FR)	1.37	0	0	0	0.26	0.59
	Severity Rate (SR)	1.37	0	0	0	0.26	0.59







We are aware of the importance of the environment in our work. That is why we act as a responsible member of society and comply with the relevant Romanian and European regulations in this field.

Our primary concern, as a responsible player in the market, is to ensure the sustainability of human existence by carefully balancing social, economic and environmental capital in a continuously changing world. Our role in achieving this goal is to meet the needs of the society for oil and gas at a fair cost, in safety conditions and with minimum impact on the environment.

In our strive to minimize our impact on the environment and create value for all stakeholders, we also aim to provide the proper education to the host communities with regard to sustainable living and development.

Sustainability has always been one of the guiding principles of KMG International and it's an increasing part of its success. However, to improve our environmental performance, legislative compliance is essential. We are, nevertheless, going further by using focused programs and key performance indicators to guide our progress and improve performance.

Marian Nicolae
Head of QHSE



Strategic Environmental Objectives

The main goal of KMG International in terms of environmental protection is to develop its activities in complete conformity with the environmental legislation applicable for each country where the Group operates, applying the general principles of environmental protection, through conservation and sustainable practices.

In this respect, KMG International has developed a comprehensive environmental strategy which focuses on various areas of interest, closely related to the Group's activities and operations, which include the following major directions:

- ◆ Align activities and facilities with national and international legal requirements in the field;
- ◆ Minimize environmental incidents;
- ◆ Minimize consumption of natural resources;
- ◆ Reduce waste volumes generated, especially for hazardous waste;
- ◆ Optimize operations and technologies for greater energy efficiency and reduce various pollutant emissions, especially greenhouse gases;
- ◆ Improve the certified environmental management system (ISO 14001) implemented in all our entities;
- ◆ Continue the training of specialized personnel in the field;
- ◆ Ensure excellent communication within the Group, and with the relevant stakeholders (state authorities, NGOs, local communities, etc.).

Major Achievements in 2013-2014

KMG International is committed to conduct all activities in such a way as to safeguard the natural environment. The company has managed its environmental performance efficiently, generating valuable results, presented below.

In 2013, Petromidia refinery became the first specialized Romanian company which successfully ended the transition period for the alignment of production plants to European environmental requirements. The same year, the refinery received a new integrated environment authorization from the Constanta Environmental Protection Agency, valid for a 10-year period. This acknowledges that the Petromidia platform plants are operated at the highest performance and environment protection standards, and

further establishes operational conditions and parameters (level of air emissions, water and soil quality, waste management measures).

Greenhouse gas emissions permits were renewed for RRC Petromidia (refinery and petrochemical plants) and free allocations for new installations (from new entrants' reserve) were obtained in 2014.

The completion of the investment package resulted in the increased performance of Petromidia refinery, which now produces only Euro 5 fuels.

Another major performance of the Group is represented by the alignment to the national and European environmental requirements with regard to the emissions of sulfur oxides, nitrogen oxides and dust.

In 2014, the Permit for 3rd Category Declaration was acquired, allowing the Refining Business Unit to perform activities with classified substances like: H₂SO₄, HCl, Toluene, MethylEthylCeton (MEC)

Also in 2014, the "Rehabilitation and improvement of acid tar lagoons area, inside Rompetrol Rafinare -Vega Ploiesti" project obtained the environmental permit from the Environmental Protection Agency according to legal requirements.

Furthermore, the project "Empty Lagoon no.3" was continued during 2014.

In 2014, Petromidia refinery was issued a water permit with a two-year validity, while Vega refinery obtained its 1-year water permit.

In line with the REACH Regulation, petroleum products files were updated in accordance with requirements of the European Chemicals Agency.

In 2014, the demolition project of the DMT plant within the Petrochemical Division was completed; the environmental and demolition permits for the demolition project of the OEG installation were also obtained.

Also in 2014, the project "Install a particulate reduction system at Catalytic Cracking Unit -

Electrostatic precipitator" was completed in accordance with Decision No. 379 / 05.06.2012 issued by the Constanta Environmental Protection Agency. The goal was to install in the catalytic cracking unit a system which reduces the content of dust in the flue gas leaving the CO-Boiler - 138F-H4. The solution used was to mount an electrostatic filter (ESP) retaining dust on the gas pipe exiting the CO-BOILER, an investment with a positive impact on environmental protection. Performance tests are to be carried out during 2015.

In 2014, Rompetrol Rafinare organized CSR projects, with the participation of employees (Open Doors for the children of employees, Black Sea Action Day, volunteering in the national environmental campaign "Let's Do It, Romania!", and others).

KMG International is the first local fuel producer to align to the EURO 5 emissions standard.



Environmental Indicators

Guided by best practices and international experience that demonstrate the benefits of a strategic and targeted approach to planning and reporting, KMG International prepared this report in accordance with the G4 Sustainability Reporting Guidelines (core option) of the Global Reporting Initiative ("GRI").

We are working to reduce the environmental impact of our operations as we help to meet the growing energy demand. We have strict environmental standards to manage greenhouse gas emissions, reduce our use of energy, minimize our consumption of fresh water and protect biodiversity.

Materials

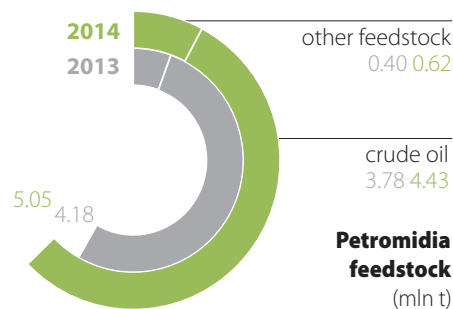
The Group is interested in the maintenance and continuous improvement of the integrated quality-environment-health-safety management system, with results in the improvement of the image of the organization, and of relations with public authorities and the social-economic community as a whole, in the limitation of civil and criminal liability, by meeting the legal requirements and regulations concerning quality-environment-safety.

In this respect, Rompetrol Rafinare has all automotive fuels placed on the market certified and the certification of the Quality, Environment, Occupational Health and Safety Management systems was maintained during 2013 and 2014.

The production schedule of Rompetrol Rafinare - Petromidia for the year 2013 was designed with a total processing capacity of 4,571,787 tons, of which 4,261,763 tons of crude oil and 310,024 tons other raw materials. Processing carried out

in the year 2013 was of 4,181,620 tons, of which 3,781,270 tons of crude oil and 400,350 tons other raw materials. This represented 91.47 % of the program set up for the budget of the year 2013.

In 2014, the volumes processed by Petromidia increased compared to 2013, with 5,053,098 tons processed, of which 4,426,022 tons crude oil and 627,076 tons other raw materials.



At the end of 2014, Petromidia refinery reached a historic milestone of processed raw materials – more than 5 million tons. Some of the historic records of the company in 2014 included the increase in Diesel fuel production – 2.43 million tons (1.91 million tons in 2013 and 1.6 million tons in 2012), Diesel fuel yields – 48.8% (46% in 2013, 39.6% in 2012), but also white products yields – 85.7% (85.5% in 2013, 85.4% in 2012). At the same time, the refinery achieved an improved energy efficiency index - 99.8 (102.8 in 2013, 115 in 2012). Moreover, through the petrochemical division, Rompetrol Rafinare reached full polypropylene capacity – 90 thousand tons in 2014 (79.8 thousand tons in 2013 and 86.3 thousand tons in 2012).

The refinery operated at peak capacity in 2014, without any scheduled or accidental stop (365 days), the quantity of processed raw materials

reaching 13,800 tons/day.

As for Vega Refinery, the production schedule for the year 2013 was designed for a total processing capacity of 319,344 tons, of which 317,663 tons raw materials from Petromidia Refinery and 1,681 tons raw materials purchased from outside KMG International.

The actual processing carried out in 2013 was of 240,553 tons, of which 238,694 tons from the Petromidia Refinery and 1,859 tons non-group. This represented 75.3 % of the program set up for the budget of the year 2013.

In 2014, the processed volumes reached 254,410 tons of raw materials.

Of these amounts, the percentage of recycled input materials used to manufacture the organization's primary products and services was 0.4% in 2013, with 16,915 tons of recycled material (slop), respectively 0.4% for the first 10 months of 2014, with 15,975 tons of recycled material (slop) used.

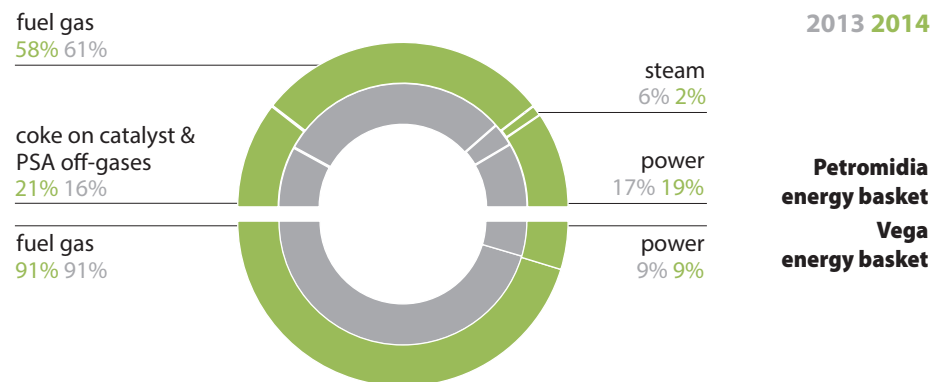
Energy management

Our goal is to improve energy use, given how a significant part of the overall operational costs

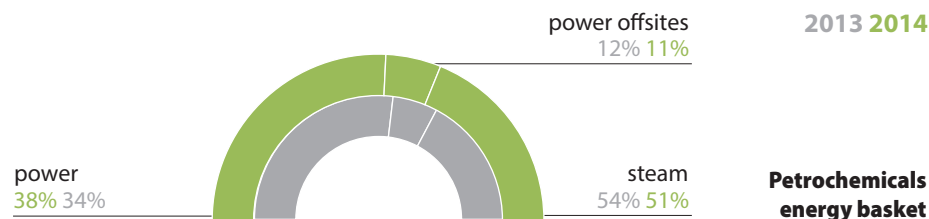
are generated by energy consumption. This is why, KMG International requires operations of all its companies to incorporate energy use considerations into their business plans and to assess, prioritize and implement technologies and systems to improve energy use. As a result of our continuous efforts in this direction, our production has become more energy efficient over the years.

One of the projects to be implemented in view of energy costs optimization is the development of a combined heat and power production unit on the platform of Petromidia Refinery in Navodari. The power plant will operate both on natural gas and on gas produced by the refining operations.

The energy consumption structure changed after the implementation of the investment package and modernization of Petromidia Refinery. Currently, there is a higher fixed component of the energy structure for Coke on catalyst & PSA Off gases, 21% in total energy in 2014 vs. 16% in 2011. Energy efficiency can be further improved by optimizing power and thermal energy (fuel gas and steam) consumption.



Petromidia energy basket
Vega energy basket



The Energy Intensity Index of Rompetrol Rafinare – Petromidia dropped by 9.88 points from 2008 until 2014. In fact, the improvement in energy indicators goes back to 2012, due to the increase in complexity of the Petromidia Refinery, following the implementation of the investment package, and to energy efficiency measures and projects, which in turn generated a higher

throughput and lower costs.

The reduction of operating costs, in parallel with the increase of the mechanical and operational availability allowed a significant improvement in the Energy Efficiency Index of Petromidia Refinery, which reached its best value so far.

The Energy Indicator of Vega Refinery saw a

2013 2014

negative evolution starting with 2012, due to the increase in capacity of the Hexane Unit, along with the lower throughput. However, following the implementation of new projects and energy efficiency measures, the index started recording a positive impact in 2014.

Compared to Vega's total energy consumption in 2013, of 3.49 GJ/to and 659 tones throughput/day, the values recorded by Vega's consumption in 2014 were at 2.92 GJ/to and 837 tones throughput/day.

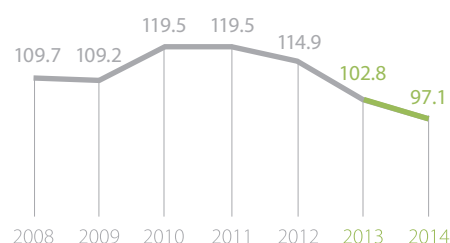
Regarding the Petrochemical Division, which is mainly influenced by unit pellet production (quantity and grades), continuous operation (utilities consumed during non- operation increase the EIP), seasonality (higher consumption of steam during winter time), the

energy consumption index started to drop since 2013, to 17.9% in 2014, compared to 19.6% in 2013 and 21.3% in 2012.

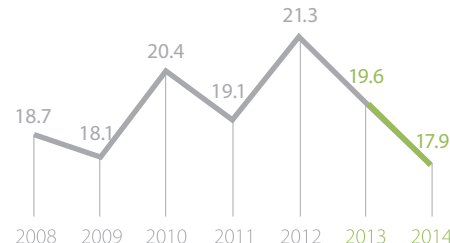
We can notice a consistent reduction in energy consumption for the Downstream division of the group from 2013 to 2014, while water consumption kept a rather stable value.

As for the Upstream Business Unit, there was a decrease in the yearly gas consumption from 267,698 cu m natural gases in 2013, to 213,314 cu m natural gases in 2014. Also, in terms of diesel consumption we could notice a slight decrease, from 2,058,292 liters in 2013, to 2,039,845 liters in 2014. The objective is to keep the consumption of energy and natural resources under control, which is why, by environmental policy, we undertake reducing

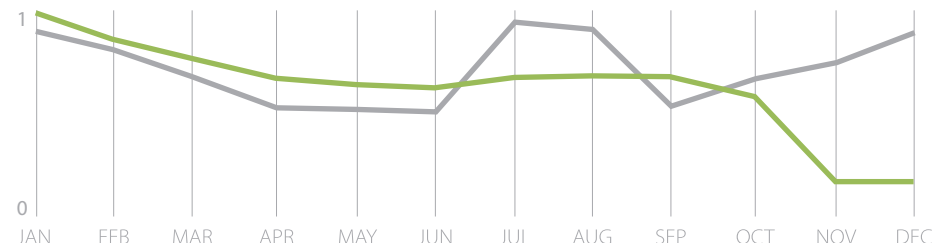
Petromidia energy intensity index
(energy units/GDP)



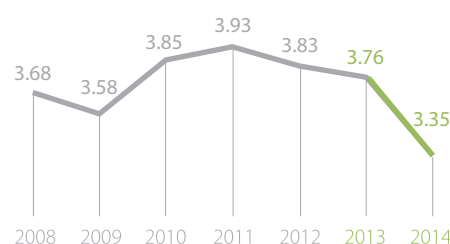
Petrochemicals energy efficiency index
(GJ/t of pellets evolution)



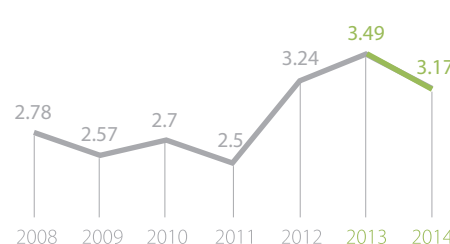
Downstream power consumption
(mln toe)



Petromidia energy efficiency index
(GJ/t of throughput)



Vega energy efficiency index
(GJ/t of throughput)



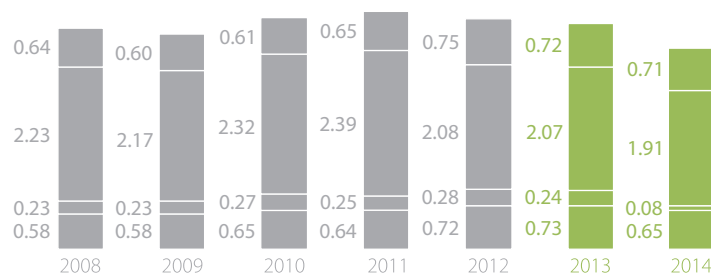


consumption of resources by using them in an effective way.

All Retail & Marketing, Trading & Supply Chain Management and Non-core entities of the group monitor power consumption and according to the group strategy and the legal requirements propose measures to streamline their programs considering the specific consumption activity.

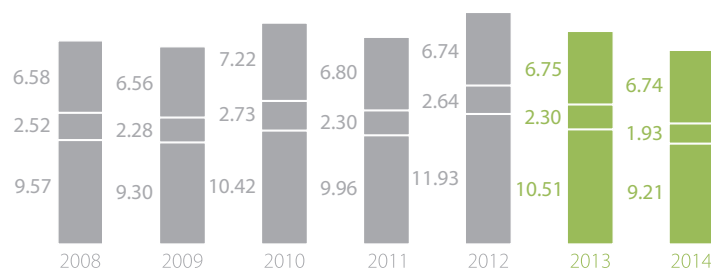
Petromidia energy basket (GJ/t)

coke on catalyst
& PSA off-gases
fuel gas
steam
power



Vega energy basket (GJ/t)

steam
power offsites
power



Emissions

We report GHG emissions from our oil and gas assets on an operated and net equity basis. The majority of our direct emissions are associated with fuel combustion and flaring.

In regard to climate changes, KMG International has successfully complied with the EU and international legislation. Greenhouse gas emissions resulting from the EU-ETS market scheme installations ranged within the values allocated for 2013. Values for 2014 will be available later this year.

New Permits for the Greenhouse Gases have been issued in 2013, valid until the end of 2020 (Phase III - 2013-2020), both for Rompetrol Rafinare – Petromidia and Rompetrol Rafinare – Vega.

Starting with January 1, 2014, the integrated environmental permit of SC Rompetrol Petrochemicals was transferred to SC Rompetrol Rafinare SA, based on the Decision of EPA Constanta.

During 2014, the 2013 and 2014 allowances were downloaded in BU Refining GHG accounts. In February 2014, the certificates for 2013 (CO₂ emission) were returned to the European Register of greenhouse gas emissions (EUTL - European Union Transaction Log).

In July, the CO₂ Monitoring and reporting plan for 2015 was submitted to MMSC. At the end of the year, an audit will take place in order to verify the CO₂ emissions for 2014.

Our main air emissions, besides GHG include sulfur dioxide and nitrogen oxides. They result

from the combustion processes in refining and E&P activities. Apart from providing cleaner fuels, KMG International also uses cleaner fuels for its own energy consumption in carrying out its production processes.

As a result of the continuous improvements in processes and management, as well as significant investments in new technologies, KMG International accomplished the alignment to the national and European environmental requirements with regard to the emissions of sulfur oxides and nitrogen into the atmosphere.

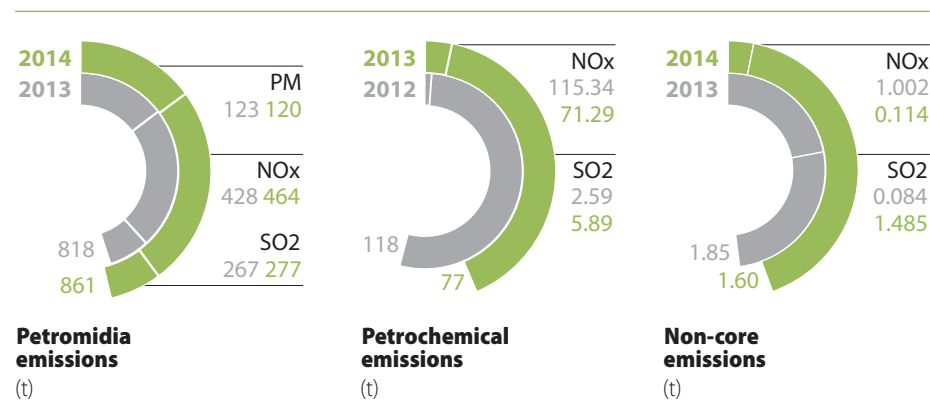
In 2014, the project "Install a particulate reduction system at Catalytic Cracking Unit - Electrostatic precipitator" was completed in accordance with the Decision No. 379 / 05.06.2012 issued by the Constanta Environmental Protection Agency.





The goal was to install in the catalytic cracking unit a system which would reduce the content of dust in the flue gas leaving the CO-Boiler - 138F-H4. The solution used was to mount an electrostatic filter (ESP) for retaining dust on the gas pipe exiting the CO-BOILER, an investment with a positive impact for environmental protection. Performance tests are to be carried out during 2015.

As for Non Core Business Unit emissions, we can notice a slight increase in 2014 compared to 2013, from 0.8467 SO₂ in 2013, to 0.859 in 2014, respectively from 1.0025 NO_x in 2013 to 1.1235 in 2014.



CO₂ CERTIFICATES POSITION

	PHASE II (2008-2012)					PHASE III (2013-2014)	
	2008	2009	2010	2011	2012	2013	2014
Total emissions	885,297	778,902	750,931	810,399	904,206	910,120	0
Petromidia refinery	764,658	668,371	632,162	660,727	782,742	747,198	883,963
Petrochemicals divisions	81,773	68,900	80,715	110,144	75,645	44,690	41,514
Vega refinery	38,866	41,631	38,054	39,528	45,819	41,013	43,419
UT midia						77,219	78,721
Total allocations	954,631	954,631	965,965	954,631	965,965	843,980	880,368
Petromidia refinery	801,693	801,693	813,025	813,025	813,025	648,768	637,499
Petrochemicals division	98,814	98,814	98,814	98,814	98,814	71,833	70,585
Vega refinery	54,125	54,125	54,126	54,126	54,126	33,771	33,159

Water management

We understand the importance of managing resources responsibly. As part of our environmental commitment, we aim to reduce our freshwater use. We operate in compliance with water and environmental permit requirements.

The technological industrial water supply of Vega refinery is represented by water withdrawn from P1 and P4 Sources (water drilling in the reserve, capture plants, treatment plants).

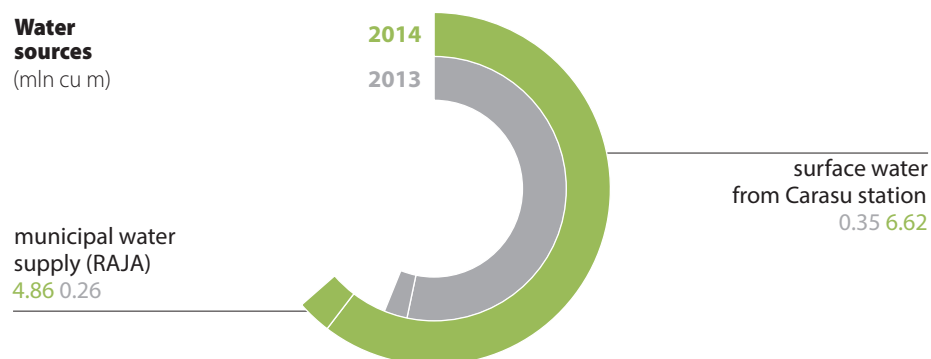
Industrial water is used in 25 units (of which six in conservation) of Petromidia Refinery, 4 units of Petrochemicals, 13 units (of which two in conservation) of Vega Refinery. BU Upstream - Rompetrol Well Services has been using drilled water wells for industrial and domestic water since 2012 for two working points: Ploiesti and Timisoara. Estimated consumption for Timisoara: 166 cu m per year; Ploiesti 3,650 cu m per year. Rompetrol S.A. uses only water from the local network, approximately 360 cu m per year, while the water consumption of Rominserv Valves laifo

Zalau amounted to 31,143 cu m in 2014.

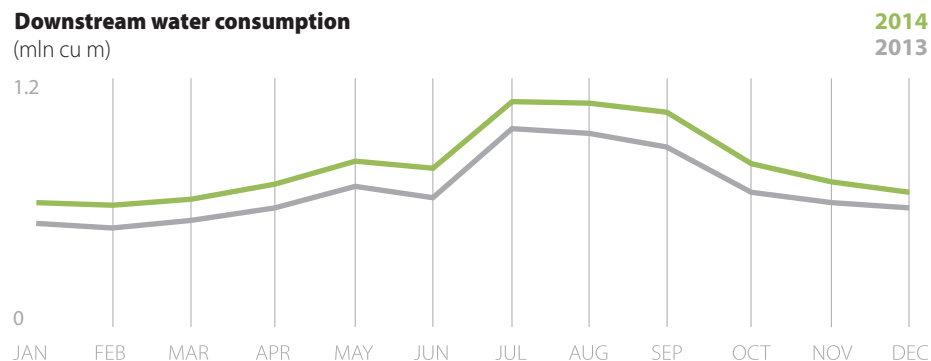
BU Retail - Downstream uses 12 units of water from drilled wells.

We continue to look for opportunities to improve efficiencies in water management in our operations, analyzing the best options to minimize consumption in both our water management strategy and facility installations and equipment. For example, In terms of waste water management, 2014 saw a decrease in both treated waste water volumes used and reused treated waste water at Petromidia.

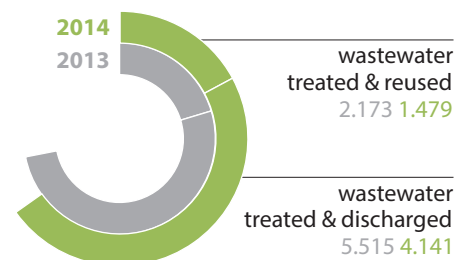
Water sources
(mln cu m)



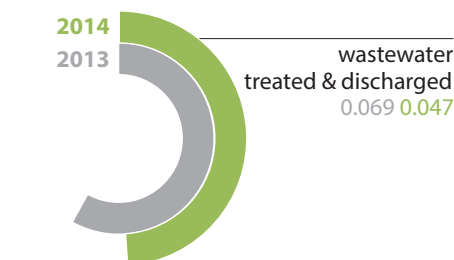
Downstream water consumption
(mln cu m)



Petromidia waste water treatment
(mln cu m)



Non-core waste water treatment
(mln cu m)





Waste management

Throughout the refining, manufacturing and marketing of our products, KMG International generates both liquid and solid waste. We evaluate opportunities to avoid, reduce, and re-use the amount of waste that is created and we seek to minimize hazardous wastes as much as possible.

In 2013, KMG International completed the project to remediate a historically petroleum contaminated site located on the Petromidia platform, in compliance with the environmental legislation. The company's investment in the implementation of the project involving remediation of the area amounted to USD 1 million.

Remediation works were carried out by specialized companies and were performed over two years in an area of 5,000 m², treating waste containing heavy oil products at concentrations below the accepted threshold, in accordance with environmental legislation.

The decontamination procedures consisted in the enzyme treatment of the contaminated area and were performed in parallel with the oil recovery and clean water pumping for our own treatment plant.

Project phases involved initial investigations (test performing, choosing the appropriate treatment option), proper execution, corrections of enzyme dosages according to the different degrees of contamination of land and environment reconstruction. Following the remediation, the perimeter was grassed over, surrounded by trees and restored to industrial use.

The project was accomplished in compliance with the Environmental Permit held by Rompetrol Rafinare for the remediation execution, reaching the targets set by the

competent authority in the field.

In 2013, the activity of the refinery generated 28,440 to of waste (of which 20,962 to were sludge from emptying out lagoon no.3). The petrochemical activity in the same year generated 4,500 to of waste (including partial DMT waste).

In 2014 the total waste generated by Petromidia reached 29,738 tons, of which 16,096 tons of sludge from emptying out Lagoon no.3. In 2014 there were 79.40 to of waste from Vega Refinery and 5,943 tons of waste (4,955 tons recyclable) from the DMT demolition project.

Hazardous and non-hazardous waste generated at our operating sites is managed through our local operating management systems.

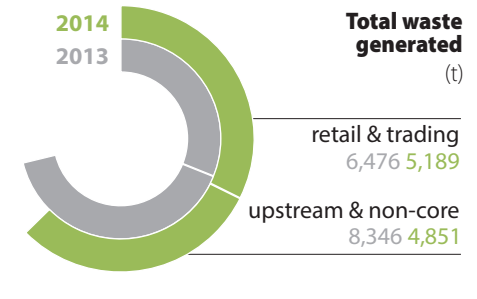
In 2013, there were 5,151 tons of hazardous waste generated by the refining division and 1,830 tons of non-hazardous waste, while the total generated waste of the petrochemical division amounted to 4,523 tons, of which 4,363 tons recovery waste and 112 tons removal waste.

In 2014, the amount of hazardous waste decreased, to 3,800 tons, but the volume of non-hazardous wastes increased to 4,061 tons. Also, there was waste recorded in relation to DMT: 25 tons of hazardous waste and 7,247 tons of non-hazardous waste.

Hazardous waste transported in 2014, namely 20,822 tons, was recycled or removed through authorized companies.

In 2013, RPSA - Libyan Branch reported one spill. A mud tank full of crude oil (100 bbls) was overturned in the desert (Libya). The area was rehabilitated. The oil sand was sent to landfill.

In 2014, RWS reported one spill: 5 liters of HCl 30% flowed from an acidizing unit on a concrete platform. The environment was not affected.



Biodiversity

The company recognizes the importance of preserving the Black Sea biodiversity (in the area around Petromidia refinery) within the context of energy demand increase, sustainable development and improved quality of life in the surrounding areas of its installations.

The Waste Water Treatment Plant (WWTP) is located at the border of the Danube Delta Biosphere with its two ponds, which represent the tertiary biological stage of the wastewater treatment system (before water discharge into the Black Sea). These ponds are populated with numerous bird species, an important characteristic of the Biosphere.

In order to preserve biodiversity in the area and maintain the efficiency of the biological treatment stage KMG International performs cleaning activities annually: ponds unsettling, waste (PET's) collection, rush-bed cut-off. Moreover, KMG International has various actions in place, in order to prevent any environmental damage to the surrounding areas, such as prevention of ground and underground pollution, and avoid the use of any raw materials throughout refining operations that might be toxic to the environment.

The latest project in this direction supported by



KMG International was the development of a 112-type emergency response and intervention system for distressed wildlife, along with the equipment with solar panels of the veterinary medical center within the Natural Science Museum in Constanta.

Products & services, transport

Due to Petromidia Refinery's upgrade, KMG International only produces Euro 5 fuels and only processes sulfurous oil, in the context of an increase in the raw material processing capacity up to 5 million tons/year, confirming the completion of the investment package.

The emphasis was set on preparing gasoline and diesel fuels which met the quality standards required on the foreign (Euro 5 products) and internal market (Bio products).

The distribution of the marketed products was carried out by road and by rail for sales on the internal market. For sales on the external market, the distribution of products was carried out for the most part via the Midia port but also by road and rail. Midia Marine Terminal contains berths for the delivery of petroleum products and the purchase of raw materials, which ensures safety in the acquisition of raw materials and conveyance of petroleum products.

Rompotrol Downstream, member of KMG

International holds the ISO 22000 – safety food certification and, starting 2015, the company will be certified for ISO 50001 – energy efficiency management.

Compliance

KMG International has been a member since 2008 of CONCAWE (Conservation of Clean Air and Water in Europe), an organization founded in 1963, that researches multiple aspects of environmental protection in the oil industry. Once affiliated to CONCAWE, all of the Group's member-companies benefit from assistance in order to help them comply with the European

REACH Regulation (Registration, Evaluation, Authorization and Restriction of Chemicals).

In 2014, in line with the provisions of the REACH Regulation, petroleum product files were updated according to the ECHA requirements.

Also, all member companies of KMG International are certified by Germanischer Lloyd for their integrated management systems (ISO 9001:2008, ISO 14001:2008 and OHSAS 18001:2007).

Total environmental costs for 2013 amounted to 2,720,093 USD. In 2014, total expenditure reached approximately USD 20 million for Petromidia and USD 300,000 for Vega refineries.







Our Approach

The strength and evolution of KMG International do not rely on technology but on its people, who make the Group's development possible. Therefore, our CSR initiatives are based on the same values as those of our people.

KMG International views social responsibility as voluntary contribution to the development of the society, correlated with the core values, the objectives, the activities, the international laws and the resources of the Group.

As a revered corporate citizen and worldwide trustworthy partner, we contribute to the development of the countries and communities where we operate by creating jobs, employing local workforce and using local suppliers.

However, our commitment surpasses the economic aspects and implications of our actions. The commitment to CSR provides a guiding framework for all KMG International management decisions and we focus particularly on harnessing industry best practice by encouraging Group and community participation in corporate citizenship projects focused on raising the standards in the areas of business success, environment, health and safety, responsibility towards the community, culture, education and leadership.

Key ways in which we contribute to communities where we operate include paying local taxes, employment, the use and development of local services and suppliers, investment in local infrastructure and social programs, including social investment.

We firmly believe that by strategically investing in local communities we can also positively influence our long-term economic performance. Healthy, vibrant communities drive demand for

our services and play an important role in the development of an educated workforce and a robust, sustainable supply chain. We work with stakeholders in all our areas of operations to address challenges and advance the quality of life in the communities.

Community engagement

Our involvement is based on community engagement and consultation, so as to identify the projects which can deliver the greatest value to local communities. We support those initiatives that help improve local economic conditions as it is our belief that economic development leads to the empowerment of local communities.

As part of our ongoing business process, we engage with our community stakeholders either on a project-by-project basis or on a company basis through philanthropic and community programs and initiatives. On a project-by-project basis, we proactively engage local communities, government and municipalities to address project-related social, economic or environmental concerns.

This type of community engagement is directed by project management and carried out jointly with our clients and partners. On a company basis, we establish relationships with community stakeholders to proactively identify needs that align with KMG International's strategic focus areas.



Investments in the Community

Our management approach to community investment includes a community involvement strategy that is set by executive leadership and implemented via programs, initiatives and partnerships, all grouped under the umbrella of our CSR platform – Energy Comes from the Heart - and of our annual CSR program, Together for Each and Everyone.

Together for Each and Everyone is a national social responsibility program initiated by KMG International in 2009, destined to develop and involve local communities by initiating, supporting and carrying out mainly environmental or healthcare-related projects. It is open to all communities in Romania, in rural and urban areas equally, regardless of ethnicity of applicants / beneficiaries. Being a social responsibility program, the target group is represented by disadvantaged people and minority groups as well as the entire society.

The program provides NGOs, local authorities and civic minded people with the possibility to submit projects designed to improve the quality of life and environment in local communities. KMG International's social involvement materializes by providing expertise, consultancy, implementation tools and financial support for socially vulnerable sectors.

In order to obtain the necessary financial support, projects must be submitted to the project's online platform, (www.impreunapentrufiecare.ro). Eligible activities within healthcare projects are represented by the renovation, rehabilitation, acquisition of equipment for rural and urban medical centers that provide healthcare and auxiliary services, while environmental projects may include actions to improve local environmental

conditions (construction of water treatment plants, solar panels, rainwater collection, rehabilitating eroded soil, water-air-ground heating systems for schools and/or hospitals). There are 3 budgetary limits - 15,000 lei, 45,000 lei, 100,000 lei, depending on the complexity of the initiative.

The submitted projects are subsequently assessed and the selection of the winning projects is made on the one hand by a jury comprised of KMG International representatives and NGO experts (in proportion of 75%) and, on the other hand, by public vote on the website and Facebook app of the project (in proportion of 25%). The next step is to assess the finalist projects in the field, approach which entails interviews with organizers and partners with the aim of knowing the applicants personally and understanding local problems and needs, followed by the implementation of the winning projects.

Projects are implemented only in partnership with the authorized local authorities and the selected NGO/school/hospital and the main objective is to develop local infrastructure (hospital renovation, economical heating systems etc.) so that the project is sustainable and the community can further develop other beneficial initiatives.

Upon completion of each project, the beneficiary of the sponsorship drafts a financial report (planned expenditures vs. incurred expenses), a community impact report (number of volunteers involved, number of beneficiaries, community information sessions on environment / health, amount of recycled waste, energy saved as a result of project implementation, etc.) and a narrative form -

lessons learned, difficulties encountered, pluses and minuses of collaboration etc.

All social initiatives implemented have had a positive impact on the beneficiaries, and actions such as the rehabilitation and equipping of units that provide medical services or maintaining/improving environmental conditions in local communities have significantly increased the quality of life, issues noted by beneficiaries in the final narrative reports, which are publicly published on the program's blog and Facebook page.

Moreover, the experience gained from the projects developed by KMG International (by direct involvement or participation in seminars, training workshops) gave community members increased knowledge of project management and the courage to apply for new funding. Feedback is provided by partners and volunteers throughout the period of project implementation.

Internal communication was an important element of the program resulted in the heart of the organization, being also the first component implemented (intranet channels, internal magazine, email, radio, posters). Rompetrol employees were not only among the first volunteers to have enrolled in the program, but also citizenship ambassadors. KMG International voluntary contribution (more than 1,000 people in 6 years) is beneficial both for employees as members of society and for the Group which through their constant feedback, can improve and develop new projects beneficial to local communities.

Since the launch of the program, between 2009 and 2014, the Group allocated for the

development of 101 projects all over Romania and in the Republic of Moldova over USD 1,500,000, which resulted in direct and indirect benefits for 300,000 people.

Over 1,000 participants were trained in fundraising and project management and more than 200 organizations and 3,500 volunteers joined the program, actively participating in the implementation of the selected projects. Overall, 280,000 hours of community service were dedicated to the program, half of which were provided by the Group's employees. More than half of employees (6000 in Romania) have contributed to raising funds for other community needs.

Through the long-term partnerships concluded KMG International managed to:

- Complete the projects, and therefore, to invest in the development of 101 local communities in Romania and one in the Republic of Moldova (2014);
- To raise awareness among the population about health/environment issues; to promote shared leadership at local level, social entrepreneurship and volunteering as ways to obtain a sustainable development of society;
- To provide integrated support to beneficiaries - training for volunteers, educational activities for children, financial support for start-up in the community and creating optimal conditions for the medical act and physicians' retention.
- To obtain support from local authorities and include CSR on their agenda.

Partnerships and sponsorship initiatives are also part of the Group's annual social responsibility actions, program amounting to USD 1.5 -2 million each year, most of this sum being allocated to projects developed in Romania.



Projects Romania

In 2013, the Group's investments in CSR initiatives in Romania and abroad amounted to USD 1.5 million. Within the 5th edition of KMG International's CSR program Together for Each and Everyone 16 sustainable projects were financed of a total number of 218 projects submitted to the platform. All projects had two overlapping components, namely the restoration of medical care units in rural and urban areas or the construction of water collectors, eco plants for water recycling, solar panels for schools, on the one hand, and, on the other hand, educational and cultural activities for the members of the communities.

Of the 16 projects selected in 2013, 11 were focused on healthcare and 5 on environment protection. The total allocated budget amounted to USD 225,000. The winning projects were implemented in Brasov, Calarasi, Caras Severin, Cluj, Constanta, Ialomita, Harghita, Hunedoara, Suceava, Neamt and Bucharest. Three of the healthcare projects received maximum grants, of RON 100,000 (approx. USD 25,000). Some examples of projects:

The establishment of the first center for integrated medical and psychological services for patients with HIV/AIDS in Romania at the Victor Babes Hospital for Infectious Diseases in Bucharest - although the hospital had a multidisciplinary medical team with experience and expertise in the field, the team had no space to practice in. Through the project, one of the hospital's buildings, unused at the time, was rehabilitated and equipped in order to function as the first medical and psychological center offering care to HIV/AIDS patients with neurocognitive disorders caused by the disease.

The first respiratory rehabilitation center in Southeast Romania

within the Pneumology Hospital in Constanta - direct beneficiaries are people with severe respiratory diseases, meeting the requirements for participating in a recuperation program from Constanta region (over 100 only in 2013) and the bordering regions, located in the SE of the country. The setup of the respiratory recuperation unit was carried out from September 2013 to January 2014 and included the restoration of the disused attic and partitioning of the existing space, thus creating physiotherapy rooms, bathrooms, surgery units. The hospital's staff contributed to the implementation of the project on a voluntary basis (over 20 employees), supported by architects and Constanta Regional Council, as an institutional partner of the project.

The establishment and equipping of a multisensory stimulation center for patients with life-threatening diseases

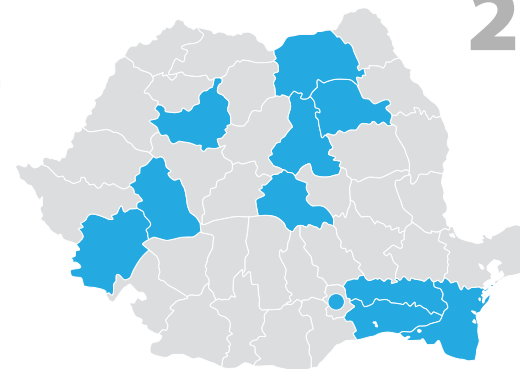
within Hospice Casa Sperantei - implemented from August until December 2013, the project involved specialized works for setting up 5 rooms within the multisensory stimulation center, which include a therapeutic room, a physiotherapy room, bathrooms designed for people with disabilities, a treatment room. The center functions within the hospice in Bucharest and at least 60 children with advanced life-threatening diseases and severe physical disabilities are the direct beneficiaries.

Moreover, several other projects on healthcare and environment protection were developed or continued as part of the platform Energy Comes from the Heart in 2013.

In 2014, as part of the 6th edition of the program Together for Each and Everyone, 283 projects were submitted (by local authorities, NGOs, hospitals, schools) and evaluated, and 6 in the

Romania

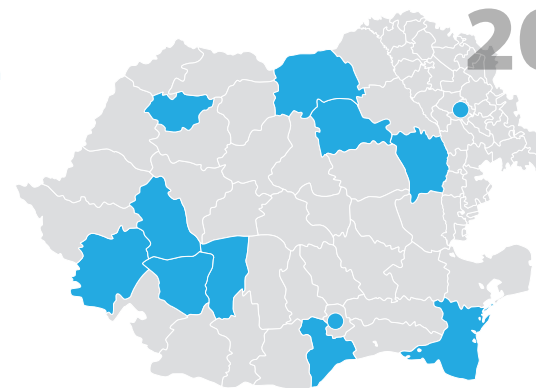
Braşov
Bucureşti
Caraş-Severin
Călăraşi
Cluj
Constanţa
Harghita
Hunedoara
Ialomiţa
Neamţ
Suceava



2013

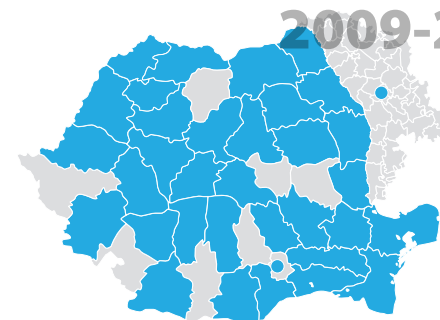
Romania

Bucureşti
Caraş-Severin
Constanţa
Giurgiu
Gorj
Hunedoara
Neamţ
Sălaj
Suceava
Vâlcea
Vaslui
Republic of Moldova



2014

Projects unfolded since the start of the CSR program cover almost every county in Romania and benefitted over 300,000 people in 101 communities.



2009-2014

field of healthcare and 8 environmental projects were selected for implementation. The winning projects are from Caras Severin, Constanta, Giurgiu, Gorj, Hunedoara, Neamt, Salaj, Suceava, Vaslui, Valcea, Bucharest and Vorniceni village, the Republic of Moldova. These projects include the following:

Emergency ward at Vulcan Hospital – KMG International offered support for the rehabilitation and refitting of the emergency ward at the Vulcan City Hospital, Hunedoara County, which treats around 9,600 patients annually. The value of support granted was EUR 10,000. The project, launched in October 2014, was implemented with the support of volunteers and medical staff and entailed the renovation of the 330-sq.m. of the emergency ward in compliance with national regulations, followed by the installation of new medical equipment and furniture: portable ventilator, crash carts, 12-channel ECG machines and so on. The project was for the direct benefit of the 188 hospital employees, the 24,000 residents of Vulcan as well as residents from nearby towns in Valea Jiului. The project's education component was aimed at 139 students in local schools, who attended three seminars on healthcare and first aid.

Development of wildlife emergency response system for Dobrogea region entailed the development of a 112-type emergency response and intervention system for distressed wildlife, along with the equipment with solar panels of the veterinary medical center within the Natural Science Museum in Constanta. The total investment amounted to EUR 10,000. The project started in October 2014 and it was carried out with the involvement of 73 volunteers, who developed a dynamic and

operational response system by setting up a web infrastructure able to take "112 animals in danger" calls. Wild birds and animals are taken by specialized staff and Scutul Cinegetic Association volunteers and transported to the National Science Museum for medical care. Over 50 specimens of protected species were saved in the first three months of the platform's operation.

Furthermore, two wings of the museum complex that houses the call center, the animal shelter and the quarantine area were equipped with energy efficient equipment (solar panels).

Among the selected projects in 2014 - the modernization of radiology and medical imaging laboratory of the Simleul Silvaniei Hospital (Salaj), the development of a complex environmental system to collect and reuse the rain water, a wastewater treatment plant and solar panels in a services complex for vulnerable

children in Adunații Copăceni (Giurgiu), the acquisition of a thermal plant using mineral and vegetable waste oil that will be collected from local economic operators and the public, for the benefit of the rescuers from ISU Dobrogea (Constanta).

The company also continued in 2014 the traditional partnerships with the civil society.

Other countries

Although KMG International's CSR activities focus mainly on Romania, the Group also has various such initiatives abroad, in its areas of operations. These include France, Georgia and the Republic of Moldova, while the Group's aim is to expand them in the near future to all of the countries it is present in. In France, through its subsidiary Dyneff, KMG International acts as the main sponsor of the Montpellier Hérault Sport

Club's football team, in a partnership which was initiated back in 2009.

Also, through its Rompetrol Georgia subsidiary, KMG International supports Giga Chikadze, world champion in kickboxing and twofold champion in karate, and 13 year-old tennis player Ani Shanidze, considered to be one of the most remarkable and encouraging athletes in the Georgian tennis world. In August 2014, Rompetrol Georgia assumed responsibility for sponsoring Ani Shanidze in line with the Group's corporate social responsibility program.

In Moldova, KMG International carries out charity initiatives through the engagement of its employees in charity actions and is currently in the process of expanding the Together for Each and Everyone program established in Romania.





Joint Partnerships

Over the years, KMG International has developed solid partnerships with representatives of both the academic world and civil society, which resulted in the implementation of countless sustainable projects and programs.

Universities

KMG International has developed partnerships with key academic institutions in the oil & gas sector (oil & engineering departments at the Oil & Gas University Ploiești, Ovidius University Constanța, Polytechnic University Bucharest), offering its support to maintaining Romania's academic tradition in the sector. The Group has developed an internship program for talented students in the sector, with more than 1,000 students attending the program in the past ten years, of which more than 250 became KMG International employees, thus being able to start a promising career.

The Internship program is part of the Group DNA and has a notorious tradition within the Group. The program was extended from the production area to other support business lines and starting with 2013 specific activities to attract young professionals in the headquarters were also launched in collaboration with targeted Universities.

The program's approach addresses two directions: firstly, promoting the company's culture and development opportunities and secondly, the actual Internship program.

We participated in Career Days in Bucharest (at the Academy of Economic Studies), in Constanța

(Ovidius University) and at Lazăr Edeleanu High School in Năvodari, organized Refinery visits and collaborated with relevant student NGOs (such as Akcees, in Constanța and Ploiești). Also, the HR team delivered workshops on interviewing skills, organized simulations and got involved, together with KMG International specialists, in student scientific conferences (Ovidius University Constanța).

In 2014, 154 students (increasing from approximately 90 students in 2013) participated in the Internship program across the entire Group, 91 in PEM, 16 students in Vega and 47 in other support functions. Of these, 40% were hired upon completion (62).

During the program, a mentor is responsible with the intern's learning and feedback, has regular discussions and also manages the evaluations (midterm and final). All the costs of the Internship program (salaries, accommodation and transportation) are covered by KMG International.

NGOs

As a socially responsible company, KMG International is committed to supporting projects developed in partnership with various NGOs. To name a few:

- A partnership with SMURD and the General Inspectorate of Aviation since 2010 to support air emergency interventions, the transportation of both medical personnel and patients. The value of KMG International investment exceeded 750.000 USD during this 5-year partnership.
- As of 2005, a partnership with OvidiuRo Association to support the national campaign "Fiecare copil în grădiniță" (Each Child in Kindergarten).
- In the past 5 years the Group supported and will continue to support the prestigious George Enescu International Festival and Competition, held in several cities, every September. This association of Rompetrol with such a large scale event was meant to strengthen the international vocation of the two brands and their products - fuels and quality music. In 2013, KMG International supported the Festival both financially and in kind, providing the fuel necessary for transportation during the event. In 2014, the Group provided its support to the George Enescu International Competition.
- As of 2003, Rompetrol is a partner and main sponsor for "Gala Societății Civile" (Civil Society Gala) – the annual competition that awards the best projects of the year, initiated by NGOs, unions, individuals etc (since its beginning in 2002, 1,703 projects have been submitted into the competition).
- Partnership with Hospice Casa Speranței, established in 2010, through which various projects were implemented with the support of KMG International, both in terms of financial contribution and volunteer actions, including Rompetrol Run for Hospice, a charitable half marathon for KMG International employees, in the benefit of Hospice palliative care center in Bucharest.
- Dacia Romanian Cultural Association benefits from KMG International's support in preserving and developing the Romanian community in Kazakhstan through annual dedicated actions and events.
- In 2013, KMG International was one of the main partners of the UNICEF Gala, dedicated to helping protect children from violence, abuse and neglect. The Gala was part of the #ENDviolence campaign that UNICEF ran between November 2013 and February 2014 in Romania.



Employee Engagement

Following the experience gained from the *Together for Each and Everyone* program, employees, with support from the management, have developed an internal CSR program, *Small Gestures that Count*, which implements 1 or 2 philanthropic or environmental protection actions monthly. The program structure was replicated on a smaller scale by other group companies in other countries.

Small Gestures that Count is an internal CSR umbrella campaign carried out by KMG International for its employees across the country. The program aims at increasing the involvement of employees in social responsibility projects and encouraging them to propose and manage environmental, health and charity initiatives. The campaign, as well as its

tactics and communication channels stemmed from internal studies (Employee Opinion Survey), which revealed that 93% of employees wanted to support the community, to devote time and even their own resources for its development.

The program was launched in 2010 through an internal communication campaign - intranet, mail, internal radio, internal magazine, domestic spots, visits of the campaign Ambassador - Ideika (portrayed as a little girl with her head full of ideas, who receives initiatives from colleagues and together they implement them).

The objectives of the program are as follows:

- Encourage employee personal development, manager/community leader skills development, team spirit development.

- Solve real social problems identified by the employees and supported by their time and dedication and the financial resources of the company and employees.
- Create a positive image of the Group in local communities through its employees.
- Promote volunteerism.
- Implement at least 12 projects per year proposed and selected by employees, with measurable, quantifiable results.

Examples of projects - donations for library books in rural schools, Spring & Winter Charity Fair, with products made by employees and sold domestically (supporting causes chosen by them), spring/autumn cleaning of polluted areas, blood donation campaign (approx. 50 liters donated in 2014), charitable concerts with

the participation of students from low-income families at George Enescu High School, participation in charity marathon on Transfagarasan, donations of toys, clothing and food for Easter, June 1, Christmas to communities managed by OvidiuRo Association, internal selective recycling campaigns etc.

Community beneficiaries of the program include 2,800 abandoned children, old people, and talented youth with limited material possibilities. Approximately 2,000 employees have donated money, goods and vouchers, coordinated projects and volunteered in the program since its initiation.





Awards

KMG International's annual CSR program, Together for Each and Everyone, has obtained over 20 awards in national and international competitions for several of its projects throughout the years, as recognition for the joint efforts of the Group, local authorities and civil society, as well as the volunteers involved. In the reporting period, we are proud to communicate some of the received distinctions:

European CSR Award Scheme – Silver Award for Excellence (May 2013), organized by the prestigious organizations CSR Europe and Business in the Community. The jury particularly appreciated the innovative, sustainable and replicable projects, with measurable impact on business and society. The methodology followed judging criteria such as innovation, leadership and partnership and specifically targeted were the successful partnerships between companies and non-profit stakeholders.



Co-led by



Supported by



Volonteuropa ACE Awards (October 2013)

– for continued investment and involvement in supporting complex and sustainable environmental and healthcare projects for local communities, fostering civic responsibility, volunteerism and social entrepreneurship. Volonteuropa is a 32 year-old international network promoting the values and principles of volunteering, active citizenship and social justice at local, regional, national and European level, both in the Member States of the European Union and the Council of Europe.

Romanian CSR Awards (2013) - 1st place for Together for Each and Everyone.

Romanian CSR Awards (2014) - 1st place for SMURD Partnership, and 1st place for the internal employee engagement campaign - Rompetrol Sports Academy.



We are also very proud to announce that several of the projects developed by our partners have also enjoyed official recognition; such is the case of OvidiuRo, which received the 1st place in the Social Responsibility Projects and Campaigns category within the Civil Society Gala, the 2014 edition, for the project "10 years, 1 million kilometers, 15,000 children". This includes the "Ready, willing and able," "Every child in school" and "Every child in kindergarten" projects, developed by the NGO and supported by KMG International for over ten years, in the benefit of 15,000 children.

The evolution of the program, the partnerships with local authorities and progress recorded by OvidiuRo in its initiative to transform the "Every child in kindergarten" program into public policy were the main reasons why KMG International has honored its commitment for ten years.



Future Objectives

In the immediate future, we aim to focus our attention on areas where there is greater social demand and improve our performance and our contribution to CSR issues. This will, in turn, contribute to sustainable development, improve relationships with human resources, strengthen social solidarity and ensure trustful relationship with the community and society at large.

Moreover, we plan to further develop our social responsibility actions to all countries where the Group is active in order to help improve the quality of life of all communities where we conduct operations.





Our operations are aimed at achieving responsibility in the marketplace which is why our global strategy provides comprehensive directions on developing our customer and operational strategic priorities as we work with customers and suppliers to ensure responsible business operations.

In accordance with KMG International's major player status in the oil and gas industry in the region, we continually drive performance improvements and change to positively impact all our stakeholders.

Cătălin Dumitru
Vice President

Supply Chain

Supply chain activities are developed in compliance with our corporate guidelines and policies, in a professional, confidential and ethical manner. Moreover, we are committed to conducting business with ethical and socially responsible suppliers and integrating principles and practices of sustainability and responsibility into the procurement of goods, services and activities.

KMG International's Procurement Department works continuously to make our operations sustainable, being aware of the importance of social justice and environmental protection.

Supply chain activities, which generate mid-term and short-term plans, based on production scenarios, forecasts, annual delivery

plans and daily schedule developing, cover three major business areas: feedstock purchase, planning & production optimization and volumes allocation & logistics for all subsidiaries.

In 2013 KMG International acquired feedstock as follows: crude - 3.9 mln metric tons from KMGT and 0 metric tons from other suppliers, in value of USD 3.13 bln. The other feedstock purchases reached a total value of USD 212.9 mln.

The figures for 2014 show a similar evolution to the previous year, with crude acquired from KMG and other suppliers, in total value of USD 3.09 bln. At the same time, we can notice a slight decrease in other feedstock purchases, with a total value of USD 127.4 mln.

We base our procurements on competitive

bidding and the principles of transparency, non-discrimination and equal treatment of bidders.

We are committed to using suppliers that operate consistently in accordance with our values, comply with applicable national laws and meet KMG International requirements for suppliers in the areas of HSE, quality management systems, ethics and anti-corruption, and corporate social responsibility, including human rights and labor standards.

Thus, in 2014, we developed the KMG International Supplier Code of Conduct, detailing the company's values and approach with regard to integrity, human rights, labor standards and environment responsibility and



Quality and Customer Management

we expect all of our suppliers and subcontractors, and their supply chains, to maintain high ethical standards in compliance with our Supplier Code of Conduct.

Furthermore, through our Supply Chain Monitor, we conduct extensive screening when selecting suppliers and subcontractors and routinely monitor our business relationships and address any red flags that arise.

We recognize that managing and monitoring compliance with our standards in the supply chain is challenging and complex. Following a risk-based approach, we endeavor to follow up and monitor suppliers with whom we have direct contracts.

Managing human rights issues also has implications for the way we manage our supply chains. We expect our contractors to act consistently with our code of conduct, which outlines our requirements. Non-conformance with this may ultimately result in the termination of contract.

With our products and services, we want to create environmental and economic added value for our customers. Our growth has been in direct response to our customers, as we constantly implement their input into the development and improvement of our products and services.

Market research

KMG International conducts research studies on a yearly basis with the purpose to adjust its action plan in accordance with the feedback received from the market. We constantly monitor and analyze both our customers and employees' levels of satisfaction and while research by itself does not guarantee the success of our company, it reduces the uncertainty in the decision-making process and increases the probability and magnitude of success.

However, as research is an integral, ongoing part of our business development activities, it is not limited only to customer or employee satisfaction. Instead research responsibilities in KMG International cover a wide area of critical aspects for our business:

- ◆ Understanding the market & consumers, offering "Market knowledge" in all countries / markets – which results in sustaining the long term business growth by conducting strategic research activities;
- ◆ Generating ideas & consumer insights by new approaches / methodologies to contribute to the decision-making process in marketing activities;
- ◆ Offering consultancy in taking decisions; Conducting research follow-up in order to check / support the implementation of the results.

Product responsibility

The goods and services provided by KMG International under the Rompetrol trademark are well known and notorious to our partners and customers and their high quality is recognized, including by the observance of all legal and competition requirements.

All companies in the Group comply with the best practice code whereby operators are required to provide details of marketed products in conformity with the NP 004/2003 technical standard (normative) for design and operating the gas station; Law No. 307/2006 on firefighting and Law No. 319/2006 concerning occupational health & safety; GD No. 928/2012 - minimum requirements for market introduction of fuel.

In accordance with legal requirements, for all types of companies in the Group (service companies, refining and petrochemicals, industrial services) products are accompanied by documented and publicly displayed Material Safety Data Sheets (MSDS), each containing 16 sections according to Regulation (CE) no.1907/2006 (REACH), amended and supplemented by Regulation No. 453/2010 (EU) and Regulation (EC)1272/2008 regarding classification, substances and mixtures amending and supplementing Directive 67/548 of the European Commission.

Moreover, Standard Specifications (SS) are provided for all products of the companies, which are also documented and publicly displayed. Each SS contains information on product description, properties, limits, test

method, quality control, sampling, handling, storage, transport, while the Material Safety Data Sheet of each product contains safety, fire hazard, recycling and disposal information.

All products are developed in compliance with the REACH regulation, being registered in accordance with the requirements of the European Chemicals Agency (ECHA).

Fuels are designed according to EN 590:2010, revised in 2014 (diesel), and EN 228 (gasoline).

By putting into service the new plants, as well as through the modernizations carried out, Rompetrol Rafinare only produces Euro 5 fuels and only processes sulfurous oil.

All Rompetrol Rafinare fuels and VEGA additives are certified by the Romanian Automotive Registry according to GD no 928/2012 - minimum requirements for market introduction of fuel.

Furthermore, all biofuels volumes purchased by Rompetrol in 2014 complied with sustainability criteria set out in the EU Legislation, being sourced from EU producers using mainly European feedstock.

We have not identified any non-compliance with regulations and voluntary codes concerning health and safety impacts of products and service information and labeling either in 2013 or in 2014.

In terms of marketing communications, including advertising, promotion, and sponsorship, by type of outcomes we have identified no incidents of non-compliance with regulations and voluntary codes.



Customer satisfaction

We have trusted and long-term business relationships with many of our customers. The satisfaction of our customers is a key element of what we do.

While in each entity pertaining to the retail segment we have procedures in place for measuring customer claims and satisfaction in accordance with ISO 9001:2008 and ISO 14001:2008, customer satisfaction with regard to the refining sector indicates approximately 90%, as follows:

Petromidia Refinery:

Customer Satisfaction Indicator: 3.27 (out of 4)
Employee Satisfaction Indicator: 98.5%
Customer Claim Indicator: 0.17

Vega Refinery

Employee Satisfaction Indicator: 100%
Customer Claim Indicator: 0
Petrochemicals
Customer Satisfaction Indicator: 100%
Employee Satisfaction Indicator: 96%
Customer Claim Indicator: 0.25

Controls and Monetary Fines

In compliance with the Group policy and the provisions of Law No. 307/2006, we monitor and report all incidents and openly subject our activities to controls conducted by authorities. As a result, in 2013, KMG International faced a total of USD 15,204, approximately EUR 13,967, in substantial monetary fines for non-compliance with laws and regulations. Total

number of controls conducted by different authorities reached 574, of which 526 were conducted in the Retail and Trading segment, 12 in the Refining Business Unit, 5 in Upstream and 31 in the Non-Core segment.

In 2014, KMG International faced a total of USD 12,587, approximately EUR 11,562, in substantial monetary fines for non-compliance with laws

and regulations, of which USD 6,369 (around EUR 5,852) were penalties paid by the Retail and Trading BU and USD 6,218 (approximately EUR 5,713) by the Refining segment. Total number of controls conducted by different authorities reached 686, with the highest incidence, of 620, being conducted in the Retail and Trading BU.

Legal Actions

In terms of legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation KMG International has been identified as participant in one case, through its Rompetrol Downstream entity.

In 2011, Rompetrol Downstream was sanctioned, along with all the other market players, by the Competition Council, with total fines aggregating more than EUR 200 million,

representing approximately 3% of the turnover achieved in 2010. (details - File no. 1536/2/2012 - Bucharest Court of Appeal; object - the complaint to annul the Romanian Competition Council Decision No. 97/ 21.12.2011 regarding the allegations of oil companies breaching the competition law provisions and relieve Rompetrol Downstream from paying the RON 159,553,612 fine).

In 2013, the Court of Appeals rejected the

appeal submitted by Rompetrol Downstream. Furthermore, despite all evidence provided, in September 2013, the Court of Appeals dismissed Rompetrol Downstream's claim. On November 19th, 2014, Rompetrol Downstream filed for another appeal, this time before the Supreme Court of Justice. As of December 2014, the trial is ongoing.





Abbreviated Financials

The abbreviated financial information is derived from the Consolidated Financial Statements as of and for the year ended 31 December 2013/2014 and should be read in conjunction with these audited Consolidated Financial Statements. On the full consolidated financial statements an unqualified audit opinion was issued.

Check our Group's Annual Report for the full financial disclosure.



CONSOLIDATED FINANCIAL POSITION	2013 (USD)	2014 (USD)
Total assets	3,299,642,841	2,741,078,210
Total non-current assets	1,479,430,357	1,415,257,472
Total current assets	1,820,212,484	1,325,820,738
Total liabilities and shareholder equity	3,299,642,841	2,741,078,210
Equity attributable to stockholders of the parent	1,197,428,618	1,161,828,060
Non-controlling interest	(295,215,338)	(332,578,703)
Total equity	902,213,280	829,249,257
Total non-current liabilities	370,836,686	320,394,377
Total current liabilities	2,026,592,875	1,591,434,476

CONSOLIDATED INCOME STATEMENT	2013 (USD)	2014 (USD)
Revenue	10,915,510,828	11,249,674,356
Cost of sales	(10,543,373,200)	(10,829,708,056)
Gross profit	(258,214,089)	(260,119,440)
Operating Profit	(33,616,525)	(44,841,330)
Income tax	(2,727,215)	(3,253,992)
Loss for the year	(119,235,627)	(57,927,965)
Loss before income tax	(109,011,343)	(30,221,369)
Loss from continuing operations	(111,738,558)	(33,475,351)
Loss from discontinued operations	(7,497,069)	(24,452,614)



Glossary

ACCA - Association of Chartered Certified Accountants

bln - billion

BU - Business unit

CFA - Chartered Financial Analyst

CLA - Collective Labor Agreement

CO-Boiler-138F-114 - Carbon monoxide boiler

CONCAWE - Conservation of clean air and water in Europe

COR - Classification of occupations in Romania

cu m - cubic meters

CSSM - Workplace health and safety committee

DAFWC - Days away from work cases

DMT - Dimethyl terephthalate

E&P - Exploration & Production

ECHA - European Chemicals Agency

EPA - Environmental Protection Agency

ESP filter - Electrostatic precipitator

EU-ETS - European Union-Emissions Trade Scheme

EUTL - European Union Transaction Log

FAC - First Aid Case

FIR - Fatal Incident Rate

FR - Frequency Rate

FTL - Fatalities

GHG - Greenhouse Gas

GRI - Global Reporting Initiative

HCl - Hydrochloric Acid

HR - Human Resources

HS - Health & Safety

HSE - Health, safety, environment

KMG - KazMunayGas

KMGT - KMG Trading

LPG - Liquefied Petroleum Gas

LTI - Lost Time Injury

LTIF - Lost Time Injury Frequency

mln - million

MMSC - Ministry of Environment and Climate Change

MSDS - Material Safety Data Sheets

MTC - Medical Treatment Cases

NGO - Non Governmental Organization

NOx - Nitrogen Oxides

OECD - Organisation for Economic Co-operation and Development

OEG - Ethylene oxide glycols

OHS - Occupational Health & Safety

PEM - Petrochemicals

PET - Polyethylene Terephthalate

PMP - Project Management Professional

PSA off gases - Pressure swing absorption off gases

QHSE - Quality, health, safety, environment

RAJA - Autonomous County Water Authority

REACH - Registration, Evaluation, Authorisation and Restriction of Chemicals

RPP - Rompetrol Petrochemicals

RPSA- Libyan Branch - Rompetrol S.A. Libyan Branch

RRC - Rompetrol Rafinare

RWS - Rompetrol Well Services

SO₂ - Sulfur Dioxide

SR - Safety Rate

SS - Standard Specifications

TRI - Total Recordable Incidents

TRIR - Total Recordable Injury Rate

WWTP - Waste Water Treatment Plant

Stakeholder Feedback Form

Please take a few minutes to fill out this questionnaire on the 2013-2014 Sustainability Report. We value your opinion as it helps us better manage our efforts and improve our results.



For every feedback form we receive, we will plant a tree in one of our communities.

Which of the following interests you the most?
(please mark with an X)

- ☐ Corporate Governance & Transparency
- ☐ Corporate Responsibility Actions
- ☐ Environment
- ☐ Health & Safety
- ☐ Human Resources
- ☐ Stakeholders' information (shareholders, employees, neighboring municipalities, customers, suppliers, NGOs, etc)

Mark the statements as to how much you agree with the following.

- (1) strongly disagree
- (2) disagree
- (3) neither agree nor disagree
- (4) agree
- (5) highly agree

- ☐ The principles and issues are sufficiently covered in accordance with the company's sustainable development strategy.
- ☐ The content is complete and clear.
- ☐ The report's structure is functional and sufficient.
- ☐ The information presented is reliable and accurate.
- ☐ The tables and charts are easily understood and depicted in a satisfactory manner.
- ☐ The photographs and images positively enhance the report making it easier to read and more attractive.
- ☐ The printed version conforms to a Sustainable Development publication.
- ☐ I prefer the electronic version of the report.
- ☐ I will recommend the report to others.



Assess in the order of priority from 1 to 5 the following areas in which the company has developed significant initiatives and activities, in your opinion.

- ☐ Safety
- ☐ Workplace
- ☐ Protecting the environment
- ☐ Caring for society and the environment
- ☐ Programs to support the local communities
- ☐ Transparency
- ☐ Human rights

Which of the following groups of stakeholders do you belong to?
(please mark with an X)

- ☐ Employee
- ☐ Local community member
- ☐ NGO
- ☐ Media
- ☐ Supplier
- ☐ Customer
- ☐ Business partner
- ☐ Authority representative
- ☐ Other

After reading the 2013-2014 Sustainability Report, has your opinion of KMG International been influenced at all?
(please mark only one with an X)

- ☐ Positively influenced
- ☐ Not influenced
- ☐ Negatively influenced

Please specify any issues which haven't been included in the 2013-2014 Sustainability Report which you would like to see featured in the next issue or areas that need improving.

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

First name

Last name

Occupation

Company

Position

Phone

Email

Website

Address

Thank you for your cooperation.

The above data will be collected and used so that we can improve our Sustainability Report as well as the actions and initiatives regarding the Group's Corporate Responsibility.

csr@rompetrol.com

Third-Party Opinion

KMG International's 2013-2014 Sustainability Report provides a straightforward and easy to understand overview of the Group's CSR activities, which are based on a structure that supports sound corporate conduct. We gladly welcome KMG International's initiative to publish their first sustainability report and salute the Group's commitment to transparency, as evident from its comprehensive approach towards the G4 GRI Sustainability Guidelines reporting.

The report has been discernibly created so as to address the need for information of the Group's relevant stakeholders, as identified through consistent communication with company representatives, especially in the Romanian market – the most affected by the company activities, due mainly to the prominence of its operations volume in the country.

The structure of the report reveals not only the most relevant topics for stakeholders, but also the Group's commitment to respond to all material aspects identified in collaboration with the former. The design of the report aims to enhance the accessibility of the topics tackled, as well as to highlight vital matters in relation to KMG International's stakeholder communication and engagement.

Although the document represents the first reporting exercise, it offers a balanced and detailed view of the Group's main areas of impact. Its focus on internal practices and procedures, environment protection actions and market initiatives gives us a clear perspective on how KMG International understands its role in pushing the sustainability agenda within the industry and in the Romanian market.

We are looking forward to see KMG International expand its reporting process with information regarding its commitments on the impact throughout the whole product life cycle. Additionally we would be interested to learn the stakeholders' view on the Groups' future trajectory in connection to the sustainability issues they consider relevant.

Considering the effort and dedication invested in this report, we are confident that future editions will offer us additional information on all the Group's business entities, their activities and potential impact. We would be thrilled to see KMG International lead the way in reporting and inspire other companies, as it did so many times in the past through its sustainability initiatives.

Horia Domnariu

Asociația pentru Relații Comunitare
CSR program Director and
GRI reporting specialist

Ioana Szatmari

Asociația pentru Relații Comunitare
CSR program Coordinator and
Associate Sustainability Assurance Practitioner



ASOCIAȚIA PENTRU RELAȚII COMUNITARE

Established in 2001, the Association for Community Relations (ARC) helps nongovernmental organizations to develop their capacity to attract resources from the community, thus contributing to their viability.

At the same time, ARC works with the public and companies in order to engage them in a constant and coherent effort to develop communities and non-profit organizations.

The mission of ARC is to contribute to the mobility of local financial resources to the benefit of the entire community. To this end, ARC works diligently on building stronger relationships between non-profit organizations, companies and people, so as to support each other in their common interests.

GRI Annex

Code	Description	Location in the report	Page	Status
G4 General Standard Disclosures				
Strategy and Analysis				
G4-1	Provide a statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	Introduction - Message From Our CEO	3	fully reported
G4-2	Provide a description of key impacts, risks and opportunities.	Introduction - Interview With Our Senior Vice President Who We Are - Code of Conduct Who We Are - Code of Ethics	4-5 14 15	fully reported
Organizational Profile				
G4-3	Report the name of the organization	Who We Are - Corporate Governance	6	fully reported
G4-4	Report the primary brands, products and services	Who We Are - Our Operations	8-9	fully reported
G4-5	Report the location of the organization's headquarters	Who We Are - Our Operations	8-9	fully reported
G4-6	Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	Who We Are - Our Operations	8-9	fully reported
G4-7	Report the nature of ownership and legal form	Who We Are - Corporate Governance	6	fully reported
G4-8	Report the markets served (including geographic breakdown, sectors served and types of customers/beneficiaries)	Who We Are - Our Operations	8-9	fully reported
G4-9	Report the scale of the reporting organization	Who We Are - Corporate Governance	6	fully reported
G4-10	a. Report the total number of employees by employment contract and gender. b. Report the total number of permanent employees by employment type and gender. c. Report the total workforce by employees and supervised workers and by gender. d. Report the total workforce by region and gender. e. Report whether a substantial portion of the organization's work is performed by workers who are legally recognized as self employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors. f. Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).	Our People - Human Resources Management	19-22	partially reported
G4-11	Report the percentage of total employees covered by collective bargaining agreements.	-	-	not reported
G4-12	Describe the organization's supply chain.	Who We Are - Our Operations Marketplace - Supply Chain	8-9 44-45	partially reported

Code	Description	Location in the report	Page	Status
G4-13	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain, including: <ul style="list-style-type: none"> • Changes in the location of, or changes in, operations, including facility openings, closings, and expansions; • Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations); • Changes in the location of suppliers, the structure of the supply chain, or in relationships with suppliers, including selection and termination. 	Who We Are - Corporate Governance Who We Are - Our Operations	6 8-9	partially reported
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization.	-	-	not reported
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	Who We Are - Code of Conduct Who We Are - Memberships and Affiliations	14 16	partially reported
G4-16	List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization: <ul style="list-style-type: none"> • Holds a position on the governance body; • Participates in projects or committees; • Provides substantive funding beyond routine membership dues; • Views membership as strategic. 	Who We Are - Memberships and Affiliations	16	partially reported
Identified Material Aspects and Boundaries				
G4-17	a. List all entities included in the organization's consolidated financial statements or equivalent documents. b. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	The Group issues consolidated financial reports for all its member companies. The full financial statement is available in the Group's Annual Report.	48	partially reported
G4-18	a. Explain the process for defining the report content and the Aspect Boundaries. b. Explain how the organization has implemented the Reporting Principles for Defining Report Content.	Who We Are - About This Report	12	fully reported
G4-19	List all the material Aspects identified in the process for defining report content.	Who We Are - Materiality Assessment	13	fully reported
G4-20	For each material Aspect, report the Aspect Boundary within the organization, as follows: <ul style="list-style-type: none"> • Report whether the Aspect is material within the organization • If the Aspect is not material for all entities within the organization (as described in G4-17), select one of the following two approaches and report either: <ul style="list-style-type: none"> – The list of entities or groups of entities included in G4-17 for which the Aspect is not material or – The list of entities or groups of entities included in G4-17 for which the Aspects is material • Report any specific limitation regarding the Aspect Boundary within the organization. 	Who We Are - Materiality Assessment	13	partially reported
G4-21	For each material Aspect, report the Aspect Boundary outside the organization, as follows: <ul style="list-style-type: none"> • Report whether the Aspect is material outside of the organization; • If the Aspect is material outside of the organization, identify the entities, groups of entities or elements for which the Aspect is material. In addition, describe the geographical location where the Aspect is material for the entities identified; • Report any specific limitation regarding the Aspect Boundary outside the organization. 	Who We Are - Materiality Assessment	13	partially reported
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	-	-	not applicable
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	-	-	not applicable

Code	Description	Location in the report	Page	Status
Stakeholder Engagement				
G4-24	Provide a list of stakeholder groups engaged by the organization.	Who We Are - Our Stakeholders	12	fully reported
G4-25	Report the basis for identification and selection of stakeholders with whom to engage.	-	-	not reported
G4-26	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	Who We Are - About This Report	12	partially reported
		Who We Are - Materiality Assessment	13	
G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	Who We Are - Materiality Assessment	13	partially reported
Report Profile				
G4-28	Reporting period (such as fiscal or calendar year) for information provided.	Who We Are - About This Report	12	fully reported
G4-29	Date of most recent previous report (if any).	-	-	not applicable
G4-30	Reporting cycle (such as annual, biennial).	Who We Are - About This Report	12	fully reported
G4-31	Provide the contact point for questions regarding the report or its contents.	Appendices - Stakeholder Feedback Form Appendices - Contacts	50-51 61	fully reported
G4-32	GRI Content Index: a. Report the 'in accordance' option the organization has chosen. b. Report the GRI Content Index for the chosen option. c. Report the reference to the External Assurance Report, if the report has been externally assured. (GRI recommends the use of external assurance but it is not a requirement to be 'in accordance' with the Guidelines.)	Appendices - GRI Annex	53-60	fully reported
G4-33	Assurance: a. Report the organization's policy and current practice with regard to seeking external assurance for the report. b. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided. c. Report the relationship between the organization and the assurance providers. d. Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report.	To be included in the next Sustainability Report	-	not reported
Governance				
G4-34	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	Who We Are - Corporate Governance	6	fully reported
Ethics and Integrity				
G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	Who We Are - Code of Conduct	14	fully reported
		Who We Are - Code of Ethics	15	

Code	Description	Location in the report	Page	Status
G4 Specific Standard Disclosures				
Economic performance				
EC DMA	Disclosure on management approach to economic performance, market presence and indirect economic performance	All	-	fully reported
G4-EC1	Report the direct economic value generated and distributed on an accurate basis including the basic components for the organization's global operations	Appendices - Abbreviated Financials	48	partially reported
G4-EC2	Report risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue or expenditure.	Environment	25-33	partially reported
G4-EC3	Coverage of the organization's defined benefit plan obligations.	Our People - Human Resources Management	19	partially reported
G4-EC4	Financial assistance received from government	-	-	not applicable
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	-	-	not reported
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	Our People - Human Resources Management	19	fully reported
G4-EC7	Development and impact of infrastructure investments and services supported	Who We Are - Major Projects & Achievements Environment - Major Achievements in 2013-2014 Marketplace - Supply Chain	10-11 27 44	fully reported
G4-EC8	Significant indirect economic impacts, including the extent of impacts	Who We Are - Major Projects & Achievements	10-11	fully reported
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	-	-	not reported
OG1	Volume and type of estimated proved reserves and production	-	-	not applicable
Environmental performance				
EN DMA	Disclosure on management approach to environmental aspects	Environment - Strategic Environmental Objectives	26	fully reported
G1-EN1, EN2	Materials used by weight or volume and percentage recycled input materials	Environment - Indicators - Materials	28	fully reported
G1-EN3, EN4	Direct and indirect energy use by primary source	Environment - Indicators - Energy Management	28-30	fully reported
OG2, OG3	Total amount invested in renewable energy and total amount generated by source	-	-	not reported
G4-EN5	Energy intensity	Environment - Indicators - Energy Management	28-30	fully reported
G4-EN6	Energy consumption efficiency initiatives and improvements	Environment - Indicators - Energy Management	28-30	fully reported
G4-EN7	Reductions in energy requirements of products and services	Environment - Indicators - Energy Management	28-30	fully reported
G4-EN8, EN9	Total water withdrawal by source, significantly affected water sources	Environment - Indicators - Water Management	32	fully reported
G4-EN10	Percentage and total volume of water recycled and reused	Environment - Indicators - Water Management	32	fully reported
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Environment - Indicators - Biodiversity	33	fully reported
G4-EN12	Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Environment - Indicators - Biodiversity	33	fully reported

Code	Description	Location in the report	Page	Status
G4-EN13	Habitats protected or restored	Environment - Indicators - Biodiversity	33	fully reported
G4-EN14	Total number of IUCN red list species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	-	-	not applicable
OG4	Number and percentage of significant operating sites in which biodiversity risk has been assessed and monitored	Environment - Indicators - Biodiversity	33	fully reported
G4-EN15, EN16	Direct and indirect greenhouse gas emissions (scope 1 & 2)	Environment - Indicators - Emissions	30-31	fully reported
G4-EN17	Other indirect greenhouse gas emissions (scope 3)	Environment - Indicators - Emissions	30-31	fully reported
G4-EN18	Greenhouse gas emissions intensity	Environment - Indicators - Emissions	30-31	fully reported
G4-EN20	Reduction of greenhouse gas emissions	Environment - Indicators - Emissions	30-31	fully reported
G4-EN21	NO x , SO x, and other significant air emissions	Environment - Indicators - Emissions	30-31	fully reported
OG5	Volume of formation of produced water	Environment - Indicators - Water Management	32	fully reported
G4-EN22	Total water discharge by quality and destination	Environment - Indicators - Water Management	32	fully reported
G4-EN23	Total weight of waste by type and disposal method	Environment - Indicators - Waste Management	33	fully reported
G4-EN24	Total number and volume of significant spills	Environment - Indicators - Waste Management	33	fully reported
G4-EN25	Weight of transported, imported, exported or treated waste deemed hazardous under the terms of the Basel Convention 2 Annex I, II, III, and VIII and percentage of transported waste shipped internationally	Environment - Indicators - Waste Management	33	fully reported
OG6	Volume of flared and vented hydrocarbons	-	-	not applicable
OG7	Amount of drilling waste (drill mud and cuttings) and strategies for treatment and disposal	-	-	not reported
G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habits significantly affected by the organization's discharges of water and runoff	-	-	not reported
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	-	-	not applicable
OG8	Benzene, lead and sulfur content in fuels	-	-	not reported
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	-	-	not applicable
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Marketplace - Controls and Monetary Fines	46	fully reported
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	Environment - Indicators - Products & Services, Transport	34	partially reported
G4-EN31	Total environmental protection expenditures and investments by type	Environment - Indicators - Compliance	34	fully reported
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	-	-	not reported
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	-	-	not reported
G4-EN34	Number of grievances about environmental impacts filed, addressed and resolved through formal grievance mechanisms	-	-	not reported

Code	Description	Location in the report	Page	Status
Social Performance: Labor Practices and Decent Work				
LA DMA	Disclosure on management approach to employment, labor/management relations, training and education and diversity and equal opportunity and occupational health and safety	Our People - Our Approach	18	fully reported
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	Our People - Human Resources Management	19-21	fully reported
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	-	-	not reported
G4-LA3	Return to work and retention rates after parental leave, by gender	Our People - Human Resources Management	19-21	fully reported
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	Our People - Occupational Health and Safety	24	fully reported
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Our People - Occupational Health and Safety	24	fully reported
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation			not reported
G4-LA8	Health and safety topics covered in formal agreements with trade unions			not reported
G4-LA9	Average hours of training per year per employee by gender, and by employee category	Our People - Training and Career Development	23	fully reported
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Our People - Training and Career Development	23	fully reported
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	Our People - Training and Career Development	23	fully reported
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Our People - Human Resources Management	19-22	fully reported
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	-	-	not reported
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	-	-	not reported
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	-	-	not reported
G4-LA16	Number of grievances about labor practices field, addressed, and resolved through formal grievance mechanisms	-	-	not reported
Social Performance: Human Rights				
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	To be reported in the next Sustainability Report	-	not reported
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	-	-	not reported
G4-HR3	Total number of incidents of discrimination and corrective actions taken	Our People - Human Resources Management	21-22	not applicable
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	Our People - Human Resources Management	21-22	not applicable

Code	Description	Location in the report	Page	Status
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	Our People - Human Resources Management	21-22	not applicable
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	Our People - Human Resources Management	21-22	not applicable
OG9	Operations where indigenous communities are present or affected by activities and where specific engagement strategies are in place	-	-	not applicable
G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	-	-	not applicable
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	-	-	not applicable
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	-	-	not reported
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	To be reported in the next Sustainability Report	-	not reported
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	-	-	not applicable
G4-HR12	Number of grievances about human rights filed, addressed, and resolved through formal grievance mechanisms	-	-	not applicable
Social Performance: Society				
S0 DMA	Disclosure on management approach to corruption, public policy, anti-competitive behavior and compliance. Disclosure on management approach to community	Community - Our Approach	36	fully reported
G4-S01	Percentage of operations with implemented local community engagement, impact assessments, and development programs	Community - Investments in the Community Community - Joint Partnerships Community - Employee Engagement	37-41	fully reported
G4-S02	Operations with significant actual or potential negative impacts on local communities	Community - Our Approach	36	fully reported
G4-S03	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	To be reported in the next Sustainability Report	-	not reported
G4-S04	Communication and training on anti-corruption policies and procedures	-	-	not reported
G4-S05	Confirmed incidents of corruption and actions taken	About us - Code of Ethics	15	fully reported
G4-S06	Total value of political contributions by country and recipient/beneficiary	No contribution was made	-	not applicable
G4-S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	Marketplace - Legal Actions	46	fully reported
G4-S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Marketplace - Controls and Monetary Fines	46	fully reported
G4-S09	Percentage of new suppliers that were screened using criteria for impacts on society	To be reported in the next Sustainability Report	-	not reported
G4-S010	Significant actual and potential negative impacts on society in the supply chain and actions taken	-	-	not applicable
OG10	Number and description of significant disputes with local communities and indigenous peoples	-	-	not applicable
OG11	Number of sites that have been decommissioned and sites that are in the process of being decommissioned	-	-	not applicable



Code	Description	Location in the report	Page	Status
OG12	Operations where involuntary resettlement took place, the number of households resettled in each and how their livelihoods were affected in the process	-	-	not applicable
OG13	Number of process safety events, by business activity	-	-	not applicable
G4-S011	Number of grievances about impacts on society filed, addressed, and through formal grievance mechanisms	-	-	not applicable
Social Performance: Product Responsibility				
PR DMA	Disclosure of management approach	Marketplace - Quality and Customer Management	45-46	fully reported
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Marketplace - Quality and Customer Management	45-46	fully reported
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	-	-	not applicable
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	Marketplace - Quality and Customer Management	45-46	fully reported
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling by type of outcomes	-	-	not applicable
G4-PR5	Results of surveys measuring customers satisfaction	Marketplace - Quality and Customer Management	45-46	fully reported
G4-PR6	Sale of banned or disputed product	-	-	not applicable
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	Marketplace - Quality and Customer Management	45-46	fully reported
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Marketplace - Quality and Customer Management	45-46	fully reported
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	Marketplace - Quality and Customer Management	45-46	fully reported
OG14	Volume of biofuels produced and purchased meeting sustainability criteria	To be reported in the next Sustainability Report	-	not reported

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p-ISSN: XXXX-XXXX



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