



Together

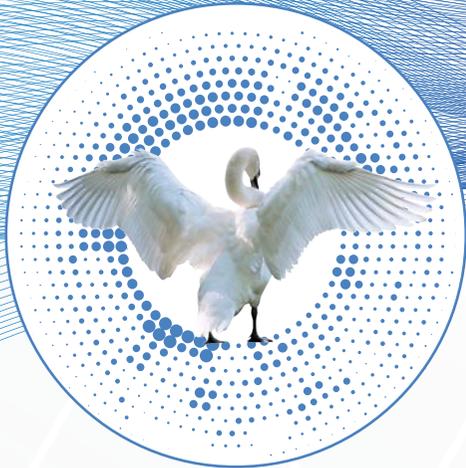
for a Better Future

2015 KMG INTERNATIONAL
SUSTAINABILITY REPORT

Together

for a Better Future

2015 KMG INTERNATIONAL
SUSTAINABILITY REPORT



The Swan Introduction

- 7 About This Report
- 7 Report Concept
- 8 Message From Our CEO
- 10 Interview with Our Senior VP
- 12 Interview with Our VP of Operations
- 14 Corporate Governance
- 17 Recognized Stakeholders
- 18 Materiality Assessment



The Bridge Who We Are

- 21 International Footprint
- 22 Record Results in 2015
- 24 Code of Ethics
- 25 Code of Conduct
- 26 Memberships and Affiliations
- 27 Objectives and Future Plans



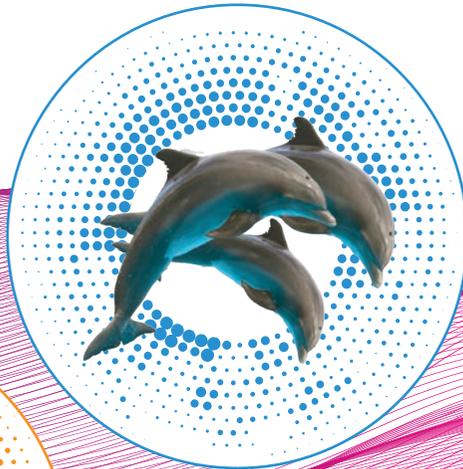
The Pelican Environment

- 29 Our Ongoing Commitment
- 30 Strategic Environmental Objectives
- 30 Major Achievements in 2015
- 31 Environmental Indicators



The Tortoise Community

- 41 Approach to Community Engagement
- 41 Awards
- 42 Main CSR Projects
- 45 Employee Engagement
- 45 Partnerships with Academia



The Dolphins Our People

- 47 Human Resources Management
- 52 Training, Education and Career Development
- 53 Occupational Health and Safety



The Reeds Marketplace

- 57 Supply Chain
- 58 Quality and Customer Management
- 59 Compliance
- 61 Customer Satisfaction



The Sturgeon Appendices

- 63 Abbreviated Financials
- 64 Third-Party Opinion
- 66 GRI Annex
- 75 Stakeholder Feedback Form
- 77 Glossary of Terms
- 78 Reporting Team and Contacts



As beautiful as they are delicate, swans have been our loyal companions and inspiration

Several families of swans are known to winter year after year on Taşaul and Corbu lakes near Petromidia refinery.

Known for their life-long partnerships and fierce protection of their offspring, swans teach us the value of loyalty, steadiness and standing up for what matters to us - our employees and our business values.

The Swan

Introduction

About This Report

We use 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.

Report Concept

Over the years, swans have been our treasured neighbors, wintering on the lakes around Petromidia refinery. Renowned for their affinity to clean waters, their presence is a natural marker of our environmental protection efforts. We are inspired by these majestic creatures in their beauty and fragility, their lifelong bonds of loyalty as well as their fierceness when it comes to protecting their offspring.

This comprehensive report covers all significant aspects related to the economic, social, environmental and marketplace performance of KMG International Group and member companies with significant operations. For comparability purposes, indicators are presented in parallel with those for previous years.

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 concept for our latest sustainability report reflects the bond with the natural environment around our most prized asset: Petromidia refinery.

By drawing parallels to local natural assets to illustrate the various pillars of our sustainability policy, we aim to raise awareness of our delicate balance with the environment and the need to preserve both the wildlife and landscape of our communities.

We strive to mimic nature's champions, seeking qualities that we can encourage in our business dealings, learning how to care for our employees and how to nurture their development.

Just as nothing exists alone in nature, we are steadfast in our commitment to guide communities along their journey towards a better future, through an engaged approach to sustainable growth.

**Message from
Our CEO**
Zhanat Tussupbekov

Releasing KMG International's second Sustainability Report comes as an opportunity to take pride in our achievements over the year 2015 and acts as a confirmation for our continuous efforts to manage our business in full respect with the laws applicable and adhering to the highest ethical standards in order to further develop our activities according to our sustainability strategy and sustainable business conduct.

As a major worldwide player in the oil&gas market, carrying out operations in 16 countries throughout Europe and Central Asia, with close to 7,000 employees worldwide, the Group produces, at Petromidia Refinery, one of the best and most efficient products in the region.

Having such important operations and so many employees and families depending on us, we developed our own sustainability strategy, that we constantly update and follow throughout all our activities, with the help of which we see ourselves as part of the societies where we operate.

KMG International had, in 2015, exceptional financial and operational results, a net profit of USD4.6 million and an Operating Income of USD162 million (EBITDA - Earnings Before Interest, Taxes and Depreciation /Amortization), compared to the 2012 EBITDA of USD79 million and the negative Group's financial results of USD156 million. We can see that the EBITDA consolidated indicator has doubled in comparison to 2012. Counting on last year's results, we can say that we reached our strategic objectives and directions.

We have successfully accomplished our targets by making the necessary investments to modernize and expand assets in the Black Sea region, but also through new business initiatives that increased operational efficiency and reduced production costs.

In 2015, processing carried out was of 4.95 million tons, which represented 105.02% of the initial target, with the largest quantity of processed raw materials produced in the history of the plant,

15,160 tons/day, taking into account the already mentioned fact that Petromidia Refinery was shut down for 40 days due to General Turnaround, in October-November last year.

The record level of productiveness for white products (gasoline, Diesel oil, Jet), of almost 86% and the manufacturing costs' improvement of 27% is evidence of the fact that KMG International is implementing a program to increase operational efficiency, modernize production facilities and be more environmentally friendly.

For this purpose, KMG International's objective is keeping under control the consumption of energy and natural resources, thus minimizing its impact on the environment. In this respect, we can report a decrease of 3.8% in energy consumption reported by the ton, as compared to 2014, results metered at Petromidia Refinery.

Also, the recycled water consumption for Vega Refinery has registered an increase of 24% compared to 2014.

Additionally, Petromidia Refinery generated 5,404 tons of waste, the waste recovery rate being 67%.

As for what concerns the retail and trading activities of the Group, the Retail segment recorded, in 2015, a record volume of fuel sales (gasoline, Diesel, liquefied petroleum gas) in Romania, Moldova, Bulgaria and Georgia, reaching the level of 2.64 million tons. This development was mainly driven by the implementation of an extensive program of rebranding the fuel distribution stations. Our Trading Division has also raised its operated volumes up 7.5%, compared to the preceding year.

The impact we are having on the Community is of the utmost importance for us. The numerous projects we carried out stand as testimony to our profound involvement and preoccupation for the homogenous development of the society. From internal CSR projects that involve our employees, by creating a good working ambiance and also by putting them into contact with the community, to



external projects, be them cultural, health or environmentally related, we strive to be a company that knows with whom and for what purpose we are working hard to achieve our goals.

And because employees are our most important asset, we developed a management system specially dedicated to our staff that supports the human capital development, by assuring the necessary training to provide skills and business competences in order to achieve the high standards assumed and the safety of our staff.

I kindly invite you to read our 2015 International Sustainability Report - **Together for a Better Future** – and convince yourselves how KMG International succeeds in being a competitive player in the oil&gas business by further consolidating our presence on the European markets and in the Black Sea region, while preserving our sustainable development by focusing on balancing that fine line between economic progress and the need to protect the environments in which we and others live.



**Interview with
Our Senior VP**
Azamat Zhangulov

**How did the sustainability strategy help
KMG International reach its targets?**

KMG International has invested around USD2 billion since it took Rompetrol Rafinare back in 2007, money that were used to modernize the company's assets so as to be in line with Euro5 standards, to transform the refinery into the best refinery in the region, to bring up to date its operations and also maximize the capabilities of the human factor.

It is through all these investments, in line with our sustainability strategy and sustainable business conduct that we want to position ourselves as a company with a vision for the future, that is striving to have a growing position on the market, bigger economic and social impact in the society and comply to the strictest and rigorous environmental rules applicable.

We have been operating in Romania and the Black Sea region for almost 10 years, time during which more than 30% of the oil used in Romania is crude that flows between Kazakhstan and Romania. We employ almost 7,000 workers, pay good salaries and invest in the communities and regions where we do business.

Romania is our home and, as a result, our thinking has been to help make the country a hub for our energy production and generate new capital flows across the region and into Europe. So, at the heart of the Romania-Kazakh partnership is our shared commitment to do good business together.

We are proud of our contribution to Romania and of our track record of being a committed and responsible investor. In this manner we see the sustainable development of our Group, by attaching the positive impact we are having on society and protection we are offering to the environment, to the economical and financial performance of the Group.

**What are the sustainability strategic areas
that KMG International puts weight on?**

Sustainability is one of the major pillars of our business strategy and in this respect we refer to our people and workplace, the community in which we develop, the environment which we protect and the marketplace we occupy, as sustainable strategic areas.

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. However, we have not only invested in the technical aspects of our business, but also in our people and the community we operate in, by providing people with the opportunity to develop their professional and personal skills.

Having one of the most well-trained and skilled employees on the market, we are proud to say that our colleagues get very easily involved in the Group's CSR projects, be them internal or external, so that more people can benefit from our greater support and social involvement.

Respecting the environment and developing ways to protect and preserve it on the long term, by fully obeying the national and international legislation, implementing programs for minimizing our environmental impact, keeping under control the consumption of energy and natural resources, is our way of protecting both the nature and encourage the harmonious development of communities.

And because we want to operate in a responsible market, we developed supply chain activities in a professional and ethical manner, adapted our high quality products and services in accordance with market feedback coming from our customers and conduct our business in conformation to all laws applicable.



What were the projects that supported the sustainability of your business?

Becoming a sustainable oil & gas player in the national and regional market does not involve only plans and actions that result in increasing the efficiency of our operations, for example reducing our emissions and waste, but also a strategy and concrete actions for liaising with the people we work together with and the community we operate in.

As a leading Corporate Citizen, KMG International seeks, supports and finance CSR projects in order to improve the quality of life of the communities we impact or influence through environmental, public health and educational projects.

All in all, projects unfolded since the start of our CSR platform, in excess of USD1.5 million provided annually, cover almost every county in Romania and benefited over 300,000 people in 101 communities.

Our concern for the environment and the quality of the air that the community breathes is exemplified through the implementation, in 2015, of the project "Electrostatic Precipitator – ESP", which reduces particulate emissions in the atmosphere. An ESP performance test was carried out in May and the recorded values for dust were under LEV (Limit Emission Values).

Rompetrol Rafinare, member of KMG International, has adopted the group's strategy for sustainable development and supports a wide range of CSR projects – such as the partnership with SMURD, established in 2010, which supplies emergency rescue helicopters with fuel, bringing to Bucharest one of the largest Kazakh Film Festivals in Europe, supporting culture by sponsoring George Enescu International Festival and Contest.

Internal CSR became in the last years an ongoing preoccupation within KMG International, which addresses the need and well-being of employees, offering an equal treatment to all, by maintaining a congenial working environment, promoting health and well-being in the work place and exporting this to outside communities, by organizing, on the 1st of June, "The Open Doors Day" for the children of our employees, supporting social cases through Rompetrol Run and Care charity race, planting trees, cleaning the beach close to Navodari camp and Petromidia platform, donating money for the victims of the fire at Club Colectiv, and many other activities meant to strengthen the work relations between our colleagues and liaise with the community.

What is your approach for the future in terms of sustainability?

For 2016, KMG International intends to reconfirm its commitments to the Romanian state from its position of a reliable and strategic company and develop Romania as an energy hub for Black Sea region, as a strategic connection between Kazakhstan national resources and European Union, by continually modernizing our production facilities and operations. At the same time, we continue having an even bigger, positive economic and social impact in the society.

In this respect, we shall continue to develop our CSR programs and social involvement by having more employees eager to participate to events in support of children with severe illnesses, donate blood and special equipments in order to save patients, plant more trees for the benefit of all and develop more cultural and social projects with an even larger and greater impact.

**Interview with Our
VP of Operations**
Cătălin Dumitru

**How do you see the activity of
KMG International in 2015?**

Being responsible for coordinating all operational activities (supply chain, trading, refining and petrochemicals, retail), I think I have a good overview of what KMG International used to be, currently is and where it will stand, in the future, in the oil & gas market and also in comparison with other competitors.

First and foremost, Petromidia refinery started to generate profit from 2015, by investments made in the modernization of our production facilities and operations and also by maximizing the capabilities of the human factor.

It is within this idea that KMG International initiated, back in 2013, an ambitious Transformation Program – “Change for Good” and continued from 2015 with the “Business Transformation Program”, by improving the refinery’s efficiency and increase sales and margins within controlled channels, thus reaching full-scale transformation, by implementing the new strategy and operational model of the company.

With the help of this program, the company has proposed an increase in profitability margins together with a reduction in operating expenses, the relevant economic effect being of approximately USD130 million, by 2018. In 2015, the targeted benefit amounted to over USD30 million.

This allowed the Group to enter a new stage of development and to consolidate its competitive position, together with the staff it has, while adapting to the ever-changing business environment and society’s needs.

KMG International invested over USD1.4 billion in Petromidia refinery since 2007 and if we continue in the same direction with rethinking production flows in and around the refinery, and depending on market conditions, we will manage to keep our profitability for years to come.

**How did the fall in price quotes
for oil impact your business?**

The price of crude oil accustomed us with no great oscillations in the 2010-2014 period, when it got fixed at around USD110/barrel. Then, in the middle of 2014, the decline began, reaching USD55 at the end of the year. The fall continued in 2015 until it reached 36-37 dollars, last December, a level that has not been seen since 2004.

Still, the fall in international oil prices has its own good parts. First, consumers benefitted from lower prices at the pump, where we could see an increase in demand and, secondly, producers in the refinery segment took advantage of the existing positive margins.

Also, by continually implementing modernization programs and improving the refinery’s efficiency, through investments in overhauls, based on „low cost - no cost” measures, due to the extremely advantageous geographical location of Petromidia refinery and thanks to the very good relations between the parent company and its subsidiary, we did not have, at any moment in time, problems with receiving supplies of raw materials.

Romp petrol Rafinare includes Petromidia and Vega refineries, the petrochemical division, and the fuel distribution segment of Rompetrol in Romania.

**What stood at the basis
of your performance?**

We concentrated our attention on the refining business in order to be consistent with the objectives we assumed to reach.

In 2015, the processed quantity was 4,949,653 tons, a level similar to the record reached in 2014 (5.05 million tons), in conditions in which the production plants were temporarily stopped for more than one month for revision purposes. This processing represents 105.02% of



the program set up for the budget of the year 2015 and it was realized taking into account the already mentioned fact that Petromidia Refinery was shut down for 40 days due to General Turnaround, in the period 11 October - 21 November 2015.

Petromidia Refinery reached a historic milestone in 2015, when it registered 15,160 tons/operation day, the largest quantity of raw materials processed in the history of the plant.

The refinery reached a record yields for white products (gasoline, diesel, Jet), of 82.4%, the best in the history of the refinery.

Also, Petromidia produced the biggest quantity of diesel oil from its history (2.47 million tons), in 2015, at the best yield (50%, compared to 48.8% in 2014 and 46% in 2013), thanks to a 27% decrease of diesel processing costs.



As for Vega Refinery, the processing carried out in the year 2015 was of 328,746 tons, representing 112.3 % of the program set up for the 2015 budget.

Vega Ploiesti is the only Romanian producer of polymers, also processing, in 2015, record quantities of bitumen (80,000 tons) and of hexane (71,000 tons), due to the improved quality of the raw material and an increase of the demand on the regional market.

What is your retail strategy?

In terms of sales, we reached a record high of 2.64 million tons, up 7% compared to 2014. We concentrated our investments on continuing the ample rebranding program of fuel distribution stations in Romania, Bulgaria, Georgia and Moldova. At the end of 2015, under the new marketing concept, there were 121 own fuel distribution stations and 39 partner stations, a total of 160 rebranded stations.

In 2015, Rompetrol Rafinare has supplied some 1.58 million tons of fuel (gasoline, diesel, auto gas) to the Romanian market and exported 1.95 million tons.

Products obtained at Petromidia are distributed to the region through the Rompetrol stations in Romania, Georgia, Moldova and Bulgaria, and also with the help of our traditional partners in Ukraine, Serbia, Greece, Macedonia, Bosnia and Herzegovina, Morocco, Croatia or Egypt.

We reviewed our investment positions in 2015 and concentrated our efforts for optimizing the distribution network, improving flows between refinery and fuel distribution, resulting in overall and substantial savings.

By optimizing our technological flows, improving the processing costs and implementing flexible commercial policies, KMG International had, in 2015, a net profit of USD4.6 million and an Operating Income of USD162 million (EBITDA - Earnings Before Interest, Taxes and Depreciation / Amortization).

Corporate Governance

KMG International N.V. (formerly named The Rompetrol Group N.V.) is a company incorporated and operating under Dutch laws, having its headquarters located in Amsterdam, The Netherlands. KMG International N.V. and its subsidiaries, altogether referred to as the KMG International Group, are a major player in the oil field with operations in countries across Europe and Central Asia.

OPERATIONAL PROFILE

KMG International N.V. was incorporated in November 1999, its entire issued capital being 100% held by Coöperatieve KazMunaiGaz U.A. since end of 2015.

As of December 2015, KMG International Group comprised 55 entities (sub-divided into 45 legal entities – joint stock or limited liability companies/partnerships and 10 branches, representative offices and joint ventures), headquartered in 16 countries (i.e. Romania, The Netherlands, Kazakhstan, Switzerland, Bulgaria, Republic of Moldova, Georgia, Turkey, Ukraine, France, Spain, Singapore, Libya, Iraq, Oman, Gibraltar). Of these, the Albanian companies (four) owned by KMG International N.V. are currently undergoing liquidation.

For comparison purposes, at the end of 2014, KMG International Group comprised 52 entities (44 legal entities - joint stock or limited liability companies and 8 branches and joint-ventures) – headquartered in 15 countries (i.e. Romania, the Netherlands, Kazakhstan, 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 local legislation and provide the rules underlying the conduct of business, as well as the proper administration and management of each entity. In Romania, the main applicable corporate regulations are Law no. 31/1990 on commercial companies, as further amended and supplemented and Law no. 297/2004 on the capital market (the latter being applicable to stock-exchange listed companies).

The Group's activities are primarily concentrated in the refining, retail, marketing and trading areas, with additional operations in the exploration and production segments, as well as other oil industry services (such as upstream services, industrial services, drilling etc.), business and management consulting services being also performed as support function.

MAJOR CORPORATE CHANGES THROUGHOUT 2015

In 2015, major changes that had a significant impact on the corporate structure included:

- [A merger between KMG International N.V. and KMG Investments B.V.](#) – completed in December, 2015;
- KMG Investments B.V., the sole shareholder at that time of KMG International N.V., was entirely absorbed by KMG International N.V. Subsequently, the new sole shareholder of KMG International N.V. later became Coöperatieve KazMunaiGaz U.A.
- [Divestment of 51% share in Rompetrol France S.A.S. and its subsidiaries to CEFC China](#) – completed in December, 2015. KMG International N.V. continues to hold a 49% participation share. The mutual objective of shareholders is for Dyneff SAS to become a development platform in Western Europe, benefiting from extended access towards supply sources and strategic support from the shareholders to continue expanding its operations in the energy sector.
- [Incorporation of KMG Rompetrol Development S.R.L.](#) – completed in March, 2015. The entity's main object of activity is represented by the sale of automotive fuels in specialized stores.
- [Rompetrol S.A. name change](#) - to Oilfield Exploration Business Solutions S.A., in June, 2015.
- ['Modernization of Pavlodar Petrochemical Plant' Project Management Contract](#) – signed in May, 2015 between



KazMunayGas Engineering B.V., Rompetrol Financial Group S.R.L., Rominserv S.R.L., KazMunayGas-Engineering LLP (former Rominserv Kazakhstan LLP) and JSC “KazMunaiGaz-RM” establishing the takeover by JSC “KazMunaiGaz-RM” of the management of the Pavlodar Refinery Modernization Project, namely management, control and monitoring of the said project. Subsequently, a new structure of directors was implemented at the level of Rominserv S.R.L., entailing an innovative management configuration, in line with the aforementioned Management Contract.

- Incorporation of 2 new branches of KazMunayGas-Engineering LLP in Kazakhstan, one in Pavlodar (in March, 2015) and one in Atyrau (in April, 2015).
- Name change of Rominserv Kazakhstan LLP into KazMunayGas-Engineering LLP in December, 2015 and, consequently, of its Kazakhstan branches in Pavlodar and Atyrau.

The management system of KMG International N.V. includes three levels of approval, in accordance with its statutory documents and applicable Dutch law.

The Sole Shareholder of KMG International N.V. is Coöperatieve KazMunaiGaz U.A.

The Board of Managing Directors is composed of a number of 6 (six) managing directors, of which 1 (one) executive managing director (CEO) and 5 (five) non-executive managing directors.

The non-executive managing directors include three independent directors. Independent members are of paramount importance from the Corporate Governance perspective, as they provide well-grounded opinions in their area of expertise in support of management decisions, while granting increased protection of shareholder and stakeholder interests and additional guarantees for third parties.

In accordance with KMG International N.V. Articles of Association and Board Regulations, the CEO, being the sole executive member of the

Group Levels of Approval

In accordance with Dutch Law

Sole Shareholder
Board of Managing Directors
Chief Executive Officer

Subsidiaries Levels of Approval

Mirroring Group

General Assembly of Shareholders
Board of Directors / Sole Director
General Manager & Finance Manager

Board of Directors

As of December 2015

Mr. Daniyar Berlibayev
Chairman, Non-Executive Managing Director
Mr. Zhanat Tussupbekov
Chief Executive Officer
Mr. Azamat Zhangulov
Non-Executive Managing Director
Mr. Johan Frederik Lodewijk Frowein
Independent Non-Executive Managing Director
Mr. Emile Eduard Wolff
Independent Non-Executive Managing Director
Mr. Ramon Diego Mendes de Leon
Independent Non-Executive Managing Director

Audit Committee
as of December 2015

Mr. Ramon Diego Mendes de Leon

Chairman

Mr. Johan Frederik Lodewijk Frowein

Mrs. Anargul Kairulla

Remuneration Committee
as of December 2015

Mr. Johan Frederik Lodewijk Frowein

Chairman

Mr. Ramon Diego Mendes de Leon

Mrs. Mihalea Ungar

Board, is responsible for the day-to-day management of the company, being also in charge of reviewing, defining and submitting strategic options that may contribute to the development of the company and its subsidiaries. The CEO is authorized to independently represent KMG International N.V., having the option to delegate his managing function for certain operations/categories of operations to certain third parties.

The non-executive members of KMG International N.V. Board mainly have the following duties: (i) to participate in determining the strategy and general policies of the company; (ii) to supervise the management position and the general affairs of the company and its subsidiaries.

In support of its activity, the Board of Managing Directors may establish specialized committees, such as the Audit Committee and the Remuneration Committee.

The unified management system at the level of KMG International N.V. is also mirrored within the Group's subsidiaries.

At the level of KMG International N.V., there is a well-designed organizational chart incorporating key positions and the specific competencies in each business unit. Occupants of said positions, namely top management representatives, are responsible for coordinating the activities and processes of the Group at executive level. They also ensure the streamlined communication between KMG International Group and its highest governance body.

In accordance with KMG International N.V. Board Regulations, the company's Board approves the appointment of general managers (CEO) of KMG International N.V.'s affiliates, as well as the organizational structure of KMG International and the appointment of Chief Officers by business units. Therefore, the nomination process of key people within the Group is approached, discussed and approved by the highest governance body, based on criteria such as expertise, knowledge, skills, all in line with the Group's business needs, national and international legal framework and internal policies and procedures.

As per the above-mentioned Board Regulations, all transactions in which there is a conflict of interest between KMG International N.V. and a Board Member, this will be resolved in accordance with the terms that are customary to arm's-length transactions in the branch of business in which the company and its subsidiaries are active. Such Regulations also lay down rules and requirements concerning a conflict of interest.

At the level of KMG International N.V. Group there is a set of tools designated to be utilized the process of identifying and coping with business concerns at local and centralized levels, on the one hand, as well as with employee concerns, on the other hand.

In terms of business concerns, there are highly specialized committees established at management level (e.g. Management Committee, Ethics and Disciplinary Committee etc.) within which a wide range of concerns may be raised and discussed. Moreover, aside from the general conclusions reached in such committees, major issues are constantly brought to the knowledge of KMG International N.V. (i.e. to its corporate bodies), as parent company of the Group's subsidiaries.

In terms of employee internal concerns, there are policies, internal communication instruments specially designed for the purpose of an enhanced communication in the employee-management relationship. These mechanisms will be detailed in the chapter The Dolphins / Our People.

As of December 2015, the Remuneration Committee established by the Board of Managing Directors at the level of KMG International N.V. is responsible for advising the Board and the General Meeting (i.e. Sole Shareholder) in matters related to remuneration policy, terms of employment and total compensation, as well as performance criteria, mainly for Top Management, creation and implementation of any compensation plans, monitoring and assistance in implementation of remuneration policies and plans at Group level. The decision-making process with regard to any remuneration policy and plan applicable at Group level also rests upon the KMG International N.V. Board of Managing Directors.



Recognized 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.

social

employees
trade unions
NGOs

regulatory

regulatory bodies
state authorities
local authorities
European Commission

Corporate
fingerprint

industry

trade associations
trade unions
suppliers
other operators

market

shareholders
clients
large corporate clients
advertising agencies
media



Materiality Assessment

In order to better understand the responsibilities we have as a major oil & gas player, adapt easier to market conditions, be more competitive and integrate sustainability principles in the way we manage our business, KMG International constantly conducts surveys in order to see how stakeholders think about our activity.

Because the Group acknowledges that a company connected to community's needs is one that knows its place in the market and the way forward, we put value on the attention with which stakeholders treat various aspects of our business and their expectations from us.

Therefore, at the basis of this sustainability report stood a qualitative research that measured the concern to stakeholders and the impact on the company of different materiality aspects, such as the economic performance of the Group, its marketplace, its staff and the HR policies it applies, the degree of involvement in community's needs, the preoccupation for environment etc.

After centralizing the results, they were assigned priority levels by stakeholders and represented using a high-medium-low type of scale that reproduced the stakeholders' view on the following indicators.

PEOPLE

- LA 5-8** Occupational health & safety
- LA 9-11** Training and education
- LA 12** Diversity & equal opportunity
- LA 4** Labor relations
- OG 9** Sector specific
- HR 10-11** HR supplier assessment
- LA 1-3** Employment
- LA 13** Equal pay for men and women
- HR 3** Non-discrimination
- HR 5** Child labor
- HR 6** Forced/compulsory labor
- HR 8** Indigenous rights
- HR 12** Human rights grievances
- LA 14-15** Labor supplier assessment
- LA 16** Labor grievance mechanisms
- HR 1-2** Investment
- HR 4** Freedom of association
- HR 7** Security practices
- HR 9** Internal assessment

COMMUNITY

- SO 1-2** Local communities
- SO 7** Anti-competitive behavior
- SO 8** Compliance
- OG 10-13** Sector specific
- SO 3-5** Anti-corruption
- SO 9-10** Supplier assessment
- SO 6** Public policy
- SO 11** Grievance mechanisms

Aspects in descending
order of score

ECONOMIC

- EC 7-8** Indirect economic impacts
- EC 1-4** Economic performance
- EC 5-6** Market presence
- EC 9** Procurement practices
- OG 1** Sector specific

ENVIRONMENT

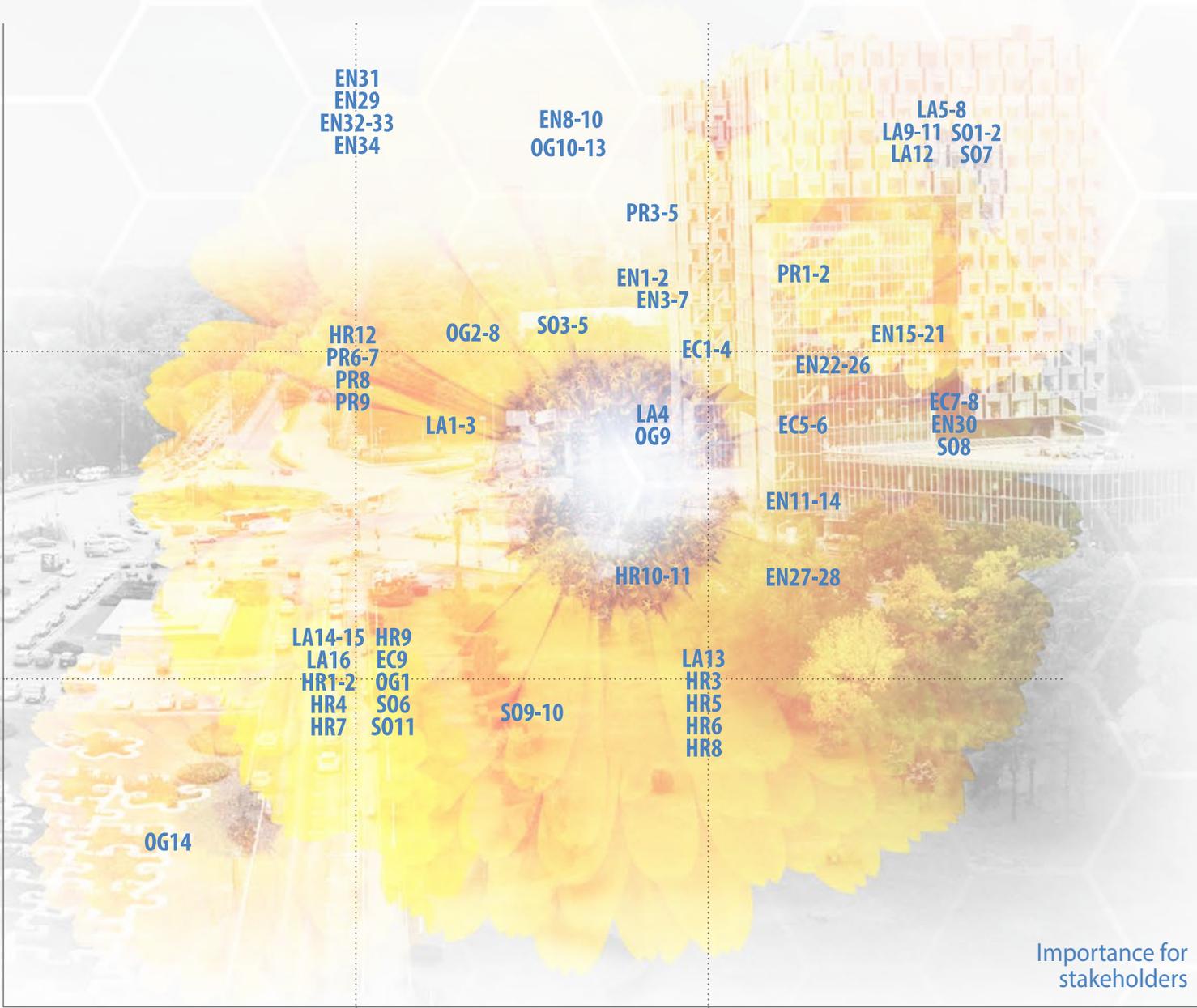
- EN 15-21** Emissions
- EN 30** Transport
- EN 22-26** Effluents and waste
- EN 8-10** Water
- EN 1-2** Materials
- EN 3-7** Energy
- EN 11-14** Biodiversity
- EN 27-28** Products and services
- EN 31** Overall
- EN 29** Compliance
- EN 32-33** Supplier assessment
- EN 34** Grievance mechanisms
- OG 2-8** Sector specific

MARKETPLACE

- PR 1-2** Customer health and safety
- PR 3-5** Product and service labeling
- PR 6-7** Marketing communications
- PR 8** Customer privacy
- PR 9** Compliance
- OG 14** Sector specific



Impact on
the Group



HIGH
MEDIUM
LOW

Importance for
stakeholders





We are a link between two cultures, bridging the resources and aspirations of two nations.

The old railway bridge named after its Romanian engineer, Anghel Saligny, was at its completion in 1895 the longest spanning metal bridge in Europe, at 112 meters.

In a similar fashion, we are proud to be the pioneers of an East-West bridge of cultures and resources that will benefit us all.

- MAIN MARKETS**
- Romania
 - The Netherlands
 - Kazakhstan
 - Bulgaria
 - Republic of Moldova
 - Georgia
 - France
 - Spain
 - Switzerland
 - Turkey
 - Ukraine

Romania



The Bridge

Who We Are

International Footprint

KMG International N.V. (formerly named The Rompetrol Group N.V.) is an international oil company with operations in 16 countries throughout Europe and Central Asia. 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 – Petromidia Năvodari – which boasts a processing capacity of over 5 million tons annually.

The company's retail network operates over 1,000 fuel distribution points under the "Rompetrol" brand in Romania, Georgia, Bulgaria, Moldova, and under the Dyneff brand in France and Spain.

PLOIEȘTI
Vega Refinery

NĂVODARI
Petromidia Refinery
Petrochemical Division



BUSINESS UNITS

Corporate Entities

KMG International (Netherlands)
KMG Rompetrol (Romania)

Refining & Petrochemicals

Rompetrol Rafinare (Petromidia)
Rompetrol Vega
Petrochemical Division

Retail & Marketing

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

OUR BRANDS

Corporate



Industrial



Trading & Supply Chain Mgmt.

KMG Trading
Midia Marine Terminal
Rompetrol Ukraine
Rompetrol Turkey

Industrial Services

Rominserv
Palplast
Rominserv Valves IAIFO
Rompetrol Quality Control

Upstream

Oilfield Exploration Business Solutions
Rompetrol Well Services

Parent Company

NC KazMunayGas JSC (Kazakhstan)

Commercial



**Record
Results
in 2015**

As an important regional oil & gas player with a great interest and dedication in managing an ever more successful business, KMG International also has great responsibilities in safeguarding almost 7,000 jobs, while assuring its operations are environmentally friendly and the community at large benefits from the overall economic activity and social involvement of the company.

The subchapter herein serves as an insight into how the Group understood to act as a sustainable and responsible player in the market by treasuring its People and the Community, while investing in its Operations to strengthen the competitiveness of the company.

KMG International takes great pride in reporting that, in 2015, Petromidia refinery - the most modern refinery in Romania, with a Nelson Index of 10.7 - processed a total of 4,949,653 tons of crude oil and other raw materials, a level similar to the record reached in 2014 (5.05 million tons). The quantity amounted to 105.02% of the capacity budgeted for the entire year and the results are even more notable giving the fact that the plant was shut down for 40 days due to general turnaround. Petromidia refinery only produces Euro 5 fuels and during the entire year of 2015 it managed to do that by using 3.8% less energy per ton, as compared to 2014. The mechanic availability of the refinery reached the record level of 96.9% in 2015, contributing, for the second year in a row, to a new record yield for white products (gas, diesel, jet fuel), of 85.7%.

Vega refinery, which is also the sole producer of polymers in Romania, produced 142,000 tons of polymers in 2015, while the quantity of feedstock processed amounted to 328,746 tons, up 6% from 2014. This amounts to 112.3% of what was provisioned for 2015. The figures translate to a mechanical availability of 99.6%. The results are even more surprising when looking at the management of resources that determined all this: the energy consumption reported by the ton registered a 3% decrease from 2014, gross water consumption was

 **HEADCOUNT**
6,954

 **PROFIT**
USD4.6 million

 **EBITDA**
USD162.2 million

3 m³/to, down 21% from 2014, while the amount of recycled water reused at Vega Refinery, marked a 24% increase over 2014.

Whilst reducing the energy and water usage in the entire production chain, boosting production and maintaining product quality, the Group also invested in making its fuel distribution stations more environmentally friendly, a move that together with the high quality of its products and services contributed to record sales of 2.64 million tons, up 7% compared to 2014.

Therefore, a large company like ours, with activities that impact the community in so many ways, needs to have a coherent CSR policy, that both takes care of its own People and contributes to the harmonious development of the Community in which it operates. As such, at Group level, there are clear plans and budgets allocations for community projects that have a positive impact on society.

Whether we are looking for young talents to join our team (through our annual Internship program), raise awareness on environmental issues with the help of our employees (who participate in the Rompetrol Run and Care fundraising races, tree planting campaigns, specific environmental cleanup actions), develop complex cultural programs (supporting George Enescu International Festival and Contest, donating for the Orchestra of Princess Margareta of Romania Foundation, bringing to Romania the Kazakh Film Festival), or support SMURD, we do it because we understand that only through a direct and unhindered attitude one can establish itself as a true member of the society and sustainable partner.



HEADQUARTERS
The Netherlands
Romania



PRODUCTION
Kazakhstan



REFINING
Romania



TRADING
Switzerland



WHOLESALE
Ukraine
Turkey



RETAIL
Romania
Moldova
Bulgaria
Georgia

FEEDSTOCK PROCESSED

2015
5,453 Kt

2014
5,542 Kt

REFINED PRODUCTS

2015
5,324 Kt

2014
5,398 Kt

TRADED VOLUMES

2015
14,989 Kt

2014
14,643 Kt

RETAIL VOLUMES

2015
2,637 Kt

2014
2,535 Kt



OCT-NOV (40 DAYS)
Scheduled turnaround
of all three production
units in Romania



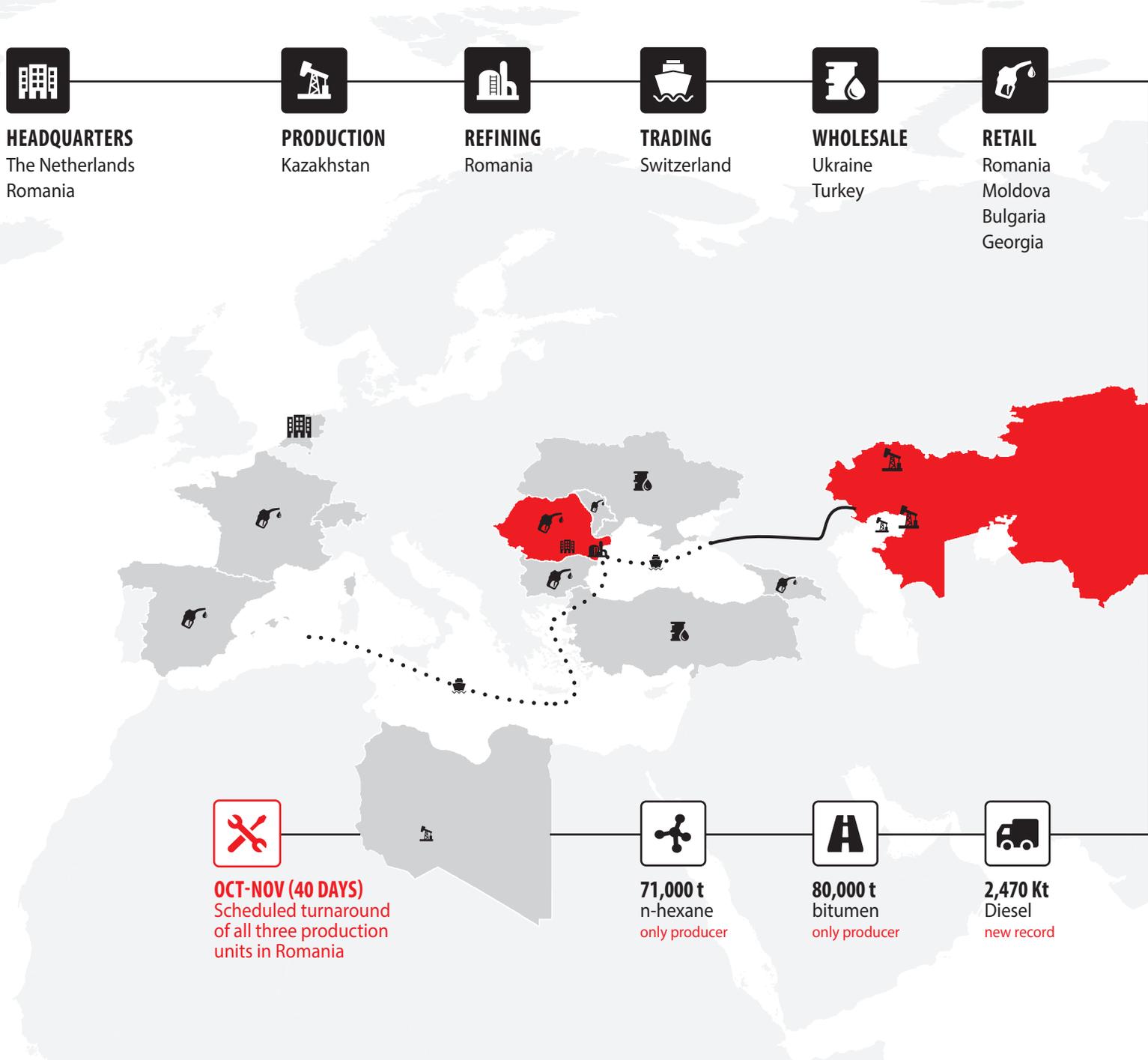
71,000 t
n-hexane
only producer



80,000 t
bitumen
only producer



2,470 Kt
Diesel
new record



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 could have significant implications for our long-term success.

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).

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 communicated and 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.

Code of Conduct

Our long-term success is based on a solid foundation of clear principles and values like integrity, honesty, and responsibility.

We meet the highest ethical standards in all business dealings and we accept responsibility and hold ourselves accountable for our work and our actions. Our Code of Conduct sets up the basic rules outlining our approach to the business ethics, and 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.

Supplier Code of Conduct

KMG International Supplier Code of Conduct details the company's values and approach with regard to integrity, human rights, labor standards and environmental responsibility, with which all our suppliers and partners must comply in our dealings.

The company also uses a whistle blowing mechanism, 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 how to use the mechanism have been provided to all employees.

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.

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 ROMANIA)

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 Chemicals 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.



Objectives and Future Plans

As an important regional oil & gas player with a great interest and dedication in managing an ever more successful business, KMG International also has great responsibilities in safeguarding almost 7,000 jobs, while assuring its operations are environmentally friendly and the community at large benefits from the overall economic activity and social involvement of the company.

The subchapter herein wants to serve as an insight into how the Group understood to act as a sustainable and responsible player in the market by treasuring its People and the Community, while investing in its Operations to strengthen the competitiveness of the company.

KMG International takes great pride in reporting that, in 2015, Petromidia refinery - the most modern refinery in Romania, with a Nelson Index of 10.3 - processed a total of 4,949,653 tons of crude oil and other raw materials, a level similar to the record reached in 2014 (5.05 million tons). The quantity amounted to 105.02% of the capacity budgeted for the entire year and the results are even more notable giving the fact that the plant was shut down for 40 days due to general turnaround. Petromidia refinery only produces Euro 5 fuels and during the entire year of 2015 it managed to do that by using 3.8% less energy per ton, as compared to 2014. The mechanic availability of the refinery reached the record level of 96.9 % in 2015, contributing, for the second year in a row, to a new record yield for white products (gas, diesel, jet fuel), of 85.7 %.

Vega refinery, which is also the sole producer of polymers in Romania, produced 142,000 tons of polymers in 2015, while the quantity of feedstock processed amounted to 328,746 ton, up 6% compared to 2014. This quantity amounted to 112.3% of what was provisioned for 2015. The figures translate to a mechanical availability of 99.6%. The results are even more surprising when looking at the management of resources that determined all this: the energy consumption reported by the ton registered a 3% decrease from 2014, gross water consumption

was 3 m³/to, down 21 % from 2014, while the amount of recycled water reused at Vega Refinery, marked a 24% increase over 2014.

Whilst reducing the energy and water usage in the entire production chain, boosting production and maintaining product quality, the Group also invested in making its fuel distribution stations more environmentally friendly, a move that together with the high quality of its products and services contributed to record sales of 2,64 million tons, up 7% compared to 2014.

Therefore, a large company like ours, with activities that impact the community in so many ways, needs to have a coherent CSR policy, that both takes care of its own People and contributes to the harmonious development of the Community in which it operates. As such, at Group level, there are clear plans and budgets allocations for community projects that have a positive impact on society.

Whether we are looking for young talents to join our team (through our annual Internship program), raise awareness on environmental issues with the help of our employees (who participate in the Rompetrol Run and Care fundraising races, tree planting campaigns, specific environmental cleanup actions), develop complex cultural programs (supporting George Enescu International Festival and Contest, donating for the Orchestra of Princess Margareta of Romania Foundation, bringing to Romania the Kazakh Film Festival), or support SMURD, we do it because we understand that only through a direct and unhindered attitude one can establish itself as a true member of the society and sustainable partner.



Pelicans are the unsung heroes of the aquatic ecosystem, ensuring the health of fish populations

Pelicans are expert fliers and swimmers, feeding mostly on fish that are too weak or stranded in shallow water holes, a behavior that earned them the nickname of "fish doctors".

They inspire us to show the same care for the environment through sustainable procurement practices and active cleanup efforts.



The Pelican Environment

Our Ongoing Commitment

When managing our business operations, we take into account the complex responsibility KMG International has towards protecting the environment. In this respect, our approach is full compliance with all environmental protection regulations and alignment with the requirements of national and EU legislation in the field.

We strive every day to further improve our performance in relation with the environment and we continually prepare to respond to future challenges and opportunities, while minimizing the environmental impact.

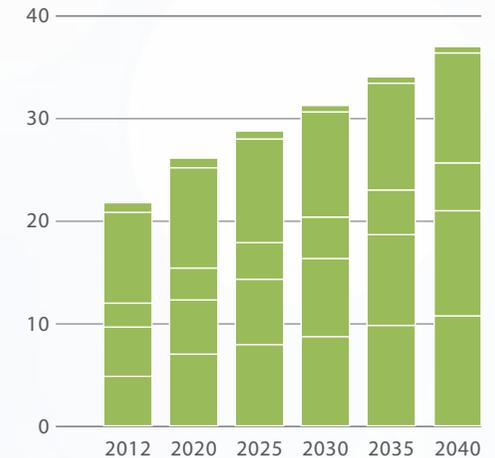
2015 was a significant year for the global community, with the UN sustainable development agenda for 2030, adopted in September, and the COP conference from December, governing climate change reduction measures from 2020. 2015 also brought difficult business environment and high volatility for the oil & gas industry, with a low oil price, fall in revenues and tough choices about long-term investments.

Today, fossil fuels meet more than 80% of global energy needs and we and KMG through KMG Trading brings annually 8 million tons of crude from Kazakhstan, out of which 5 million tons are processed in our Petromidia Refinery. We understand our position and challenges and we understand that sustainable development is not a fad or an addition to business operations, but simply something we must do, and anything that helps to protect our environment is a necessity.

WORLD NET POWER SOURCES

TRILLION KWH
(EIA OUTLOOK 2016)

LIQUIDS
COAL
NUCLEAR
NATURAL GAS
RENEWABLES



Assuring a fair balance between the need to address the operational and the business objectives, our vision of acting as a socially responsible company, supporting the communities and the local economy, and our firm commitment to comply with the strict and rigorous environmental rules applicable, is at the core of our sustainable business conduct.

In this pursuit, we apply and follow internal programs, implement environmental actions and follow key performance indicators according to the Global Reporting Initiative's (GRI) G4 Sustainability Reporting Guidelines - as they are the most commonly used sustainability guidelines and reporting principles around the world - to consolidate our position in the market and also improve the sustainability of living and development.

Strategic Environmental Objectives

The activities carried out by KMG International comply with the environmental legislation for each country where the Group operates. In each of these markets we strive to develop a sustainable business respecting the environment, being part of it, while pursuing economic performance.

The commitments and measures adopted by KMG International are set by the environmental strategy the Group developed and adopted with the aim of ensuring a predictable and successful long-term approach towards the environment.

The Group's activities and operations achieve this by referring to various interest areas and by following key environmental directions:

Major Achievements in 2015

The present report shows how we continually managed to develop our environmental performance while fully aware of the need to safeguard the natural habitat.

In 2015, Petromidia Refinery processed 4,949,653 tons of crude oil and other raw materials, a level similar to the record reached in 2014 (5.05 million tons), especially given the 40-day period in which production installations underwent the scheduled 5-year turnaround. The processing level accounts for 105.02 % of the previous year's capacity.

As proof of the Group's commitment for respecting local legislation, safety procedures and environmental standards, Petromidia Refinery was shut down for 40 days in order to proceed with the general turnaround (in the period 11 Oct – 21 Nov 2015). The operations were completed successfully, with no incidents.

The units on the Petromidia platform are operated at the highest performance and environmental standards, as proven by the new peak fuel yields recorded last year: 50% for diesel fuel (compared to 48.8% in 2014 and 46% in 2013) and 85.62% for white products (gasoline, diesel fuel, jet fuel, LPG) - the best yield in the history of the refinery.

- Compliance of activities and facilities with national and international legal requirements applicable in the field;
- Mitigation and prevention of environmental incidents;
- Minimization of resource consumption;
- Reduction of waste generated;
- Optimization of operations in terms of energy assets and reduction of CO2 emissions and other GHG;
- Maintaining a certified environmental management and improving the actual environmental management system (ISO 14001) implemented in all our entities;
- Permanent training of specialized personnel in this field;
- Ensure excellent communication both within the Group and externally with the public, state authorities, NGOs, local communities etc.

The **quality of fuel** produced by Petromidia Refinery was the main factor that contributed to the successful consolidation of our market share at national and regional level.

The emphasis was set on preparing gasoline and diesel fuels which meet the quality standards required on external (Euro 5 products) and internal markets (Euro 5 with Bio products).

In an effort to reduce our environmental impact and diversify our transportation system, the supply of petroleum products from Rompetrol Rafinare was mostly handled through the Midia port, by sea, but also by road and rail for shipments to foreign markets. In the case of domestic sales, product distribution was carried out by rail and road.

In terms of **energy usage**, KMG International's objective is to keep a tight control over the consumption of energy and natural resources, in order to minimize its carbon footprint.

By environmental policy, we actively work towards reducing consumption of resources through more efficient use.



At Petromidia Refinery, the energy consumption per ton (GJ/to) has seen a decrease of 3.8% as compared to 2014, due to the improvement of energy efficiency as well as operational consolidation measures meant to enhance energy performance.

While still on the subject of efficient use of resources, we have recorded a significant progress in the amount of **recycled water** we reused at Vega Refinery, marking a 24% increase over 2014 partially due to a 6% increase in throughput in 2015.

Vega refinery is also the sole producer of polymers in Romania, the polymer production reaching 142,000 tons in 2015.

We also take pride in the fact that the historical sludge from lagoon no.3 (belonging to Petromidia Refinery) was 100% removed and co-incinerated at Lafarge Medgidia. Lagoon no.3 was completely emptied and cleaned, through Ecomaster, our former environmental services division. The site inspection from the competent authority has confirmed our full compliance with the obligation assumed on 19 November 2015.

Environmental Indicators

We strive, on a daily basis, to improve the management of GHG emissions, reduce consumption of fresh water and thus improve our water management, minimize the waste produced and ramp up recycling rates, reduce the energy consumption in the production and transportation systems and protect biodiversity.

Another major performance of the Group is the implementation of the project "Electrostatic Precipitator – ESP". The scope of the project was to reduce particulates emissions at the smoke stack of the FCC Unit, in order to comply with the BAT/BREF requirements (Decision no. 2014/738/EU). An ESP Performance test was carried out in May and the recorded values for dust were below LEV requirements (Limit Emission Values).

Further to our efforts of safeguarding the natural habitat and in an effort to reduce the risk of environmental accidents, KMG International Group will continue to allocate over 6 million USD until 2018 for the modernization and automation of fuel loading-unloading systems of internal depots and terminals at Petromidia Navodari Refinery.

In the process of modernizing our equipment and thus making it safer, Midia Marine Terminal, completed the works for the replacement of the oil transfer equipment at its offshore mooring point, to keep the Black Sea terminal in optimum safety and performance conditions.

MATERIALS

We pay great attention to observing the best practices the quality-health-safety-environment (QHSE) management system.

To this end, all the fuels produced by Rompetrol Rafinare were recertified for Quality, Environment, and Occupational Health and Safety Management systems in 2015.

The production schedule of Rompetrol Rafinare- Petromidia for the year 2015 provisioned a total processing capacity of 4,713,109 tons, of which 4,353,225 tons of crude oil and 359,884 tons other raw materials.

The total feedstock processed in 2015 amounted to 4,949,653 tons, out of which 4,453,497 tons of crude oil and 496,157 tons for other. This amounts to 105.02% of the capacity budgeted for the entire year. The level is similar to the record reached in 2014 (5.05 million tons),

but in the context of the 40-day turnaround.

Petromidia Refinery reached a historic milestone in June 2015, when it recorded a Maximum Flow Rate for the Crude Unit of 14,550 tons/day. Moreover, the refinery recorded processing 15,160 tons/operation day at the level of 2015, the largest quantity in the history of the refinery.

Under these conditions, the mechanic availability of the refinery reached the record level of 96.9 % in 2015.

For the second year in a row, the refinery reached a new record yield for white products (gas, diesel, jet fuel), of 85.62%, while the EII (Energy Intensity Index – Solomon methodology), measuring the energy efficiency, scored 98.6 points, the best level ever recorded at Petromidia. Petromidia produced the highest quantity of diesel products in its history (2.47 million tons), with the highest yields (50%, compared to 48.8% in 2014 and 46% in 2013).

Being the most modern refinery in Romania, with a Nelson Index of 10.3, Petromidia Năvodari has a product basket aligned to the market needs. The refinery produces exclusively Euro 5 fuels and fully complies with European environmental regulations.

At Vega Refinery, we provisioned to process a total of 292,830 tons of feedstock in 2015, of which 292,721 tons supplied by Petromidia Refinery and 109 tons purchased from outside the Group.

The actual quantity of feedstock processed in 2015 amounted to 328,746 tons, out of which 328,650 tons from Petromidia Refinery and 96 tons from non-Group acquisitions, up 6% compared to the previous year, when 308 thousand tons were processed. This quantity amounts to 112.3% of what was provisioned for 2015. The figures translate to a mechanical availability of 99.6% for Vega refinery in 2015.

The median monthly processed volume amounted to 27,395 tons, as opposed to 24,403 tons budgeted, stemming from a need to adapt to growing market the demand and greater availability of feedstock from Petromidia Refinery.

In addition, polymer production at Vega Refinery reached 142,000 tons in 2015.

The Vega Refinery is the only Romanian producer of Extraction gasoline used in different industries, such as: varnishes and dyes, rubber processing, extraction of food oil, production of solvents and degreasing substances. At the same time, it distinguished itself

**PETROMIDIA
FEEDSTOCK
PROCESSED**
TH. METRIC TONS

2015
CRUDE: 4,204
OTHER: 745
TOTAL: 4,949

2% due to the turnaround

2014
CRUDE: 4,426
OTHER: 627
TOTAL: 5,053



**VEGA
FEEDSTOCK
PROCESSED**
TH. METRIC TONS

2015
FROM PETROMIDIA: 328.65
NON-GROUP: 0.09
TOTAL: 328.74

6.4%

2014
FROM PETROMIDIA: 308.35
NON-GROUP: 0.60
TOTAL: 308.95



Use of Petromidia feedstock at Vega went up from 99.80% to 99.97%



as being the only producer of n-hexane in Central and Eastern Europe. Through synergy with the Petromidia Refinery, the feedstock provided by the Black Sea refinery is used to obtain special products with added value.

Vega Refinery produced record quantities of bitumen (80,000 tons) and hexane (71,000 tons), due to higher quality raw materials and increased demand in the regional market. Vega Refinery is the sole producer of bitumen and polymer-enriched bitumen in Romania.

The overall quantity of feedstock processed by Vega Refinery from 1906 to September 2015 amounts for 67 million tons, with a peak of 1.13 million tons reached in 1979 – the moment Petromidia Refinery was commissioned.

Of these amounts, the percentage of recycled input materials used by Petromidia Refinery was 0.4% in 2015, namely 30,005 tons of recycled material (slop).

ENERGY MANAGEMENT

Romp petrol Rafinare, with its two refineries (Petromidia Năvodari and Vega Ploiești), covers over 40% of the crude processing capacity of Romania.

Located at the Black Sea, Petromidia processes exclusively Urals crude. The access to natural resources from Kazakhstan, as well as transportation and refining activities is accomplished by KMG

International through an integrated system that ensures the quality and safety of the products delivered to the market.

In a continuous effort to improve energy use, cut the overall operational costs and reduce the impact on the environment, KMG International requires all its companies to incorporate energy use considerations into their business plans and to transform them into reality by implementing technologies and systems to improve energy use.

Therefore, at Petromidia Refinery, the reduction of the operating costs, in parallel with the increase of mechanical and operational availability, allowed an improvement in the Energy Intensity Index to 98.6 points, the best annual level recorded by the refinery so far. This marks a 16.3-point improvement over 2012, when the EII was 114.9 points.

At Vega, compared to the total energy consumption in 2014, which stood at 2.92GJ/to and 833 tons throughput/day, the values recorded in 2015 were of 2.83 GJ/to and 901tp/day, thus marking a higher throughput, better energy efficiency measures and projects implemented.

When talking about the Petrochemical Division, the energy consumption index dropped and while it stood at 21.3 in 2012, it reached 19.2 by 2015, mainly influenced by unit pellet production (quantity and grades), continuous operation (utilities consumed during non-operation increase the EIP - Energy Index for

PETROMIDIA MECHANICAL AVAILABILITY

2015
96.9%

2014
100%



27,395
tons/month
median
processing
capacity
in 2015

VEGA MECHANICAL AVAILABILITY

2015
99.6%

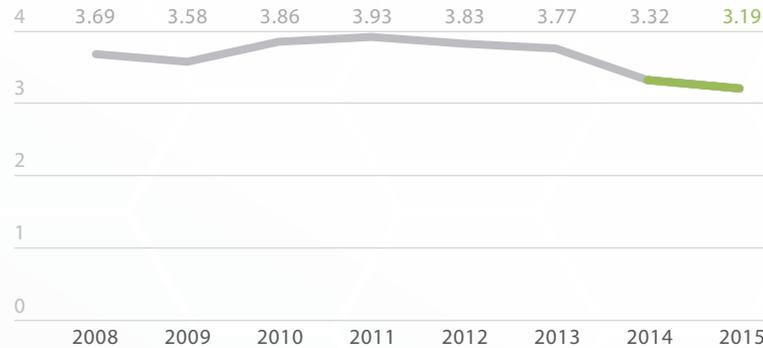
2014
93.9%



15,160
tons/day
median
processing
capacity
in 2015

**PETROMIDIA
ENERGY
EFFICIENCY
INDEX**

GJ/T OF THROUGHPUT



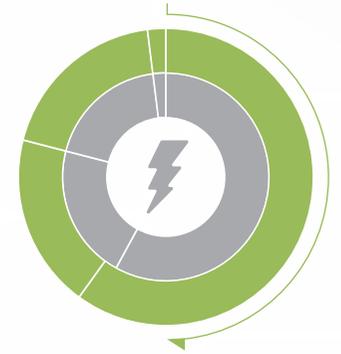
**PETROMIDIA
ENERGY
BASKET**

2015

fuel gas: 60%
coke on catalyst & PSA off-gases: 19%
power: 19%
steam: 2%

2014

fuel gas: 58%
coke on catalyst & PSA off-gases: 21%
power: 19%
steam: 2%



**VEGA
ENERGY
EFFICIENCY
INDEX**

GJ/T OF THROUGHPUT



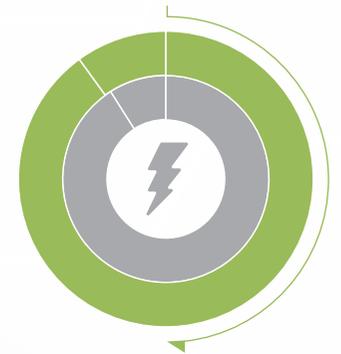
**VEGA
ENERGY
BASKET**

2015

fuel gas: 90%
power: 10%

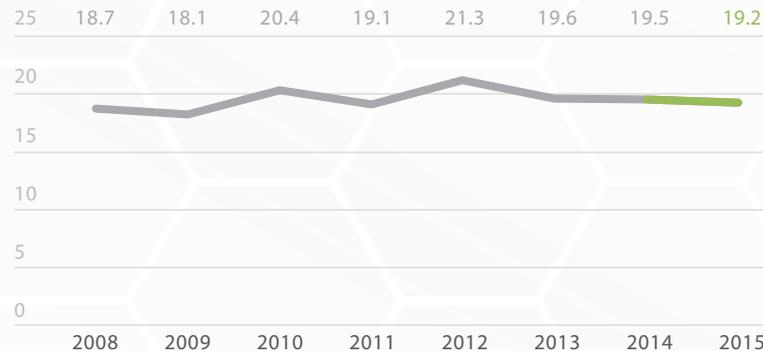
2014

fuel gas: 91%
power: 9%



**PETROCHEMICALS
ENERGY
EFFICIENCY
INDEX**

GJ/T OF THROUGHPUT



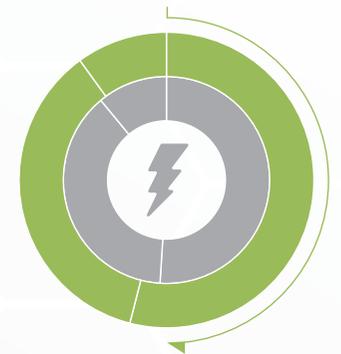
**PETROCHEMICALS
ENERGY
BASKET**

2015

steam: 54%
power: 36%
power offsites: 10%

2014

steam: 51%
power: 38%
power offsites: 11%





35
of 80

**PETROMIDIA
ENERGY
INTENSITY
INDEX**
GJ/GDP



Petrochemicals area) and seasonality (higher consumption of steam during winter time).

It is worth mentioning the cost of energy per ton at Petromidia Refinery dropped in 2015 compared to 2014, by USD 4.1 per ton, this being determined in particular by the decrease in steam consumption and the energy consumption (GJ/t) reported by unit of ton processed.

Petromidia registered a decrease in energy performance of 3.8% as compared to 2014, due to the improvement of energy efficiency as well as operational concentration to enhance energy performance.

At Vega Refinery, the energy consumption reported by the tone registered a 3% decrease from 2014, while gross water consumption was 3 m³/to, down 21% from 2014.

The Energy Indicators for Rompetrol Bulgaria can see an improvement starting 2013 with the implementation of LED lights in our gas stations, the total energy consumption decreasing from 3,145 MW in 2014 to 2,925 MW in 2015.

Also in 2015, following the rebranding of 65 gas stations, the energy consumption (toe) witnessed a decrease of 8% over the previous year.

EMISSIONS

KMG International reports Greenhouse Gas (GHG) emissions from oil and gas assets on an operated and net equity basis and complies with the latest EU and international legislation in the matter. Moreover, the Greenhouse Gas emissions that come from our fuel combustion and flaring activities have been verified by certified auditors.

It is a fact that New Permits for the Greenhouse Gases have been issued during the year 2013, valid through the end of 2020 (Phase III - 2013-2020), both for Rompetrol Rafinare – Petromidia, as well as for Rompetrol Rafinare – Vega.

In December 2013, Petromidia Refinery underwent an audit of the questionnaire for accessing the New Entry Reserve, Phase III (2013-2020). The request was validated by certified auditors and sent to the Ministry of Environment and Climate Change.

The annual CO₂ audit for 2014 emissions was held in January 2015, while in February, the Environmental Ministry downloaded the CO₂ certificates for 2015 into Rompetrol's EU-ETS accounts. In April, the CO₂ certificates for 2014 emissions were returned to the European Register of Greenhouse Gas Emissions (EUTL - European Union Transaction Log).

Petromidia Refinery registered a major performance in 2015, when the implementation of the project "Electrostatic Precipitator – ESP" took place. The scope of the project was to reduce particulates emissions at the stack in the FCC Unit, in order to comply with the BAT/BREF requirements (Decision no. 2014/738/EU). In May, an ESP Performance test was carried out and the recorded values for dust were below LEV requirements.

As a consequence, in terms of Greenhouse Gas emissions reduction, 2015 vs. 2014, Petromidia Refinery registered a 70,677-ton cut in emissions from 883,963 tons to 813,286 tons, while Petrochemicals saw a reduction by 7,644 tons, from 41,514 tons down to 33,870 tons. Also, compared to 2014, Petromidia Refinery (refining and petrochemical production units) saw a reduction from 275 tons down to 269 tons for SO₂ and from 399 tons to 363 tons for NO_x respectively.

**PETROMIDIA
EMISSIONS**

TONS

2015
NOX: 363
SO2: 269
PM: 19.2

2014
NOX: 464
SO2: 277
PM: 120



**PETROMIDIA
WATER
SUPPLY**

MILLION CUBIC METERS

2015
SURFACE WATER: 7.53
MUNICIPAL SUPPLY: 0.43

2014
SURFACE WATER: 6.62
MUNICIPAL SUPPLY: 0.35



**PETROMIDIA
TREATED
WASTEWATER**

MILLION CUBIC METERS

2015
REUSED: 2.29
DISCHARGED: 6.07

2014
REUSED: 1.48
DISCHARGED: 4.14



WATER MANAGEMENT

In line with our policy to observe the highest environmental standards, our planning takes into consideration a reduction of water usage in the day-to-day running of the business.

The technological industrial water supply of Petromidia's refining and petrochemical plants come from Carasu Station (surface water) with 7,536,486 m³ in 2015, supplemented with 432,094 m³ from the municipal supply managed by RAJA Constanta, the local water company.

At Vega Refinery, the water supply is made up of water withdrawn from P1 and P4 Sources (groundwater, capture plants, treatment plants).

It is worth mentioning that the gross water consumption recorded a decrease of 21%, to 3 m³/to, compared to 2014, due to industrial water used in 25 units (of which 6 in conservation) of Petromidia Refinery, 4 units of the Petrochemical Division and 13 units (of which 2 in conservation) of Vega Refinery.

While still on the issue of reducing our impact on the natural environment and on the limited resources nature offers us, in terms of water consumption, Vega Refinery reported an increase of 24% over 2014 in the amount of recycled water used due to a 6% higher throughput.

In 2015, Petromidia Refinery treated 8,368,879 m³ wastewater, of which 6,074,767 m³ of treated wastewater discharged at VADU and 2,294,112 m³ of treated wastewater reused.

The waste water treatment has been carried out by Thermal-Hydro, electrical and sewage plant sections for the Companies located on the Petromidia platform as well as other companies outside the platform.

Romp petrol Well Services is using drilled water well for industrial and domestic water since 2012 for two working points: Ploiești and Timișoara. Estimated consumption for Timișoara: 143 m³/year, Ploiești 3650 m³/year. Rompetrol S.A. is using only water from local network ~ 360 m³/year. Rompetrol Bulgaria generated, in 2015, 6,502 m³ of waste water.

In Upstream activities, for locations where water supply is provided from drilled sources, there are reports of water quality monitoring wells in sanitary protection zone.



In 2015, Rompetrol Bulgaria increased its 2 drilling water consumption from 1,011 m³ in 2014 to 2,669 m³ in 2015, while the water consumed from the only river source stayed the same in 2014 and 2015, 400 m³.

We always look to improve the efficiency of water usage, both in the Group's water management strategy and facility installations and equipment.

WASTE MANAGEMENT

KMG International is deeply committed to adhering to and observing the environmental standards it voluntarily assumed, in this respect, we develop ways to reduce and re-use the liquid and solid waste the Group produces throughout its refining, distribution and marketing of its products.

In 2015, a major project initiated in 2012 in Rompetrol Rafinare - Petromidia Refinery, the historical sludge from lagoon no. 3 was 100% removed and co-incinerated at Lafarge Medgidia. Lagoon no. 3 was completely emptied and cleaned, through Ecomaster, our formal environmental services division. The site inspection from the competent authority has confirmed our full compliance with the obligation assumed on 19 November 2015.

No hazardous wastes were transported, imported, exported in 2015.

The waste generation rate was at 2 kg/to of raw material processed (the generation rate has increased due to the TA activity).

WASTE RECOVERED IN PRODUCTION

2015
67%

2014
97.7%



BIODIVERSITY

Being aware of our responsibility when it comes to preserving biodiversity, the Group gives special attention to the Black Sea region (where Petromidia Refinery is situated) and cares about the very active wildlife populating the area.

When talking about Petromidia Refinery, we have groundwater monitoring system in upstream, and downstream of the refinery and we can report that none of the values set forth in the integrated environmental permit were infringed regarding the quality of groundwater and also there were no infringements of LEVs for land industrial use (7 monitoring points inside) and 2 points considered proof sample at Vadu and Navodari camp.

In accordance with the National Regulation for water/air tests – we registered values within the normal parameters.

Our retail activities are monitored by a system in conformity with requirements of water and environmental permits.

For each new project the impact of the refining activity on biodiversity is analyzed and assessed.

PRODUCTS & SERVICES, TRANSPORT

The Petromidia platform is operated according to the highest performance and environmental protection standards. By putting into service new installations, as well as through the modernizations of existing ones, Rompetrol Rafinare now produces only Euro 5 fuels.

When it comes to conforming ourselves to the minimum levels of biofuels imposed by Romanian legislation to be blended in the overall composition of diesel and gasoline, by January the 1st 2016, the level reached 6,5% in volume for diesel, and 4,5% on the 1st of January 2014, for gasoline.

In 2015, KMG International purchased an overall quantity of 53.31 thousand tons of Biodiesel, 17,664 tons of Bioethanol and 1,854 tons of Bio-ETBE.

The delivery of products at Rompetrol Rafinare was carried out for exports, largely via the Midia port using ships, but also on road and rail,

while the logistics in Romania, involved transportation of products by rail and by road.

Midia Marine Terminal operates berths for the delivery of petroleum products and the unloading of raw materials, which ensures safety in the supply chain of raw materials and petroleum products.

In terms of transportation of products KMG International's objective is to keep a tight control over the consumption of energy, while delivering better products and minimizing the impact on the environment.

ECO-EFFICIENT GAS STATIONS

It is through the "Business Transformation Program" that KMG International is implementing a new strategy and operational model, by improving the refinery's efficiency and increase sales and margins, while also reconfiguring Rompetrol gas stations by making them more environmentally friendly.

In 2015, in terms of sales, we reached a record high of 2.64 million tons, up 7% compared to 2014, an effort that was also supported by our investments on continuing the ample rebranding program of fuel distribution stations in Romania, Bulgaria, Georgia and Moldova.

At the end of 2015, under the new marketing concept, there were 121 own fuel distribution stations and 39 partner stations, a total of 160 rebranded stations.

Our endeavor for being a sustainable Group materialized in our efforts for optimizing the distribution network, improving flows between refinery and fuel distribution, resulting in overall and substantial savings.

In Retail, certain aspects and investments that we already made or are programmed to be implemented, transformed our gas stations and deposits into more eco-friendly places and the process continues.

Our rebranded stations use LEDs for exterior and interior lighting, precise power meters, motion sensor faucets and other eco-friendly features like green areas.

Soon, we will also use photovoltaic panels to generate the power requirement and introduce charging stations for electric cars.





First, the personnel were trained on the management of natural resources, through the implementation of ISO 50001 Certificate, also a new Program for saving electricity was put in place, the lighting system was changed to LED lights, both interior and exterior, the sink battery systems are now all having sensors to reduce water consumption, the electricity meters were also replaced to better monitor the energy consumed, Green corners were also implemented, each gas station having now its own sector with grass and trees.

For the future, we will continue our efforts in this direction by installing photovoltaic panels to generate free electricity for our gas stations and introduce charging stations for electric cars.

The staff working in the deposits was also made environmentally aware through the implementation of the ISO 50001 Certificate, on the management of energy efficiency, while a new Program for saving electricity was put in place. The electricity meters were also replaced to better monitor the energy consumed; the administrative buildings became more energy efficient by removing the air conditioning units and installing sun protection films on the windows. Capacitor batteries were also introduced for the large electricity consumers.

In the future, our deposits will also benefit from the replacement of electricity consuming technical equipment with other high energy class devices.

Our gas stations in Bulgaria have also benefitted from the rebranding program and are now fitted with exterior pole-mounted LED lights. While for Moldova and Georgia, two environmental projects were implemented, one which oversees the usage of natural resources and the other referring to a waste management system that was put in place.

COMPLIANCE

The environmental strategy of Rompetrol Refinery is based on the compliance with the highest international standards and in full respect with the legal framework, through permanent monitoring and regular reporting of compliance levels and the continuation of the investment programs, for the alignment with the best techniques available in the industry (BAT BREF).

KMG International has been a member of CONCAWE (Conservation of Clean Air and Water in Europe) since 2008. Founded in 1963, CONCAWE researches multiple aspects of environmental protection in the oil industry.

While a member of CONCAWE, all the Group's member-companies are assisted in order to help them comply with the European REACH Regulation (Registration, Evaluation, Authorization and Restriction of Chemicals).

In 2015, in line with the provisions of the REACH Regulation, petroleum product files were updated according to the ECHA requirements, without additional costs and a new dossier substance for solvent category - white spirits produced at Vega refinery – was acceded.

The organizations have not identified any non-compliance with regulations and voluntary codes concerning health and safety impacts of products in 2015.

The 2015 total budget for Environmental Compliance was USD 973,600.



Because the tortoise makes progress only when it sticks its neck out, we encourage and reward initiative in the community.

The tortoise found in the Dobrogea region of Romania - *Testudo Graeca* - is common to the Mediterranean and Black Sea regions even as far as Georgia. It is yet another thing our various host communities have in common.





Main CSR Projects

GEORGE ENESCU INTERNATIONAL FESTIVAL

KMG International, under the Rompetrol brand, continued to be main partner of the George Enescu International Festival, the year's defining event for classical music lovers and promoter of Romania's cultural identity, that gathers thousands of faithful spectators.

At this year's edition, the Group also supported the presence of a young violinist from Kazakhstan, Zhibek Mussurgaliyeva, who performed, on September 12, on the open air in George Enescu Square.

The Festival, at its XXII edition in 2015, took place from August 30 to September 20 and included a wide variety of performances in concert halls in Bucharest and in other Romanian cities. Among cultural activities that are linked with the contribution of KMG International we can enumerate the two concerts performed by the London Symphony Orchestra in Bucharest.

CIVIL SOCIETY GALA

KMG International supported the 13th edition of the Civil Society Gala, the most important project dedicated to the activity of the associative sector in Romania.

As of 2003, Rompetrol is a partner and main sponsor for the Civil Society Gala – the annual competition that awards the best projects of the year, initiated by NGOs, unions, individuals etc.

Therefore, we can say that our responsibility is not only to the almost 7,000 employees and 3,500 business partners whom we have provided additional safety in the context of difficult market conditions. We have constantly extended our commitment and involvement to areas in great need - education, healthcare, environmental protection, culture, generating a direct positive impact on more than 300,000 people nationwide in the past 9 years.





ARMAN MOURZAGALIYEV EXTRAORDINARY CONCERT

Supporting and promoting the activity of the Orchestra of Princess Margareta of Romania Foundation, which offered, on December 5, 2015, an extraordinary concert together with the Kazakh violinist Arman Mourzagaliyev on the stage of the Romanian Athenaeum is proof of our implication in Romania's cultural life by building bridges between Kazakhstan and Romania.

The concert was part of the company's initiative to support young talents on the Romanian cultural scene and promote the cultural exchange between Romania and Kazakhstan.

In 2015, the Princess Margareta of Romania Foundation celebrated 25 years of activity in Romania, a period during which it developed and supported programs that improved the living conditions of children, youth, families and seniors in need, fostered creativity and local talent, helping to increase the quality of people's lives and communities.

The Foundation emphasizes the inter-generational model by stimulating solidarity and creating a bridge between children, young and old, through ongoing projects like "The Generations Community Center", "The special fund for children", The Hercules community centre" and programs whose names speak for themselves "Never alone – volunteers close to the elderly", "Young talents", which supports and promotes talented young artists coming from families with low incomes, or "A trade to trust your future" program, which supports young people coming from foster care and disadvantaged environments who want to find employment.

10TH ANNIVERSARY OF THE ROMANIAN CULTURAL SOCIETY "DACIA" IN KAZAKHSTAN

The Romanian community in Kazakhstan, through the Dacia Romanian Cultural Association, continuously benefits from KMG International's support in preserving and developing his identity in Kazakhstan through annual dedicated actions and events.

An artistic event was organized by the ethnic-folk groups "Dorule" and "Romania" in October to celebrate 10 years of activity of the association.



**5,808 LIVES
SAVED**



**10,347 HOURS
OF FLIGHT**



**809 TONS
OF FUEL**



**6 YEARS OF
PARTNERSHIP**

2010-2015



**6
FEATURE
FILMS**



**4
DAYS
27-30 NOV**



**1
CINEMA**



**550TH
ANNIVERSARY
OF THE KAZAKH
KHANATE**

SMURD PARTNERSHIP FOR LIFE

Romp petrol Rafinare, member of KMG International, adopted the group's strategy for sustainable development and supports a wide range of CSR projects – such as the partnership with SMURD, established in 2010.

In the last 6 years of solid and fruitful partnership, we offered the emergency rescue service 809 tons of jet fuel (151mt only in 2015), with the help of which 10.347 hours of flight were executed that led to the saving of 5.808 lives. A precious project, that we are very proud to further continue and develop.

A quick calculation involving the numbers written above shows that with the amount of jet fuel offered by Rompetrol in the 2010-2015 period, a helicopter would have circled the earth 20 times.

DONATIONS FOR COLECTIV CLUB FIRE VICTIMS

KMG Rompetrol joined the national effort to help the victims of the tragic event that took place at Club Colectiv, on Friday night, October 30, and donated through "Mereu Aproape" Foundation.

In our effort to invest in health projects, we also purchased and donated 2 plasma coolers to the National Blood Transfusion Institute, that meet the European norms, as well as technical and medical furniture for laboratories.

KAZAKH FILM FESTIVAL

KMG International is actively involved in cultural programs and projects designed to promote the social and cultural values of Romania, both nationally and internationally. In this respect, bringing to Romania the Kazakh Film Festival was a very inspired idea, appreciated by cinema goers.

Taking into consideration the rich and proud history of Kazakhstan and its incredibly diverse population of over 130 ethnic groups, KMG International, together with the Embassy of the Republic of Kazakhstan in Romania, organized the Kazakh Film Festival in Bucharest, an event that greatly contributed to the cultural exchange between the two countries.

Employee Engagement and Partnerships with Academia

ROMPETROL RUN AND CARE

The Group held in 2015 the second edition of Rompetrol Run and Care, a charity race in Herastrau park that involved our employees, their families and our business partners in supporting social causes.

Over 300 employees from various companies within the Group ran for distances of 5, 10 and 15 km, each kilometer being rewarded by the company and the amount raised was directed to support the activities of Princess Margareta of Romania and MagiCamp Foundations.

Following Rompetrol Run and Care charity event, the funds raised for MagiCamp helped with the organization of summer camps for the benefit of children and adolescents in Romania suffering from oncological diseases, while the sums allocated to Princess Margareta Foundation supported the Young Talents program and orchestra concerts.

OTHER INTERNAL PROJECTS:

Cleaning the beach close to Navodari camp and Petromidia platform, on the occasion of the World Environment Day – where ~100 employees from the industrial Petromidia platform collected waste plastics, glass, metal, on a beach area of about 2 kilometers. With the support of local authorities, the waste was subject to selection and recycling;

Donations of toys, food and clothes for Children's Day (June the 1st) and Christmas, for children coming from low-income families;

Directing the 2% income tax – 280 persons sent their 2% annual contributions, to be further directed to partner NGOs with which we collaborate: SMURD, Hospice Casa Sperantei, Magicamp Foundation, Orchestra of Princess Margareta of Romania Foundation, and the Humanitarian Association MAME;

Blood donation - 55 employees at the headquarters in Bucharest donated blood to be used in hospitals across the country to save patients undergoing surgery, oncological treatment or who require blood products;

Workshop "Principles for healthy living and exercise";

Celebration of Earth Hour and international days currently observed by the United Nations.

2015 INTERNSHIP PROGRAM

KMG International, through its member companies, had, in 2015, its annual Internship program, addressed to those approximately 129 persons selected to develop their professional skills and technical competences for a successful career in oil and gas industry. The program rolled out between 27 of July – 11 of September, in Petromidia Năvodari and Vega Ploiești refineries, owned by KMG International.

During the program's implementation, the participants were trained by professionals within Rompetrol Rafinare, Rominserv, Rompetrol Quality Control and Midia Marine Terminal, in business area like production, laboratory activities, maintenance, sales and marketing, planning, risks management, QHSE.

The participants come from specialized universities from all around the country – Ovidius University in Constanta, Oil and Gas University in Ploiesti, Bucharest Polytechnic. The Group has developed with these universities partnerships offering internship programs to students, graduates and post-graduate students.

The students, who participated in the 2015 Internship were selected among 150 candidates as a result of a well put together recruiting campaign. During the selection, their technical and behavior competences were evaluated, as well as the team work abilities, their initiative and proactive attitude and also their orientation towards results and clients. By the end of the program, KMG International specialists assessed the employability score of the students who participated in the program.



The Tortoise Community

Approach to Community Engagement

As part of our strategy, KMG International supports a wide range of projects that focus on community development, by further diversifying the groups that we address to and maximize the positive and constructive impact we have on society.

Our developments over the past few years stand witness to our efforts of becoming a sustainable oil and 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. Therefore, 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 partnerships with NGOs have grown constantly, providing better opportunities for numerous people.

At Group level, there are plans and budget allocations for community projects, aimed at supporting the harmonious development of the communities we operate in. As such, our environmental projects focus not only on waste management, biodiversity preservation and pollution prevention activities, but also on raising awareness on environmental issues through dedicated actions, with the participation of our employees, such as Rompetrol Run and Care fundraising races, tree planting campaigns, specific environmental cleanup actions and voluntary blood donations.

Awards

GREEN FROG AWARD

KMG International was awarded as the national winner for the best sustainability report in the local competition Green Frog Award 2015, held by Deloitte Romania.

The Green Frog Award had its first edition in Romania in 2015. For the previous 13 consecutive editions, part of the Deloitte Central European Sustainability Report aimed to identify and reward excellence in reporting non-financial corporate information in Central Europe. The prize focuses on content, structure and creativity in communication and performance in the field of sustainability and strategic commitments undertaken in reports.





Recognized by the UN as non-human persons, dolphins form deep bonds and exhibit complex social structures.

Three common dolphin species are known to populate the Black Sea, some of whom can get quite close to the shoreline and even enter Midia port, near Petromidia refinery.

Their incredible intelligence and teamwork skills resonate with the values behind our main corporate responsibility program and inspire us in our internal projects.

The Dolphins

Our People

KMG International is fully aware that in order to become and maintain itself as a well-established oil company, a trustworthy international partner, a revered corporate citizen and a desired employer, to become a sustainable Group with a vision for the future, it needs to treasure its staff, invest in it and always attract highly educated and performing workforce. Our people can grow our business and the community alongside.

In 2015, KMG International continued to support the development of its human capital and to expand it by training employees to acquire skills and business competences necessary to achieve the objectives assumed.

Human Resources Management

WORKFORCE STRUCTURE

The stability of our workforce in 2015, (6747 as of December 2015) reflects the solid approach we have had in tackling an increasing competitive market context, focused on optimizing our efficiency and on continuing to invest in our personnel.

Roughly 95% of employees in Romania and at Group level work under indefinite contracts, a ratio that demonstrates the long-term commitment to our employees.

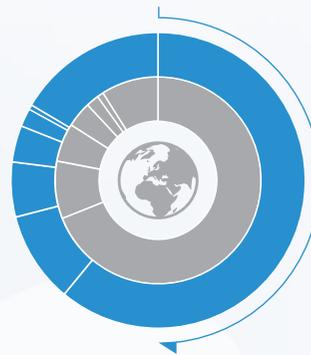
HEADCOUNT BY NATIONALITY

2015

ROMANIAN: 61%
GEORGIAN: 10%
MOLDOVAN: 9%
FRENCH: 4%
KAZAKH: 2%
LIBYAN: 0.5%
OTHER: 16.5%

2014

ROMANIAN: 69%
GEORGIAN: 9%
MOLDOVAN: 6%
FRENCH: 4%
KAZAKH: 2%
LIBYAN: 1%
OTHER: 9%



KMG International employee community includes mostly Romanian (61% or 4,772 workers), Georgian (10%), Moldovan (6%), French (4%) and Kazakh (2%) employees, but we also have Hungarian, Russian, Germans and Spanish citizens. The present report is focused on our personnel and operations in Romania, France, Spain, Bulgaria (new) and Georgia.

To foster diversity and cultivate leadership, we employ a high number of local nationals in our international operations, including senior managers. By hiring locally, we demonstrate our long standing policy to support the growth of our host communities.

For example, in Romania, the proportion of senior management hired from the local community is 50% (50% expats - 50% locals). In France, that ratio goes up to 80% (20% expats - 80% locals), and even higher in Georgia (10% expats - 90% locals), while in Bulgaria, the proportion of senior management hired from the local community is 100% (0% expats - 100% locals).

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.

In terms of the total number of new employees hired by age group and gender, in 2015, the most prominent age group was “26-35 years” in Romania together with France & Spain, followed by “18-25 years” in Georgia. Based on gender, there were more new male (300) than female (165) employees in Romania. In Georgia, that difference is higher (379 male, 3 female), while in France & Spain the ratio favored women (68 female and 63 male).

The rate of new hires was 9.74% in Romania, 55.36% in Georgia and 31.80% in France & Spain, while the graphics showing the rate of new employees by gender demonstrate that in Romania 6.29% were male and 3.46% female. In Georgia, the ratio is 54.93% male and 0.43% female, while in France & Spain it amounts to 16.50% female and 15.29% male.

When talking about the total number of employee turnover by age group, the biggest volatility for Romania, in 2015, was in the age group “26-35 years”, with 585 employees from this category leaving the company, out of a total of 1,576 (or 33%); France & Spain had 43 staff from the “26-35 years” and 42 from the “18-25 years” group (out of a total of 122, or 30%); Georgia 144 from “18-25 years”, and 124 from “26-35 years” category (out of a total of 380, or 55%), while Bulgaria had only 10 employees who decided to leave: 6 in the “36-45 years” category, 3 in the “26-35” and 1 in “over 60 years” group (or 17%).

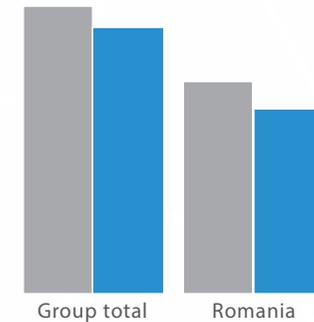
Regarding the total number of employees that took parental leave, by gender, in 2015, in Romania (the only country for which we have information on this topic), there were 84 female and 9 male, out of whom 37 female and 2 men returned to work after parental leave ended. Moreover, the total number of employees who returned to work after parental leave ended and were still employed 12 months after their return to work were 36 staff, by gender: 34 female and 2 male.

The return to work rate is therefore 0.82 per cent and retention rate of employees who took parental leave 0.75 per cent. Thus, retention rates are lower than return to work rates.

HEADCOUNT EVOLUTION

2015
GROUP TOTAL: 6,954
ROMANIA: 4,772

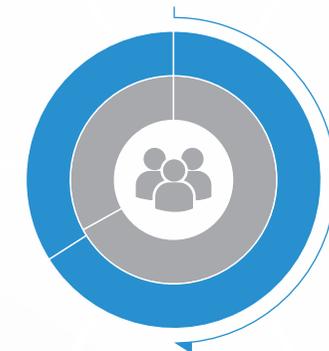
2014
GROUP TOTAL: 7,474
ROMANIA: 5,533



HEADCOUNT BY GENDER

2015
MEN: 67%
WOMEN: 33%

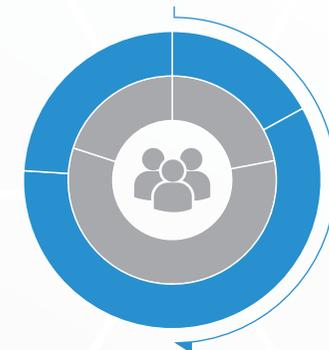
2014
MEN: 66%
WOMEN: 34%



HEADCOUNT BY AGE GROUP

2015
<30: 17%
30-50: 59%
>50: 24%

2014
<30: 22%
30-50: 58%
>50: 20%



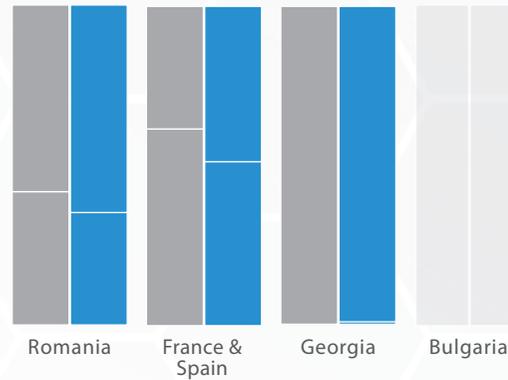


49
of 80

NEW HIRES BY GENDER

2015
ROMANIA: 165 W / 300 M
FRANCE & SPAIN: 68 W / 63 M
GEORGIA: 3 W / 279 M

2014
ROMANIA: 290 W / 408 M
FRANCE & SPAIN: 133 W / 82 M
GEORGIA: 0 W / 341 M



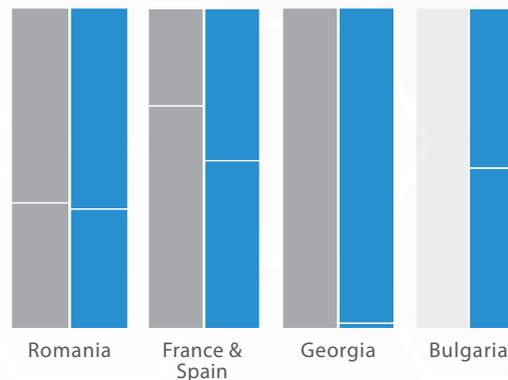
NEW HIRES BY AGE GROUP

AGE GROUP	ROMANIA	FRANCE & SPAIN	GEORGIA	BULGARIA
<18	0	0	1	-
18-25	113	47	174	-
26-35	175	48	92	-
36-45	98	21	65	-
46-60	74	14	46	-
>60	5	1	4	-

EMPLOYEE TURNOVER BY GENDER

2015
ROMANIA: 590 W / 986 M
FRANCE & SPAIN: 64 W / 58 M
GEORGIA: 6 W / 374 M
BULGARIA: 5 W / 5 M

2014
ROMANIA: 405 W / 628 M
FRANCE & SPAIN: 138 W / 60 M
GEORGIA: 0 W / 216 M



EMPLOYEE TURNOVER BY AGE GROUP

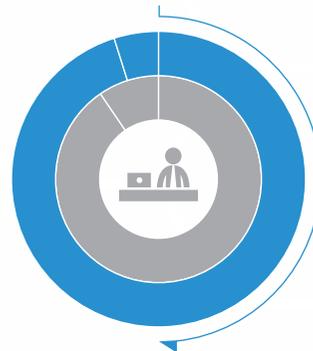
AGE GROUP	ROMANIA	FRANCE & SPAIN	GEORGIA	BULGARIA
<18	0	0	0	0
18-25	179	42	144	0
26-35	585	43	124	3
36-45	377	17	52	6
46-60	371	14	53	0
>60	64	6	7	1

RETURN TO WORK RATE

2015
WOMEN: 0.78%
MEN: 0.04%

2014
WOMEN: 1.80%
MEN: 0.19%

No data available for France & Spain, Georgia, Bulgaria.



RETENTION RATE

2015
WOMEN: 0.71%
MEN: 0.04%

2014
WOMEN: 1.37%
MEN: 0.19%

No data available for France & Spain, Georgia, Bulgaria.



LABOR PRACTICES - CODE OF CONDUCT

All prequalified suppliers receive, review and sign that they respect the ethical principles stated in the KMG International Supplier Code of Conduct (approved and implemented in 2014) and assume responsibility for services, products and all data communicated to KMG International, including that they observe labor practices.

The "Supplier Code of Conduct" ensures a unitary approach and a common standard applicable to all of the company and its subsidiaries suppliers, in making sure that all of them 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.

Any violations of this Code may jeopardize the supplier's business relationship with KMG International, up to and including termination. In 2015, no suppliers were identified as having potential negative impact for labor practices.

REMUNERATION AND BENEFITS

Employing a large number of people of various nationalities, the Group strives permanently to have the best staff available and offer to its personnel remuneration packages that are annually updated to reflect the current market realities, but also the education and experience they have acquired.

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

In terms of Market Presence or how the ratios of standard entry level wage by gender is compared to local minimum wage at significant locations of operation, in 2015, in Romania, ratios of standard entry level wage (for a full time employee, 8 hours/day) by gender

compared to local minimum wage did not register any difference by gender. Furthermore, no difference was recorded by gender for minimum wage established by law. Thus, the standard entry-level wage for a full-time employee, 8 hours/day in Romania-based entities is equal to the minimum wage established by law (100% ratio).

At Group level, KMG International has in place, for all the Romanian entities, and for all their employees (locals or expatriates), a Pay & Benefits Policy, which takes into account a remuneration program to support the company's commitment to develop as a successful and profitable enterprise together with employee performance orientation by aligning employee rewards with their achievements and contribution and updated salary grids according to market realities and approved by the KMG International Remuneration Committee.

Through this policy, the company is aware and expresses its appreciation for the employees' roles and value-added contribution to the company and to the customers, while valuing the cases when the performance exceeds targets. The company looks also to reward the employees' performance in relation with the business strategy and operational goals, which may be addressed by them, being an equitable and fair employer.

The policy states that the pay package is composed of base salary and variable pay (bonuses), though other benefits (cash or/and non-cash) are also considered in stimulating employees who bring a significant contribution to corporate performance.

The variable pay, or the bonuses scheme provided by the Pay and Benefits policy, is based on three pillars. As such, variable pay may take the form of Performance bonuses (framed in the Performance Management Procedure and in the Policy for Performance Evaluation and Remuneration for Top Management), different bonus schemes for production, operational, sales and projects jobs (set by distinct procedures), as well as the ones stipulated in the Collective Labor Agreements (profit sharing, overtime allowance and/or night shift allowance etc).



Regarding benefits, the company offers to its employees cash benefits such as vacation bonus, marriage allowance, child birth allowance, relocation allowance, pregnancy and postpartum allowance, kindergarten allowance, medical care allowance, retirement allowance, death allowance, and also non-cash benefits such as, meal tickets, gift vouchers for children, life, illness and disability insurance, health and medical care, transportation and commuting expenses, discounts for company products or other third party suppliers,

The same principles regarding remuneration of our Group employees apply on every market where we operate (base salary, variable pay, other benefits) adapted to the specific requirements of each country where we operate.

GRIEVANCE MECHANISMS

According to its Code of Conduct, internal policies and other regulations, KMG International encourages employees and stakeholders to speak about and report any activities that do not comply with its principles.

Within the Group there are in place several grievance mechanisms, each one with a distinct scope and personalized electronic contact data:

- Whistle Blower mechanism – where anonymous complaints may be addressed to Group Management signaling any kind of misbehavior or incorrect action/positioning of a company representative, or any other aspect considered by the employee as requiring a thorough investigation from the company management;
- Compliance mechanism – personal specific complaints to be addressed to the Compliance Department
- My Voice mechanism – personal specific complaints to be addressed to the Human Resources Department email available

No grievances about human rights were filed with KMG International, to be addressed or resolved through formal grievance mechanisms, prior to and during the reporting period.

NON-DISCRIMINATION

Apart from ensuring employees and stakeholders that their voice is heard, through the use of three grievance mechanisms, both anonymous and personal, KMG International respects and values every person who is working together with us and wishes them to treat each other fairly.

Still, in case such incidents occur, the Group, with its strong commitment to ethics and adherence to human rights and fair treatment, will get involved and offer solutions according to the laws applicable and its own Code of Conduct.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

We did not identify any operations and suppliers in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk.

Nevertheless, KMG International acknowledges employees' legal rights to adhere to labor unions and/or trade unions and join any other third-party organizations without fear of coercion wherever the Group is present.

CHILD LABOR

The Group respects all minimum age laws in countries where it operates and did not resort in any way to hiring children or putting them in working relations with KMG International.

In addition, all prequalified suppliers receive, review and sign that they respect the ethical principles stated in KMG International Supplier Code of Conduct and assume responsibility for services, products and all data communicated to KMG Rompetrol, including that they take measures to contribute to the effective abolition of child labor.

Instead, the Group organizes various CSR activities with appropriate compensations and an annual Internship program with exceptional results. For example, in 2015, out of 129 persons enrolled in the Internship program, 45 were hired as full-time employees.

Training, Education and Career Development

FORCED OR COMPULSORY LABOR

KMG International did not resort to or condone the use of forced or compulsory labor within the Group's companies and enforces the same principles on all prequalified suppliers.

The concern to stakeholders and the impact on the Group are high both in terms of assuring the diversity of our staff and the ways in which we ensure the development of our employees, in addition to providing equal opportunities of employment.

In this respect, we 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 our host communities.

Thus, we show our commitment to sustaining the growth of communities where we work. For example, in Romania, the

In an effort to stay competitive and up-to-date in an ever changing market, KMG International developed training courses and gives attention to offering and implementing these specially developed programs for its staff.

We provide people with the opportunity to develop their professional and personal skills in order to create a working environment where everyone has the opportunity to learn, develop and contribute.

It is a fact that 100% employees were included in performance and career programs. In 2015, 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.

The numbers are similar with those registered in 2013 and improved in comparison with 2014, when it comes to the average number of training hours per employee (6.1), female training

proportion of senior management hired from the local community is 50% (50% expats – 50% locals), while in France it is 80% (20% expats – 80% locals). In Georgia the ratio of locals is 90%, while in Bulgaria, the proportion of senior management hired from the local community is 100%.

The composition of governance bodies and breakdown of staff per employee category according to gender group has seen a slight improvement, in 2015, in this way: 88.33% - male, 11.67% female, in comparison with 96% male and 4% female in 2014.

In what concerns the age group, in 2015, 79 per cent of the members composing the Board of Directors are within the "30-50 years" category, 77% in 2014, 16.37% in the "more than 50 years" group, 15% in 2014, while 4.63% in the "less than 30 years" category, compared to 8% in 2014.

(6.9) and male training (5.6 hours). In 2014 though, managers benefited, on average, of 19.77 hours of training, while execution level employees followed, in average, 22.5 hours of training.

In KMG International, training provided to employees is classified as follows: Functional technical, Functional soft-skills (e.g.: trainings on Time Management, Leadership Skills, Presentation Skills, etc.), Mandatory courses - all trainings required by law, essential for the safe and efficient deployment of certain operations or tasks (e.g.: QHSE), Special Development - complex learning activities meant to develop skills and knowledge from cross functional areas, which prepare the employee for further professional development (e.g.: MBA, ACCA, CIMA, etc.).

Most of the trainings provided, as described above, can constitute basis for facilitating continued employment and management of career endings resulting from retirement or termination of employment.

While in 2013, in KMG International only managers were evaluated from the performance point of view and received regular



performance and career development reviews and from 2014, the performance and careers development reviews was extended to all employees (100 per cent), in 2015 started the process of evaluating all employees from the performance point of view and receiving regular performance and career development reviews.

Split by employee category, in 2015, 100 per cent of France, Spain and Georgia and over 90 per cent of the senior active employees in Management and Execution positions received regular performance and career development reviews.

Split by gender, in 2015, from the employee population who received regular performance and career development reviews, 32.93 per cent were females and 67.07 per cent males.

Always thinking of possibilities to bring new and fresh ideas into the workplace, the Group organizes an annual Internship program that proves successful. For instance, in 2015, out of 129 persons enrolled in the Internship program, 45 were hired as full-time employees.

In 2014, at Group level, there were enrolled in the Internship program 154 persons, out of whom were hired as full time employees 62, while

POST-INTERNSHIP RECRUITMENT

2015
REGISTERED: 129
RECRUITED: 45

2014
REGISTERED: 154
RECRUITED: 62

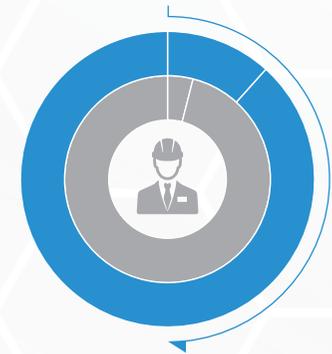


in 2013, at Refinery level, the Internship program was comprised of 15 persons (5 with high education and 10 high school graduates), who after the program were hired as full time employees.

MANAGEMENT BY GENDER

2015
WOMEN: 11.67%
MEN: 88.33%

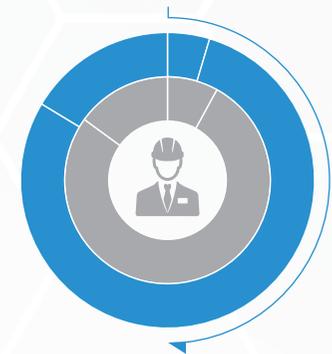
2014
WOMEN: 4%
MEN: 96%



MANAGEMENT BY AGE GROUP

2015
<30: 4.63%
30-50: 79%
>50: 16.37%

2014
<30: 8%
30-50: 77%
>50: 15%



Occupational Health and Safety

KMG International is a well-established multinational oil company, a trustworthy worldwide partner, which recognizes that the success and strength of our business lies first and foremost with our staff and in order to keep it that way will promote the highest standards in Quality, Health, Safety and Environment. This is done by establishing, implementing and maintaining a comprehensive QHSE Management system and by accepting the moral responsibilities of promoting and

protecting the Health, Safety and Well Being of everyone involved in our activities, the employees of our company and our partners, their families, our clients and suppliers, the communities located near our work places and the public influenced by our work environment.

The safety of our employees and contractors is a matter of the highest interest and commitment for our company, being a crucial part of our strategy and of the way we do business.

OCCUPATIONAL
SAFETY

REFINING BU	2013	2014	2015
FA - First Aid Cases	0	1	0
FTL - Fatalities	0	0	0
FTR - Fatality Incident Rate	0%	0%	0%
LTI - Loss Time Injury	3	0	4
LTIF - Loss Time Injury Frequency	1.37%	0%	1.61%
TRI - Total Recordable Injuries	3	0	4
TRIR - Total Recordable Injuries Rate	1.37%	0%	1.61%
FR - Frequency Rate	1.37%	0%	1.61%
SR - Severity Rate	1.37%	0%	1.61%

GROUP	2013	2014	2015
FA - First Aid Cases	3	9	5
FTL - Fatalities	0	0	0
FTR - Fatality Incident Rate	0%	0%	0%
LTI - Loss Time Injury	5	4	6
LTIF - Loss Time Injury Frequency	0.34%	0.27%	0.42%
TRI - Total Recordable Injuries	5	4	6
TRIR - Total Recordable Injuries Rate	0.34%	0.27%	0.42%
FR - Frequency Rate	0.34%	0.27%	0.42%
SR - Severity Rate	0.34%	0.27%	0.42%

Therefore, we operate in full compliance with national and international legislation to ensure a safe working place, while implementing a comprehensive Human Resources strategy that puts focus on creating a fair workplace, with competitive wages and programs that ensure staff is well prepared and put into value.

No events resulting in loss of human lives were recorded at KMG International since 2010 and all the occupational health and safety activity performance indicators registered at Group level showed positive evolution.

Moreover, KMG International continually evaluates its health and safety principles and procedures throughout its operations to ensure that they are up to standards.

We have achieved good results due to applying a unified occupational health and safety policy, both within the Group entities and in relation to our subcontractors.

According to Law no.319/2006 on Occupational Health and Safety, each entity of the Group has health and safety committees comprising representatives of labor administration and representatives of the employees - minutes of health and safety committee (of each meeting) being always recorded.

For example, in 2015, the workforce represented in formal joint management-worker health and safety committees helps monitor and advise on occupational health and safety programs. The Group's Refining Unit Committee of health and safety in the workplace is composed of the following members:

- General Director, who is also President of CSSM
- Employer representatives with responsibilities for safety and health at work (Refinery Plant Director, Petrochemical Plant Director, Utilities Plant Director, Plant Inspection Director; QHSE Manager, HR Manager)



- 7 (seven) representatives of workers with specific responsibilities in the field of security and health of workers;
- Doctor of Medicine of the work.
- HS Coordinator, who is also Secretary of CSSM
- The degree of unionizing the refining employees was 95.74% (944 employees are members of the Trade Union).
- In the Trading business, Midia Marine Terminal (MMT) has a health and safety committee, composed by representatives of labor administration and representatives of the employees:
 - General Director, who is also President of CSSM
 - Employer representatives with responsibilities for safety and health at work (Logistics manager, Offshore Manager, HR Manager)
- 4 (four) representatives of workers with specific responsibilities in the field of security and health of workers;
- MD of Labor Medicine.
- QHSE Coordinator, who is Secretary of CSSM
- The degree of unionizing the MMT employees was 81% (employees are members of the Trade Union); Sindicatul Liber Petrochimistul – 25%, Sindicatul Liber Vega -10%, SLPIMN- 46%.

At Group level, accident statistics are reported quarterly as of 2010, monthly from mid-2011 and weekly starting from 2012.

For all entities there are risks assessments in place and also risk assessment for work places.

In what concerns Health & Safety topics covered in formal agreements with trade unions, all employees have health and death insurance, irrespective of Union membership. Also, in the internal regulation there is a dedicated chapter for Health & Safety, which is constructed in accordance with Labor Code. This covers issues like work schedule, labor groups, etc.



The green reed which bends in the wind is stronger than the mighty oak which breaks in a storm

Like reeds bending in the wind, so does our company adapt to ever-changing market conditions, in order to meet the growing demand for quality products and services.



The Reeds

Marketplace

KMG International aims to responsibly grow its business to become one of the largest independent oil companies in Europe, with a strong position in the Black Sea and Mediterranean regions. The Group conducts its operations in compliance with all available national and international regulations, constantly driving performance and generating operational improvements so as to benefit its wide range of stakeholders.

Supply Chain

KMG International places increased focus on sustainability throughout the supply chain by managing and optimizing its environmental, social and economic performance, in order to responsibly use resources, improve operations, save costs and increase productivity. In doing so, the Group complies with both regulations and internal corporate guidelines, guided by professionalism, transparency and strong ethical principles.

Being aware of the sustainability impacts of our supply chain, we are committed to also instilling our principles and values in the activities and operations of our suppliers and partners. Thus, we strive to integrate sustainability and responsibility principles and practice into the procurement of goods, services and activities, while only dealing with ethical and socially responsible suppliers. In this respect, they have to adhere to KMG International's Supplier Code of Conduct, which details the company's values and approach with regard to integrity, human rights, labor standards, and environmental responsibility, document which is revised and amended on an annual basis.

All prequalified suppliers receive, review and sign that they respect the ethical principles stated in the KMG International Supplier Code of Conduct and take responsibility for the provided services and products and all data communicated to KMG International, including

their commitment to meeting the Group's environmental, labor, social and human rights standards.

Moreover, suppliers are subjected to follow-up, assessment and monitoring activities on a regular basis as part of the company's risk mitigation efforts, while potential suppliers and contractors go through a complex screening and selection process before any dealing is signed with the company. Any failed attempt to meet KMG International requirements may ultimately result in contract termination.

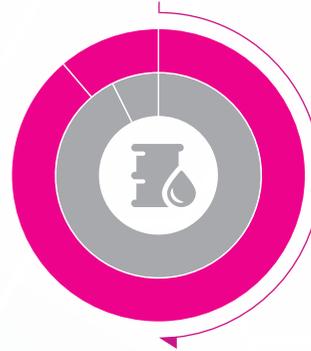
Sustainability improvement efforts also target the Group's procurement processes, which are based on principles reflecting competition, fairness, transparency, equal treatment and non-discrimination of bidders. Furthermore, KMG International strives towards incorporating green considerations into procurement processes, in line with the appropriate national and European standards for green products utilization. Such practices have already been implemented in Petromidia refinery's activities.

KMG International has developed an extensive, efficient and sustainable supply chain network which covers the purchase of feedstock, planning and production optimization, allocation of volumes and overall logistics for the Group's subsidiaries.

**FEEDSTOCK
SUPPLIED BY
KMG TRADING**
TH. METRIC TONS

2015
CRUDE OIL: 4,200
GASOIL & FUEL OIL: 538

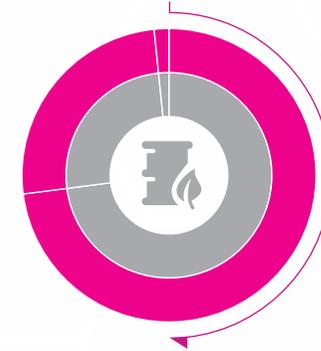
2014
CRUDE OIL: 4,417
GASOIL & FUEL OIL: 355



**BIOFUEL
USED
QUANTITIES**
TH. METRIC TONS

2015
BIOETHANOL: 52.79
BIO DIESEL: 18.39
BIO-ETBE: 1.16

2014
BIOETHANOL:
BIO DIESEL:
BIO-ETBE:



**Quality and
Customer
Management**

KMG International seeks to provide environmental, social and economic value through its products and services by constantly appraising and improving its portfolio in line with market demand and customer input. Guided by our passion for quality and innovation, we embed sustainability into every aspect of our activity pertaining to product and service development.

Customer and employee satisfaction, surveyed annually by KMG International through extensive market studies, always play a significant role in the development of the company's business plan, offer and marketing activities.

KMG International regularly conducts extensive assessments of the health, safety and environmental risks of new products and maintenance of up-to-date information on existing products in our efforts to reduce and mitigate impact on customers, employees, communities and the environment.

Our evaluation process addresses attributed relating to human, environmental and societal impacts, such as environmental exposure, packaging and delivery systems or use of natural resources. As a result, sustainability factors are included throughout the development process to reduce the potential impacts of our products.

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) on

fueling station design and operation, Law no - 307/2006 on firefighting, Law no 319/2006 on occupational health & safety and GD no 928/2012 setting the minimum requirements for fuel market introduction.

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/EC.

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).



59
of 80

BIOFUEL SUPPLY SOURCES

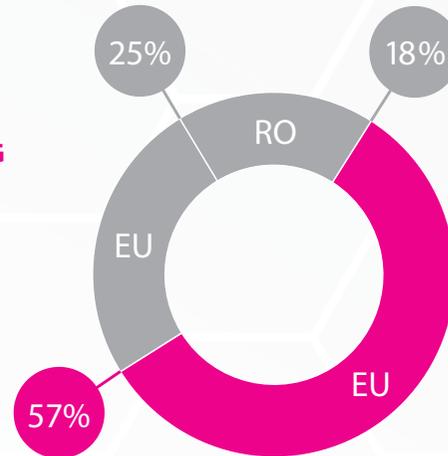
TH. METRIC TONS

KMG TRADING

EU: 41.28
RO: 0

NON-GROUP

EU: 18.27
RO: 12.80



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 RRC 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 KMG International comply with sustainability criteria set out in the EU Legislation, being sourced from EU producers using mainly European feedstock.

KMG International did not identify any non-compliance with regulations and voluntary codes concerning health and safety impacts of products, service information and labeling or marketing communications, including promotion and sponsorship in 2015.

Each entity in the retail segment has procedures in place for measuring customer claims and satisfaction in accordance with ISO 9001:2008 and ISO 14001:2008.

In 2015 KMG International did not record any evidence of complaints regarding breaches of customer privacy and losses of customer data. Moreover, the company received no significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.

Compliance

In terms of legal actions for anti-competitive behavior, anti-trust and monopoly practices, during 2015, KMG International or its entities were identified as participants in the following cases:

Rompetrol Downstream S.R.L.

Competition Case

In 2011, Rompetrol Downstream was sanctioned by the Romanian Competition Council, along with all the other big market players, with total fines aggregating more than EUR 200 million, representing approximately 3% of the turnover achieved in 2010 (the amount for Rompetrol Downstream was RON 159.55 million, equivalent to USD 49.12 million). Following the company's second appeal filed in November 2014, the Supreme Court admitted the appeal on July 9, 2015 and it reduced the fine to RON 122 million (representing around 2% of the company's turnover).

Romp petrol Gas S.R.L.
Competition Case

On September 14, 2015, the Romanian Competition Council issued Decision no. 38 accepting the commitments undertaken by Romp petrol Gas SRL within the Investigation opened by Order no.25/21.01.2011 of the President of the Competition Council on the possible infringement of the provisions of article 5 para.1 of the Competition Law by Romp petrol Gas SRL and its distributors on the LPG distribution market in Romania. The Decision required Romp petrol Gas SRL to modify the sale-purchase agreements on Romp petrol skid according to the commitments undertaken by the company and closed the above-mentioned investigation on Romp petrol Gas SRL.

In compliance with the Group policy and the provisions of law no. 307/2006, as well as the national and international legislation applicable to our subsidiaries, we monitor and report all incidents and openly subject our activities to controls conducted by authorities. As such, fines applied in 2015 to KMG International entities are as follows:

Romp petrol Rafinare S.A.

On November 19, 2015, the local tax audit conducted by Navodari City Hall for the 2012-2014 interval was completed. As a result, the assessment team considered that the building re-evaluation was made without following accounting regulations and, as a consequence, assessed an additional tax on buildings and related penalties in total amount of RON 20.4 million, of which the principal was RON 11.2 million while the penalties and accessories reached RON 9.2 million. The Tax Assessment Decision was challenged by Romp petrol Rafinare in court, along with the action requesting partial annulment of Navodari Local Decision no. 435/2015. Both cases are currently pending court investigation proceedings. Romp petrol Rafinare obtained the suspension of the effects of the Tax Assessment Decision.

Romoil S.A.

As a result of a local tax audit, local authorities considered that building reevaluation was made without following accounting regulations and, as a

Romp petrol Georgia LLC
Competition Case

An investigation by the Georgian Competition Agency revealed that, between 2008 and 2014, five oil companies sold fuel in their branches at a fixed price based on mutual agreement. As a result, the Competition Agency inflicted upon Romp petrol Georgia a fine in amount of USD 4.9 million. On August 13, 2015, the company appealed the report before the Administrative Court, and suspension of the fine payment was granted. The appeal filed by Romp petrol Georgia against the Competition Agency is currently under consideration.

consequence, assessed an additional tax on buildings and related penalties in total amount of RON 1.4 mil, of which the principal was RON 0.6 million while penalties and accessories reached RON 0.8 million. Romoil challenged the Tax Assessment Decision with regard to the penalties in Court and obtained the annulment thereof on January 27, 2016.

Oilfield Exploration Business Solutions S.A.
(formerly Romp petrol S.A.)

Oilfield Exploration Business Solutions S.A appealed the enforcement arising from Report no.314/SU1/01.04.2015 (enforceable title issues regarding Libya Receivable Case File), challenging the calculation method of the interest (consisting of RON 80,150,953.46 accounted as legal interest and RON 664,373,706.80 accounted as remunerative and penalty legal interest). Oilfield Exploration Business Solutions S.A obtained the reduction of the payment obligation to RON 298.676.752. However, the decision was challenged and currently awaits another court decision.



Customer Satisfaction

Obtaining customer satisfaction is important for every business and occupies a strategic role within KMGI's activities and strategic plans, contributing to the improvement of our products and services, by enhancing our market knowledge.

Customer satisfaction is not only the leading indicator to measure customer loyalty, to see why customers are unhappy and, accordingly, to react in a positive and constructive manner in order to review and improve what you are doing. Customer satisfaction is also a key point of differentiation that helps with attracting new customers in competitive business environments, thus improving revenues and market position.

As one of the measurements of the performance of the Quality, Health, Safety and Environment (QHSE) management system, we have procedures to rate customers' satisfaction & claims in accordance with ISO 9001:2008 and ISO 14001:2004.

Monitoring customer perception has included client data on delivered product quality, compliments and claims.

Customer Claim Indicator is calculated as no. of accepted claims vs. no. of total claims and it looks in this way:

Petromidia refinery - Customer Claim Indicator: 0.28

Vega refinery - Customer Claim Indicator: 0.00

KMG International obtained comprehensive knowledge on Customer Satisfaction in the countries where Retail operations are in place - in Romania, Bulgaria, Georgia and Moldova - through strategic studies: dedicated Customer Satisfaction studies or Usage & Attitudes where Customer Satisfaction Chapters were included.

For each business segment and each country, the measurement is done yearly. Romania is the main asset of the group, therefore overall Customer Satisfaction is measured in details, looking in the following way:

Clients - residential consumers: 86%

Clients - retail business consumers: 85%

Clients - wholesale business consumers: 83%

Employees - satisfaction & engagement: 84%

Customer Satisfaction with fuel products and services is one of the main preoccupations of KMGI, as it directly reflects their quality.

The indicator is equally important for Rompetrol brands: Efix, Hei and Fill&Group. Efix, as leading fuel brand, is the most known and appreciated fuel brand in Romania.

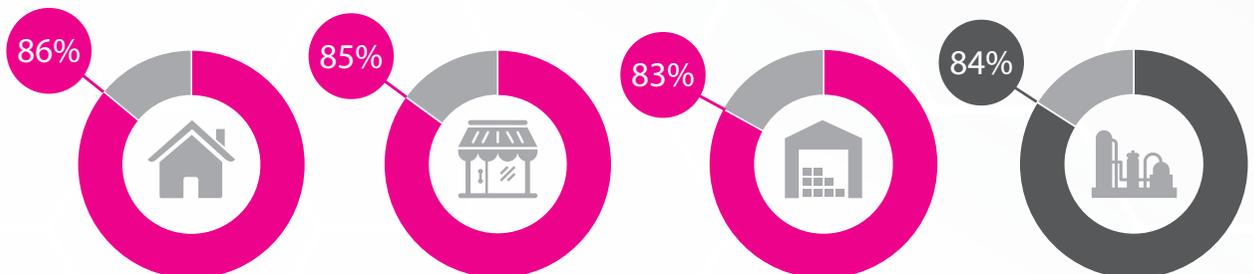
In 2015, the average monthly fuel consumption increased by 14% and the Efix brand awareness grew by 7%. The popularity of the Fill&Go service among customers almost doubled, together with a 15% increase of spontaneous awareness of Rompetrol as a successful brand.

KMGI continuously is investing in Customer Service Strategy showing Rompetrol's commitment to service and its role in overall corporate strategy.

CUSTOMER SATISFACTION

EXTERNAL
RESIDENTIAL: 86%
RETAIL: 85%
WHOLESALE: 83%

INTERNAL
EMPLOYEES: 84%





Prized for their roe (caviar), sturgeon are protected species due to their slow reproduction.

The Danube sturgeon (*Acipenser gueldenstaedtii*) is native to the Black Sea, Sea of Azov and Caspian Sea, but it moves into the river systems draining into these seas to spawn upstream, so they are found in Romania, Bulgaria, Ukraine, Turkey, Georgia and Kazakhstan, all countries where KMG International runs operations.



The Sturgeon

Appendix

Abbreviated Financials

The abbreviated financial information is derived from the Consolidated Financial Statements as of and for the year ended 31 December 2015 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	2015 (\$)	2014 (\$)
TOTAL ASSETS	2,302,226,246	2,741,078,210
Total non-current assets	1,405,886,549	1,415,257,472
Total current assets	896,339,697	1,325,820,738
TOTAL LIABILITIES	1,525,901,553	1,911,828,853
Equity attributable to equity holders of the parent	1,078,877,718	1,161,828,060
Non-controlling interest	(302,553,025)	(332,578,703)
Total equity	776,324,693	829,249,357
Total non-current liabilities	511,250,118	320,394,377
Total current liabilities	1,014,651,435	1,591,434,476

CONSOLIDATED INCOME STATEMENT	2015 (\$)	2014 (\$)
REVENUE	6,359,848,215	9,363,679,304
Cost of sales	(6,025,356,249)	(9,010,632,662)
Gross profit	334,491,966	353,046,642
Operating profit	(46,647,357)	43,304,980
Income tax	58,134,327	(5,013,778)
PROFIT (LOSS) FOR THE YEAR	(45,072,282)	(57,927,965)
Profit (Loss) before income tax	(105,411,704)	(28,074,234)
Loss from continuing operations	(47,277,377)	(33,088,012)
Loss from discontinued operations	2,205,095	(24,838,267)

Third-Party Opinion

INTRODUCTION

This professional assessment and opinion is grounded in a broad assessment of the 2015 KMG International Sustainability Report, providing an overall assessment while highlighting its strengths as well as the potential avenues for improvement.

It is important to note that it does not constitute an in depth audit of the report, and by no means does it claim to be more than a professional opinion. In the preparation of this opinion, ARC specialists have compared the 2015 KMG Sustainability Report against the G4 general sustainability report guidelines, and against G4 Oil and Gas sector specific disclosure guidelines. Furthermore, a rigorous open source search conducted to assess the context of the company (both national and industry specific) allowed the evaluation of the extent to which both positive and negative aspects were presented in the report. Based on this data, ARC has determined the extent to which the sustainability report follows the G4 guidelines, but has also identified aspects of the report that require betterment. General and specific recommendations are provided below.

REPORT ANALYSIS AND RECOMMENDATIONS

The 2015 KMG International Sustainability Report, Together for a Better Future, presents a systematic description of KMG's performance in terms of sustainability. This is a difficult task given the complex nature of an oil and gas operation. As a general impression, the KMG sustainability report provides both quantitative and qualitative evidence of the fact that KMG is following through on its strategy of becoming a socially and environmentally responsible and sustainable company. The result of the concerted effort of a dedicated team, the 2015 sustainability report blends effective communication of numeric data with a visually appealing design.

A deeper analysis of the content revealed both the strong points as well as the areas that need strengthening in the future. Accordingly, the report excels in presenting KMG's coherent and progressive

strategic vision and plan for the future in terms of sustainability and how these integrate in its strategy and business operations. Several key economic, social and environmental indicators are presented in a clear fashion, allowing for a broad understanding of KMG's development, performance, position and impact of its activity in 2015. In addition, the visual representations of numerical data allow for a quick and comprehensive overview of the information presented in narrative form, effectively punctuating the account and drawing attention to essential aspects. This, together with the organization of the report along distinct themes, forms a comprehensive whole, and finds a balance between informing and good readability.

Nevertheless, some aspects require strengthening in order for the report to find a balance in recounting both positive and negative aspects of KMG's activities (as required by G4 guidelines). In this respect, a couple of pieces are worth discussing without getting into too much detail.

A more detailed discussion of the methodological aspects (i.e. data measurement techniques and bases for calculations) would be beneficial, although this has to be achieved without affecting the readability of the report by a wide audience. For example, the means through which KMG's key stakeholders were identified, or a brief description of the process through which potential risks are two (of the several) aspects that would strengthen the report.

Given the sector of operation, KMG's environmental impact is a highly material aspect. Accordingly, the report discloses substantial details about the actions taken to improve energy efficiency, water management but also other relevant environment aspects. These recounts demonstrate both a strategic approach to these issues as well as an encouraging progress from previous years. As a suggestion for future sustainability reports, we consider that potentially negative aspects of the operation, such as the inclusion of Vega working points into the high-risk category based on Law nr. 59/2016, due to the presence at the facility of dangerous substances that are "equal to



or exceed the relevant amounts” as stipulated in the aforementioned law, should be included in the report in order to achieve the G4 recommended balance between positive and negative aspects, and to provide a comprehensive overview.

Another aspect that we consider of chief importance is the discussion regarding business ethics and anti-corruption. While the report adequately discusses managerial approach, policies and mechanisms to report and address these issues, the report narrative is lacking in terms of specific information on items such as G4-S03, G4-S04 and G4-S05. These aspects are essential, and need to be discussed in future reports.

CONCLUSION AND RECOMMENDATIONS

To sum it up, it is our professional opinion that the 2015 KMG International Sustainability Report demonstrates the company's commitment to transparency, constituting a robust piece in KMG's transparency and accountability efforts. Overall, we consider that the report generally follows the G4 reporting principles, that it addresses key aspects required, although improvements have to be made to achieve a balance between positive and negative aspects and to provide an unbiased picture of the organization's performance. By taking into account the recommendations for the improvement in certain areas outlined in this opinion, future reports will firmly establish KMG's position as a responsible and sustainable business. In addition, these improvements will enable KMG to use the report as a strategic tool for the development of the business strategy.

In conclusion, we would like to commend KMG not only for the effort put into the development of the 2015 sustainability report, but also its commitment to transparency and accountability. With a future decrease in the amount of items not reported, we are confident that these reports will increasingly deliver relevant useful information to all parties interested.



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.

Bd. 1 Decembrie 1918, nr. 4, ap. 7
RO-400699 Cluj Napoca
T: +40 264 406388,
E: office@arcromania.ro
www.arcromania.ro

GRI Annex

Code	Description	Location in the report	Page	Status
G4 General Standard Disclosures				
Strategy and Analysis				
G4-1	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.	The Swan - Message From Our CEO	9-10	fully reported
G4-2	Description of key impacts, risks and opportunities.	The Swan - Interview With Our Senior Vice President The Swan - Interview With Our VP of Operations The Bridge - Code of Ethics The Bridge - Code of Conduct	11-12 13-14 25-26 26	fully reported
Organizational Profile				
G4-3	Name of the organization	The Swan - Corporate Governance	15-17	fully reported
G4-4	Primary brands, products and services	The Swan - Corporate Governance	15-17	fully reported
G4-5	Location of the organization's headquarters	The Swan - Corporate Governance	15-17	fully reported
G4-6	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.	The Swan - Corporate Governance	15-17	fully reported
G4-7	Nature of ownership and legal form	The Swan - Corporate Governance	15-17	fully reported
G4-8	Markets served (including geographic breakdown, sectors served and types of customers/beneficiaries)	The Bridge - International Footprint	21-22	fully reported
G4-9	Scale of the reporting organization	The Bridge - International Footprint	21-22	fully reported
G4-10	1. The total number of employees by employment contract and gender; 2. The total number of permanent employees by employment type and gender; 3. The total workforce by employees and supervised workers and by gender; 4. The total workforce by region and by gender; 5. Report if 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; 6. Any variations in employment numbers.	The Dolphins - Workforce Structure	19-22	fully reported
G4-11	Percentage of total employees covered by collective bargaining agreements.	-	-	not reported
G4-12	Description of the organization's supply chain.	The Bridge - International Footprint The Reeds - Supply Chain	21-22 58	partially reported
G4-13	Any 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. 	The Swan - Corporate Governance The Reeds - Supply Chain	15-17 58	fully reported
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization.	-	-	not reported



Code	Description	Location in the report	Page	Status
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	The Bridge - Code of Conduct The Bridge - Memberships and Affiliations	26 27	fully 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. 	The Bridge - Memberships and Affiliations	27	fully 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.	64	fully 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.	The Swan - About This Report	8	fully reported
G4-19	List all the material Aspects identified in the process for defining report content.	The Swan - Materiality Assessment	19	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. 	The Swan - Materiality Assessment	19	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. 	The Swan - Materiality Assessment	19	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
Stakeholder Engagement				
G4-24	Provide a list of stakeholder groups engaged by the organization.	The Swan - Recognized Stakeholders	18	fully reported
G4-25	Report the basis for identification and selection of stakeholders with whom to engage.	The Swan - Recognized Stakeholders	18	fully 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.	The Swan - About This Report The Swan - Materiality Assessment	8 19	partially reported
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.	The Swan - Materiality Assessment	19	partially reported

Code	Description	Location in the report	Page	Status
Report Profile				
G4-28	Reporting period (such as fiscal or calendar year) for information provided	The Swan - About This Report	8	fully reported
G4-29	Date of most recent previous report (if any)	The Swan - Message from Our CEO	9	fully reported
G4-30	Reporting cycle	The Swan - About This Report	8	fully reported
G4-31	Provide the contact point for questions regarding the report or its contents.	The Sturgeon - Stakeholder Feedback Form The Sturgeon - Reporting Team and Contacts	76-77 78	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 options; 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)	The Sturgeon - GRI Annex	67-75	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.	-	-	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.	The Swan - Corporate Governance	15	fully reported
G4-35	Report the governance structure of the organization, including committees of the highest governance body	The Swan - Corporate Governance	15-17	fully reported
G4-36	Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees	-	-	not reported
G4-37	Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics	-	-	not reported
G4-38	Report the composition of the highest governance body and its committees	The Swan - Corporate Governance	15-17	fully reported
G4-39	Report whether the Chair of the highest governance body is also an executive officer	The Swan - Corporate Governance	15-17	fully reported
G4-40	Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members	The Swan - Corporate Governance	15-17	partially reported
G4-41	Report processes for the highest governance body to ensure conflicts of interest are avoided and managed, whether conflicts of interest are disclosed to stakeholders	The Swan - Corporate Governance	15-17	fully reported
G4-42	Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.	The Swan - Interviews	-	fully reported
G4-43	Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	-	-	not reported
G4-44	Report the process for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics; report actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics	-	-	not reported



Code	Description	Location in the report	Page	Status
G4-45	Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities.	-	-	not reported
G4-46	Report the highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.	-	-	not reported
G4-47	Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	-	-	not reported
G4-48	Report the highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered.	-	-	not reported
G4-49	Report the process for communicating critical concerns to the highest governance body	The Swan - Corporate Governance The Bridge - Code of Ethics The Dolphins - HR Mgmt. - Grievance Mechanisms	15-17 25-26 52	fully reported
G4-50	Report the nature and total number of critical concerns that were communicated to the highest governance body and the mechanism used to address and resolve them	The Dolphins - HR Mgmt. - Grievance Mechanisms	52	fully reported
G4-51	Report the remuneration policies for the highest governance body and senior executives; report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives	The Dolphins - HR Mgmt. - Remuneration and Benefits	51-52	partially reported
G4-52	Report the process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management.	The Dolphins - HR Mgmt. - Remuneration and Benefits	51-52	partially reported
G4-53	Report how stakeholders' view are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	The Swan - Corporate Governance	15-17	partially reported
G4-54	Report the ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees in the same country.	-	-	not reported
G4-55	Report the ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees in the same country.	-	-	not 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.	The Bridge - Code of Ethics The Bridge - Code of Conduct	25-26 26	fully reported
G4-57	Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.	The Dolphins - HR Mgmt. - Labor Practices Code of Conduct	51	partially reported
G4-58	Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines	The Dolphins - HR Mgmt. - Grievance Mechanisms	52	fully reported
G4 Specific Standard Disclosures				
Economic Performance				
G4-EC1	Report the direct economic value generated and distributed on an accurate basis including the basic components for the organization's global operations	The Sturgeon - Abbreviated Financials	64	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.	The Pelican - Our Ongoing Commitment The Pelican - Strategic Environmental Objectives	30 31	partially reported

Code	Description	Location in the report	Page	Status
G4-EC3	Coverage of the organization's defined benefit plan obligations.	The Dolphins - HR Mgmt. - Remuneration and Benefits	51-52	partially reported
G4-EC4	Financial assistance received from government	-	-	not applicable
Market Presence				
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	The Dolphins - HR Mgmt. - Remuneration and Benefits	51-52	partially reported
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	The Dolphins - HR Mgmt. - Workforce Structure	48-50	partially reported
Indirect Economic Impacts				
G4-EC7	Development and impact of infrastructure investments and services supported	The Bridge - Record Results The Pelican - Major Achievements in 2015 The Reeds - Supply Chain	23-24 31 58-59	fully reported
G4-EC8	Significant indirect economic impacts, including the extent of impacts	The Bridge - Record Results	23-24	fully reported
Procurement Practices				
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	-	-	not reported
Sector Specific				
OG1	Volume and type of estimated proved reserves and production	The Pelican - Environmental Indicators - Materials	32-34	partially reported
Environmental Performance				
Materials				
G4-EN1	Materials used by weight or volume	The Pelican - Environmental Indicators - Materials	32-34	fully reported
G4-EN2	Percentage of materials used that are recycled input materials	The Pelican - Environmental Indicators - Materials	32-34	fully reported
Energy				
G4-EN3	Energy consumption within the organization	The Pelican - Environmental Indicators - Energy Mgmt.	34-36	fully reported
G4-EN4	Energy consumption outside the organization	The Pelican - Environmental Indicators - Energy Mgmt. The Pelican - Environmental Indicators - Eco-Efficient Gas Stations	34-36 39-40	partially reported
G4-EN5	Energy intensity	-	-	not reported
G4-EN6	Energy consumption efficiency initiatives and improvements	The Pelican - Environmental Indicators - Energy Mgmt.	34-36	fully reported
G4-EN7	Reductions in energy requirements of products and services	The Pelican - Environmental Indicators - Energy Mgmt.	34-36	fully reported
Water				
G4-EN8	Total water withdrawal by source	The Pelican - Environmental Indicators - Water Mgmt.	37-38	fully reported
G4-EN9	Water sources significantly affected by withdrawal of water	The Pelican - Environmental Indicators - Water Mgmt.	37-38	fully reported
G4-EN10	Percentage and total volume of water recycled and reused	The Pelican - Major Achievements in 2015 The Pelican - Environmental Indicators - Water Mgmt. The Pelican - Environmental Indicators - Waste Mgmt.	31-32 37-38 38	fully reported
Biodiversity				
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	The Pelican - Environmental Indicators - Biodiversity	38	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.	The Pelican - Environmental Indicators - Biodiversity	38	fully reported
G4-EN13	Habitats protected or restored	The Pelican - Environmental Indicators - Biodiversity	38	fully reported



Code	Description	Location in the report	Page	Status
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 reported
Emissions				
G4-EN15, EN16, EN17	Direct and indirect greenhouse gas emissions (scope 1,2&3)	The Pelican - Environmental Indicators - Emissions	36-37	fully reported
G4-EN18	Greenhouse gas emissions intensity	-	-	not reported
G4-EN19	Reduction of greenhouse gas emissions	The Pelican - Environmental Indicators - Emissions	36-37	fully reported
G4-EN20	Emissions of ozone-depleting substances	-	-	not reported
G4-EN21	NOx , SOx, and other significant air emissions	The Pelican - Environmental Indicators - Emissions	36-37	fully reported
Effluents and Waste				
G4-EN22	Total water discharge by quality and destination	The Pelican - Environmental Indicators - Water Mgmt.	37-38	fully reported
G4-EN23	Total weight of waste by type and disposal method	The Pelican - Environmental Indicators - Waste Mgmt.	38	fully reported
G4-EN24	Total number and volume of significant spills	The Pelican - Environmental Indicators - Waste Mgmt.	38	partially 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	The Pelican - Environmental Indicators - Waste Mgmt.	38	fully 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
Products and Services				
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	-	-	not applicable
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	-	-	not applicable
Compliance				
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	The Reeds - Compliance	60-61	fully reported
Transport				
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	The Pelican - Major Achievements in 2015 The Pelican - Environmental Indicators - Products & Services, Transport	31-32 38-39	partially reported
G4-EN31	Total environmental protection expenditures and investments by type	The Pelican - Environmental Indicators - Compliance	40	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
Sector Specific				
OG2, OG3	Total amount invested in renewable energy and total amount of renewable energy generated by source	-	-	not reported
OG4	Number and percentage of significant operating sites in which biodiversity risk has been assessed and monitored	The Pelican - Environmental Indicators - Waste Mgmt.	38	partially reported
OG5	Volume and disposal of formation or produced water	The Pelican - Environmental Indicators - Biodiversity	38	fully reported
OG5	Volume of flared and vented hydrocarbon	-	-	not applicable
OG7	Amount of drilling waste and strategies for treatment and disposal	-	-	not applicable
OG8	Benzene, lead and sulfur content in fuels	Euro-5 production in accordance with EU legislation	-	fully reported

Code	Description	Location in the report	Page	Status
Social Performance: Labor Practices and Decent Work				
Employment				
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	Our People - HR Mgmt. - Workforce Structure	48-50	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 - HR Mgmt. - Workforce Structure	48-50	fully reported
Labor/Management Relations				
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	-	-	not reported
Occupational Health and Safety				
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	The Dolphins - Occupational Health and Safety	54-56	partially 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	-	-	not 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	The Dolphins - Occupational Health and Safety	54-56	partially reported
Training and Education				
G4-LA9	Average hours of training per year per employee by gender, and by employee category	The Dolphins - Training, Education and Career Development	53-54	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	The Dolphins - Training, Education and Career Development	53-54	fully reported
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	The Dolphins - Training, Education and Career Development	53-54	fully reported
Diversity and Equal Opportunity				
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	The Dolphins - HR Mgmt. - Workforce Structure	48-50	fully reported
Equal Pay for Men and Women				
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	The Dolphins - HR Mgmt. - Remuneration and Benefits	51	partially reported
Supplier Assessment for Labor Practices				
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
Grievance Mechanisms for Labor Practices				
G4-LA16	Number of grievances about labor practices field, addressed, and resolved through formal grievance mechanisms	The Dolphins - HR Mgmt. - Grievance Mechanisms	52	fully reported
Social Performance: Human Rights				
Investment				
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	-	-	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



Code	Description	Location in the report	Page	Status
Non-Discrimination				
G4-HR3	Total number of incidents of discrimination and corrective actions taken	The Dolphins - HR Mgmt. - Non-Discrimination	52	not applicable
Freedom of Association and Collective Bargaining				
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	The Dolphins - HR Mgmt. - Freedom of Association and Collective Bargaining	52	fully reported
Child Labor				
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	The Dolphins - HR Mgmt. - Child Labor	52	partially reported
Forced or Compulsory Labor				
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	The Dolphins - HR Mgmt. - Forced or Compulsory Labor	53	partially reported
Security Practices				
G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	-	-	not applicable
Indigenous Rights				
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	-	-	not applicable
Assessment				
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	-	-	not applicable
Supplier Human Rights Assessment				
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	-	-	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	The Dolphins - HR Mgmt. - Grievance Mechanisms	52	fully reported
Sector Specific				
OG9	Operations where indigenous communities are present or affected by activities and where specific engagement strategies are in place	-	-	not applicable
Social Performance: Society				
Local Communities				
G4-S01	Percentage of operations with implemented local community engagement, impact assessments, and development programs	The Tortoise - Major CSR Projects The Tortoise - Employee Engagement and Partnerships with Academia	42-45 46	fully reported
G4-S02	Operations with significant actual or potential negative impacts on local communities	The Tortoise - Approach to Community Engagement	42	partially reported
Anti-Corruption				
G4-S03	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	-	-	not reported
G4-S04	Communication and training on anti-corruption policies and procedures	The Bridge - Code of Ethics	25-26	partially reported
G4-S05	Confirmed incidents of corruption and actions taken	The Bridge - Code of Ethics	25-26	partially reported
Public Policy				
G4-S06	Total value of political contributions by country and recipient/beneficiary	-	-	not applicable

Code	Description	Location in the report	Page	Status
Anti-Competitive Behavior				
G4-S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	The Reeds - Compliance	60-61	fully reported
Compliance				
G4-S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	The Reeds - Compliance	60-61	fully reported
Supplier Assessment for Impacts on Society				
G4-S09	Percentage of new suppliers that were screened using criteria for impacts on society	-	-	not reported
G4-S010	Significant actual and potential negative impacts on society in the supply chain and actions taken	The Reeds - Supply Chain	58	partially reported
Grievance Mechanisms for Impacts on Society				
G4-S011	Number of grievances about impacts on society filed, addressed, and through formal grievance mechanisms	-	-	not applicable
Sector Specific				
0G10	Number and description of significant disputes with local communities and indigenous peoples	-	-	not applicable
0G11	Number of sites that have been decommissioned and sites that are in the process of being decommissioned	-	-	not applicable
0G12	Operations where involuntary resettlement took place, the number of households resettled in each and how their livelihoods were affected in the process	-	-	not applicable
0G13	Number of process safety events, by business activity	-	-	not applicable
Social Performance: Product Responsibility				
Customer Health and Safety				
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	The Reeds - Quality and Customer Management	59-60	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
Product and Service Labeling				
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	The Reeds - Quality and Customer Management	59-60	partially 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	The Reeds - Quality and Customer Management	59-60	fully reported
G4-PR5	Results of surveys measuring customers satisfaction	The Reeds - Customer Satisfaction	62	fully reported
Marketing Communications				
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	The Reeds - Customer Satisfaction	62	fully reported
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	The Reeds - Quality and Customer Management	59-60	fully reported
Compliance				
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	The Reeds - Compliance	60-61	fully reported
Sector Specific				
0G14	Volume of biofuels produced and purchased meeting sustainability criteria	The Reeds - Supply Chain	58	fully reported



Stakeholder Feedback Form

Please take a few minutes to fill out this questionnaire on the 2015 Sustainability Report.

We value your opinion as it helps us better manage our efforts and improve our results.

Which of the following interests you the most?
(multiple choice)

- 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

**THANK YOU FOR
YOUR FEEDBACK!**

The data we collect will help us improve our Sustainability Report and our Group's Corporate Responsibility actions.

csr@rompetrol.com

Which of the following interests you the most?

(single choice)

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

Which of the following groups of stakeholders do you belong to?

(single choice)

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

After reading the 2015 Sustainability Report, has your opinion of KMG International been influenced at all?

(single choice)

- Positively influenced
- Not influenced
- Negatively influenced

First name _____

Last name _____

Occupation _____

Company _____

Position _____

Phone _____

Email _____

Website _____

Address _____



Glossary of Terms

ACCA - Association of Chartered Certified Accountants

bn - billion

BU - Business unit

CFA - Chartered Financial Analyst

CLA - Collective Labor Agreement

CONCAWE - Conservation of clean air and water in Europe

COR - Classification of occupations in Romania

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

EU-ETS - European Union-Emissions Trade Scheme

EUTL - European Union Transaction Log

FAC - First Aid Case

FIR - Fatal Incident Rate

FR - Injury 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

mn - 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 - Injury Saverity Rate

SS - Standard Specifications

TRI - Total Recordable Incidents

TRIR - Total Recordable Injury Rate

WWTP - Waste Water Treatment Plant

Reporting Team

SUSTAINABILITY MANAGER

Costinela Drăgan
costinela.dragan@rompetrol.com
+40 21 307 74 17

LEGAL

Nicoleta Ionescu (Gomoi)

HUMAN RESOURCES

Paul Geormăneanu
Lavinia Roboșapcă
Florentina Mănăilă

QHSE

Camelia Vera Mitrofan
Corina Rugină
Felicia Andrei
Costin Jugaru
Olivia Niculescu
Silvia Dobre
Carmen Ioniță
Dana Tudorache
Luminița Zamfirescu

COMPLIANCE

Cătălin Bereș
Marius Sorega

SUPPLY CHAIN

Mihai Aileni

Contacts

KMG INTERNATIONAL N.V.

World Trade Center
Strawinskylaan 807, Tower A, 8th floor
1077XX Amsterdam, The Netherlands
Tel.: +31 205 75 23 90
Fax: +31 205 75 23 99
Email: office@rompetrol.com
Web: www.rompetrol.com

KMG ROMPETROL

3-5 Free Press Square
City Gate Northern Tower, 6th floor
013702 Bucharest, Romania
Tel: +40 21 30 30 800
Fax: +40 21 31 22 490
E-mail: office@rompetrol.com

ROMPETROL RAFINARE (PETROMIDIA REFINERY)

215 Năvodari Blvd.
Administrative Building
905700 Năvodari, Romania
Tel: +40 241 50 60 00
Fax: +40 241 50 69 30
E-mail: office.rafinare@rompetrol.com
Web: www.rompetrol-rafinare.ro

ROMPETROL DOWNSTREAM

3-5 Free Press Square
City Gate Northern Tower, 2nd floor
013702 Bucharest, Romania
Tel: +40 21 206 75 00
Fax: +40 21 206 75 80
Email: office.downstream@rompetrol.com
Web: www.downstream.ro

© 2016 KMG International

Scan the QR code with your phone to download a digital copy of the report, or follow the link below:



rompetrol.com/publications-and-speeches/annual-reports

This report was printed on recycled paper made with wood fibers from controlled sources.

