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ELEMENTS *of*

D Drive	I Identity	V Vision
E Ethics	R Reason	S Solidarity
I Inclusion	T Tradition	Y Youth



rompetrol

KazMunayGas
International
Group Member

2023 SUSTAINABILITY REPORT

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ELEMENTS *of* DIVERSITY

- Report Concept
- Message From the Chairman of the Board
- Message From the CEO
- About This Report
- Material Issues Within a Global Context
- Sustainable Development Goals



CHAPTER 1

I

Introduction

REPORT CONCEPT

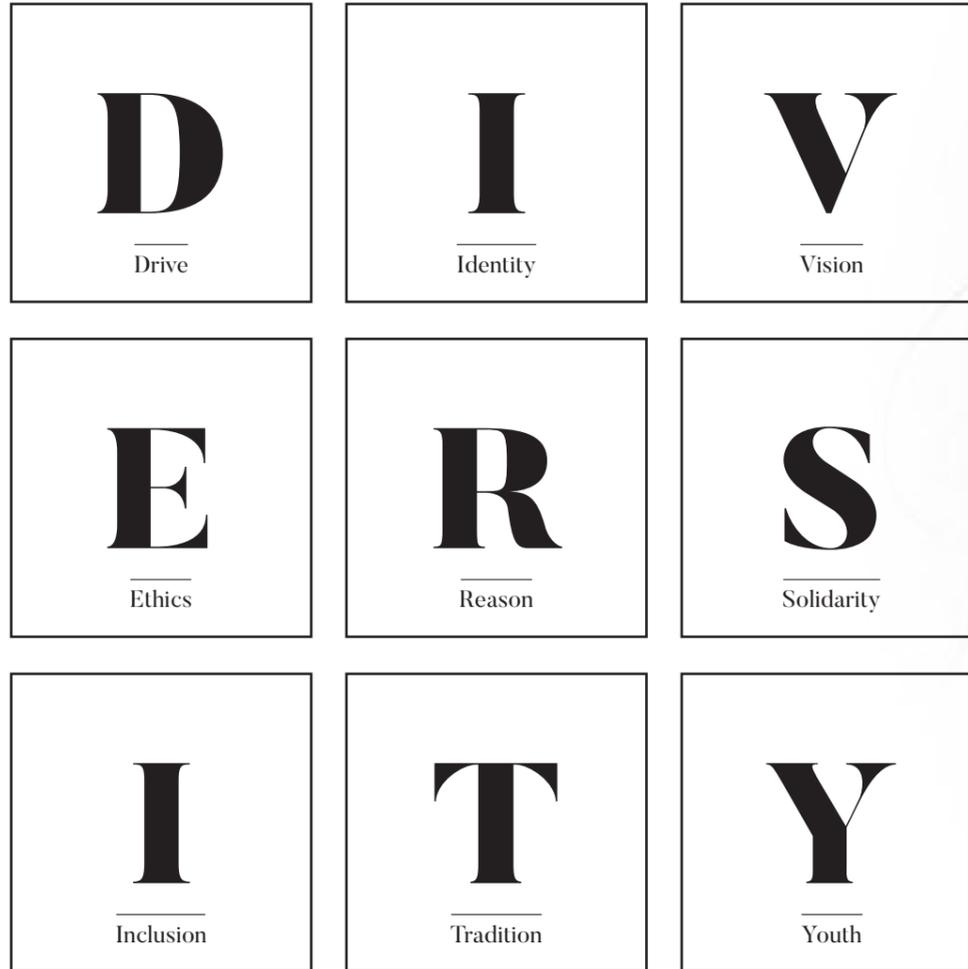
In a world that is ever more interconnected, the significance of diversity cannot be overstated. As we step into a new era of sustainability, our 2023 Rompetrol Sustainability Report embraces the concept of "Fostering Diversity" as a cornerstone of our commitment to a more inclusive and resilient future.

Diversity, much like the rich tapestry of a thriving ecosystem, brings strength, adaptability, and innovation. It represents our pledge to not only meet the energy demands of today but to do so by harnessing the collective power of varied perspectives, experiences, and skills. In fostering diversity, we recognize that our workforce, our communities, and our approach to sustainability are enriched by the unique contributions of every individual.

This concept signifies our dedication to creating an environment where all voices are heard and valued. It is an acknowledgment that embracing a multitude of viewpoints is essential for driving forward-thinking solutions and fostering a culture of continuous improvement. Our commitment to diversity extends beyond our internal practices; it is integral to our interactions with stakeholders and the communities we serve, ensuring that our growth is inclusive and equitable.

By promoting diversity, we are setting the stage for innovation and progress, building a sustainable future where economic success and social equity go hand in hand. This report invites you to join us in celebrating the strength of diversity as we navigate the path towards a more sustainable and inclusive world. Together, we can harness the power of our differences to drive positive change and build a brighter future for all.

ELEMENTS *of*



MESSAGE FROM *the* CHAIRMAN *of the* BOARD

HARNESSING *the* POWER *of* SUSTAINABILITY *in* OUR JOURNEY FORWARD

As we reflect on the global energy sector's challenges from 2023, we remain steadfast in our commitment to sustainability.

Along years we have developed strategies to modernize our operations, expand our refining capacities, secure supply chains, and diversify our product offerings. These efforts are designed to meet the evolving needs of the market while adding value to all our stakeholders.

As a company that exists for the benefit of all its stakeholders, we embrace the opportunity to drive transformation and deliver on our sustainability commitments. Our efforts are not only about compliance but about leading by example in the energy transition. Our mission is to balance the environmental challenges with the energy demands that propel human and economic progress, ensuring that we fulfill our responsibilities as a key industry player in the region.

At Rompetrol, we recognize the value of transparency, sustainability, and ethical governance as the cornerstones of our business strategy. These principles guide us as we navigate the complexities of the energy industry and strive to create lasting value for our stakeholders. Therefore my mission as the Chairman of the Board of Directors is to oversee and support the business with a focus on ESG performance.

While we closely follow to accomplish or, if possible, exceed our ESG targets, our achievements since 2007 to present are a testament to our dedication. Rompetrol's contributions to the Romanian economy are substantial, including the creation of thousands of direct and indirect jobs, forging strong commercial partnerships, and making significant contributions to the state budget. These highlighted our role as a key industry player in the region, committed to creating a sustainable future for generations to come.

We should not forget that our strength lies in our diversity. We are a mosaic of people, cultures, professions, and expertise, each contributing uniquely to our collective success. This diversity is our greatest asset, fueling innovation, fostering resilience, and driving us to perform even in the face of market adversity. We are proud of our inclusive culture, which empowers our people to contribute their best, ensuring we remain committed and dynamic while creating a sustainable future for generations to come.

Your continued support and partnership are vital as we navigate this journey together. Thank you for your unwavering trust and collaboration!

NIKOLAY KAZUTIN

Chairman of the Board
KMG International NV

MESSAGE FROM *the* CEO **GRI** GRI 2-22

EMBRACING *a* SUSTAINABLE FUTURE

I am pleased to present Rompetrol's 2023 Sustainability Report, a comprehensive account of our efforts to integrate sustainability and diversity into our operations. This report reflects our dedication to making a positive impact on the environment, supporting our workforce, and contributing to the well-being of the communities we serve.

For 2023, we have chosen to show our diverse global presence and our core values that enhance our ability to meet the diverse needs of our stakeholders. Much like the rich tapestry of a thriving ecosystem, diversity brings resilience, adaptability, and innovation to our organization.

Our Sustainability Report is structured to provide a detailed account of our sustainability initiatives and achievements across key areas. The report is divided into several chapters, each focusing on critical aspects of our sustainability strategy, including corporate governance and compliance, environmental and social stewardship, health and safety, diversity and inclusion, among others.

Environmental achievements

As we navigate the evolving energy landscape, we remain dedicated to providing energy for our customers. Our 2023 Sustainability Report highlights our strategic initiatives, key achievements, and our dedication to transparency and engagement in addressing climate change through efforts to optimize resource usage, and minimize our environmental footprint.

Various operations saw reductions in greenhouse gas emissions due to the implementation of advanced

technologies and energy efficiency measures. For example, Petromidia Refinery saw a decrease of more than 5% in its Scope 1 emissions from 2022 levels.

In terms of energy efficiency, the Petromidia Refinery recorded an energy consumption ratio of 3.06 GJ/t of throughput in 2023; notably, the Vega Refinery achieved its lowest energy consumption ratio to date at 2.33 GJ/t of throughput. Our capital projects, including heat recovery from distillation columns and the replacement of high-pressure steam pipelines, resulted in a reduction of 312 TJ/year in energy consumption. Additionally, the implementation of no-cost/low-cost initiatives yielded significant energy savings of approximately 506 TJ/year.

Rompertrol successfully recorded no accidental pollution incidents in 2023, underscoring our commitment to environmental safety and responsible operations. Our rigorous environmental monitoring and compliance measures ensure that we consistently meet and exceed regulatory standards .

Moreover, our efforts to minimize the environmental footprint extend through meticulous supply chain management and sustainability practices. As such, no significant environmental impacts were observed across our supply chain throughout 2023.

Climate change and decarbonization efforts

In 2023, significant progress has been made on our cogeneration plant at the Petromidia platform, with a completion date set for 2024. We are also investing in solar photovoltaic projects totaling approximately 40 MW and developing a solar PV park on the Petromidia platform with a capacity of around 8 MW.

As part of our Decarbonization Strategy, we are exploring co-processing vegetable oils, establishing a new Bioethanol

Plant with a capacity of 50 kt/year, and considering Carbon Capture and Storage (CCS) and Carbon Capture and Usage (CCU) technologies. Moreover, during the reporting period, we successfully initiated our first EU co-financed project to install 300kW DC charging stations in 11 locations along the A1 motorway. This project supports the transition to low-emission mobility and promotes sustainable transport solutions. Our EV charging infrastructure expansion aims to enhance accessibility to electric vehicle charging stations, contributing to cleaner mobility and environmental awareness.

Commitment to our people

Our employees are at the heart of our success, and we are dedicated to fostering a safe, inclusive, and supportive work environment. In 2023, we enhanced our training programs, providing nearly 90,000 hours of training to ensure our workforce remains skilled and adaptable, an increased in training hours per person by 24% compared to the previous year.

We introduced a Diversity, Inclusion, and Belonging (DIB) policy and endorsed the Romanian Diversity Charter to promote a diverse and inclusive work environment. We have also launched several diversity and inclusion initiatives, resulting in an increase in the representation of women in leadership roles in some of our operational areas and we are committed to further reduce this gap.

Our commitment to diversity and inclusion was also reinforced by anti-discrimination provisions in our agreements, with no incidents reported in 2023.

Health and safety remain our top priorities. Despite a strong track record in maintaining safety, 2023 saw two significant incidents at our Petromidia Refinery that underscored the need for ongoing vigilance and improvement. We conducted an internal analysis to ensure operational integrity, shared our lessons learnt and adapted our refining processes to maintain optimal production capacity.

These incidents highlight our ongoing commitment to safety and

operational integrity. We continue to enhance safety measures, conduct rigorous risk assessments, and ensure strict adherence to operational protocols. To further this commitment, we introduced a new safety indicator, the Severity Rate (SR), to better understand and mitigate the impact of accidents.

Additionally, our absenteeism rate dropped by over 50%, and we expanded our health and wellness programs to offer greater support for mental health and well-being. Our continuous improvement efforts aim to prevent future incidents and ensure a safe working environment for all employees.

Community engagement

Our engagement with local communities remains a cornerstone of our sustainability efforts. In 2023, we supported multiple community projects, focusing on education, health, and environmental conservation. These projects have positively impacted thousands of individuals, reflecting our commitment to making a difference where it matters most.

We have also partnered with local organizations to promote education and skill development, helping build a more resilient and capable workforce. Our initiatives in this area include scholarships, vocational training programs, and mentorship opportunities, all aimed at empowering the next generation.

Corporate governance and compliance

Strong corporate governance and a commitment to compliance underpin all our activities. In 2023, we strengthened our governance framework, ensuring greater transparency and accountability.

In our unwavering commitment to regulatory integrity, we maintain a zero-tolerance stance toward non-compliance. Our stringent measures encompass all mandatory obligations, with a relentless pursuit of 100% compliance and the eradication of any breaches.

Looking forward, we remain steadfast in our commitment to sustainability and diversity. These principles are integral to our vision for the future, where we continue to create value, protect the environment, and contribute to health & growth of our communities and society as a whole.

Our results of 2023 are proof of the hard work and dedication of our employees, the support of our partners, and the trust of our stakeholders. Only together we can create a more sustainable and inclusive world.

ILYAS KULDZHANOV

Chief Executive Officer
KMG International



ABOUT THIS REPORT

Our company’s aim is to create value for our multiple stakeholders and increase our efficiency while limiting our impact on available resources.

This report presents our challenges and progress towards sustainable development, covering a 1-year reporting period (January 1st, 2023 – December 31st, 2023). It delves into our approach and sustainability performance across all significant operations through transparent insights and in-depth assessments of relevant metrics. Data included in the report also refers to previous years where it was deemed relevant for setting the context and creating a better understanding of the information significant to the current reporting period.

With this sustainability report, we continue to improve our disclosure and transparency on ESG topics, in line with the latest developments in reporting guidelines and framework requirements, as well as our stakeholders’ evolving expectations.

EU TAXONOMY, CSRD, *and* ESRS IMPLEMENTATION

In 2023, we have made significant strides in aligning our reporting practices with the latest European Union regulations and standards.

The CSRD, effective from fiscal year 2024, mandates that all large companies and all listed companies (except listed micro-enterprises) disclose detailed information on their risks and opportunities arising from social and environmental issues, as well as the impacts of their activities on people and the environment. This directive requires extensive data collection, processing, and publication, with an external auditor providing assurance on sustainability reporting, starting with limited

assurance and moving to reasonable assurance over time. The CSRD aims to improve and standardize the quality of sustainability information provided by companies, making it easier for investors and other stakeholders to make informed decisions.

The ESRS, consisting of 12 standards, provide a comprehensive framework for reporting on various ESG aspects. These standards were developed by the European Financial Reporting Advisory Group (EFRAG) and adopted by the European Commission. They cover a broad spectrum of ESG topics, including:

- **Environmental:** Climate change, pollution, water and marine resources, biodiversity, material use, and circular economy.
- **Social:** Employee welfare, workers in the value chain, impact on communities, consumers, and end-users.
- **Governance:** Corporate governance practices and decisions related to materiality.

We shall use ESRS for our 2024 reporting cycle.

The EU Taxonomy is a pivotal element of the European Green Deal, offering a science-based framework to guide companies and investors towards sustainable economic activities. It identifies environmentally sustainable activities based on six key environmental objectives:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

Our adherence to the EU Taxonomy is evident in our detailed reporting on the extent to which our economic activities align with these objectives. We ensure that our disclosures are comprehensive, transparent, and in full compliance with the Taxonomy Regulation. Starting January 2023, reporting according to the Taxonomy Regulation is mandatory for large companies subject to the Non-Financial Reporting Directive (NFRD). Our commitment to these guidelines demonstrates our dedication to transparency and compliance with industry standards.

SUPPORTING GLOBAL STANDARDS *and* PRINCIPLES

We actively support the UN Sustainable Development Goals (SDGs) and the UN Global Compact’s 10 Principles on human rights, labor standards, environment, and anti-corruption within our Group, across our value chain, and in the business conduct of our suppliers and partners. As a long-standing contributor to the UN Global Compact, we have been applying the Global Reporting Initiative (GRI) framework in our reporting since 2015.

This year, we have continued to align our reporting with the GRI Universal Standards, which provide the highest level of transparency for organizational impacts on the economy, environment, and people. We have also adopted the provisions of the GRI 11: Oil and Gas Sector 2021 standard, ensuring that our disclosures are in line with the latest industry-specific guidelines. We also considered the relevant requirements of the IFRS Foundation (Sustainability Accounting Standards Board – SASB & Integrated Reporting Framework) and the 2020 IPIECA voluntary guidance for the oil and gas industry when developing this edition of our report. This forward-looking approach means organizations are well-positioned to use their GRI reporting to respond to emerging regulatory disclosure needs, such as the CSRD and the IFRS plans for enterprise value standards.

ENHANCED TRANSPARENCY *and* ASSURANCE

Our report is fully compliant with Romanian non-financial reporting legislation, including the Ministry of Public Finance Orders No. 1938/2016 and No. 2844/2016. It was drafted internally with the input of subject matter experts across the organization and underwent an external assurance process by EY Romania, in accordance with the International Standard on Assurance Engagements - ISAE 3000. This rigorous assurance process ensures the reliability and accuracy of our sustainability data, reinforcing our commitment to transparency and accountability.

FOCUS *on* RELEVANT SUSTAINABILITY TOPICS

Based on a thorough understanding of our impacts throughout our value chain, the content of this report focuses on the sustainability topics most relevant to our wide range of stakeholders, including employees, shareholders, investors, communities in regions with significant operations, public associations, customers, and partners. These topics are organized into clear chapters reflecting the key focus areas of our sustainability commitment:

- **People:** Our initiatives to support employee well-being, diversity, and inclusion.
- **Safety:** Measures and practices to ensure the safety of our workforce and operations.
- **Community:** Our efforts to support and engage with the communities where we operate.
- **Environment:** Our strategies and actions to minimize our environmental footprint.
- **Market:** Ensuring sustainability and ethical practices throughout our supply chain.
- **Corporate Governance:** Our governance practices ensure ethical and responsible management.

The 2023 Rompetrol Sustainability Report provides a comprehensive analysis of the Group's ESG performance, offering a detailed overview of our sustainability initiatives and achievements, as well as a deep dive into several companies relevant for our entire value chain and falling within the scope of the sustainability reporting directive, including Rompetrol Rafinare, Rompetrol Well Services and Rominserv but also other entities.

Throughout the report, markers are provided to indicate the correlation between material topics, the standards and reporting frameworks used.

As we move forward, we will continue to adhere to best practices on environmental, social, and governance issues, seek independent opinions and expert advice, and regularly incorporate these insights into our strategic framework.

KMG International has adhered to the guidelines established by the Taxonomy Regulation starting with its 2021 Sustainability Report. Our commitment to reporting in accordance with the Taxonomy Regulation demonstrates our dedication to transparency and compliance with industry standards.

Starting January 2023, reporting according to the Taxonomy Regulation is mandatory for large companies subject to the Non-Financial Reporting Directive (NFRD). As a responsible organization, we have consistently ensured that our reporting aligns with these requirements, providing our investors and stakeholders with comprehensive and reliable information on our environmental, social, and governance (ESG) performance.

By incorporating the Taxonomy Climate Delegated Act and diligently following the reporting mandates, we continue to demonstrate our steadfast commitment to fostering a sustainable future and maintaining the trust of our investors and stakeholders.

For the reporting period covered by this report, we have identified our eligible activities and assigned the related turnover, CAPEX and OPEX (see our Taxonomy Analysis).

Increased transparency in our environmental, social and governance (ESG) reporting helps provide comparable and decision-useful information for investors and all other stakeholders.

MATERIAL ISSUES *within* a GLOBAL CONTEXT

At Rompetrol, we recognize that sustainability is a journey that requires continuous improvement and adaptation.

Our comprehensive approach to sustainability ensures that our operations meet internal goals while also contributing positively to our community and the broader society. Aligning our sustainability vision with our business strategy is crucial for generating value for both our Group and our stakeholders.

To capture a broad range of ideas and to ensure a holistic ESG reporting approach, members of our internal sustainability reporting team represent key functions across the organization, including Accounting & Finance, Legal, Procurement, QHSE, Human Resources, Planning & Performance etc.

MATERIALITY ASSESSMENT

Materiality assessments are integral to defining and verifying the focus of our sustainability management efforts and the content of our reporting. Guided by the Global Reporting Initiative (GRI) Standards and other relevant frameworks, we continually monitor internal and external elements that might affect our sustainability priorities.

To identify material topics, we employ a systematic and transparent process that includes:

- **Identifying actual and potential impacts:** We assess the economy, environment, and people across our operations and business relationships to identify both current and potential impacts.
- **Prioritizing impacts for reporting:** We evaluate the significance of these impacts to prioritize them for our reporting.
- **Engaging with stakeholders:** We engage with internal and external stakeholders, including experts, to gather a wide range of perspectives and insights.

We conduct formal materiality assessments biennially to prioritize issues with the greatest impact on our business, communities, and environment, and those that matter most to our stakeholders. The latest assessment was conducted in the previous reporting cycle. In 2021, we launched a comprehensive evaluation and consultation process to define our material topics, which we continue to track and refine.

Our materiality assessment identified 22 topics relevant to KMG International, consolidated into 4 main clusters. These topics were included in an online questionnaire for consultation with both internal and external stakeholders. The aim was to gauge the relevance of these topics, evaluate stakeholder awareness, and gather additional key topics or recommendations.

A similar questionnaire was also submitted to the Group's Management Team to assess the impact of KMG's activities on the selected topics from their perspective.

All 22 material topics considered relevant by our stakeholders are detailed in this report to provide a comprehensive view of our commitment to integrating sustainability principles into our activities.

Materiality Matrix

Area/topics	Rank
ENVIRONMENT	
Emissions	1
Energy used	2
Waste management	3
Water management	4
Environmental compliance	5
Climate change and decarbonization	6
ECONOMIC	
Economic performance	7
Taxes paid	8
Procurement practices	9
Raw materials and products	10
Marketing policy	11
Product and customer responsibility	12
SOCIAL	
Fair employment	13
Occupational health and safety	14
Training and development	15
Diversity and equal opportunity	16
Local communities	17
Equitable work conditions for vulnerable groups	18
Investing in young people	19
CORPORATE GOVERNANCE	
Ethics and integrity	20
Supplier assessment on ESG topics	21
Risk assessment	22



STAKEHOLDER ENGAGEMENT

In the dynamic sector we operate in, active stakeholder engagement remains a cornerstone of KMG International’s business strategy. This engagement process allows us to understand, prioritize, and manage our sustainability impacts effectively. As we continue to refine our sustainability strategy, we are leveraging insights from extensive stakeholder engagement and external benchmarking to strengthen our objectives and integrate new sustainability dimensions.

We regularly engage with four broad stakeholder groups relevant to our activities: regulatory authorities, market actors, industry peers, and society. Our stakeholders include individuals or groups significantly impacted by our operations, those with a vested interest in our sustainability or environmental, social, and governance (ESG) performance, and public figures who influence our activities.

Sector approach

REGULATORY

Public authorities
Regulatory bodies
Local institutions

We engage with government representatives and regulators through various mechanisms—directly or via other organizations. This includes official institutional communication on emissions or environmental compliance and formal and informal communication on economic or policy-related topics. Our interactions include:

- **Institutional communication:** Regular reporting and updates on compliance with environmental regulations and emission standards.
- **Policy discussions:** Active participation in discussions about policy changes that affect the oil and gas sector, ensuring our viewpoints are considered.
- **Events and conferences:** Hosting and participating in events that address regulatory topics, providing a platform for dialogue and collaboration.

MARKET

Shareholders
Business partners
Clients
Media

Transparency, integrity, and quality define our communication with market actors. We prioritize customer health and safety, privacy, and interactions with business partners, shareholders, and the media. This is achieved through actions like:

- **Customer engagement:** Regular feedback mechanisms, including surveys and direct consultations, to address customer health, safety, and privacy concerns.
- **Shareholder relations:** Detailed and transparent reporting on financial performance, ESG metrics, and strategic initiatives, coupled with shareholder meetings and briefings.
- **Media communication:** Proactive media engagement through press releases, media briefings, and interviews to maintain an open dialogue about our operations and sustainability efforts.

INDUSTRY

Professional associations
Suppliers
Students/academia

We consistently engage with suppliers, trade associations, and industry peers to adhere to best practices and implement efficient solutions, delivering high-quality services. Our interactions include:

- **Supplier management:** Rigorous pre-screening processes, periodic questionnaires, and performance reviews to ensure compliance with our sustainability standards.
- **Industry collaboration:** Membership in industry associations to share best practices, collaborate on innovations, and address common challenges.
- **Educational partnerships:** Collaboration with academic institutions to develop skill development programs, internships, and training courses aimed at preparing the next generation of oil and gas professionals.

SOCIETY

Trade unions
Employees
Local communities
NGOs

We maintain open and constant dialogue with our employees, local communities, and partner organizations to ensure our sustainability and business plans reflect their needs. Our initiatives include:

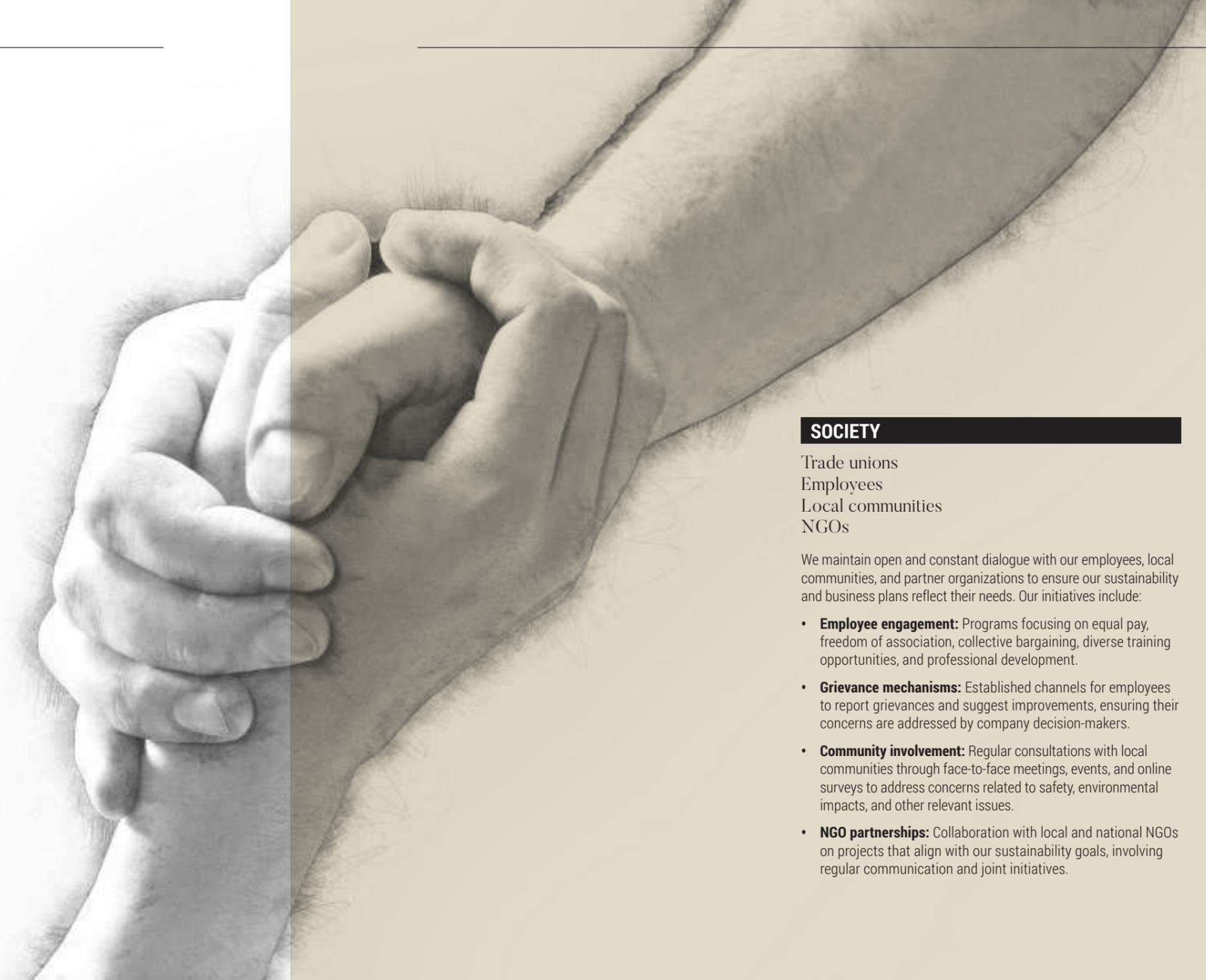
- **Employee engagement:** Programs focusing on equal pay, freedom of association, collective bargaining, diverse training opportunities, and professional development.
- **Grievance mechanisms:** Established channels for employees to report grievances and suggest improvements, ensuring their concerns are addressed by company decision-makers.
- **Community involvement:** Regular consultations with local communities through face-to-face meetings, events, and online surveys to address concerns related to safety, environmental impacts, and other relevant issues.
- **NGO partnerships:** Collaboration with local and national NGOs on projects that align with our sustainability goals, involving regular communication and joint initiatives.

ENGAGEMENT MECHANISMS

We tailor our engagement mechanisms to each relevant group, gathering opinions and advice through formal and informal meetings, surveys, and research. Formal meetings with stakeholders discuss ongoing issues and gather detailed feedback. Targeted surveys and comprehensive market research help us understand evolving needs and expectations. Continuous informal communication through emails, phone calls, and casual meetings ensures ongoing dialogue and responsiveness.

Stakeholder input is integral to our decision-making processes. The feedback and insights gathered through these mechanisms are thoroughly analyzed and integrated into our strategic planning and operational decisions. We communicate back to stakeholders to close the feedback loop and demonstrate how their input has influenced our actions. All sustainability-related information is communicated directly to our stakeholder groups and through our channels, including the Group’s website.

By implementing these robust engagement mechanisms, we aim to foster a transparent, responsive, and inclusive approach to stakeholder engagement. This enhances our sustainability performance and builds stronger relationships with all our stakeholders, ultimately contributing to a more sustainable and equitable future.



SUSTAINABLE DEVELOPMENT GOALS

Sustainable Development Goals (SDGs) are a global blueprint for dignity, peace, and prosperity for people and the planet, now and in the future. For the energy sector, these goals present both a significant challenge and an unparalleled opportunity to pivot towards more sustainable practices.

Our journey towards these ambitious objectives is characterized by strategic investments in renewable energy, efforts to reduce our environmental footprint, initiatives aimed at fostering responsible consumption and production across our operations, and unwavering commitment to collaborative action against climate change, along with a significant contribution to promoting education, health and wellbeing, and diversity and inclusion.

In 2023, we continued to prioritize sustainability across our entire value chain, focusing on key areas where we can make a tangible difference.

Our approach to integrating the SDGs involves a comprehensive framework that aligns our business strategy with sustainable development objectives. This includes assessing our impact on these goals, setting measurable targets, and engaging with partners across industries to drive collective action. As such, all relevant mentions regarding our approach and implementation of the SDGs will be marked accordingly throughout our 2023 Sustainability Report.

We have made significant strides in contributing to the SDGs, including reducing our carbon emissions, enhancing energy efficiency, and fostering a culture of innovation and sustainability. However, we recognize the ongoing challenges and are committed to continuous improvement.

Looking forward, we are dedicated to deepening our SDG commitments through innovative sustainability projects, enhancing our partnerships, and setting even more ambitious targets. Our aim is to not only advance our sustainability agenda but also to inspire and lead by example in our industry.

<div data-bbox="887 155 993 267"> </div> <div data-bbox="1014 215 1183 267"> <p>Good health and well-being</p> </div> <div data-bbox="887 281 1204 408"> <p>Preserving and promoting the health and wellbeing of both our employees and the communities we operate in are key priorities in our sustainable development strategy and the way we conduct business.</p> </div> <div data-bbox="887 422 1204 764"> <ul style="list-style-type: none"> • Health and safety programs: implementation of comprehensive health and safety management systems across all facilities to minimize risks and protect employees. Regular health screenings and wellness programs are available to all staff. • Community health initiatives: investment in local healthcare services, including donations to hospitals, support for health education campaigns, and access to clean water to improve community health and well-being. </div>	<div data-bbox="1268 155 1374 267"> </div> <div data-bbox="1395 215 1500 267"> <p>Gender equality</p> </div> <div data-bbox="1268 281 1543 482"> <p>Rompertrol is dedicated to promoting gender equality and equal opportunities within the company and in the communities where we operate. This commitment is reflected in our policies and practices, which aim to ensure equal opportunities for leadership, employment, and training.</p> </div> <div data-bbox="1268 497 1543 764"> <ul style="list-style-type: none"> • Workplace equality: implementation of policies to ensure equal pay for equal work, promote women into leadership positions, and support work-life balance initiatives. • Empowerment programs: support for external programs aimed at encouraging diversity, focusing on education, empowerment, and entrepreneurship. </div>	<div data-bbox="1606 155 1712 267"> </div> <div data-bbox="1733 215 1881 267"> <p>Clean water and sanitation</p> </div> <div data-bbox="1606 281 1923 534"> <p>Rompertrol recognizes the critical importance of managing water resources responsibly. Our approach to water management encompasses reducing water consumption, enhancing water recycling processes, and ensuring the treatment of wastewater before discharge. We aim to mitigate our environmental impact and contribute to the availability of clean water and sanitation in our operations and the broader community.</p> </div> <div data-bbox="1606 549 1923 764"> <ul style="list-style-type: none"> • Water management: implementing water efficiency and recycling practices across operations to reduce water usage and improve water quality. • Community projects: supporting clean water access and sanitation projects in communities, especially in areas affected by Rompertrol's operations. </div>	<div data-bbox="2325 155 2431 267"> </div> <div data-bbox="2452 215 2642 267"> <p>Decent work and economic growth</p> </div> <div data-bbox="2325 281 2642 482"> <p>Rompertrol is dedicated to fostering a work environment that respects the rights and well-being of all employees, while also contributing to economic growth. We ensure fair labor practices, support local economies through job creation, and engage in sustainable business practices that promote long-term economic development.</p> </div> <div data-bbox="2325 497 2642 690"> <ul style="list-style-type: none"> • Employment practices: creating jobs and ensuring fair labor practices across the company's value chain. • Economic contribution: contributing to the local economy through sustainable business practices, local sourcing, and supporting sustainable suppliers. </div>	<div data-bbox="2705 155 2811 267"> </div> <div data-bbox="2832 215 2980 267"> <p>Reduced inequalities</p> </div> <div data-bbox="2705 281 3065 437"> <p>Rompertrol is committed to reducing inequalities both within the organization and in the communities where we operate. We strive to create inclusive opportunities for all, regardless of background, gender, or disability, ensuring equitable growth and development.</p> </div> <div data-bbox="2705 452 3065 660"> <ul style="list-style-type: none"> • Inclusive workplace practices: creating an inclusive work environment that respects and values diversity in all its forms, including ethnicity, nationality, age, sexual orientation, and disability. • Community engagement and support: supporting programs aimed at empowering marginalized and vulnerable groups, enhancing their access to resources, and promoting social inclusion. </div>	<div data-bbox="3086 155 3192 267"> </div> <div data-bbox="3213 215 3361 267"> <p>Climate action</p> </div> <div data-bbox="3128 281 3488 460"> <p>Tackling climate change is a priority for Rompertrol. We are actively reducing our greenhouse gas emissions through energy efficiency, renewable energy investments, and carbon offset initiatives. Rompertrol also participates in global and local climate partnerships, advocating for effective climate policies and practices.</p> </div> <div data-bbox="3128 474 3488 660"> <ul style="list-style-type: none"> • Emission reduction: setting and pursuing aggressive targets for reducing carbon emissions in line with international agreements and standards. • Climate adaptation measures: implementation of measures to adapt to climate change impacts, protecting infrastructure and operations. </div>	<div data-bbox="3466 155 3572 267"> </div> <div data-bbox="3593 215 3784 267"> <p>Life on land</p> </div> <div data-bbox="3551 281 4080 363"> <p>Recognizing the importance of biodiversity for sustainable development, Rompertrol has implemented several key strategies to minimize its operational impact on natural habitats and ecosystems.</p> </div> <div data-bbox="3551 378 4080 660"> <ul style="list-style-type: none"> • Biodiversity conservation: initiatives to conserve land ecosystems and promote biodiversity, including habitat restoration projects and sustainable land management practices. • Reduced land pollution: efforts to reduce pollution and waste, including safe disposal of hazardous materials and waste management practices. • Community engagement & education: investing in education and awareness programs focused on environmental stewardship and conservation. • Partnerships for conservation: Rompertrol collaborates with environmental organizations and other stakeholders to support conservation projects. </div>
<div data-bbox="887 808 993 920"> </div> <div data-bbox="1014 868 1141 920"> <p>Quality education</p> </div> <div data-bbox="887 934 1479 1038"> <p>We believe that education should be available to all and access to quality education is a critical factor in creating a sustainable future. Investing in education, along with personal and professional development, is part of our mission to nurture the growth of our employees and communities</p> </div> <div data-bbox="887 1053 1479 1298"> <ul style="list-style-type: none"> • Employee education: Offering continuous learning opportunities for employees, including professional development programs and access to online courses. • Professional training initiatives: Our internship program is currently in its 22nd edition and has contributed to the development of over 1,600 individuals, some of whom continue to serve as valuable employees within the member companies. • Community support: Investing in local education projects, such as equipping schools in rural areas and providing educational opportunities for students in the communities where Rompertrol operates. </div>	<div data-bbox="1543 808 1648 920"> </div> <div data-bbox="1670 868 1839 920"> <p>Affordable and clean energy</p> </div> <div data-bbox="1543 934 1923 1135"> <p>As part of the energy sector, Rompertrol is at the forefront of transitioning towards more sustainable energy sources. We are committed to improving energy efficiency across our operations and investing in renewable energy projects. Our goal is to make energy more affordable and sustainable, reducing our carbon footprint and contributing to global efforts against climate change.</p> </div> <div data-bbox="1543 1150 1923 1313"> <ul style="list-style-type: none"> • Renewable energy: increasing the use of renewable energy sources within Rompertrol's operations to reduce greenhouse gas emissions. • Energy efficiency: enhancing energy efficiency through technological upgrades and process improvements in all facilities. </div>	<div data-bbox="2325 734 2431 845"> </div> <div data-bbox="2452 764 2642 845"> <p>Industry, innovation, and infrastructure</p> </div> <div data-bbox="2325 860 2642 1075"> <p>Innovation is key to Rompertrol's approach to sustainability. We continuously seek to improve our operational efficiency, reduce our environmental impact, and contribute to resilient infrastructure. Investing in innovative technologies and practices allows us to stay at the leading edge of the industry, while also supporting sustainable development.</p> </div> <div data-bbox="2325 1090 2642 1313"> <ul style="list-style-type: none"> • Infrastructure development: upgrading infrastructure to improve efficiency and reduce environmental impact. • Innovation in operations: supporting innovative initiatives to innovate processes, products, and services that contribute to sustainable industrial practices. </div>	<div data-bbox="2705 734 2811 845"> </div> <div data-bbox="2832 764 3023 845"> <p>Responsible consumption and production</p> </div> <div data-bbox="2705 860 3065 1001"> <p>Our sustainability strategy focuses on responsible consumption and production patterns. This involves optimizing resource use, reducing waste through recycling and reuse programs, and minimizing the environmental impact of products throughout their lifecycle.</p> </div> <div data-bbox="2705 1016 3065 1298"> <ul style="list-style-type: none"> • Sustainable practices: enhancing sustainability in the value chain, from procurement to production. • Adopting circular economy principles: focusing on reducing waste and promoting recycling, to enhance resource efficiency. • Consumer awareness: educating customers and stakeholders on sustainable consumption and the environmental impacts of products and services. </div>	<div data-bbox="3086 734 3192 845"> </div> <div data-bbox="3213 793 3361 845"> <p>Life below water</p> </div> <div data-bbox="3086 860 3445 1001"> <p>Rompertrol recognizes the importance of conserving and sustainably using marine resources. We are committed to protecting marine biodiversity and reducing pollution from our operations.</p> </div> <div data-bbox="3086 1016 3445 1239"> <ul style="list-style-type: none"> • Marine protection: implementing measures to prevent oil spills and reduce operational discharges into water bodies • Sustainable practices: promoting sustainable practices within the supply chain to protect marine ecosystems and biodiversity. </div>	<div data-bbox="3466 734 3572 845"> </div> <div data-bbox="3593 764 3784 845"> <p>Peace, justice, and strong institutions</p> </div> <div data-bbox="3466 860 3784 1053"> <p>We uphold the principles of peace, justice, and strong institutions by conducting our business ethically, transparently, and responsibly. Our approach includes rigorous governance practices, stakeholder engagement, and collaboration with NGOs and government agencies.</p> </div> <div data-bbox="3466 1068 3784 1313"> <ul style="list-style-type: none"> • Corporate governance: strengthening corporate governance structures to ensure transparency, accountability, and ethical business practices. • Support for Rule of Law: engaging in partnerships and initiatives that promote peace, justice, and strong institutions in the communities where Rompertrol operates. </div>	<div data-bbox="3762 734 3868 845"> </div> <div data-bbox="3889 793 4080 845"> <p>Partnerships for the Goals</p> </div> <div data-bbox="3762 860 4080 1053"> <p>Achieving the SDGs requires collaborative efforts. This involves working with government, industry peers, civil society, and international organizations to advance the SDGs. Rompertrol participates in multi-stakeholder initiatives to share best practices, leverage resources, and drive collective action towards sustainable development.</p> </div> <div data-bbox="3762 1068 4080 1261"> <ul style="list-style-type: none"> • Strategic partnerships: collaborating with governments, NGOs, industry partners, and other stakeholders to advance the SDGs through shared initiatives. • Knowledge sharing: participating in forums and networks for sharing best practices and innovations in sustainability. </div>

ELEMENTS *of* DIVERSITY

- Overview of Operations
- Our Brands
- Compliance



CHAPTER 2

P

Profile

OVERVIEW of OPERATIONS

COUNTRIES of MAIN OPERATIONS and MAIN COMPANIES

Kazakhstan

NC KazMunayGas JSC (parent)
KMG Rompetrol SRL rep. office
Rominserv SRL branch

The Netherlands

KMG International NV

Switzerland

KMG Trading AG

Spain

Dyneff España SL
Dyneff Gas Stations Network SL

France

Rompetrol France SAS
Dyneff SAS

Gibraltar (UK)

Byron Shipping LTD

Turkey

TRG Petrol Ticaret AŞ

Libya

OEBS SA branch

Romania (main market)

Rompetrol Rafinare SA
Rompetrol Downstream SRL
Rompetrol Gas SRL
KMG Rompetrol SA
Rompetrol Well Services SA
Oilfield Exploration Business Solutions SA
Midia Marine Terminal SRL
Rompetrol Logistics SRL
Byron Shipping SRL
Rominserv SRL
Rompetrol Energy SA
Rom Oil SA

Republic of Moldova

Rompetrol Moldova SA

Bulgaria

Rompetrol Bulgaria EAD
Rominserv SRL branch

Georgia

Rompetrol Georgia LTD



MAIN PRODUCTS and EXPORT MARKETS

Petromidia Refinery

Petroleum

Bulgaria
Moldova

Petroleum coke

Moldova
Ukraine
Serbia

Sulfur

Egypt

Diesel

Bulgaria
Moldova
Serbia
Greece
Turkey
Georgia

Gasoline

Bulgaria
Moldova
Albania
Greece
Turkey
Georgia

Vega Refinery

N-hexane

Bulgaria
Ukraine
Russia
Turkey

Bitumen

Bulgaria

Eco-solvents

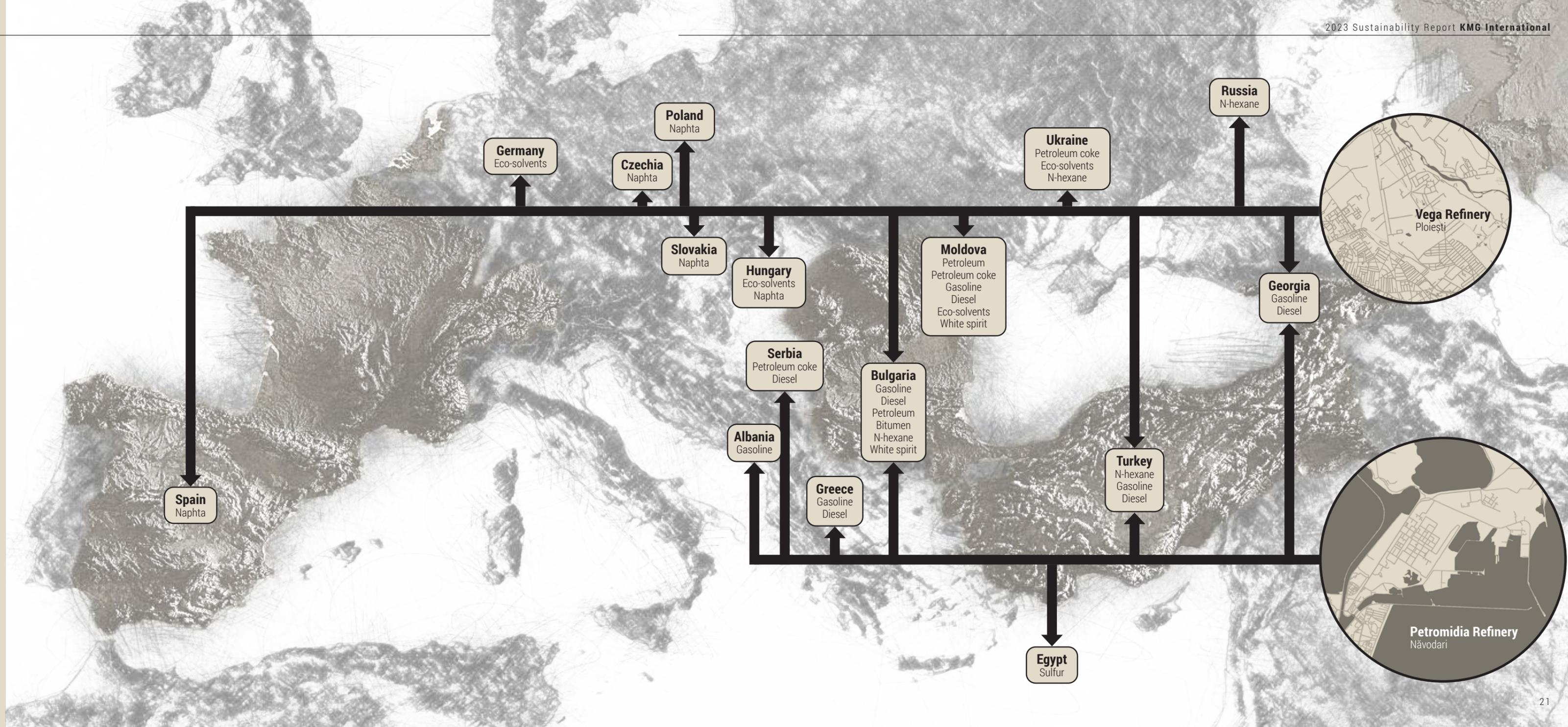
Moldova
Ukraine
Hungary
Germany

White spirit

Bulgaria
Moldova

Naphta

Hungary
Slovakia
Czechia
Poland
Spain



TRADING and SUPPLY CHAIN ACHIEVEMENTS

4.99 million tons of raw materials purchased by Petromidia Refinery

4.46 million tons of crude supplied by KMG Trading

15 consecutive years of MMT operations without accidents, incidents or spills

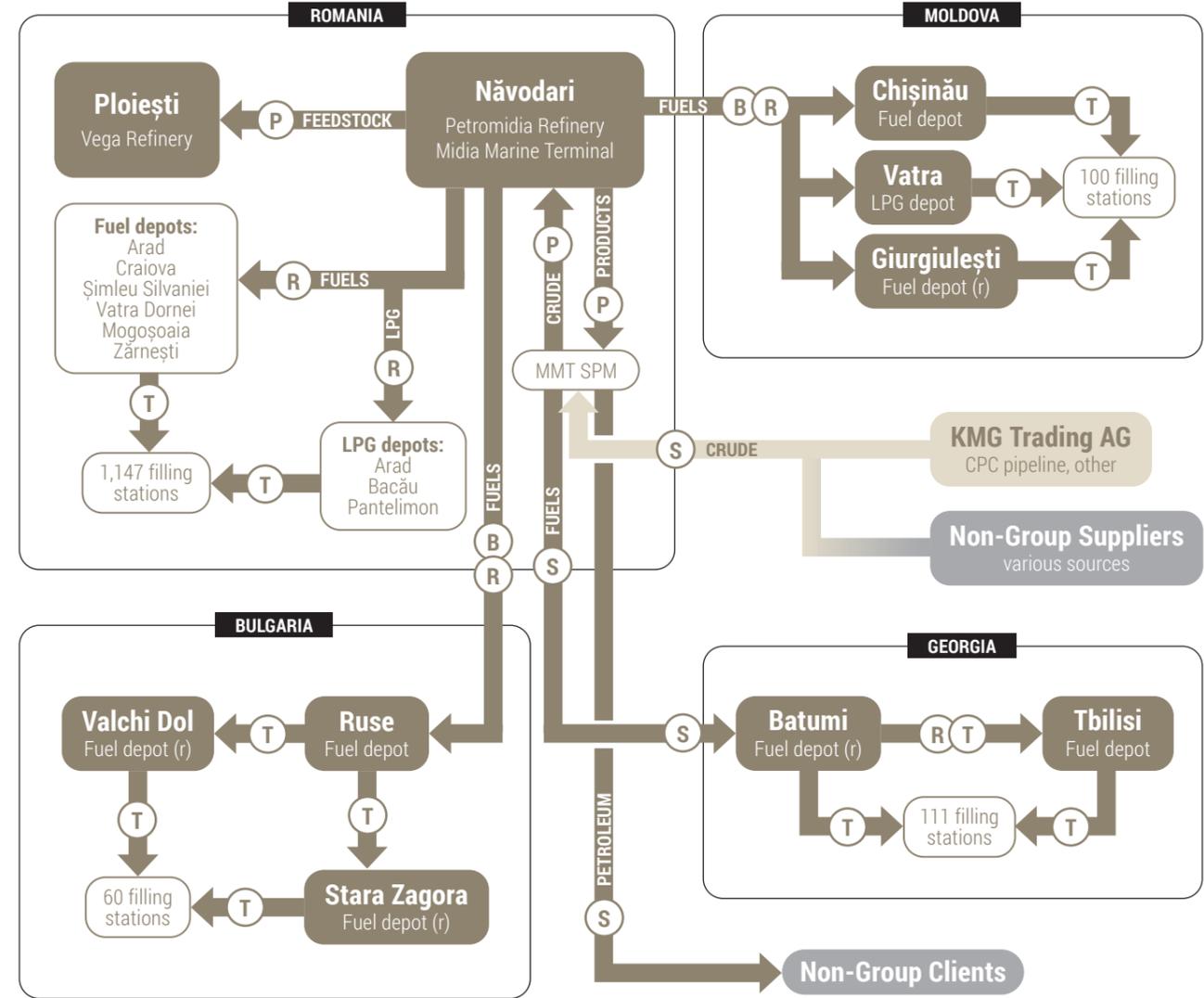
4.7 million tons of products sold by Petromidia across all sales divisions

4.3 million USD invested in complete replacement of SPM hoses

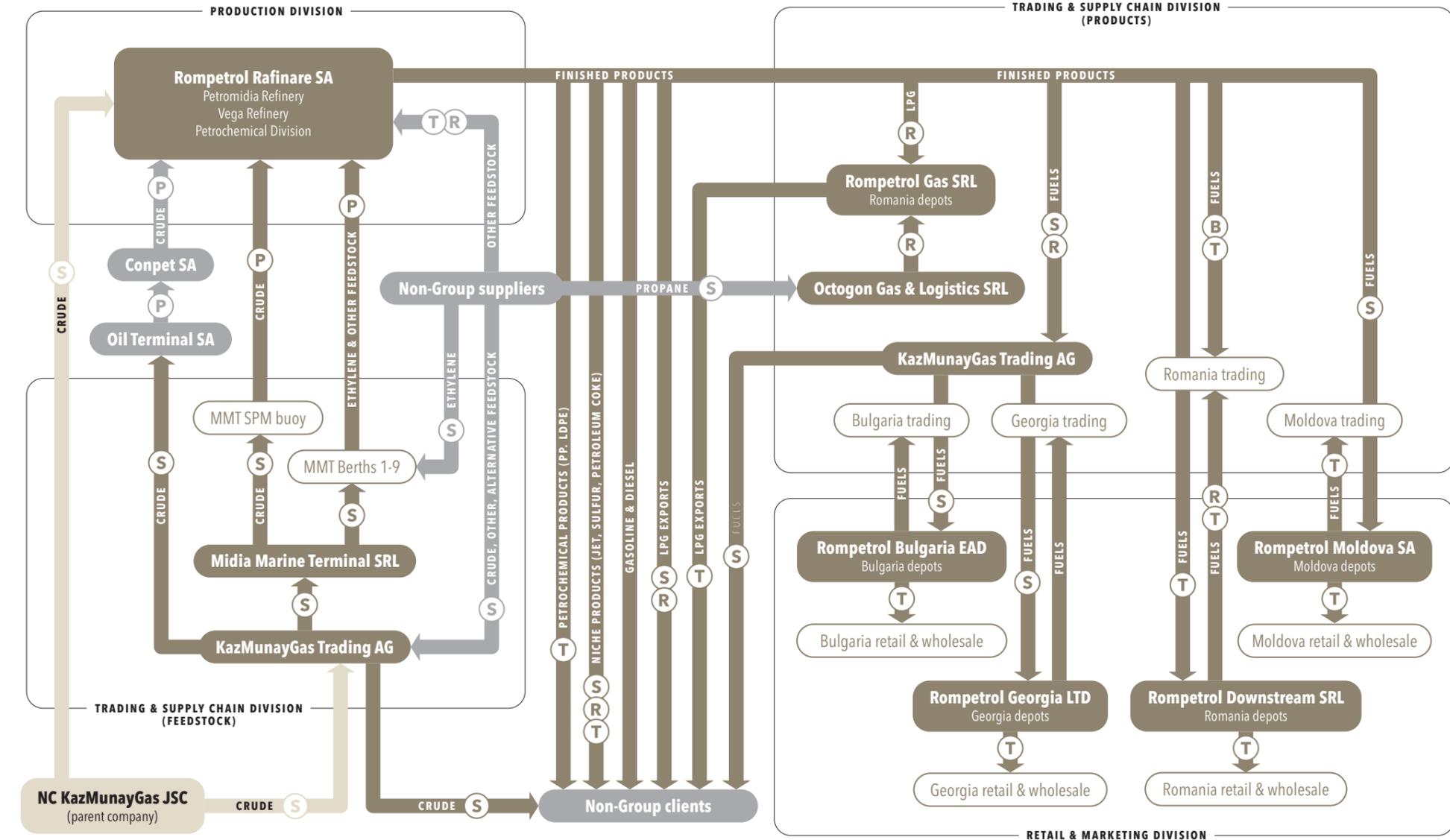
900 thousand tons of niche products sold

100 thousand tons of LPG sold in both retail and wholesale

ROMANIA and NEAR-ABROAD LOGISTICS



GROUP CORE DIVISIONS and SUPPLY CHAIN



OUR BRANDS

Rompetrol distinguishes itself as a key contributor in the energy sector by consistently channeling investments into its products and services through innovation, creativity, and sustainability. It evolves to meet the diverse needs of its employees, customers, and the wider community, aiming to provide energy for sustainable living.

CORPORATE BRAND

Rompetrol symbolizes public awareness regarding the entirety of Group operations, including all brand communications, visual identities, and the portfolio of the Group's trademarks.

KMG International Group employs a branding strategy that consolidates family brands under a single corporate umbrella. This approach ensures uniformity across all Group sub-brands, products, services, and trademark portfolios, making them more recognizable and enhancing their marketability. Rompetrol serves as the endorsing brand for all group portfolio trademarks, each contributing substantively to the credibility of the Rompetrol Corporate Brand's promise.

The Trademark Portfolio comprises intellectual property assets held by KMG International Group and its subsidiaries, which are registered and utilized at both national and international levels. This includes names, graphic symbols, logos, slogans, and other intangible assets.

Rompetrol offers a wide array of products and services designed to satisfy regional market demands, based on consumer needs and expectations. Our expertise in oil refining and industrial services is demonstrated through our unique products and services, niche offerings, exclusive developments, and innovative solutions.

RETAIL PORTFOLIO

Rompetrol gas stations have evolved into integrated energy stations, serving as hubs for drivers and their vehicles. They represent meeting points, favored coffee spots, or reliable neighborhood stores for safe convenience shopping. Rompetrol stations are welcoming social spaces for dreaming, sharing, and inspiration. Transitioning from gas to energy stations, Rompetrol continually adapts to consumer demands, crafting sustainable and memorable experiences.

Fill&Go Business offers a sophisticated fleet management solution, customized to meet our customers' specific requirements, including Fuel Management and Vehicle Monitoring. This service utilizes various identification technologies, such as cards, ring and easy ring, enabling seamless fuel transactions and vehicle tracking. It's designed to facilitate operations on premises with Rompetrol's fueling stations, providing a streamlined fueling process directly on the customer's site.

Fill&Go encompasses a suite of products and integrated services aimed at addressing the unique needs of drivers. Developed exclusively by Rompetrol, it represents a breakthrough in the oil and gas sector, introducing a novel approach to fuel transactions and fleet management not just in Romania but also beyond. The system offers a versatile payment solution at the pump, catering to both individual consumers and business clients, making it a flexible option for a wide range of users.

hei coffee & gourmet stands as a unique blend of shop and gastro within the Rompetrol energy station network, offering an array of original, refreshing products and services. It embodies a contemporary yet welcoming atmosphere, surprising customers with its fresh, natural offerings while prioritizing environmental and local produce considerations.

efix represents Rompetrol's most advanced fuel range, designed at the Petromidia Refinery. It combines optimal additives and active compounds to clean valves and injectors, reduce fuel consumption, enhance engine performance, and lower carbon emissions. efix fuels are exclusively available through Rompetrol gas stations in Romania, Bulgaria, Moldova, and Georgia.

Rompetrol Go is the first Romanian loyalty program dedicated to private customers, rewarding users for every liter fueled or amount spent at hei with GoPoints, redeemable for goods and services at gas station shops and restaurants. The program distinguishes itself by providing a singular account that consolidates access for users of both Rompetrol Go and Fill&Go Personal, streamlining the experience across Rompetrol's services.

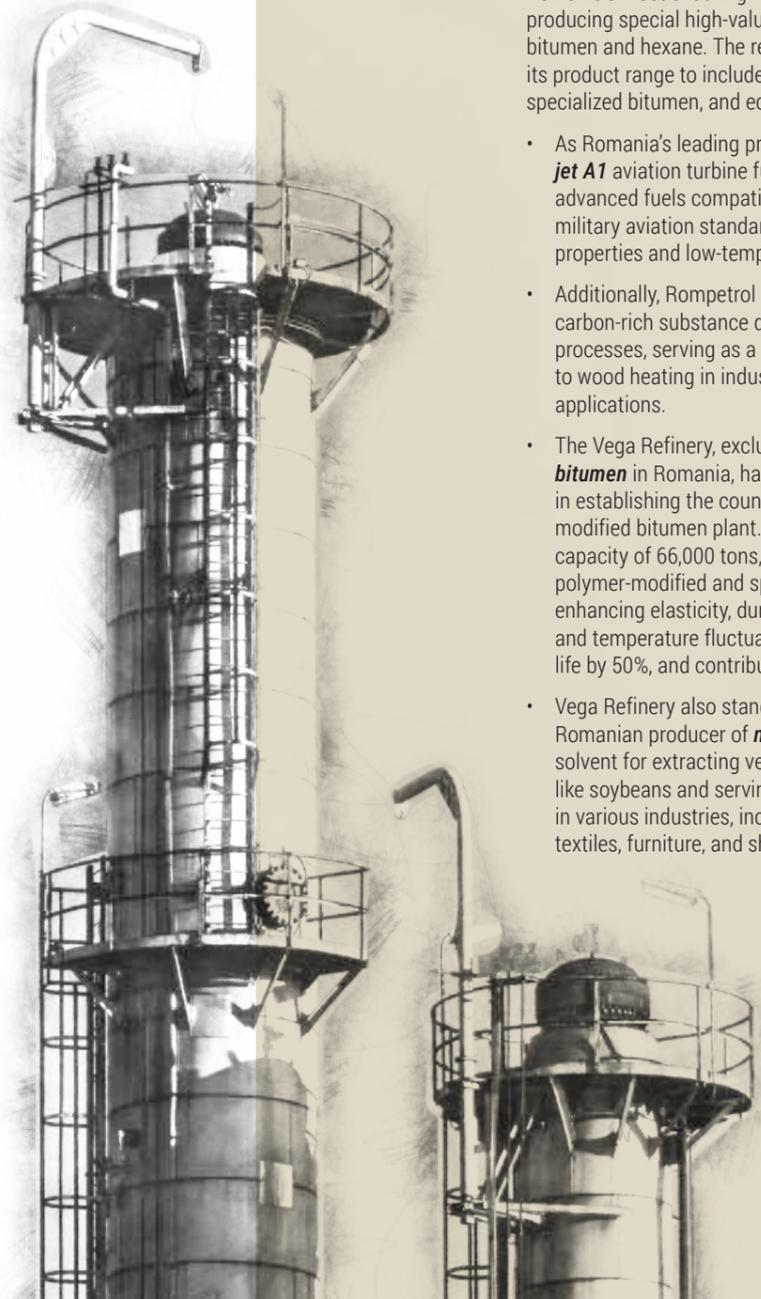
Rompetrol GO+ elevates the loyalty experience with additional perks, serving as an invaluable companion for frequent users. This enhanced card allows customers to pay for fuel directly at the pump across Rompetrol stations in both Romania and Bulgaria. It offers the flexibility of using pre-loaded funds or the option to set up a credit limit, ensuring customers enjoy the full suite of benefits offered by the Rompetrol Go program.



REFINING and PETROCHEMICAL PORTFOLIO

Petromidia Refinery, a key pillar of the Rompetrol Brand, stands as the largest in Romania and among the most advanced in Southeast Europe, marking a significant presence both regionally and nationally. Celebrating its 40th anniversary in 2019, the refinery is a testament to Rompetrol's commitment to performance and innovation. Petromidia plays a crucial role in bolstering the Rompetrol brand within Romania and the wider Black Sea area, integrating seamlessly into trading, supply business lines, and fuel distribution across Rompetrol's network in Romania, the Republic of Moldova, Bulgaria, and Georgia. Rompetrol consistently invests in digital technologies to enhance production capacity, improve fuel quality, and decrease energy consumption at the refinery.

Within the refining segment, the **Petrochemical Division** is the sole producer of polyolefins in Romania, supplying over half of the domestic demand for petrochemical products. The Petromidia Refinery's polyolefin production encompasses polypropylene (PP), high-density polyethylene (HDPE), and low-density polyethylene (LDPE), catering to a broad spectrum of industries from agriculture and food to FMCG, personal care, electronics, automotive, textiles, and construction. The division offers more than 30 specialized niche polyolefin varieties, including a specific type of polypropylene designed for the filtration layer in protective medical masks, highlighting its commitment to innovation and public health.



Operational since 1905, the **Vega Refinery** is Romania's most enduring refinery, known for producing special high-value products such as bitumen and hexane. The refinery has expanded its product range to include ecological solvents, specialized bitumen, and eco-friendly heating fuels.

- As Romania's leading producer of **jet A1** aviation turbine fuel, Rompetrol delivers advanced fuels compatible with civil and military aviation standards, featuring antistatic properties and low-temperature resilience.
- Additionally, Rompetrol produces **coke**, a carbon-rich substance derived from refining processes, serving as a sustainable alternative to wood heating in industrial and commercial applications.
- The Vega Refinery, exclusive producer of **bitumen** in Romania, has invested \$7 million in establishing the country's first polymer-modified bitumen plant. With an annual capacity of 66,000 tons, this facility produces polymer-modified and special bitumens, enhancing elasticity, durability against wear and temperature fluctuations, extending service life by 50%, and contributing to noise reduction.
- Vega Refinery also stands as the sole Romanian producer of **n-Hexane**, a critical solvent for extracting vegetable oils from crops like soybeans and serving as a cleaning agent in various industries, including printing, textiles, furniture, and shoemaking.

INDUSTRIAL SERVICES PORTFOLIO

The Industrial Services Division offers specialized solutions tailored to the comprehensive needs of the oil and gas sector. It encompasses esteemed companies of Romanian heritage that have played a pivotal role in evolving the division into a hub of engineering excellence. In response to the European economic landscape, the Industrial Services Division has strategically diversified its well services operations and expanded the range of activities associated with Rominserv, the group's primary EPC contractor. The services rendered by these companies significantly bolster the growth of KMG International by enhancing operational efficiency and presenting a cost-effective alternative to third-party services.

Rominserv is a leading Romanian company, specialized in integrated industrial projects, maintenance, and management services. It further provides technological advancements and technical upgrades, delivering all-encompassing turnkey solutions to its clients. With over two decades of industrial service experience, Rominserv operates as a full-service contractor, offering an extensive suite of services ranging from the installation of mechanical, static, and dynamic equipment to routine and major repair works, refurbishments, as well as predictive, preventive, and corrective maintenance, alongside engineering and project management.

Rompetrol Well Services, boasting 70 years of expertise, ranks among the top oil and gas service providers in Romania and the Central and Eastern European region. The company renders an array of specialized services tailored to oil and natural gas wells, including cementing, sand control, stimulation, testing, and casing running operations.

Rompetrol Quality Control (RQC) is recognized as a leading entity in the Romanian laboratory analysis market, conducting comprehensive analyses for both internal clients within KMG International and external entities. RQC holds accreditation under ISO 17025, 9001, 14001, and 45001 standards. It operates across three main business lines to meet the high-level standards and diverse needs in laboratory testing: analysis of petroleum products, petrochemical product analysis, and environmental analysis.



TRADING PORTFOLIO

KazMunayGas Trading is responsible for managing all trading operations, including the supply of crude oil and the sales of fuel products. Annually, we handle millions of tons of crude oil, raw materials, and finished goods, serving as a key facilitator for the Kazakh petroleum industry on a global scale and bridging the supply gap between Asian petroleum producers and European markets.

Midia Marine Terminal is a crucial asset of our Group, managing the transit of oil and oil products through its berths in Midia Port. Commissioned in 2008, this offshore terminal has been a pivotal project for enhancing our trading operations. Located 8.6 kilometers from the coastline, it connects directly to the refinery's tank farm, which boasts a capacity of 24 million tons per year. Capable of accommodating vessels of up to 160,000 tons deadweight, its primary benefit lies in offering a more efficient transit route for crude and oil products—approximately 33 kilometers shorter than the route from Constanța Port.

UPHOLDING INTEGRITY and ETHICS in COMPLIANCE PRACTICES

In the dynamic landscape of today's global economy, adherence to ethical principles and regulatory compliance stands as the cornerstone of sustainable business practices. Across our diverse portfolio of subsidiaries and partnerships, we prioritize compliance with a comprehensive framework of laws, regulations, and ethical standards. From the onset of our operations, we have established robust compliance and internal control policies that extend throughout our entire value chain. These policies are not only binding for our employees but also for our contractors and partners, both in Romania, our largest operations base, and abroad.

At the heart of this approach lies our dedication to fostering an environment where ethical behavior is not just encouraged but expected. Our policies encompass a wide range of critical areas including anti-bribery and corruption measures, promotion of human rights and fair labor practices, safeguarding data privacy, managing conflicts of interest, and facilitating a culture of whistleblowing. We understand that addressing these aspects diligently is vital not only for regulatory compliance but also for nurturing trust among our stakeholders.

To ensure the effective implementation of these policies, our Compliance and Internal Control & Forensics Departments play a pivotal role. They provide unwavering support to all entities within the KMG International Group, empowering them to operate responsibly and sustainably. Through proactive risk management strategies and prompt resolution of concerns, we safeguard our reputation and assets while upholding our legal and ethical obligations.

ESG TARGETS: PROMOTING ETHICAL BUSINESS PRACTICES and REGULATORY COMPLIANCE

At KMG International, our commitment to ESG principles drives our actions toward fostering a sustainable and responsible business environment. To uphold these values, we have outlined targeted objectives aimed at promoting ethical conduct, safeguarding personal data, and ensuring compliance across our operations.

Training on Business Conduct and Ethics Code Implementation

In our pursuit of ethical excellence and the protection of human rights, KMG International undertakes comprehensive training programs aimed at various segments of our workforce.

For newly onboarded employees and procurement staff, rigorous training on Business Conduct and Ethics Code implementation has been successfully executed, ensuring 100% coverage. Notably, management-level personnel and sales force representatives are slated for training sessions in 2024, aligning with our strategic agenda to fortify ethical standards across all organizational tiers.

Protection of Personal Data Training

Embracing the fundamental right to personal data protection, as enshrined by the European Union, KMG International conducts meticulous training sessions tailored for specific employee cohorts. Our commitment extends to departments critical to data handling, including HR, Internal Communications, Public Relations, Marketing, QHSE, Procurement, Gas Station Managers, Commercial, Credit Control and Collection, and Back Office teams, all achieving full compliance with 100% employee participation.



Business Partner and Supplier Evaluation

At KMG International, we recognize the pivotal role of ethical sourcing and collaboration in sustaining our business ecosystem. Thus, we meticulously evaluate our business partners and suppliers to ensure adherence to ethical principles and human rights standards. Our commitment entails subjecting 100% of targeted business partners and suppliers to rigorous scrutiny, reinforcing our dedication to responsible and ethical business practices.

Compliance Assurance

In our unwavering commitment to regulatory integrity, KMG International maintains a zero-tolerance stance toward non-compliance. Our stringent measures encompass all mandatory obligations, with a relentless pursuit of 100% compliance and the eradication of any breaches. This unwavering commitment underscores our dedication to upholding the highest standards of corporate governance and ethical conduct.

In 2023, the Internal Control & Forensics Department has achieved significant milestones in its mission to uphold integrity and mitigate risks within the organization.

Key accomplishments include:

- successful development and implementation of robust internal control frameworks, effectively mitigating risks across various business processes
- timely investigation and resolution of reported cases, irregularities, or suspicious activities, leading to the swift mitigation of potential financial or operational risks
- implementation of comprehensive training programs aimed at enhancing employees' awareness of fraud and anti-bribery and corruption (ABAC) risks, coupled with the reinforcement of the importance of internal controls. This initiative will persist into 2024
- securing a positive audit outcome following an Internal Audit engagement concerning the Whistleblowing channel at the beginning of the year, underscoring the department's dedication to maintaining high standards of internal control and compliance with regulatory requirements
- enrolling all department employees/staff in Certified Fraud Examiners (CFEs) certification programs in 2024, symbolizing expertise, knowledge, and professionalism in detecting and preventing fraudulent activities.

Looking ahead to the coming year, the Internal Control & Forensics Department sets ambitious targets to further enhance the organization's internal control system.

Improvement targets include:

- developing new awareness campaigns, training modules, and materials to strengthen the impact of the department's missions and promote its role across the organization
- continuously monitoring and supporting the implementation of recommendations submitted to management, both in ABAC risk assessment and control processes, as well as in all analyses/investigations conducted
- continuing the implementation of measures aimed at mitigating bribery and corruption risks, demonstrating an ongoing commitment to fostering a culture of integrity and compliance within the organization.

CORE VALUES and PRINCIPLES

We recognize that long-term success hinges on the foundation of integrity, honesty, and responsibility. Our dedication to responsibility encompasses accountability, transparency, ethical behavior, respect for stakeholder interests, adherence to the rule of law, compliance with international norms, and upholding human rights.



We uphold a set of core values that define our identity and guide our actions:

- **People:** We prioritize the needs of our employees, recognizing their dynamism, creativity, and experience as vital assets.
- **Care, Integrity, and Responsibility:** We are committed to being trustworthy partners and responsible corporate citizens, acting with honesty and accountability in all interactions.
- **Determination:** Our determination to succeed and deliver excellence drives our business forward.
- **Environmental Protection:** We adhere to environmental laws and regulations, promoting proper resource management and sustainability.
- **Sustainability:** We support the Universal Declaration of Human Rights and maintain high standards of integrity, striving to contribute to long-term economic and social development.
- **High Quality:** We are dedicated to continuous improvement and delivering quality results that exceed expectations.
- **Commitment to Leadership:** We leverage our experience and technology to lead in all actions, aiming to positively impact our stakeholders.

Additionally, we embrace the following principles:

- **Belief in a Sustainable Future:** Investing in people and communities to create a better future and sustainable growth.
- **Contributing to Society:** Engaging in initiatives that promote social responsibility, education, and healthcare for the betterment of society.
- **Innovation:** Embracing creativity and innovation to drive progress and stay ahead in a rapidly evolving world.
- **Responsibility:** Demonstrating responsibility towards the environment, communities, and stakeholders impacted by our operations.
- **Revolutionary Thinking:** Challenging conventional wisdom and seeking innovative solutions to complex challenges.
- **Passion:** Infusing passion and dedication into everything we do, inspiring excellence and driving positive change.

CODE OF ETHICS *and* BUSINESS CONDUCT

KMG International Group crafted its Business Conduct and Ethics Code to foster a culture of ethical behavior and principles across the organization and its subsidiaries, safeguarding the company's esteemed reputation. This code has garnered approval from the pinnacle of corporate governance – the KMG Board of Directors.

Enforcement of the Business Conduct and Ethics Code spans the entire workforce, including internal advisors and collaborators, without exception to their roles, geographical locations, or whether they are employed full-time or part-time. Moreover, it governs the conduct of the Board of Directors in all their endeavors representing the Group.

This code uniformly governs all activities and business engagements of the KMG International Group, establishing the foundational values and standards of behavior that are expected. It endorses the tenets of the Universal Declaration of Human Rights, propelling the Group towards the apex of integrity.

The principles and values delineated by the Business Conduct and Ethics Code, reflective of KMG International Group's ethos, are accessible to the public on the company's website. The Code particularly emphasizes its commitment to various stakeholders including customers, employees, partners, shareholders, governmental bodies, and the communities where it operates.

All employees are introduced to the Code from their initial hiring phase through induction sessions, and this education continues annually via a comprehensive training and awareness initiative.

The Business Conduct and Ethics Code's principles are ingrained in employees through specialized training modules tailored to different groups. Upon joining, each employee is required to sign an acknowledgment, affirming their adherence to the Code. The induction program further familiarizes them with the Code's foundational principles.

The Compliance Department and Internal Control & Forensics Department are pivotal in overseeing the enactment of the Business Conduct and Ethics Code across the Group.

Their multifaceted functions include:

- **Analyzing non-compliance reports:** They take charge of scrutinizing reports of non-adherence submitted by the company's employees, ensuring any breaches of the Code are thoroughly evaluated.
- **Support and consultancy:** Offering guidance and support to both managers and employees is a critical part of their role. They help in interpreting and applying the Code's provisions correctly, fostering an environment where compliance is seamlessly integrated into daily operations.
- **Policy implementation advice:** These departments are instrumental in advising on the deployment of KMG International Group's policies and practices, including the nuances of the Business Conduct and Ethics Code. Their insights ensure policies are not only implemented but also aligned with the Group's ethical standards.
- **Conducting ethical investigations:** In cases of alleged violations, they are responsible for conducting thorough investigations, maintaining confidentiality and integrity throughout the process.
- **Risk assessment and analysis:** Identifying and evaluating risks associated with non-compliance within the provisions of the Code is another crucial responsibility. This proactive approach helps in mitigating potential ethical breaches before they escalate.
- **Communication with the ethics committee:** When ethical issues arise, these departments act swiftly, ensuring the Ethics Committee is promptly informed so appropriate measures can be taken.
- **Periodical reporting:** They are tasked with the regular reporting of the Code's implementation and its administration to the Group Management Committee. This includes providing updates on compliance levels, challenges faced, and the effectiveness of the Code in promoting an ethical culture within the Group.

In essence, the collaborative efforts of the Compliance and Internal Control & Forensics Departments are vital for ensuring the Group not only operates ethically and in compliance with legal and regulatory requirements but also upholds the highest standards of integrity as prescribed by the Business Conduct and Ethics Code.

Supplier Code of Conduct

KMG International has crafted its Supplier Code of Conduct with inspiration from its overarching Business Conduct and Ethics Code, ensuring that both the Group and its entire supplier network adhere strictly to all relevant local and international regulations. This comprehensive code covers critical areas such as human rights, workplace safety, fair employment practices, environmental stewardship, and the upholding of high ethical standards.

The Group mandates that both prospective and existing suppliers align with its commitment to integrity and ethical business conduct. This alignment is crucial not only for maintaining KMG International's reputation but also for reinforcing its position as a trusted entity among stakeholders. Suppliers are expected to take full responsibility for their services, products, and all related data shared with the Company, thereby supporting KMG International's commitment to ethical business practices.

In its quest to collaborate with suppliers who embody these values, KMG International employs a rigorous pre-qualification process that mirrors the expectations laid out in its Business Conduct and Ethics Code.

This screening assesses potential suppliers against specific criteria outlined in the Supplier Code of Conduct, evaluating their environmental management systems, labor practices, health and safety policies, and commitment to ethical business operations.

Only those suppliers who successfully pass the pre-qualification phase, demonstrating their respect for and commitment to these ethical principles, proceed to formally acknowledge their adherence to the KMG International Supplier Code of Conduct. This acknowledgment extends to all aspects of their service and product delivery, as well as the accuracy and integrity of any data communicated to the company.

KMG International's strategic approach to supplier engagement underscores its dedication to fostering a supply chain that is not only compliant, but also champions sustainability and responsible business practices. By insisting on these standards, the Group aims to generate widespread benefits across its customer base, stakeholder groups, and the broader environment, ensuring that ethical practices resonate through every layer of its operations.

Commitment to customers

KMG places immense value on customer-centric practices, emphasizing cooperation with public authorities and NGOs, informed decision-making for customers, transparent communication, adherence to health and safety standards, data-backed information in promotional materials, and rigorous protection of customer privacy:

- **Cooperation with authorities and NGOs:** By collaborating with public entities and non-governmental organizations, KMG International Group aims to align its operations with the broader interests of its customers and local communities.
- **Informed decision-making:** The company ensures customers have access to comprehensive data about its goods and services, fostering transparency and empowering customers to make well-informed choices.
- **Transparent communication:** The Group is dedicated to maintaining open lines of communication, ensuring its marketing and advertising practices are clear, honest, and beneficial to its customers.
- **Health and safety compliance:** All products and services meet the highest health and safety standards applicable, guaranteeing customer well-being and satisfaction.

- **Scientifically backed promotions:** The Group pledges to base all promotional materials on sound, scientific data, ensuring customers receive reliable and truthful information.
- **Privacy and data protection:** Upholding customer privacy and protecting personal data is paramount, with practices strictly conforming to local regulations, including GDPR.

This commitment is manifested through the meticulous training of employees to maintain high behavioral standards in customer interactions, ensuring they offer the most suitable solutions and products. Employees are rigorously trained to understand customer needs thoroughly, providing them with the best possible solutions while ensuring all communications are professional and courteous. This training encompasses the understanding of the criticality of maintaining customer trust, particularly concerning their privacy and data security.

In 2023, two instances of customer privacy breaches were identified, initiated from external inputs, and were thoroughly documented in compliance with GDPR mandates. These incidents involved unauthorized access to a limited amount of personal data.

Following a comprehensive investigation and risk analysis, it was determined that these breaches did not pose a risk to the fundamental rights and freedoms of the data subjects involved. In response, KMG International Group implemented several corrective measures, including immediate remediation actions, specialized GDPR training for relevant employees, and the introduction of robust controls to prevent recurrence.

Commitment to shareholders and stakeholders

KMG International Group's commitment to transparency, responsibility, and ethical conduct forms the cornerstone of its business operations, ensuring that it not only meets but exceeds the expectations of its stakeholders. This commitment is manifested through various key practices and principles:

- **Timely and accurate reporting:** The Group prioritizes the dissemination of reliable, relevant, and timely information, ensuring all stakeholders are well-informed about the company's operations and developments.
- **Safety and health:** KMG International is dedicated to creating and maintaining a safe and healthy environment for its employees, stakeholders, and the communities in which it operates.
- **Financial integrity:** Reliable financial reporting is at the heart of KMG International Group's operations, ensuring transparency and trustworthiness in its financial practices.
- **Operational efficiency:** Continuous monitoring and assessment of processes are conducted to enhance operational efficiency, aiming to fulfill the needs and expectations of shareholders and stakeholders effectively.
- **Zero tolerance for unethical behavior:** The Group maintains a strict stance against unethical behavior within its value chain, ensuring that its operations are conducted with the highest ethical standards.
- **Political neutrality:** We remain politically neutral, refraining from engaging in political activities in the countries where we operate, upholding our commitment to impartiality and focus on our core business objectives.
- **Compliance with internal controls:** Compliance with applicable internal control and audit requirements is non-negotiable, guaranteeing that all operations are conducted within a framework of rigorous oversight and governance.
- **Adherence to organizational and behavioral rules:** The business operations of the Group are guided by our Code, which outlines the organizational and behavioral rules to be followed, ensuring consistency and integrity in all activities.
- **Business partner standards:** The Group extends its ethical and operational standards to its business partners, requiring them to meet the same high standards set by the company in its operations.

PREVENTING BRIBERY and CORRUPTION

The processes for reporting, reviewing/investigation, and following up on suspected non-compliances within KMG International Group norms and internal regulations are anchored in a comprehensive framework established by the Internal Control & Forensics Department. This framework comprises three pivotal internal regulations designed to mitigate the risks of bribery and corruption and to foster an environment of ethical business practices.



The whistleblower channel can be accessed also from external using our company websites by anyone who intend to raise a concern with good faith.

The ABAC regulations, including the Anti-Bribery and Anti-Corruption Policy, Conflict of Interest Procedure, and Whistleblower Policy, are communicated across all Group entities, employees, business units, and collaborators, ensuring universal adherence to ethical standards.

In November 2023, the Internal Control & Forensics Department conducted ABAC training targeting relevant employees, enhancing their understanding and capability to identify and mitigate bribery and corruption risks. Also, a comprehensive awareness campaign on ABAC topics was rolled out for all employees, aiming to elevate the general consciousness about the importance of combating bribery and corruption. New employees receive anti-corruption training as part of their induction, embedding the principles of ethical conduct from the outset of their employment.

Moreover, all standard and frame contracts with business partners have been updated to include specific ABAC clauses, ensuring that anti-corruption commitments extend to KMG International's external relationships. The implementation of ABAC clauses in contracts, including non-standard agreements, is overseen by the Group Legal Department, ensuring comprehensive coverage across all business dealings.

The Internal Control & Forensics Department has executed an Anti-Bribery and Anti-Corruption Risk Assessment Project, identifying business areas with potential risk exposure and developing an action plan to address identified risks. Following the Anti-bribery and Anti-Corruption Risk Assessment Project for the Procurement Area, a control has been implemented in the Procurement Ariba System to ensure all suppliers acknowledge ABAC training materials, reinforcing compliance throughout the procurement process.

The Internal Control & Forensics Department actively monitors the implementation of ABAC measures outlined in the action plan, ensuring their effectiveness and making adjustments as necessary to strengthen the Group's internal control framework.

Anti-Bribery and Anti-Corruption Policy (ABAC policy)

KMG International Group upholds a steadfast zero-tolerance policy towards corruption and bribery, applying rigorous standards across all levels of its operations and among all business partners, including suppliers and contractors. This uncompromising stance is embodied in the Group's Anti-Bribery and Anti-Corruption Policy, which is a cornerstone of its ethical framework and a mandatory internal regulation for conducting our business.

KMG International Group has taken comprehensive steps to integrate Anti-Bribery and Anti-Corruption (ABAC) principles across its operations, through the implementation of robust policies, training programs, and contractual clauses, which are designed to mitigate risks and foster a culture of integrity and transparency.

Purpose and Goals

- To safeguard the Group's reputation and ensure compliance with legal and regulatory requirements.
- To minimize the risk of bribery and corruption across all business dealings.
- To enhance employee awareness and understanding of bribery and corruption risks.
- To advocate for integrity, accountability, and transparent management of the business.

Process

- Regular dissemination of policy details to all employees to ensure widespread understanding.
- Implementation of training sessions aimed at preventing bribery and corruption, promoting ethical behavior.
- Establishing clear reporting channels for any suspected breaches of the policy.

The Anti-Bribery and Anti-Corruption Policy is supported by a suite of documents that detail the actions and principles necessary to prevent and eliminate bribery and corruption risks. These documents include:

- **Internal Regulations ("ROI"):** Guidelines that provide specific instructions for internal governance.
- **Business Conduct and Ethics Code:** A broad framework that outlines the ethical principles and behaviors expected from all employees and collaborators.
- **Conflict of Interest Procedure:** Procedures that help identify and manage potential conflicts of interest to prevent corruption.
- **Whistleblower policy:** enables every single employee, supplier, client, or collaborator of KMG International to raise concerns / complaints in good faith, protected by confidentiality, without fear of retaliation through the whistleblower channel(speakup@rompetrol.com). Concerns/complaints raised may refer to any transactions or events for which there is a reasonable assumption to be considered in breach of the Law, of the Internal Regulations and / or of the standards of Integrity or Ethics.

All reported concerns of bribery or corruption are thoroughly investigated in a professional and objective manner, maintaining confidentiality throughout the process. Throughout 2023, there were no confirmed cases of corruption as a result of internal investigations, indicating the effectiveness of the measures in place.

An integral part of KMG International's anti-corruption efforts is the KYC (Know Your Counterparty) procedure, which formalizes the due diligence required for engaging with existing and prospective business partners. This procedure ensures:

- **Identification and verification:** Rigorous checks to identify and verify the identity of business partners, including their ultimate beneficial owners, to assess risks related to anti-corruption activities and money laundering.
- **Ongoing monitoring:** Continuous review of commercial relationships with business partners, guided by internal criteria on the frequency and reasons for such monitoring.
- **Validation and approval:** A structured framework for approving business partners, based on a risk grade determined through the KYC process.

Conflict of Interest Procedure

KMG International's Conflict of Interest Procedure is a foundational component of the company's governance framework, designed to safeguard the organization's integrity and uphold its corporate values. This procedure equips employees and collaborators with the resources needed to identify, disclose, and appropriately address potential conflicts of interest, thereby preventing any negative impact on the company's operations and reputation.

Purpose and goals

- To provide employees and collaborators with the tools and knowledge to identify and disclose potential conflicts of interest that could adversely affect the company.
- To ensure actions align with the Group's business principles and corporate values.

Process:

- Offering guidance and resources to employees for identifying and disclosing conflicts of interest.
- Incorporating scenarios that might lead to bribery, personal gain, or inappropriate gifts from third parties into training materials.
- Regular monitoring and evaluation to prevent conflicts of interest.

The procedure applies universally across all KMG International Group entities, ensuring that every employee and collaborator is guided by the same principles and standards. It is designed to foster an environment where personal or financial interests do not conflict with the interests of the company or compromise its business principles.

All Group employees and collaborators are responsible for adhering to the Conflict of Interest Procedure, including the disclosure of any potential conflicts to the Internal Control & Forensics Department. Managers play a crucial role in ensuring their teams are aware of, understand, and comply with the procedure's provisions. The company commits to regular communication and training to maintain high levels of awareness and compliance.

Employees and collaborators are encouraged to report any concerns related to potential conflicts of interest. This can include situations involving themselves, their direct reports, line managers, or others. Reports can be sent directly to the Internal Control & Forensics Department via email (internalcontrol@rompetrol.com) or through the provisions of the Whistleblower Policy for confidential disclosures (speakup@rompetrol.com). Disclosures must include a brief description of the potential conflict, the date of occurrence, and the names of the persons or companies involved.

The Internal Control & Forensics Department is tasked with the management and investigation of any reported potential conflict of interest situations. The department provides specific recommendations for each investigated case, ensuring that any confirmed conflicts are addressed promptly and appropriately. The procedure defines clear measures to be taken in case of a confirmed conflict and provides instructions for ongoing monitoring and reporting.

During the reporting period (January-December 2023), the Internal Control & Forensics Department analyzed 72 cases from a conflict-of-interest perspective, confirming one potential conflict of interest situation and finding no evidence of conflict in the remaining cases.

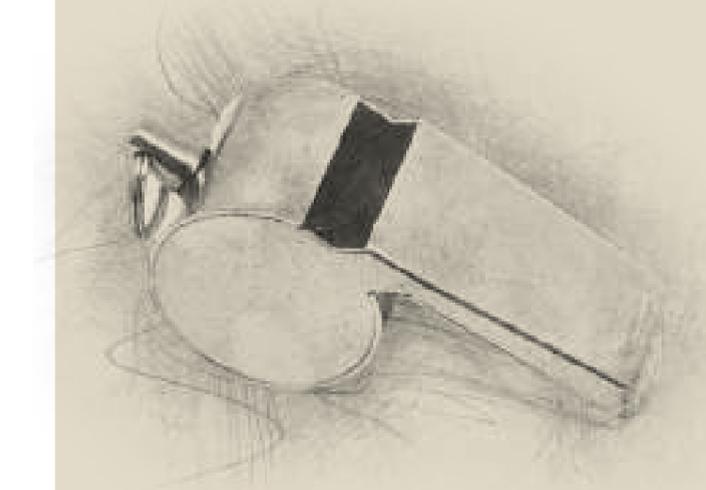
Whistleblower Policy

Purpose and goals

- Empowers every employee, supplier, client, or collaborator to report concerns or complaints in good faith.
- Guarantees confidentiality and protection against retaliation for those who use the whistleblower channel.
- Allows for reporting on any transactions or events suspected of breaching laws, internal regulations, or ethical standards.

Process

- Maintaining an accessible whistleblower channel, including external access via the company's website.
- Ensuring that all reports are treated with strict confidentiality and thoroughly investigated.
- Providing feedback and follow-up to the whistleblower, where appropriate, while safeguarding their anonymity.



ADVICE and GRIEVANCE MECHANISMS

KMG International has established a comprehensive framework of advice-seeking and grievance mechanisms to empower every employee, business partner, and stakeholder.

This framework encourages the reporting of any incidents of non-compliance, environmental issues, or social injustices to the relevant departments, including Compliance, Internal Control & Forensics, and Human Resources. The aim is to ensure that every concern is heard and addressed, reinforcing a culture of integrity and ethical conduct throughout the organization.

Grievance mechanisms and processes

The organization has put in place several channels through which grievances can be reported, managed by the Internal Control & Forensics Department. These include:

- **Whistleblower channel:** An external email (speakup@rompetrol.com) accessible from the company's website, enabling confidential reports of unethical or unlawful behavior.
- **Departmental email:** Direct communication via internalcontrol@rompetrol.com, offering another layer of confidentiality and direct access to the responsible department.
- **Direct communication:** Employees and collaborators are also encouraged to report directly to members of the Internal Control & Forensics Department via email or in writing.

These channels are designed to ensure that all concerns are analyzed with the utmost confidentiality, in accordance with legal and internal regulations, emphasizing a non-retaliation policy to protect those who report in good faith.

At the core of managing grievances, the Compliance Department takes a leading role. It invites employees and collaborators to report any violations of the Code of Ethics and Business Conduct, as well as any ethical concerns or dilemmas. To enhance awareness and understanding, regular training sessions are conducted, focusing on the importance of reporting and the use of the available mechanisms for doing so.

Upon receipt of a report, a detailed analysis is undertaken to verify the concerns. Confirmed issues are escalated to the Ethics Commission, which then decides on the appropriate remedial actions. This structured process ensures that any negative impacts are addressed and rectified promptly.

Seeking advice and raising concerns

The responsibility for facilitating advice-seeking mechanisms is distributed among several departments: HR, Compliance, Internal Control & Forensics, and Security. These departments utilize a variety of internal communication tools, such as email, intranet, and the internal magazine, to inform employees about how to seek advice or report concerns. These channels offer guidance on a range of topics, including ethics, conflicts of interest, and compliance with the Business Conduct and Ethics Code, ensuring confidentiality and security in all communications.

KMG International emphasizes a strong ethical framework where all employees, collaborators, and external parties are actively encouraged to report any misconduct or unethical behavior relating to the organization. This encouragement extends through the Internal Control & Forensics Department and the Whistleblower channel, both of which assure the confidentiality of the information reported.

During the reporting period, the company received significant feedback through these channels, including 15 whistleblower concerns and 72 potential cases concerning conflicts of interest. This level of activity highlights the trust placed in the grievance mechanisms by those within and outside the organization.

No workforce grievances were received within the abovementioned timeframe, meaning there were no formal complaints or issues raised by the employees through the established grievance mechanisms throughout 2023.

To foster a culture where speaking up is normalized and free from fear of retaliation, the Internal Control & Forensics Department conducts regular awareness campaigns. Moreover, new employees are introduced to the company's ethical standards and reporting channels through induction training, and specific Anti-Bribery and Anti-Corruption (ABAC) training is provided to employees identified as key risk individuals.

KMG International, particularly through its Internal Control & Forensics Department, commits to maintaining the confidentiality of all reports received via the grievance mechanisms. This commitment is extended to every employee, regardless of their contractual relationship with the company, ensuring a safe environment for raising concerns.

The process for investigating these concerns is both professional and objective, adhering strictly to Romanian Law no. 361/2022, which implements the EU Directive 2019/1937 on the protection of whistleblowers. This legal framework reinforces the company's dedication to handling reports with the utmost integrity, ensuring that all investigations are conducted in line with national and European standards for whistleblower protection.

Whistleblower mechanism and policy

The whistleblower policy is a critical component of the grievance mechanism, managed by the Internal Control & Forensics Department. It assures confidentiality and, if desired by the whistleblower, anonymity.

KMG International's whistleblower mechanism is governed by internal policies that ensure the protection of those who report concerns through its non-retaliation provisions. This mechanism is accessible to all employees within the company, as well as externally through the company's website, enabling anyone to raise concerns in good faith.

Confidentiality is paramount within this process, with all received concerns being handled with the utmost discretion and in compliance with both the law and the company's internal regulations.

In the reporting period of January to December 2023, the company received a total of 15 whistleblower concerns. Out of

these, 10 investigations have been concluded. The outcomes of these concluded investigations are as follows:

- 6 of the raised concerns were not confirmed by the investigations.
- 3 of the concerns were found to be partially confirmed.
- 1 raised concern was confirmed;

Additionally, one of the 15 reported cases was directed to the Group HR department for further investigation due to the nature of the concerns, which falls under their specific jurisdiction. This case was concluded and the concern was not confirmed.

Investigations for the remaining 4 concerns are still in progress, demonstrating the company's ongoing commitment to addressing and resolving all reports thoroughly and ethically. This diligent approach underscores KMG International's dedication to fostering a transparent and accountable culture where ethical concerns are taken seriously and investigated thoroughly.

Additional mechanisms for advice

Beyond grievance mechanisms, KMG International offers multiple avenues for seeking advice on ethical conduct, conflicts of interest, and other specific concerns. These include direct consultation with supervisors, the Group Human Resources Department, Group Compliance Department, and Group Legal Department. These channels ensure that employees have access to confidential advice.

Effectiveness tracking

To gauge the effectiveness of these mechanisms, KMG International employs tracking measures that assess the system's responsiveness, the adequacy of remedial actions, and stakeholder satisfaction with the outcomes. This continuous evaluation process enables the organization to refine its ethical practices and address any concerns efficiently and effectively.

Through this comprehensive system, KMG International upholds its commitment to ethical business conduct, protection of human rights, and resolving any adverse impacts from its operations. The organization's dedicated approach to grievance management and stakeholder engagement highlights its commitment to maintaining the highest levels of integrity and accountability.

LABOR PRACTICES

KMG International's commitment to upholding labor laws and regulations, and valuing the well-being of its employees, is foundational to its operations. Through a comprehensive suite of labor policies, KMG International ensures the creation of a workplace characterized by dignity, respect, and equality for all employees, free from discrimination of any kind.

Non-discrimination and Equality

KMG International maintains a strict policy against all forms of discrimination within its workplaces, actively prohibiting the dissemination and involvement in discriminatory practices.

The recruitment process at KMG International is transparent and open, focusing on the qualifications, suitability, and performance of candidates to ensure fairness and equal opportunity.

The Group forbids any form of abuse, harassment, or discrimination, safeguarding the dignity of employees, contractors, suppliers, customers, and stakeholders.

Throughout the reporting period (January-December 2023), there were no reported concerns or complaints regarding discrimination, underscoring the effectiveness of the Group's policies and mechanisms.

Non-retaliation

KMG International prioritizes a safe and supportive work environment where employees can communicate openly without fear of retaliation. The organization encourages employees to report any retaliation incidents, with the assurance of impartial and prompt investigations by the Internal Control & Forensics Department.

Freedom of Association and Collective Bargaining

Employees' rights to form trade unions and engage in collective bargaining are fully recognized and protected, ensuring no coercion in the exercise of these rights.

A significant portion of the workforce is covered by collective bargaining agreements, demonstrating the company's commitment to fair labor practices and open communication with its employees. For employees within companies not covered by collective bargaining agreements, working conditions and terms of employment are established in line with the applicable labor regulations in force.

KMG International reported no violations or significant risks related to the right to freedom of association and collective bargaining during the reporting period.



Child Labor

In alignment with International Labor Organization standards, KMG International strictly prohibits the use of child labor in its operations and takes measures to prevent such practices among its contractors and suppliers. The Group has never and will never resort in any way to hiring children or putting them in working relations with our Group.

Forced or Compulsory Labor

The Group does not engage in or condone the use of forced or compulsory labor and holds its suppliers to the same ethical standards.

ELEMENTS *of* DIVERSITY

Tax Transparency
Mapping Our Sustainable Development Risks



CHAPTER 3



Approach



TAX TRANSPARENCY

Our approach to tax transparency is a critical aspect that underscores our role as a conscientious corporate entity. Our practices are designed not only to comply with the intricate legal frameworks governing our operations but to serve as a catalyst for socio-economic development, environmental preservation, and the flourishing of the communities we are part of.

Navigating the complexities of the global tax landscape, we persist in our efforts to go above and beyond mere compliance. We understand that our tax contributions play a vital role in supporting public services, infrastructure development, and the broader goals of sustainable development. It is with this understanding that we embrace our responsibility to be transparent and accountable in our tax affairs.

With a robust tax framework that delineates clear roles, processes, and controls, we ensure that every aspect of our tax practices is governed by the highest standards of legal and ethical conduct.

APPROACH TO TAX

KMG International's Tax Policy articulates our commitment to enhancing shareholder value through strategic tax management, while rigorously adhering to the legal and regulatory frameworks of each country we operate in. This Tax Strategy lays the foundation for our group-wide tax-related activities, ensuring they align with our core values, uphold our reputation, and maintain positive engagements with tax authorities and governments worldwide.

Recognizing the integral role of taxation in our business operations, we pledge to be a responsible entity guided by key principles:

- Ensuring compliance with the relevant laws and regulations
- Engaging transparently and proactively with tax authorities
- Delivering accurate and thorough tax reports
- Choosing the most advantageous tax routes without compromising ethical standards or commercial success.

Formulated by our Group Tax Director and endorsed by the Chief Executive Officer, the Tax Policy is a dynamic document, reviewed and adjusted in response to strategic changes within our operations.

To maintain compliance with tax laws and regulations, the Group has implemented numerous measures, developed systems, and invested significantly in ensuring full compliance. At both the Group and local levels, specialized teams establish detailed internal guidelines to ensure employee

awareness and compliance with relevant laws. Our legal and regulatory experts play a crucial role in monitoring and reviewing our practices, ensuring alignment with all legal obligations and anticipating legislative changes.

Our tax policies, including the Group Transfer Pricing Policy, are carefully aligned with regulatory requirements to ensure compliance across all jurisdictions where we operate. These policies and internal regulations are designed to ensure consistent fiscal treatment of group operations in line with tax laws.

Proactive engagement with tax authorities has led to the negotiation of Advanced Pricing Agreements (APAs) with the Romanian tax authority for key intercompany transactions, reducing the potential for disputes. Ongoing initiatives include monitoring legal changes, conducting regular training to keep employees updated on tax laws, and engaging in public consultations on tax regulations through business associations.

Our approach ensures that each Group subsidiary is a responsible taxpayer, fully compliant with all relevant tax legislation and regulations, while pursuing their business objectives.

CENTRALIZED OVERSIGHT *and* RESPONSIBILITY

KMG International's Corporate Tax Department, under the leadership of the Group Tax Director, plays a pivotal role in overseeing and coordinating our tax strategy. This department crafts the guidelines and provides expert advice across the group to minimize financial and reputational risks associated with tax noncompliance.

Defined within our Tax Policy, roles and responsibilities span across the organization, from tax professionals to CFOs, ensuring a cohesive and informed approach to tax management. Our service center ensures timely tax filings for major Romanian entities, with the central tax function overseeing the accuracy of these submissions and the preparation of essential documentation.

Multidisciplinary teams spearhead various tax-related projects, including the implementation of tax technologies – cash registers or e-Factura reporting and obtaining APAs, demonstrating our collaborative and thorough approach to tax compliance.

Emerging tax risks and audit outcomes are promptly reported to our Risk Management Department. Through a structured process of risk assessment and

management, we maintain vigilance over potential tax-related challenges, reinforcing our robust risk management culture.

According to internal regulations and procedures, tax risk reports are developed quarterly and submitted to the risk management function to be included in the Risk Register, in accordance with the Group's Corporate Risk Management System. Generic risks like changes in tax legislation, misinterpretation of tax legislation, failure to comply with tax legislation etc. and their particularities are monitored on a regular basis and measures are taken in case consistent risk exposures are identified.

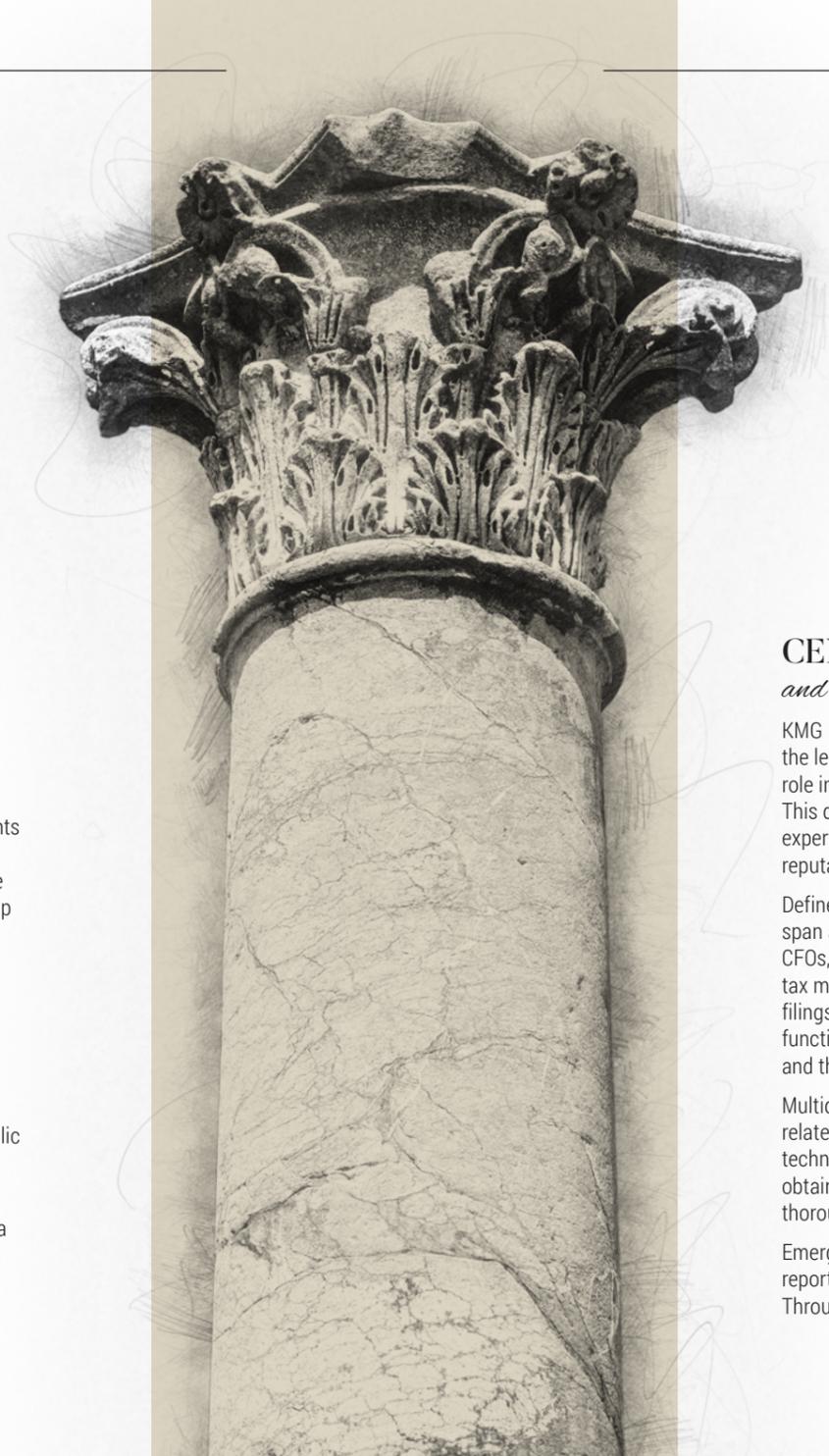
ENGAGEMENT *and* ADVOCACY

KMG's strategy encompasses active engagement with stakeholders and authorities to promote effective tax systems. We partake in industry associations, contributing to tax policy discussions and advocating for fair taxation practices. Our status as a major taxpayer in Romania and our successful negotiation of APAs reflect our proactive and responsible approach to tax management.

We participate in professional and industry associations, like the American Chamber of Commerce and Foreign Investor Council in Romania, Romanian Oil Association, or other relevant business associations near abroad, contributing to their public positions on tax matters locally.

While specific mechanisms for tax concerns are not outlined, our whistleblowing policy provides a channel for raising issues related to business conduct and integrity, including tax matters. This policy safeguards the confidentiality and protection of those who, in good faith, report concerns, ensuring an environment of trust and ethical practice.

Our meticulous approach to tax matters, characterized by proactive engagement with tax authorities, rigorous internal controls, and transparent reporting practices, ensures that we not only meet but exceed the expectations of regulatory standards and ethical norms. By integrating our tax policies with our overarching business goals, we reinforce our role as a responsible corporate citizen, contributing positively to the financial health and well-being of the communities and countries in which we operate.



MAPPING OUR SUSTAINABLE DEVELOPMENT RISKS

GRI
GRI 201-2
GRI 205-1
GRI 207-2
GRI 403-2
GRI 11.9.4
GRI 11.21.5

IPIECA
GOV-1 C3
GOV-2 C2
CCE-1 A3
CCE-2 C1, C2
SHS-7 C3, A2

ESRS 2
SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model
IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities
E1-2 – Policies implemented to manage climate change mitigation and adaptation

In the rapidly evolving landscape of global sustainability, understanding and effectively managing risks is paramount to achieving long-term success and resilience.

The year 2023 marks a pivotal chapter in Rompetrol's journey towards sustainability, where we have undertaken a comprehensive examination of the risks and opportunities that lie at the intersection of our operations and sustainable development goals.

This section, "Mapping Our Sustainable Development Risks", is dedicated to presenting an in-depth analysis of the myriad challenges we face and the strategic approaches we are adopting to mitigate these risks. Managing risks in a structured and integrated way is key to creating value for all stakeholders inside and outside the organization, to prevent unwanted losses and to build a sustainable and resilient business.

Our assessment encompasses a broad spectrum of environmental, social, and governance (ESG) factors that directly or indirectly influence our path to sustainability. It involves identifying potential risks at every level of operation—from the immediate impacts on our supply chain to the long-term implications for our community engagements and environmental stewardship. Our approach is not just about risk identification but extends to integrating risk management into our strategic planning, operational decision-making, and reporting processes.

In crafting this analysis, we have drawn

upon a variety of methodologies, including stakeholder consultations, industry best practices, and emerging trends in sustainability. Our objective is to present a transparent and forward-looking perspective on how Rompetrol is navigating the complexities of sustainable development, ensuring that we remain adaptable and resilient in the face of global changes.

This chapter will delve into specific risk categories, outline our risk management strategies, and highlight how these efforts align with our overarching sustainability ambitions. By establishing, implementing, and maintaining an active risk management process, we can drive a practical response to internal and external issues and environmental changes, we can conduct an accurate impact analysis and risk assessment, and we can improve our capability to respond to relevant challenges effectively and flexibly.

CLIMATE RISK ANALYSIS

In 2023, our company undertook two significant external analyses to comprehensively assess our vulnerability to both physical and transition-related climate risks, along with evaluating our current

business landscape. This extensive evaluation aimed to pinpoint necessary strategic actions by developing tailored climate change scenarios for our key operational sites and critical value chain components. These carefully constructed scenarios provided insightful projections into potential climate-induced challenges and opportunities that could emerge, allowing for a nuanced understanding of how future climate dynamics might impact our operations. Furthermore, the analysis sought to highlight specific areas requiring urgent climate action within the framework of our transition to a low-carbon business model. The foundational work completed through these analyses marks a critical step towards our ongoing commitment to addressing climate change proactively.

Physical Risk Exposure Analysis

This segment of our analysis leveraged projections from a diverse array of IPCC experiments and scenarios, including RCP 2.6 (indicative of a low-emissions future), RCP 4.5 (an intermediate emissions future), and RCP 8.5 (a high-emissions future). We focused on various climate hazards such as cold waves, escalating temperatures, intense heat, changing precipitation patterns, floods, extreme weather events, and droughts, given their significant implications for our operational activities and physical assets.

Transition Risk Exposure Analysis

This analysis was geared towards evaluating our positioning in relation to transition risks

and dissecting how various categories of these risks could potentially affect us. We explored a 'delayed transition scenario' which mirrored a moderate ambition level. Transition risks examined included regulatory changes, market shifts, technological advancements, supply chain disruptions, financial factors, operational challenges, reputational issues, legal ramifications, and implications for our employees and workforce. We identified carbon pricing, primary energy sources, and the volume of purchased allowances as critical indicators warranting particular attention for our company.

Opportunity Analysis

In parallel, to identify potential opportunities, we actively pursued an analysis on a range of projects aimed at mitigating both transition and climate risks across various scenarios. Our investment focus areas include renewable energy, bioethanol, biodiesel, and infrastructure for electric vehicle charging, with an eye towards hydrogen energy in alignment with EU policy directions. Moreover, we are exploring a suite of additional opportunities to bolster our climate resilience and business growth, such as:

- Diversifying our business operations
- Venturing into emerging markets
- Developing and expanding our portfolio of low-emission products and services
- Driving innovation and creating new value propositions through research and development efforts
- Engaging in the carbon trading market

- Optimizing water usage and efficiency
- Adapting to evolving consumer preferences
- Transitioning to lower-emission energy sources
- Adopting more sustainable transportation solutions
- Enhancing our production and distribution processes for greater efficiency
- Leveraging new technologies for operational improvement
- Capitalizing on public-sector incentives and support
- Advancing recycling and circular economy practices

Financial Impact Analysis

Our comprehensive analysis under various climate scenarios revealed that transition risks could potentially exert a more pronounced effect on our financial outcomes compared to physical risks. Notably, factors such as carbon pricing and shifts in oil demand emerged as primary concerns with significant implications for our refinery operations. We examined scenarios including NDC, Below 2°C, Delayed Transition, and Net Zero 2050, observing varied impacts on profitability. Some scenarios indicated adverse effects on our financial performance, highlighting the dual challenge of navigating increased costs associated with transition risks while mitigating the impacts of physical risks through stringent carbon policies.

RISK MANAGEMENT PROCESS

KMG International steadfastly embraces the principle that robust risk management is essential for creating lasting value for all stakeholders, both internal and external to our organization. In navigating the inherent uncertainties of our industry, exacerbated

by recent global events including geopolitical tensions, economic fluctuations, climate change, and cybersecurity concerns, we have acknowledged the critical need to strengthen our risk management approach. Consequently, in 2023, we undertook a comprehensive revision of our risk management strategy.

To achieve this, we introduced an enhanced Corporate Risk Management System (CRMS), characterized by rigorous attention to detail and strategic foresight. This system ensures that risk management practices are consistently applied throughout the organization, from the highest echelons of management down to our operational teams. It offers extensive coverage across all crucial aspects of our operations, proactively addressing emerging risks of varying types. Responsibilities are clearly outlined to ensure accountability at every organizational level, ensuring a cohesive and united approach to risk management.

Our risk management framework is designed to tackle all risk categories, assigning specific risk owners who are tasked with the identification, evaluation, mitigation, and reporting of risks within their domains. This includes an initial focus on climate-related risks, such as extreme weather events and regulatory changes related to carbon pricing, which could influence safety and operational stability. Efforts are currently underway to refine this framework further, ensuring alignment with new regulatory standards.

Leadership engagement and support play a vital role in fostering a culture of continuous improvement, encouraging the adoption of effective risk mitigation strategies. Our dedication to enhancing our risk management capabilities is unwavering, as we aim to preempt potential risks and leverage the most effective monitoring and mitigation techniques

available. Through these efforts, KMG International Group aspires to achieve sustainable growth and resilience in a dynamic global environment.

In 2023, we performed a detailed review and update of our risk management framework to better align with shifts in our business model, demonstrating our commitment to continuous refinement and innovation. This includes addressing the integration of climate risk management and ESG considerations into our risk management practices, laying a solid foundation for sustainable growth.

The CRMS operates through seven interlinked processes:

- Defining objectives and understanding risks affecting Key Performance Indicators
- Identifying risks and relevant factors
- Assessing and analyzing risks and their causes
- Implementing risk mitigation measures
- Monitoring and reporting on risks
- Facilitating effective communication and information exchange
- Promoting risk awareness and a strong risk management culture.

The Risk Management Department, dedicated to managing Risk Management and Insurance activities, sets and enforces uniform risk management standards across KMG International Group. This includes continuous risk exposure monitoring, comprehensive reporting, and strategic financial risk mitigation development.

The Board has a crucial oversight role, evaluating key risks, the effectiveness of mitigation strategies, and significant risk exposures, following established authority matrices.

Risk management strategies encompass

a broad spectrum, including risk transfer, mitigation and control, retention, and avoidance, all aimed at maintaining optimal risk levels for our operations. Our efforts are guided by high standards in quality, environmental management, health and safety, and energy efficiency.

The primary goal of our risk management activities is to protect the financial health of the company and enhance the group's overall stability. The Group adheres to a three-tiered defense model to ensure best-in-class risk management practices:

- **1st** - Operational managers are responsible for maintaining effective internal controls and for executing risk and control procedures on a day-to-day basis.
- **2nd** - Risk Management and Internal Control functions establish the internal control and risk management standards and methodologies, coordinate, monitor and consolidate the information, support and challenge the first line-of-defense in the process of risk identification, evaluation, and mitigation.
- **3rd** - Internal Audit provides independent assurance on the effectiveness of governance, risk management, and internal controls, including the manner in which the first and second lines of defense achieve risk management and control objectives.

A Risk Management Committee, led by the Chief Financial and Risk Management Officer and comprising senior management, oversees significant risk exposures across the company. In 2023, this committee's responsibilities and scope were extensively reviewed and expanded to bolster risk control measures further.

KMG INTERNATIONAL GROUP RISK PROFILE

The KMG Group's Risk Profile meticulously maps out both production and non-production related risks, offering a detailed examination through a multi-layered analytical lens. This approach emphasizes understanding the intrinsic and mitigated (net) exposures to these risks, as well as their interconnected nature. Central to our strategic resilience is an Enterprise Risk Management (ERM) process designed to navigate uncertainties that might impede our strategic goals and financial objectives, thereby ensuring the Group's enduring sustainability.

Market and Financial Risks

This category encompasses risks stemming from volatile exchange rates, interest rates, commodity prices, and fluctuations affecting liquidity, capital, and overall financial health. It highlights the importance of monitoring and managing economic factors that could adversely impact the Group's financial positioning and stability.

Safety and Operational Risks

Encompassing a broad range of concerns, this category includes risks associated with internal processes, both production and non-production assets, IT systems and cybersecurity, environmental impacts, industrial health and safety standards, personnel safety, physical security measures, compliance with legislative and regulatory requirements, crisis management capabilities, business continuity planning, and risks related to internal and external fraud, as well as bribery and corruption. It underscores the significance of safeguarding the operational integrity and safety of the Group's assets and personnel, ensuring compliance and resilience against potential disruptions.

Strategic Risks

This category captures a wide array of factors that can influence the Group's strategic direction and market positioning. It includes risks related to political and country-specific challenges, macroeconomic shifts, the dynamics of strategic partnerships, public relations and goodwill, reputation management, strategic investments, competitive pressures from alternative energy sources, and notably, the increasing concerns related to climate change and the imperative transition towards a low-carbon economy. These strategic considerations highlight the necessity for KMG Group to adapt and innovate in response to global trends and challenges, ensuring its strategy remains aligned with both current realities and future opportunities.

Analysis of Major Risks

From the volatility of commodity prices to exchange rate fluctuations and the broader macroeconomic environment, our comprehensive risk management strategy is designed to safeguard our interests and ensure sustainable growth.

1. Market Risks

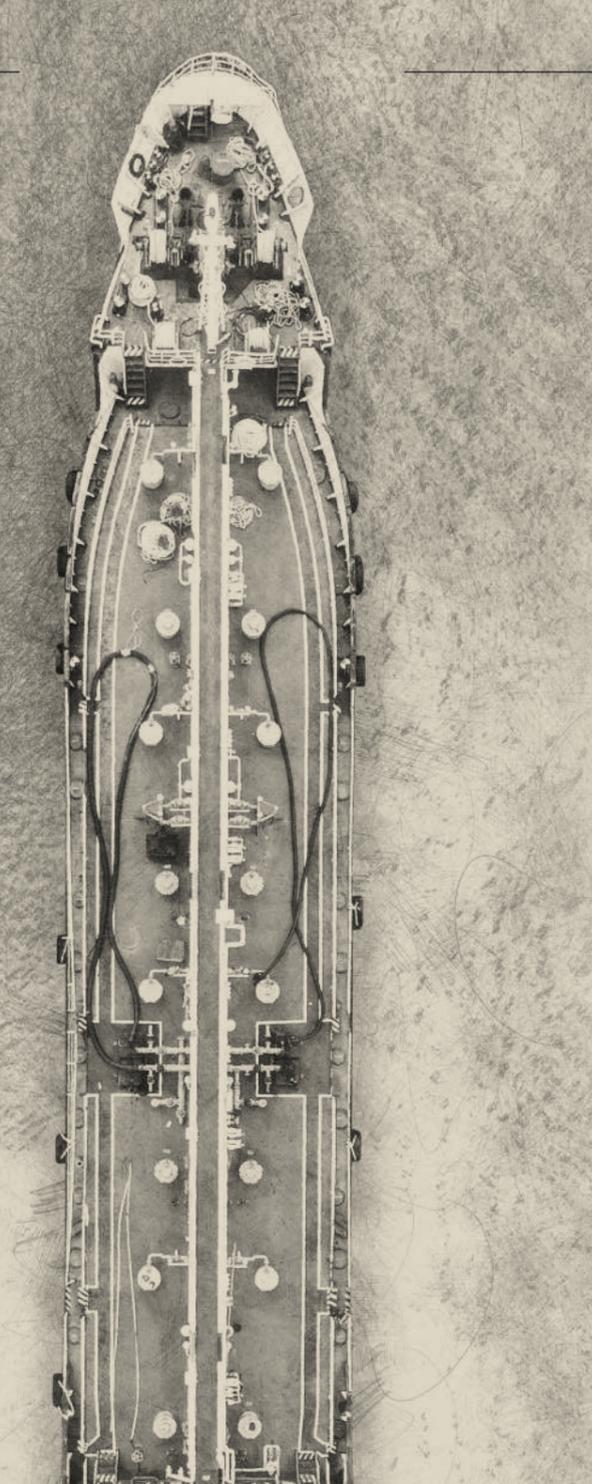
The financial health of KMG International Group is closely intertwined with the fluctuating prices of oil, gas, and refined products, alongside shifts in technological advancements, exchange rates, and the macroeconomic climate. The prices of our core commodities are governed by global supply and demand dynamics, making margins unpredictable. Influences such as political shifts, increased output from emerging oil and gas sources, technological innovations, global economic conditions, and OPEC's decisions play pivotal roles in shaping our product prices and demand.

a) Commodity Price Risk

The Group navigates the complexities of fluctuating crude oil and product prices, alongside refinery margins, marking commodity price risk as a significant factor with a considerable potential impact on our overall results. Our operational model, which involves continuous procurement of crude oil for both production processes and client supply, necessitates a robust strategy to mitigate the volatility of oil prices. Since 2011, Rompetrol Rafinare has employed a hedging program, now under strategic review, designed to safeguard against these price fluctuations.

Under our hedge policy, we address the commodity price risk by securing futures contracts traded on the ICE Exchange and utilizing over-the-counter (OTC) instruments. This strategy specifically targets the flat price risk associated with priced inventories exceeding a predetermined threshold—referred to as the base operating stock in the context of Rompetrol Refinery. This base operating stock represents the valued inventory maintained by the Group at any given time, ensuring that cash flow remains unaffected by market price volatilities.

Retail operations within the Group are also susceptible to commodity price risk, stemming from the lag between acquiring stocks from Rompetrol Rafinare and their subsequent sale to end customers. To mitigate this risk, retail stocks are hedged once they surpass a defined threshold, known as "benchmark stock." This strategy ensures the continuity of normal operational activities for a specified period. Predominantly, hedging within retail entities is conducted at the Rompetrol Downstream level, with limited activities in other retail subsidiaries like Rompetrol Georgia and Rompetrol Moldova, primarily through futures contracts on the ICE Exchange.



In 2023, the Group faced a total hedging (paper) instrument loss of USD -0.34 million, including USD -0.71 million from DWS forex for excise due to a 3% appreciation of the RON against the USD, offset by a gain of +0.42 million on DWS Auction. However, this loss was entirely counterbalanced by a physical gain of USD +1.54 million. Consequently, the net outcome of commodity hedges was favorable, driven solely by DWS Auction, resulting in a net gain of USD +1.36 million. This includes a physical effect of USD +0.94 million and a paper effect of USD +0.42 million. Notably, October witnessed a significant positive paper effect due to market movements favoring the Group's hedge positions.

The 2023 hedging strategy encompasses DWS Auction hedge, DWS Forex hedge for excise, and an interest rate hedge for loans associated with the COGEN plant investment by Rompetrol Energy. Additionally, the refining sector's exposure to rising EUA certificate prices prompts the Financial Risk Management Department to monitor the EUA market closely. The aim is to lock in the price for future EUA deficits amidst a volatile market, with plans to physically purchase or hedge the 2024-2026 deficit once prices reach targeted levels, following top management's approval. This strategic approach ensures the Group's resilience against the dynamic backdrop of the commodity and EUA markets, demonstrating the effectiveness of our financial risk management practices.

b) EU Allowances (CO2 Certificates)

Throughout 2023, the EU Allowance (EUA) market was characterized by significant volatility, with prices averaging at 83.5 EUR/EUA but experiencing dramatic fluctuations.

In the first quarter, the market saw prices swing from 75 to 97 EUR/EUA, influenced largely by reduced demand attributed to unusually warm weather conditions. A surge in February was prompted by the European Parliament's decision

to eliminate internal combustion vehicles by 2035, showcasing a strong commitment to environmental objectives. However, March experienced a sharp decline in market prices following the notable bankruptcy of Silicon Valley Bank, which led to unexpected shifts in market dynamics.

The second quarter began with a strong recovery in April, pushing EUA prices up to 95 EUR/EUA. This was driven by announcements from the European Commission regarding auction volumes and impending compliance deadlines. May saw prices retract to an average of 85 EUR/EUA, affected by unfavorable auction outcomes, falling energy prices, economic challenges, and a boost in renewable energy production.

The third quarter highlighted the year's most significant monthly increase in June, with prices jumping from 77 to 93 EUR/EUA. This rise was linked to increased gas prices and positive auction results. In July, prices fell slightly to 84.3 EUR/EUA, a response to a 20% reduction in fossil energy production in the first half of the year. Prices climbed again towards the end of July, anticipating a decrease in seasonal supply, but August saw a decrease to 81 EUR/EUA, influenced by large sales, breaches of technical levels, and speculators liquidating their positions.

The final quarter of 2023 observed a downward trend starting in September, with prices slightly below 80 EUR/EUA due to typical auction volumes for the month and a weakening in the energy markets. October experienced a further decline to 78 EUR/EUA, attributed to warmer temperatures, a drop in TTF gas prices, and decreased industrial production. November's prices dropped to 70 EUR/EUA, driven by record net short positions, an increase in auction supply from RepowerEU, anticipation of a 7% emissions reduction in 2023, and an extension of the Compliance period. December began with a decline to 66 EUR/EUA but

saw a recovery to 77 EUR/EUA, buoyed by tensions in the Red Sea and adjustments in speculators' positions, concluding a year of significant fluctuations in the EUA market.

Looking ahead, analysts have adjusted their forecasts for EU carbon permit prices for the years 2024 to 2026 downwards, citing weakened demand from power plants and sluggish industrial demand as primary factors. The anticipated average prices are set at 74.1 EUR for 2024 and 83.3 EUR for 2025, according to a Reuters survey conducted in January 2024. This reflects the ongoing challenges and uncertainties within the EUA market and the broader context of climate policy and energy market dynamics.

c) Interest Rate Risk

Interest rate price risk involves the potential for fluctuations in the value of financial instruments due to variations in market interest rates compared to the instrument's interest rate. Similarly, interest rate cash flow risk refers to the possibility that the cost of interest may vary over time. The Group is engaged with both long-term and short-term debt obligations, predominantly subject to variable interest rates, thereby exposing it to risks affecting both the fair value of its financial instruments and its cash flow stability.

d) Foreign Currency Risk Management

The primary currency for all our entities is the United States Dollar (USD), with the majority of crude oil imports and a significant portion of our petroleum products transactions also conducted in USD, minimizing our exposure to foreign currency fluctuations. Nevertheless, we do have certain assets and liabilities that are held in other currencies. These are recalculated into USD at the current exchange rate on each balance sheet date, with any resulting exchange differences being reflected in the income statement, though they do not impact our cash flows. The Group Treasury, in collaboration with the Risk Management department, manages our foreign

currency dealings and implements a natural hedging strategy to actively manage financial assets like credit and cash. This approach to managing foreign currency risk is deemed to have a moderate potential impact on the Group's overall financial performance.

2. Financial Risks

In the realm of KMG International's operations, financial risks play a pivotal role, directly impacting the Group's sustainability and growth prospects. Given the diverse and complex nature of our operations, understanding and addressing these risks is crucial for maintaining financial integrity and stability.

a) Credit Risk

Credit risk entails the possible financial losses that could arise if customers fail to meet their payment obligations under contractual terms. KMG International Group, given the nature of its operations, faces a considerable amount of credit risk. To manage this risk effectively, the Group has instituted a systematic and disciplined approach that includes comprehensive controls over credit risk management. This encompasses procedures for credit approval, the use of collateral as a risk mitigation tool, and rigorous monitoring systems. The primary goal of these measures is to minimize the Group's exposure to undue credit risk stemming from accounts receivable, thus protecting its financial well-being.

Throughout 2023, in light of ongoing geopolitical and economic uncertainties, the Group has taken further steps to strengthen its credit risk management practices. This included a thorough reassessment of credit limits, making necessary adjustments, and enhancing the use of additional guarantees to improve the Group's resilience against credit risk. By the end of the fourth quarter, these initiatives resulted in a slight decrease in the exposure to credit risk.

Maintaining continuous vigilance is crucial for KMG International, as it navigates both the external market conditions and internal operational factors. The company's proactive stance allows it to adjust its risk mitigation strategies dynamically. Special attention

is given to clients in sectors deemed high-risk, and a consistent monitoring process is in place for those with medium to high-risk profiles. Immediate measures are taken to address potential risks, such as reducing or completely withdrawing credit limits for clients exhibiting financial instability. Furthermore, the Group persistently works on expanding and diversifying the types of guarantees it accepts, aiming to reduce its overall risk exposure and ensure the Group's financial security.

b) Liquidity Risk

Throughout the fiscal year, KMG International encountered significant liquidity challenges, exacerbated by increasing fiscal pressures and changes in fiscal regulations. Despite these hurdles, the Group took decisive action by adopting extensive cash management strategies that spanned both operational and financial facets of the business. Central to the Group's approach in managing liquidity risk are the establishment and execution of solid financial procedures, which encompass thorough cash-flow forecasting and rigorous stress testing. A key element of our strategy is the maintenance of a conservative cash buffer to safeguard against unforeseen financial demands.

The Group actively monitors market conditions to stay ahead of potential liquidity challenges and continuously fine-tunes its planning and investment frameworks. This diligent process ensures the preservation of sufficient liquidity levels, thereby sustaining KMG's operational effectiveness and financial health in the face of evolving economic landscapes.

c) Capital and Financial Stability Risk

KMG International Group adopts a strategic capital management approach designed to ensure the long-term sustainability of its business entities and maximize returns for stakeholders. This approach involves the strategic optimization of the Group's debt and equity structures. Our capital management framework integrates a diverse mix of financial instruments, including shareholder loans, bank debt, cash reserves, and equity holdings held by the parent company. These equity holdings comprise issued capital, reserves, and

retained earnings, forming a robust financial foundation for the Group.

Capital risk is recognized to have a moderate impact on the Group's financial stability, necessitating vigilant oversight of key financial indicators. KMG proactively engages in measures to keep these indicators within established safety margins, ensuring the Group's financial health. Despite this proactive stance, certain financial metrics have been negatively impacted by an elevated tax burden, highlighting the need for strategic mitigation efforts.

To address these challenges, KMG International continues to closely monitor its financial stability indicators, adjusting its capital management strategies as needed to counteract adverse effects and uphold its commitment to financial integrity and stability.

d) Investment Projects Risks

The risk associated with overlooking prime investment opportunities or the inefficient execution of major projects represents a substantial threat to KMG International Group's financial success. Recognizing the importance of these investments, it is crucial that we meticulously manage and monitor the performance of our investment initiatives. To mitigate this risk, the Group subjects its key projects to stringent scrutiny, ensuring that any challenges or obstacles encountered are swiftly communicated to senior management. This level of vigilance ensures that necessary adjustments can be made promptly, facilitating uninterrupted operation and maximizing the potential return on these investments.

3. Safety and Operational Risks

In an industry where the stakes are high and the margins for error narrow, managing safety and operational risks is paramount for the KMG International Group. From industrial health and safety protocols to cybersecurity defenses and supply chain resilience, we explore the multifaceted approaches employed to mitigate risks that could potentially disrupt our business processes, impact our financial performance, or compromise our commitment to environmental stewardship and community well-being.

a) Industrial Health/Safety/Environmental (HSE) Risks

KMG International Group's operational endeavors are accompanied by a broad spectrum of significant health, safety, and environmental (HSE) risks. These risks bear the potential to adversely affect individuals, communities, the environment, and our assets, leading to a range of negative outcomes including legal liabilities, business interruptions, escalated costs, reputational harm, and even the loss of operational licenses. Factors such as equipment malfunctions, breaches in technical integrity, natural catastrophes, adverse weather, human error, and other unforeseen incidents could result in environmental pollution, fires, explosions, or other safety breaches at our facilities.

In response to these challenges, our Group has instituted a comprehensive framework dedicated to the stringent management and surveillance of safety and operational risks, with the objective of sustaining peak performance levels. This structured approach is defined by explicit regulations and principles that guide critical risk management activities, including regular inspections, maintenance routines, rigorous testing, targeted training programs, thorough business continuity planning, and efficient crisis response mechanisms. Specialized units within the organization are tasked with the vigilant monitoring of security risks that could impact our personnel and operational processes.

Recognizing the inherently high risk associated with our industrial activities, risk management is esteemed as a paramount concern for our Group. The materialization of these risks in 2022 significantly impacted our financial results and operational efficiency, necessitating an intensified emphasis on enhancing safety measures. As part of our commitment to mitigating these risks, we have embarked on a two-tiered safety improvement plan designed to confront and eliminate the root causes of past incidents and fortify our preventive strategies. This initiative is complemented by bolstered employee training programs and the introduction of additional safety key performance indicators (KPIs).

Environmental risk management is conducted with rigorous attention to detail, reflecting our steadfast

dedication to environmental conservation. We are fully committed to adhering to all applicable environmental regulations, a commitment that places substantial demands on our risk management framework. In our efforts to mitigate these environmental risks, we have made significant investments aimed at maintaining the integrity of our technical assets and ensuring full compliance with environmental standards, through both the repair of critical machinery (MHC repairs) and the execution of comprehensive environmental projects.

b) IT Infrastructure and Cybersecurity Risks

The digital era brings a wealth of opportunities alongside significant challenges, particularly in the realm of IT infrastructure and cybersecurity. The rapid adoption and integration of new technologies into our operations heighten our exposure to cyber threats and increase our dependence on these critical systems. The potential risks extend beyond mere technical vulnerabilities to include business-related challenges that could lead to operational interruptions, fraudulent activities, or breaches of confidential information.

KMG International Group's reliance on sophisticated information technology systems, spanning our network infrastructure, is integral to the secure and efficient execution of our operations. These systems are pivotal for managing and safeguarding a wide array of electronic data, including financial records, personally identifiable information, and essential business processes such as supply chain management, pipeline operations, retail activities, and financial transactions. Disruptions or failures in these systems, particularly those stemming from cybersecurity incidents, pose a substantial threat to our business continuity, financial stability, and operational performance.

Despite robust cybersecurity measures, disaster recovery protocols, and comprehensive employee training programs in place, the risk of unauthorized data access remains a persistent concern. The year 2022 marked a significant challenge for our operations, as we faced a cyberattack that adversely affected our business. In response, KMG International Group has redoubled its efforts

throughout 2023 to fortify our cybersecurity framework. This includes deploying state-of-the-art security systems, allocating additional resources towards the monitoring of cyber threats, refining our procedural safeguards, and enhancing our employee training and awareness programs.

Our commitment to cybersecurity extends to ensuring the confidentiality, integrity, and availability of all data, with strict oversight of our cybersecurity initiatives. Furthermore, we are dedicated to fostering a culture of cyber awareness among our employees and partners, continually emphasizing the importance of responsible online behavior and the proactive management of cybersecurity risks.

c) Supply Chain and Logistics-Related Risks

KMG International Group's operational success is intricately linked to the efficiency of its supply chain and logistics framework, which encompasses the procurement of supplies, production processes, and the distribution of products. The intricate balance of this supply chain is susceptible to disruptions from macroeconomic shifts and supply cost increases, posing a considerable risk to the continuity and efficiency of our operations.

In response to these challenges, KMG International has proactively developed and implemented strategies aimed at enhancing the resilience and flexibility of our supply chain. These strategies include:

Securing Alternative Supply Sources: By identifying and engaging alternative suppliers quickly and cost-effectively, we've increased our operational flexibility. This allows us to adapt to various production demands and maintain strong relationships with key logistics partners, ensuring that we can continue to meet customer needs efficiently.

Direct Intervention in Logistics: We've bolstered our ability to directly support and manage the logistics process, especially in situations where our primary suppliers are unable to meet their delivery commitments. This direct oversight helps prevent potential delays and ensures the smooth operation of our supply chain.

To support these strategic initiatives, a rolling investment budget has been established, focusing on strengthening our supply chain and logistics capabilities. This includes significant investments in the maintenance and upgrading of our storage, measurement, and transportation infrastructure, ensuring that we have the necessary resources to manage our supply chain effectively.

The ongoing geopolitical tensions in regions have placed additional strain on logistics and insurance costs, as well as the availability of essential supplies like crude oil. Despite these challenges, KMG International has adeptly navigated the volatile landscape by sourcing alternative crude oil grades, thus mitigating potential impacts on our operational margins and ensuring the continuity of our refinery operations. This adaptive approach underscores our commitment to maintaining robust and flexible supply chain and logistics operations in the face of global uncertainties.

d) Legal and Regulatory Compliance Risks

KMG International Group is unwavering in its commitment to maintaining strict compliance with the laws and regulations of all the jurisdictions in which it operates. This commitment is underpinned by a zero-tolerance policy towards any form of violation. In an era marked by increasingly stringent European, local, and international standards—covering data protection, cybersecurity, sustainability, and environmental practices—the Group faces mounting pressure to meet these diverse requirements. In response, KMG International has initiated dedicated working groups tasked with addressing these multifaceted legal and regulatory demands.

The scope of compliance extends across various domains, including but not limited to, product quality, competition law, employee health and safety, environmental protection, corporate governance, public disclosures, employment law, and taxation. To ensure comprehensive compliance, the Group has undertaken significant measures, including the development of specialized projects and systems, and substantial investments aimed at fulfilling all regulatory obligations. Teams of experts, operating at both the Group and local levels, are charged with formulating detailed

internal guidelines and ensuring that employees are both knowledgeable about and adhere to relevant laws and regulations pertinent to their roles.

Legal and compliance specialists within KMG International play an instrumental role in the ongoing monitoring and assessment of the Group's practices, ensuring compliance with existing laws and adapting to legislative changes. These specialists are vigilant in tracking emerging legislative developments, integrating this intelligence into the Group's strategic planning processes.

Moreover, KMG International Group maintains a rigorous stance against fraud, bribery, corruption, and any dealings with entities on international sanctions lists, implementing stringent controls to mitigate these risks. The imposition of international sanctions, particularly in light of the conflict involving Russia and Ukraine, has necessitated enhanced focus and the strengthening of controls in this area. The Group conducts regular monitoring of sanctions regimes and has updated its anti-bribery and anti-corruption frameworks to reinforce compliance and safeguard its operations against legal and regulatory risks.

e) Risks Related to Customer Relations

KMG International Group places a high premium on developing and maintaining robust commercial relationships across its extensive network of distribution channels, which span various geographic locations. The strength and quality of these customer relationships are crucial for enabling the Group to secure favorable pricing agreements and achieve a competitive advantage in the marketplace. Failures in nurturing these relationships or in meeting our commitments can lead to detrimental effects on the Group's financial health and reputation.

In recognition of the dynamic nature of market trends, KMG International's management actively seeks to forge new connections, especially targeting customer segments with a predilection for technological innovations. Emphasizing technological advancements, the Group focuses on enhancing the efficiency of ordering processes, improving control measures, and optimizing inventory management systems. These efforts are designed to boost internal efficiency and provide better oversight of operations.

Accordingly, initiatives aimed at upgrading existing commercial automation systems have been implemented to support these goals. Despite macroeconomic hurdles that may slow the pace of opening new stations, KMG International remains steadfast in its commitment to expanding its network, illustrating its dedication to growth and accessibility.

At the heart of the Group's strategic approach is the pursuit of a flexible business model, one that is capable of quickly adjusting its product offerings and distribution channels to align with changing consumer demands and economic conditions. This agility is vital for staying ahead in a fluctuating market environment.

Understanding the critical role of customer relations, KMG International acknowledges the risks inherent in these engagements. Poor customer interactions not only jeopardize the Group's immediate transactions but also have the potential to significantly influence the overall performance and strategic direction of the Group. As such, maintaining strong, responsive, and adaptable customer relations is integral to our sustained success and market leadership.

f) Crisis Management and Business Continuity

In 2023, the KMG International Group undertook significant enhancements to its crisis management and business continuity strategies to effectively confront both internal and external adversities. By instituting a structured approach to crisis management, the Group aimed to ensure rapid response capabilities and prevent the onset of potential crises, while also minimizing their impact and severity. Central to these objectives were the safeguarding of individuals, environmental protection, asset preservation, and the safeguarding of business interests. These efforts were geared towards not only averting crisis situations but also reducing the immediate fallout from such events.

KMG International Group Management played a pivotal role in supporting these objectives by guaranteeing the safety and well-being of all stakeholders, managing communications effectively, swiftly assessing situations as they develop, allocating resources judiciously, making informed decisions, managing stakeholder interests efficiently, planning for business continuity, ensuring compliance with legal standards, managing the Group's reputation, and fostering

an environment of continuous learning and improvement. Through these comprehensive efforts, the Group focused on bolstering its resilience and enhancing its preparedness to navigate future crises more effectively.

4. Strategic Risk

Operating globally, the KMG International Group is exposed to a broad range of external economic and political risks, each with the potential to significantly impact the execution of its strategies and the continuity of its operations. The concept of strategic risk is of utmost importance to the Group, originating from a wide variety of sources. As a result, KMG International maintains vigilant oversight of both its internal and external environments, keenly observing for any significant developments that could obstruct the achievement of its strategic objectives.

With a rich history of engagement in diverse markets, the Group has accumulated a wealth of experience in maneuvering through and thriving amid periods characterized by economic, political, or social instability. This depth of experience underpins the Group's capacity to adeptly manage strategic risks, ensuring the sustained advancement of its business operations despite the challenges posed by an ever-evolving global landscape.

a) Macroeconomic Environment and Geopolitical Tensions

The Group's strategic direction is subject to influence by a complex array of factors, including geopolitical events, macroeconomic conditions such as rising interest rates and material costs, shifts in policies and regulations, and the advent of new technologies. These elements have the power to significantly affect the demand and supply dynamics within the industry, along with trade and investment flows. Particularly, macroeconomic indicators like interest rates and exchange rates can negatively impact our operational costs. The ongoing conflict in Ukraine and its wide-reaching socio-economic consequences, together with forecasts of global economic slowdown due to high inflation, strict monetary policies, and tightened credit conditions, highlight the multifaceted challenges confronting us.

In Romania, fiscal instability and regulatory uncertainty further exacerbate our strategic concerns. The fluctuating

fiscal landscape introduces significant risks to our financial stability, necessitating a reassessment of our strategic plans. Legislative changes and an unpredictable fiscal environment present additional hurdles, with excessive fiscal burdens threatening the continuity of our operations.

Geopolitical disputes amplify these risks, with potential spill-over effects on the global economy and, by extension, our business activities. Such tensions can hinder international trade, with long-lasting effects anticipated. The ramifications may include economic contractions, soaring inflation and interest rates, reduced consumer expenditure, increased credit risk, limited financing access, potential energy crises with rising utility costs, and social unrest leading to operational disruptions. Moreover, the intensification of international sanctions and trade embargoes could impair our supply chains.

Within this context, KMG International Group conducts thorough country risk assessments, especially when considering expansion into new markets, managing receivables, or evaluating strategic partnerships. Our reliance on various service providers necessitates careful management of these relationships. To mitigate risks, the Group actively seeks diversification strategies.

Proactive measures have been implemented to manage the controllable elements of the external environment. Regular updates to our business forecasts and cash flow projections enable the Group to make nimble adjustments to its investment strategies, thus enhancing our ability to navigate through the changing economic and geopolitical landscapes effectively.

b) Climate Change and Decarbonization

As the world increasingly pivots towards a low-carbon economy, the oil and gas sector is met with new challenges and opportunities, with sustainability and climate considerations emerging as pivotal elements. This global shift towards environmental consciousness necessitates a strategic realignment for the KMG International Group, aiming to balance economic growth with the pressing demands of environmental stewardship.

The imperative for the Group to adapt to the growing emphasis on climate change and the energy transition

cannot be overstated. The landscape of risks, influenced by actions at global, local, and business levels, is dynamic and fraught with volatility, highlighting the essential need for robust climate risk management strategies. Efforts to weave sustainability into the fabric of our existing risk management frameworks are progressing, coupled with the formulation of policies and regulations tailored to climate-related challenges.

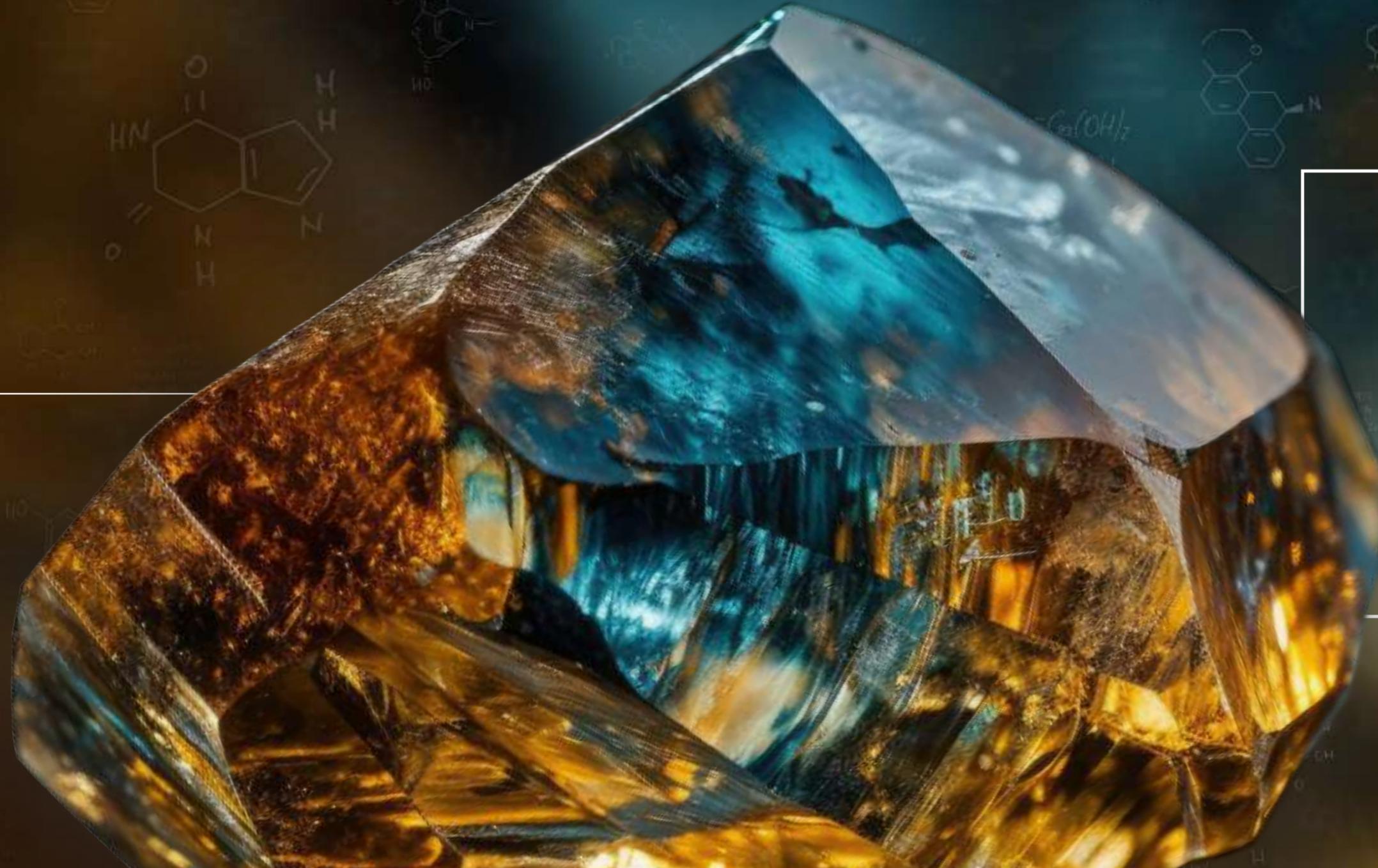
Shifts in consumer preferences towards lower emissions may herald a decrease in demand for fossil fuels, potentially affecting both the Group's revenues and its future investment trajectory. In response, we are laying the foundational elements for effective climate risk mitigation approaches.

Moreover, the tangible impacts of climate change present operational hazards. An initial evaluation revealed moderate operational impacts, prompting a more exhaustive investigation in 2023 aimed at discerning and addressing both the physical and transitional risks and opportunities associated with climate change. Through this process, certain deficiencies were uncovered, leading to the initiation of an action plan. This plan is part of a broader effort to ensure our operations are in harmony with decarbonization goals.

A comprehensive Decarbonization Strategy has been developed, offering a roadmap for the adoption of economically sustainable solutions for emissions reduction. This strategy is a testament to our dedication to navigating the complexities of an evolving energy sector, underpinned by a firm commitment to the principles of sustainability.

ELEMENTS *of* DIVERSITY

KMG International NV
Romp petrol Raffinare SA
Romp petrol Well Services SRL



CHAPTER 4

G

Governance



KMG INTERNATIONAL NV

OPERATIONAL PROFILE

The operational profile of KMG International NV exemplifies a robust and diversified approach to navigating the complex landscape of the global oil industry. With a significant presence in key markets, a diverse portfolio of operations, and a stringent governance framework, KMG International continues to reinforce its position as a leading force in the energy sector, committed to growth, sustainability, and excellence in all its endeavors.

KMG International NV, previously known as The Rompetrol Group NV, is a dynamic entity incorporated under the laws of The Netherlands, with its headquarters strategically situated in Amsterdam. Since its inception in November 1999, KMG International has evolved into a significant global presence in the oil sector, conducting expansive operations across 14 countries throughout Europe, Central Asia, and North Africa. The acquisition by National Company 'KazMunayGas' JSC in May 2007 (75% of shares; the rest of 25% acquired in 2009) marked a pivotal moment, with the entire issued capital being held 100% by the parent company, solidifying its stance in the global market.

Global operations and diverse portfolio

KMG International Group is a prominent player on the worldwide stage, specializing in a comprehensive array of activities within the oil industry. Its core operations are deeply rooted in refining, retail, marketing, and trading, distinguishing the Group as a versatile and integral part of the energy sector. Beyond these primary areas, KMG International extends its expertise into exploration and production, alongside a suite of other oil industry services including upstream services, industrial services, and drilling. Furthermore, the Group offers business and management consulting services, serving as a support function that underscores its multifaceted operational scope.

Extensive corporate footprint

As of December 2023, the KMG International Group is composed of 65 entities, which include 58 legal entities—spanning joint-stock companies, limited liability companies/partnerships—and 7 branches, representative offices, and joint ventures. This expansive network is headquartered in 12 countries, namely Romania, The Netherlands, Republic of Kazakhstan, Switzerland, Bulgaria, Republic of Moldova, Georgia, Turkey, France, Spain, Libya, and Gibraltar. This widespread presence not only illustrates the Group's expansive reach but also its ability to adapt and thrive in diverse regulatory and market environments.

Governance and compliance

The governance of KMG International N.V. and its subsidiaries is rooted in strict adherence to local legislation in each country of operation. The Articles of Association and the regulations governing each entity are meticulously crafted to align with local laws, ensuring the responsible conduct of business, proper administration, and efficient management. In Romania, for instance, the Group's operations are governed by a suite of regulations including Company Law no. 31/1990, Law no. 265/2022 regarding the commercial register, and Law no. 24/2017 concerning the capital market, which is particularly pertinent to entities listed on the stock exchange. These legal frameworks guide the Group's commitment to transparency, accountability, and ethical business practices across its global operations.

Legal entities

1. KMG International NV
Amsterdam, The Netherlands
2. KMG Rompetrol SRL
Bucharest, Romania
3. Oilfield Exploration Business Solutions SA
Bucharest, Romania
4. Rompetrol Downstream SRL
Bucharest, Romania
5. Rompetrol Rafinare SA
Năvodari, Romania
6. Rompetrol Financial Group SRL
Bucharest, Romania
7. Rompetrol Well Services SA
Ploiești, Romania
8. Rominserv SRL
Bucharest, Romania
9. Rompetrol Quality Control SRL
Năvodari, Romania
10. Rompetrol Gas SRL
Bucharest, Romania
11. Rom Oil SA
Zărnești, Romania
12. Midia Marine Terminal SRL
Năvodari, Romania
13. Byron Shipping SRL
Năvodari, Romania
14. Rompetrol Logistics SRL
Ploiești, Romania
15. Global Security Sistem SA
Bucharest, Romania
16. Global Security Systems Fire Services SRL
Bucharest, Romania

17. Rompetrol Energy SA
Năvodari, Romania
18. KMG Rompetrol Services Center SRL
Bucharest, Romania
19. Rompetrol Renewables SRL
Ploiești, Romania.
20. KMG Rompetrol Development SRL
Bucharest, Romania
21. Î.M. „Rompetrol Moldova” S.A
Chișinău, Republic of Moldova
22. Rompetrol Georgia LTD
Tbilisi, Georgia
23. Rompetrol Bulgaria JSC
Sofia, Bulgaria
24. KazMunayGas Trading AG
Lugano, Switzerland
25. TRG Petrol Ticaret AŞ
Istanbul, Turkey
26. Byron Shipping LTD
Gibraltar, United Kingdom
27. Fondul de Investiții în Energie Kazah-Român SA
Bucharest, Romania
28. Midia Green Energy SA
Năvodari, Romania
29. Rompetrol France SAS
Montpellier, France
30. Dyneff SAS
Montpellier, France
31. DPPLN SAS
Port-La-Nouvelle, France
32. Dyneff Retail SAS (fmr. Terminal Midi Pyrenees)
Montpellier, France
33. EPPLN SAS
Port-La-Nouvelle, France

34. Dyneff Espana SL
Girona, Spain
35. Dyneff Gas Stations Network SL
Girona, Spain
36. Dyneff Trading SL (fmr. Bioneff SL)
Girona, Spain
37. ETS Rossignol SAS
Route de Saint Juéry, 48310 FOURNELS, France
38. Bio Advanced Energy SAS
Montpellier, France
39. Depot FOS SA
Fos Sur Mer, France
40. Depot Rhone (fmr. SPR SA)
Courbevoie, France
41. Boissonnade Combustibles SAS
Mende, France
42. 'Paul ORRIOLS' Combustibles de Cerdagne SAS
Bourg-Madame, France
43. Plantier SAS
Florac Trois Rivières, France
44. natGAS France SAS
Paris, France
45. ANEO SAS
Baillargues, France
46. Orceyre SAS
La Chapelle-Laurent, France
47. AUBAC SAS
Tournous Devant, France
48. TPDT SARL
Port-de-Bouc, France
49. ABC Carburants-Allo Beziat Carburants SAS
Bouloc, France
50. Geraud-Tampier SAS
Septfonds, France

51. David Recoules SAS
Requista, France
52. Alegri SAS
Pzens, France
53. NEEL FRAISSE SAS
Montbrison, France
54. Travaux Forestiers Zaplotny SAS
Charbonnier-les-Mines, France
55. Bois Energie des Territoires d'Auvergne SAS
Vieille-Brioude, France
56. France Habitat ENR SAS
Montussan, France
57. Global'ethic Delta
Montussan, France

Branches & joint ventures

1. KMG Rompetrol SRL Rep. Office in Kazakhstan
2. Benon Rompetrol LLC Oman Joint Venture
3. Oilfield Exploration Business Solutions SA Libya Branch
4. Oilfield Exploration Business Solutions SA Iraq Branch
5. Rominserv SRL Kazakhstan Branch
6. Rominserv SRL Bulgaria Branch
7. KazMunayGas Trading AG Rep. Office in Ukraine

These lists include only entities still operational as of December 2023. For a detailed list of all legal entities and their shareholding structure, see the dedicated Annex to this report.

MANAGEMENT

Through its structured levels of management, specialized committees, and rigorous nomination and selection processes, KMG International N.V. ensures that it is well-positioned to meet its strategic objectives while adhering to the highest standards of corporate governance and ethical business practices.

Management system

KMG International N.V. operates under a structured and robust management system designed to ensure effective decision-making and operational excellence across its global operations. This system is aligned with statutory documents and applicable Dutch law, comprising three levels of approval that facilitate a coherent and strategic approach to management and governance within the company and its subsidiaries.

The management hierarchy within KMG International NV is as follows:

- Sole Shareholder: National Company 'KazMunayGas' JSC, representing the ultimate ownership and strategic oversight of KMG International N.V.
- Board of Managing Directors: Comprising eight directors, including the Chief Executive Officer (CEO) and seven non-executive managing directors, responsible for strategic decision-making and oversight.
- Chief Executive Officer (CEO): The sole executive member of the board, tasked with the day-to-day management of the company, strategic review, and representation of KMG International N.V.

This unified management system is replicated across the Group's subsidiaries, ensuring consistent governance practices and decision-making processes. The subsidiaries' governance structures typically involve a General Meeting of Shareholders or a Sole Shareholder, a Board of Directors, and key management personnel like a General Manager and Finance Manager.

The composition of the KMG International NV Board of Managing Directors, as of December 2023, was:

- Mr. Nikolay Kazutin
Chairman of the Board
[Managing Director for Legal Support, Counseling and Risks, JSC NWF Samruk Kazyna - Member of the Management Board]
- Ilias Kuldzhanov
Chief Executive Officer
- Mr. Emile Eduard Wolff
independent non-executive managing director
- Mr. Arman Saulebay
non-executive managing director
[Managing Director at KazMunaiGaz Finance Sub B.V.]
- Mr. Vassiliy Lavrenov
non-executive managing director
[JSC NC KazMunayGas, Deputy Chairman of the Board]
- Mr. Bulat Zakirov
non-executive managing director
[JSC NC KazMunayGas, Deputy Chairman of the Board]
- Mr. Johannes Josephus Oortwijn
independent non-executive managing director
- Mr. Otmar Edmundo Carolus
non-executive managing director

The managing directors are appointed by the general meeting of the sole shareholder. The board members bring a wealth of expertise and knowledge to the table, crucial for steering the company towards its strategic goals. Their responsibilities encompass strategic planning, supervising management, and ensuring the general welfare of the company and its subsidiaries.

In accordance with KMG International N.V. Articles of Association and Board Regulations, the CEO, being the sole executive member of the 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., with the possibility to delegate his managing function for certain operations or categories of operations to certain third parties.

Nomination and selection of the highest governing body

The nomination and selection of the governance body and its members are grounded in principles of accountability, effectiveness, and transparency. This rigorous process aims to assemble a board characterized by the right mix of skills, diversity, and competencies, ensuring alignment with the company's strategic objectives. The criteria for nomination and selection focus on the candidates' relevant skills, expertise, and understanding of environmental, social, and governance factors, underpinning the company's commitment to sustainable and responsible business practices.

Diversity should encompass many attributes beyond gender, including diversity by nationality, race or ethnicity, or a specifically sought-after skill or expertise. Although an independent perspective is important, this alone does not guarantee effective directors' oversight, particularly in cases where directors have a limited understanding of the company's main strategies and risks.

GRI

GRI 2-9
GRI 2-10
GRI 2-11
GRI 2-12
GRI 2-13
GRI 2-15
GRI 2-16
GRI 2-17
GRI 2-18
GRI 2-19
GRI 2-20

IPECA

GOV-1 C1, C5, A1
GOV-4 C1



The nomination and selection process of the highest governance body within the Group and its subsidiaries is based on the following main pillars:

Accountability

- Independence of decision making. Board independence is necessary to provide the needed checks and balances on the company's executive management and shareholder, fortifying the directors' collective fiduciary duty of care to the company as a whole.
- Shareholder communications and engagement. As part of the engagement process, the Board should demonstrate an appropriate level of responsiveness to shareholder concerns. It is essential that the Board be transparent about requests and subsequent actions taken.
- Duty of care to respect shareholder rights.

Transparency

- Public disclosures. Relevant disclosures should be made readily available, in a timely manner, through the company's website, proxy statements and annual reports.
- Director information. This should enable shareholders to take comfort in a director candidate's ability to contribute positively to the company's long-term governance and performance. Director disclosures should not only contain basic biographical information, but also articulate the specific skills and capabilities the individual director brings to the board.
- Reporting on outputs. Company reporting should demonstrate how the committee performed their duties during the year, the link to company strategy, and progress towards implementation of policies and meeting objectives.

Effectiveness

- Composition. Putting together a well-structured and balanced Board is a complex process and one of a Nominations Committee's key objectives. The complexity arises from the need to achieve an appropriate mix of skills, diversity and competencies within a board structure that is not so large that it becomes ineffective.
- Diversity. Sought to facilitate Board reflections that are both objective and which might stimulate a wider scope of discussion and constructive criticism.
- Board evaluations. Needed in order to identify and monitor the strengths and weaknesses of directors and guide remedial action plans. A proper evaluation process can identify areas of weakness requiring attention, including those regarding directors' performance, Board composition and director nominations.
- Link to company strategy. The directors' nomination process must be designed to ensure the Board can fulfil its ongoing obligation to provide strategic oversight of the company's operations. This places a premium on a director's understanding of the company, its sector, competitive strategies, operational risks, and stakeholder concerns.
- The human factor: ethics, tone, and sustainability awareness. The importance of directors' integrity and sensitivity to potential company impacts on key stakeholders and society.

Board of Managing Directors

Comprising eight managing directors, including one executive managing director (CEO) and seven non-executive managing directors, the Board of Managing Directors embodies a comprehensive mix of expertise and vision crucial for the company's success.

The non-executive managing directors include two independent directors, ensuring a balanced oversight that encompasses broad perspectives and independent judgement. Appointed by the sole shareholder, National Company 'KazMunayGas' JSC, these directors are tasked with critical roles in overseeing the group's adherence to procedures and policies, engagement with shareholders, strategic development, and interactions with state authorities.

Key duties of the non-executive members include participating in strategy determination, policy setting, and supervising the management and general affairs of the company and its subsidiaries. This structured approach to governance ensures that KMG International N.V. operates within a framework of accountability and strategic clarity.

Competencies and responsibilities

The board's competencies span across various critical areas, including legal and corporate governance, engineering, technical maintenance, economics and finance, innovations and IT systems, and strategic development, among others. These diverse competencies are reflective of the complex and multifaceted nature of KMG International N.V.'s operations, enabling the board to address the organization's impacts comprehensively.

Collectively, the Board of Managing Directors is responsible for setting and achieving the company's objectives, strategies, policies, and ensuring result delivery. The board's collective responsibility underscores a holistic approach to governance, wherein strategic decisions are made with a comprehensive understanding of the company's operational landscape.

Decision-making and regulation compliance

In line with KMG International N.V. Board Regulations, the board oversees significant transactions, strategic appointments,

and operational adjustments. This includes the approval of agreements exceeding specific financial thresholds, the appointment of general managers (CEOs) of the company's affiliates, and the organizational structuring of KMG Rompetrol and its business units.

Moreover, the board ensures that all transactions are conducted on arm's-length terms to prevent conflicts of interest, thereby maintaining the integrity and fairness of operational dealings. Such regulatory adherence is crucial for upholding the company's reputation and operational success.

The Board of Directors approves the following acts:

- enter or terminate any agreement or series of related agreements with a third party representing a value exceeding USD 20M other than any agreements for crude and/or oil products supply, any bank loan facilities and labor contracts
- enter or terminate any agreement or series of related agreements with a third party and/or affiliates representing a value exceeding USD 50M for any agreements for crude and/or oil products supply
- enter or terminate any loan facilities with a bank or any other financial institution with a value exceeding 10M USD
- enter or terminate any agreement with affiliates representing a value exceeding USD 20M other than any agreements for crude and/or oil products supply
- approve an appointment of general managers (CEO) of the Company's affiliates, as well as organizational structure of Rompetrol and appointment of Chief Officers by business units in the Company
- give a prior written consent concerning pledge of any Company's or its affiliates assets exceeding a total value of USD 10M
- give any guarantee or indemnity in favor of any third party's liabilities exceeding a total value of USD 10M
- create subsidiaries (taking participation in the capital of a company with a value exceeding USD 5M) and/or branches of the Company

- grant any loans to third parties (legal entities and and/or natural persons) with a value exceeding USD 10M
- enter into employment agreement with an employee with an annual value exceeding USD 250K gross
- take or dispose of (at market value) in a single transaction a participation in the capital of a company, with a value not exceeding USD 300M
- decide upon the restructuring strategy of the Company and
- decide upon the signatory rights of the Company in respect of the bank accounts opened in the Netherlands and abroad.

The Board of Managing Directors shall require the approval of the general meeting:

- to carry out the transfer (at market value) of all, or a material part, of the company's or any affiliate's properties or assets in a single transaction, exceeding a total value of three hundred million United States Dollars (300M USD)
- to enter into or to terminate any agreement with a third party for a term exceeding two (2) years or representing a value exceeding three hundred million United States Dollars (USD 300M), other than any agreements for crude oil supply
- to take or to dispose of (at market value) in a single transaction a participation in the capital of a company with a value exceeding three hundred million United States Dollars (USD 300M)
- to carry out any consolidation between the company and another entity or any de-merger or merger of the company with, or into, another person or entity
- to file a petition for suspension of payment and to file for bankruptcy of the company
- to carry out any public offering of the company's equity or equity related instruments
- to alter the accounting reference date of the company or any affiliate.

Reporting and evaluation

KMG International N.V. has appointed eight Senior Executive Persons responsible for the entity's day-to-day operations, complementing the strategic oversight provided by the Board of Managing Directors. The process for these executives to report to the governance body occurs quarterly, ensuring a continuous flow of information and feedback on the company's impacts on the economy, environment, and society.

The Board of Directors is responsible for reviewing and approving reported information through specialized committees, including the Audit Committee, the Appointment and Remuneration Committee, the Strategy and Innovation Committee, and the Finance and Investment Committee. These committees play a pivotal role in dissecting complex issues, allowing for a thorough evaluation before presenting matters for board approval.

After the information and strategies are discussed and approved at the level of the Committees, the matters are presented and submitted for the approval of the KMG Board of Directors, where a detailed presentation to the Board members is made by the owner of the topic in discussion, the Board members can ask questions and can provide their input and comments on the matter, finalizing with a Board of Directors decision which should be taken by majority of votes.

Specialized Committees

To support its function, the Board of Managing Directors has established specialized committees, including the Audit Committee, the Appointment and Remuneration Committee, the Strategy and Innovation Committee, and the Finance and Investment Committee. These committees play a critical role in advising the board and facilitating detailed scrutiny of specific areas, ensuring that decisions are well-informed and aligned with the company's long-term strategy.

The Appointment and Remuneration Committee, in particular, is tasked with advising on matters related to remuneration policies, employment terms, and compensation plans, primarily for top management. The primary responsibility of the Appointment and Remuneration Committee is to provide expert advice and recommendations to both the Board of Managing Directors and the General Meeting (Sole Shareholder) on a variety of critical matters, including remuneration policy, terms of employment, compensation plans and packages, performance criteria, etc.

A key function of the Appointment and Remuneration Committee is to monitor and assist in the implementation of remuneration policies and plans at the Group level, ensuring that these are applied consistently across different entities and geographies. This oversight ensures that the company's remuneration practices are not only competitive but also compliant with relevant laws and regulations, reflecting best practices in corporate governance.

While the Appointment and Remuneration Committee advises and makes recommendations, the ultimate decision-making authority regarding remuneration policies and plans at the Group level resides with the KMG International N.V. Board of Managing Directors. This ensures that strategic compensation decisions are made with a comprehensive understanding of the company's operational and financial context, aligning with the long-term interests of the company and its stakeholders.



ROMPETROL RAFINARE SA

Romp petrol Rafinare SA stands as a testament to operational excellence and strategic importance within the Romanian and wider European energy sector. With a solid foundation built on decades of expertise, a strategic network of subsidiaries, and a commitment to compliance and best practices, Rompetrol Rafinare continues to set benchmarks in the oil refining industry, contributing significantly to energy security and economic stability in Romania and beyond.

OPERATIONAL PROFILE

The most significant asset of KMG International NV in Romania, Rompetrol Rafinare SA operates as a joint-stock company under the jurisdiction of Romanian law, with its headquarters nestled in Năvodari City, Constanța county. The company's main field of activity, as delineated in its Articles of Incorporation, is focused on manufacturing products derived from crude oil processing.

Boasting nearly 45 years of expertise in the field, Rompetrol Rafinare's journey commenced in 1979 with the inauguration of its first unit, the Atmospheric Distillation Unit (ADU). Originally established as the Midia Năvodari Petrochemical Plant between 1975 – 1977, leveraging Romanian refining technologies alongside certain foreign licenses, Rompetrol Rafinare was formally incorporated on February 5th, 1991. This rich history underpins the company's strong foundation and leadership in the oil refining sector.

The company carries out its activity either directly or through related entities in Romania, Switzerland, Bulgaria, Moldova, Turkey, etc. Rompetrol Rafinare acts as the parent company for several subsidiaries, including Rompetrol Quality Control SRL, Rom Oil SA, Rompetrol Downstream SRL, Rompetrol Logistics SRL, Rompetrol Gas SRL, and Rompetrol Petrochemicals SRL, all integral components of the KMG International Group.

As of December 2023, Rompetrol Rafinare oversees 5 directly controlled subsidiaries located in Romania, alongside 2 indirectly controlled subsidiaries. Additionally, it operates two key working points in Năvodari, Constanța county, and Ploiești, Prahova county, Romania. These strategic locations enable Rompetrol Rafinare to maintain its leadership and operational excellence within the oil refining sector.

The governance and operational framework of Rompetrol Rafinare are meticulously aligned with Company Law no. 31/1990, as amended and supplemented, and Law no. 24/2017 concerning issuers of financial instruments and market operations. Moreover, the company adheres to regulations applicable to stock exchange-listed companies, alongside internal Procedures and Policies set by the KMG International NV Group. This comprehensive compliance structure ensures that Rompetrol Rafinare operates within the highest standards of corporate governance and regulatory adherence.

Work points:

- **Romp petrol Rafinare SA Work Point Petromidia**
283 Năvodari Blvd., Năvodari, Constanța County
- **Romp petrol Rafinare SA Work Point Vega**
146 Văleni St., Ploiești, Prahova County

Direct participations in:

1. **Romp petrol Logistics SRL - 66.1911%**
7 Basarabilor St., Ploiești, Prahova County
Trade Office Register no. J29/2556/16.09.2008 / Tax ID no R014156698
Main business: Freight rail transport
NACE code: 4920
2. **Rom Oil SA - 99.9998508%**
1 Mare St., ground floor, Zărnești, Brașov County
Trade Office Register no. J8/549/13.05.1998 / Tax ID no. R010600770
Main business (as of 2017): Renting and operating of own or leased real estate
NACE code: 6820
3. **Romp petrol Quality Control SRL - 70.91%**
215 Năvodari, Admin. Pavilion, room 220, Năvodari, Constanța County
Trade Office Register no. J13/6775/22.06.2004 / Tax ID no. R016542407
Main business: Technical testing and analysis
NACE code: 7120
4. **Romp petrol Downstream SRL - 99.994688898%**
3-5 Presei Libere Sq., City Gate North Tower, 2nd floor, Sector 1, Bucharest
Trade Office Register no. J40/1716/24.02.2000 / Tax ID no. R012751583
Main business: Retail sale of automotive fuel in specialized stores
NACE code: 4730

Indirect participations in:

1. **Global Security Sistem SA - 51%** (through Rompetrol Logistics SRL)
1 Constantin Căpitanu St., Sector 1, Bucharest
Trade Office Register no. J40/10517/25.11.1999 / Tax ID no. R012452549
Main business: Private security activities
NACE code: 8010
2. **Romp petrol Gas SRL - 100%** (through Rompetrol Logistics SRL)
3-5 Presei Libere Sq., City Gate North Tower, 5th floor, Sector 1, Bucharest
Trade Office Register no. J40/11389/12.07.2006 / Tax ID no. R018846690
Main business: Wholesale of solid, liquid, and gaseous fuels and related products
NACE code: 4671

MANAGEMENT

Romp petrol Rafinare operates under a structured management system designed to ensure effective governance and compliance with its Articles of Association and applicable Romanian law. This system is characterized by three levels of approval, reflecting a commitment to transparency and shareholder engagement:

- **General Meeting of Shareholders (GMS):** the primary governing body responsible for major corporate decisions and oversight, as established in its responsibility by the law of commercial companies and provisions of the articles of incorporation.
- **Board of Directors:** establishes the main directions of activity and development of the company and compliance with corporate governance principles.
- **General Manager and Finance Manager:** handle the day-to-day operational management and financial oversight of the company.

Shareholder composition

KMG International NV directly and indirectly maintains a 54.58% shareholding in Rompetrol Rafinare, while the Romanian State, represented by the Ministry of Energy, holds 44.6959%. The remaining shares are freely traded on the Bucharest Stock Exchange under the Standard category.

- **KMG International NV** holds a 54.58% share, reflecting its majority stake and significant influence over corporate decisions.
- **Romanian State**, represented by the Ministry of Energy, controls 44.6959% of the equity, highlighting the strategic importance of Rompetrol Rafinare to national energy security.
- **Other shareholders** include legal entities and natural persons holding less than 0.8% of the equity, contributing to the diverse shareholder base.

General Meeting of Shareholders (GMS)

The GMS is the pinnacle of Rompetrol Rafinare's corporate governance structure, with the authority to make main decisions according with the Company's Article of Incorporation and Companies law. Depending on the agenda, the GMS can convene as either an Ordinary General Meeting of the Shareholders (OGMS) or an Extraordinary General Meeting of the Shareholders (EGMS), each with distinct responsibilities.

Ordinary General Meeting of the Shareholders

According to article 11 of the Company's updated Articles of Incorporation, corroborated with the applicable legal provisions, the Ordinary General Meeting is summoned at least once a year, within the term required mandatorily by the law, and includes the following main tasks:

- to discuss, to approve or to modify the annual financial statements, based on the reports presented by the board of directors and by the financial auditor and to establish the dividend;
- to appoint and to revoke Company's directors;
- to appoint and to establish the minimum duration for the financial audit contract, and also to revoke the financial auditor;
- to establish for each current financial year the remuneration owed to the directors;
- to pass opinion on the directors' manner of administration;
- to establish the income and expenses budget, and, if such is the case, the activity schedule, for the following financial year;
- to decide the pledge, the lease, or the cancellation of one or more units of the Company;
- to approve the maximum limits of the remuneration of the people handling/having managing positions according to the legal provisions in force;
- to approve the Remuneration Policy for Directors and executive managers.

Extraordinary General Meeting of Shareholders

The Extraordinary General Meeting delegates the Board of Directors to exercise the tasks mentioned at letters b) and c) of the paragraph above from the revised Articles of Incorporation.

The Extraordinary General Meeting delegates the Board of Directors to increase the share capital, pursuant to the provisions of art. 85 of Law no. 24/2017 on the issuers of financial instruments and market operations, as republished.

The EFMS has the following tasks:

- to change the Company's legal form;
- to move the Company's headquarters;
- to change the Company's object of activity;
- to set up or to dissolve secondary offices: branch offices, agencies, representations or any other such units without legal personality;
- to extend the Company duration;
- to increase the share capital;
- to reduce the share capital or to replenish it by the issue of new shares;
- to merge with other companies or to split the company;
- the company's anticipated dissolution;
- to convert shares from one category to another;
- to convert one category of bonds into another one or into shares;
- to issue bonds;
- any other change to the Articles of Incorporation or any other decision for which the EGMS consent is required.

Board of Directors

The governance of Rompetrol Rafinare SA is vested in a Board of Directors, appointed for a four-year term by the Ordinary General Meeting of Shareholders, unless a different term is specified at the time of election.

The numerical composition of the Board of Directors saw an increase from five to seven members in 2022, following Resolution no. 6/2022 of the Extraordinary General Meeting of Shareholders. This change, effective from May 1, 2022, aimed to enhance the governance and strategic oversight of the company. Subsequently, according with Resolution no. 3/2022 were elected five new members, as a result of termination of previous mandates by April 30, 2022. In response to the resignation of two directors in 2023, two new directors were appointed as per Resolution no. 2/2023, with their mandates extending to April 30, 2026, synchronizing with the terms of current board members.

In July 2023, the Board decided to appoint two new persons as interim members, ensuring continuity and governance efficacy until the following the OGMS.

In September 2023, as a result of resignation formulated by a director, the Board of Directors decided to appoint a new person as interim director, for a mandate available until first Ordinary General Meeting of Shareholders.

Representation and diversity

The Board's composition in 2023 reflects a balanced representation: four directors from KMG International N.V., the main shareholder, and three from the significant shareholder, the Romanian State, through the Ministry of Energy, including two independent directors. In alignment with European Directive 2022/2381, the Board prides itself on including two female directors, underlining the company's commitment to improving gender diversity among its directors.

As of December 2023, the Board of Directors lists:

- Mr. Batyrzhan Tergeussizov, non-executive chairman
- Mr. Adrian Tohănean, non-executive director
- Mr. Nicolae Bogdan Codruț Stănescu, independent non-executive director
- Mr. Bogdan Cătălin Steriopol, indep. non-executive director
- Mrs. Tamila Mikulich, interim non-executive director
- Mr. Constantin Saragea, interim non-executive director
- Mrs. Zhamilya Meshitbay, interim non-executive director

Roles and competencies

The Board's competencies span across vital areas impacting the company, including Legal and Corporate Governance, Engineering, Technical Maintenance, Economics, Investments and Projects, Strategic Development, Marketing and Management, and Risk Management. These competencies ensure the Board's effectiveness in steering the company towards its strategic goals and operational excellence.

The Board of Directors collectively shoulders the responsibility for the company's management, setting and achieving its objectives, strategies, and policies, and ensuring result delivery. Acting in the best interests of Rompetrol Rafinare SA and its stakeholders, the Board ensures governance practices are aligned with shareholder interests and the company's long-term vision.

The duties of the Board of Directors of Rompetrol Rafinare SA, according to the Articles of Incorporation and Organizational Regulation of Board of Directors are the following:

- establishes the main activity and development directions of the company
- establishes the accounting and financial control system and approves the financial planning
- appoints, recalls, concludes, and terminates the agreements of the Company managers;
- supervises the managers' activity;
- prepares the annual report, organizes the general meeting, and implements its decisions;
- introduces the request for opening the company insolvency procedure, according to Law no. 85/2014;
- except for the legal documents which, according to the imperative provisions of the law, in order to be adopted/ concluded, need the approval of the General Assembly of Shareholders, the Board of Directors will decide upon the adoption/conclusion, Company's behalf, of legal documents having an object which exceeds the value of:
 - USD 50M in case of legal acts having as object the acquisition of crude oil and the selling of the following products: gasoline, Diesel, Jet A1 and LPG;

- USD 20M in case of legal acts having another object than the acquisition of crude oil respectively the selling of the products mentioned in point i. above, including the approval of participation in the establishment of companies or the increase of their social capital with a contribution that exceeds this value limit.
- approves the Company organizational structure.

These duties may not be delegated to the company managers.

The Board of Directors also holds significant responsibilities and powers, as delineated by the Extraordinary General Meeting of Shareholders and underpinned by legal statutes. In accordance with Article 114 of Law no. 31/1990, republished, the Board's delegated duties encompass critical operational decisions that are essential for the strategic and operational maneuverability of the company, including:

- decisions regarding the relocation of the company HQ;
- decisions regarding the change of the company business object of activity (except for the main domain and the main activities of the company);
- decisions regarding the increase of the share capital by the issue of new shares, according to the law.

The Board has the authority to initiate share issuance within the framework of share capital increase operations. This capability is executed based on tasks delegated according to Law no. 31/1990, in conjunction with the provisions of Law no. 24/2017, ensuring compliance and strategic alignment with the company's growth objectives.

A pivotal responsibility of the Board involves the review and approval of information and reports submitted by the General Manager, the Finance Manager, and other key managers of Rompetrol Rafinare SA. This process is facilitated through specialized committees established by the Board, enhancing the scrutiny and advisory quality before final board approval. After committee-level discussions, detailed presentations are made to the Board members for further questioning, input, and final decision-making by a majority vote.

Advisory Committees

To support its wide-ranging functions, the Board has instituted two advisory committees:

- **The Audit Committee** focuses on oversight of financial reporting, internal controls, and compliance with legal and regulatory requirements. As of December 2023, the Audit Committee is chaired by Mr. Dan Alexandru Iancu, with members Mr. Adrian Tohănean and Mr. Nicolae Bogdan Codruț Stănescu providing their expertise.
- **The Strategy Committee** is tasked with guiding the company's strategic direction, ensuring alignment with industry trends, and identifying growth opportunities. The committee, chaired by Mr. Batyrzhan Tergeussizov, with Mr. Bogdan Cătălin Steriopol, Mr. Constantin Saragea Mrs. Tamila Mikulich and Mrs. Zhamilya Meshitbay as members, plays a crucial role in the strategic planning process.

The Audit Committee fulfills its legal duties provided under Article 65 of Law no. 162/2017 consisting mainly in monitoring the financial reporting process, the internal audit process, the risk management process within the Company, and compliance assurance, as well as supervising the activity of statutory audit of the annual financial statements and in the management of the relationship with the external auditor.

General Manager and Finance Manager

Rompetrol Rafinare SA encompasses a comprehensive management structure that extends beyond its Board of Managing Directors to include key Executive Managers. These roles, specifically the General Manager and the Finance Manager, are pivotal in overseeing the day-to-day operations of the company. Integral to the organization's governance framework, these executives ensure the smooth functioning of operations, maintaining a keen focus on the impacts of the company's activities on the economy, environment, and societal well-being.

A structured reporting mechanism is in place, requiring Executive Managers and other employees to provide quarterly reports to the company's highest governance body. This process facilitates a transparent review of the organization's operational impacts, allowing for informed decision-making and strategic adjustments as necessary to align with the company's sustainability goals and regulatory requirements.

As of December 2023, the roles of General Manager and Finance Manager are held by Mr. Florian Daniel Pop and Mr. Alexandru Stavarache, respectively. Mr. Pop's tenure as General Manager is set to continue until September 30, 2024, marking the end of his mandate. Meanwhile, Mr. Stavarache serves as the interim Finance Manager, with his mandate concluding on April 30, 2026.

The General Manager of Rompetrol Rafinare SA, endowed with the General Company representation power, plays a crucial role in representing the company in dealings with third parties, thereby legally binding the company in its external relationships. This authority encompasses the execution of commitments with patrimonial content or effect, alongside any legal deed that infers the company's undertaking of obligations with patrimonial content and effect.

Such commitments and legal deeds require the joint signature of both the Company's General Manager and the Finance Manager. Additionally, the company's governance framework allows for the delegation of these signing rights to third parties under specific circumstances. In the event of a vacancy in either the General Manager or Finance Manager positions, the Board of Directors is authorized to appoint individuals to temporarily fulfill these roles, ensuring uninterrupted management and operational continuity.



ROMPETROL WELL SERVICES SA

Rompetro Well Services S.A. epitomizes a blend of technical prowess, innovative service delivery, and strategic management, making it a pivotal player in the oil and gas services industry. Through its specialized services, strategic shareholding, and adherence to stringent governance standards, the company significantly contributes to the operational efficiency and success of oil and gas well operations, both within Romania and beyond. Its position within the KMG International N.V. Group further enhances its capabilities and outreach, poised for continued growth and innovation in the evolving energy sector.

OPERATIONAL PROFILE

Incorporated under Romanian law, with its operational hub in Ploiești city, Prahova county, this joint-stock company has carved a niche for itself by offering a comprehensive suite of specialized services tailored to the crude oil and natural gas wells sector.

Since its incorporation on March 5th, 1991, Rompetro Well Services S.A. has established a robust shareholding framework. KMG International N.V. emerges as the majority shareholder, holding 73.0111% of the company's share capital. KJK Balkan Holding SARL also plays a significant role as a minority shareholder with 10.6797% of the share capital. The remaining 16.3092% of the share capital is distributed among various other shareholders. This diverse shareholder base reflects the company's broad appeal and the confidence vested in its operational and financial stewardship.

The governance structure and operational protocols of Rompetro Well Services S.A. adhere rigorously to Company Law no. 31/1990, as amended and supplemented. Furthermore, the company aligns with the Procedures and Policies set forth by the KMG International N.V. Group, ensuring a consistent approach to corporate governance, ethical practices, and operational excellence across the board.

Work points:

- **Rompetro Well Services SA Work Point Mediaș**
Mediaș, Sibiu County
- **Rompetro Well Services SA Work Point Târgu Cărbunești**
Târgu Cărbunești, Gorj County
- **Rompetro Well Services SA Work Point Câmpina**
Câmpina, Prahova County
- **Rompetro Well Services SA Work Point Moinești**
Moinești, Bacău County
- **Rompetro Well Services SA Work Point Videle**
Videle, Teleorman County
- **Rompetro Well Services SA Work Point Mihăești**
Mihăești, Vâlcea County

MANAGEMENT

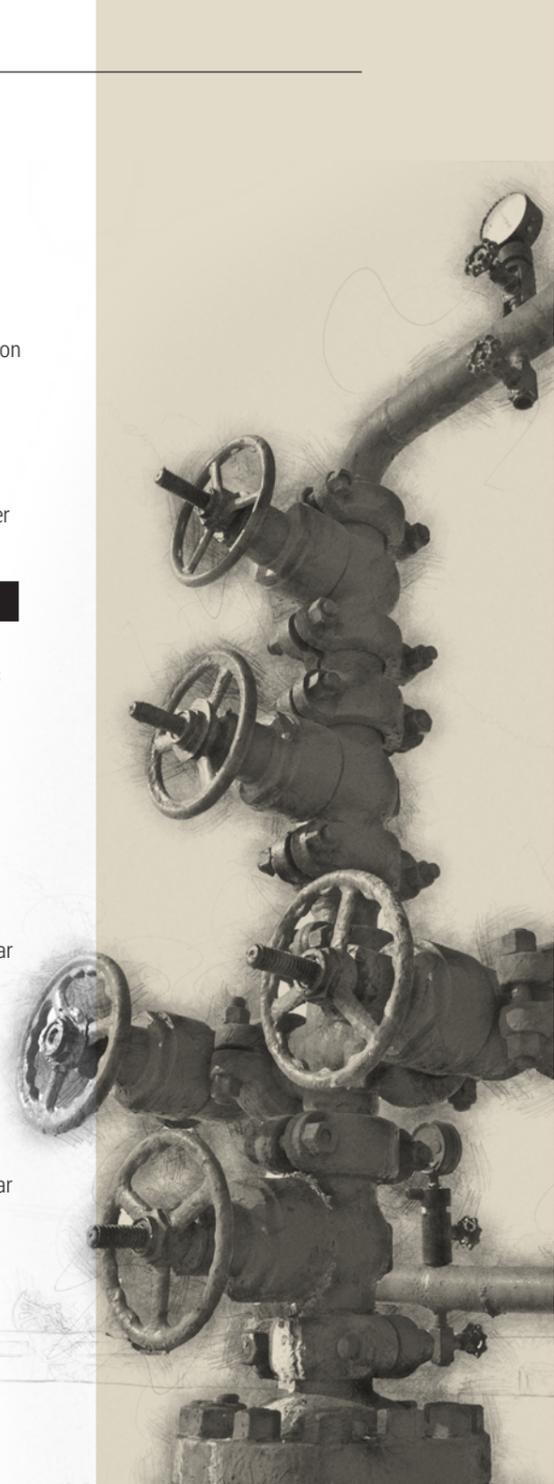
Rompetro Well Services SA operates under a clearly defined management system that adheres to its Articles of Association and the laws of Romania. This system encompasses three pivotal levels of governance and operational oversight:

- General Meeting of Shareholders
- Board of Directors
- Executive Management: General Manager. Finance Manager

General Meeting of Shareholders (GMS)

The GMS, convened at least annually, plays a crucial role in guiding the company's strategic direction. Its responsibilities include:

- to discuss, approve and amend the annual financial statements, based on the reports presented by Board of Directors and the financial auditor, and to fix the dividends
- to elect and dismiss the company's Directors
- to appoint and set the minimum duration of the financial audit contract, as well as to revoke the financial auditor
- to set Directors' remuneration for each current financial year
- to assess the Directors' management activities
- to review the Board of Directors' activity and decide to take proceedings against the Directors for prejudices caused to the company, and to appoint the person in charge of such proceedings
- to establish the income and expenditure budget and, if the case may be, the activity schedule for the next financial year
- to decide the pledging, the leasing, or the closing down of one or several of the company's working facilities
- to approve the maximum limits of the managers' remuneration, if the law provides for such approval.



The EGMS, on the other hand, handles significant decisions like changes to the company's legal form, headquarters relocation, business activity alterations, and capital adjustments, among others. The EGMS delegates the exercise of the powers stipulated at b) and c) above to the Board of Directors.

The Extraordinary General Meeting of Shareholders is entrusted with the following powers:

- the change of the company's legal form
- the relocation of the company's headquarters
- the change of the company's business activity
- the opening or closing down of secondary offices: subsidiaries, agencies, outlets or other such facilities with no legal personality, unless the Articles of Association stipulate otherwise
- the extension of the company's duration
- the increase of the share capital
- the decrease of the share capital or its replenishment through the issue of new shares
- the merger with other companies or the company's division
- the company's early dissolution
- the conversion of shares from one category to the other
- the conversion of a category of bonds into another category or into shares
- the issue of bonds
- to approve the acceptance/signing on behalf of the company of the legal documents for matters exceeding 10M USD
- any other amendment to the Articles of Association or any other decision requiring the approval of the Extraordinary General Meeting.

Board of Directors

Managed by a Board of Directors consisting of five members, Rompetro Well Services SA benefits from a diverse and skilled leadership team appointed by the shareholders. The Board, including both executive and non-executive directors,

is responsible for establishing the company's strategic directions, financial planning, organizational structure, and overseeing the managers' activities. Their collective competencies cover legal, engineering, technical maintenance, economics and finance, and marketing management, vital for addressing the company's impact comprehensively.

As of December 2023, the Board includes:

- Mr. Batyrzhan Tergeussizov, Non-Executive Director and Chairman
- Mr. Stefan Georgian Florea, Executive Director and General Manager
- Mrs. Olga Turcanu, Non-Executive Director
- Mr. Vasile Gabriel Manole, Non-Executive Director
- Mr. Moby Eugeniu Henke, Non-Executive Director

The day-to-day operations are helmed by Mr. Stefan Georgian Florea, General Manager, and Mrs. Luiza Roxana Moise, Finance Manager. They ensure the company's operational efficiency and are accountable for regular reporting to the Board of Directors. The General Manager, vested with the general company representation power, along with the Finance Manager, is responsible for executing commitments with patrimonial content. This dual-signature requirement safeguards the company's interests, with provisions for delegation in specific circumstances.

The Board of Directors has the following main duties:

- establish the company's main directions of activity and development
- determine the accounting and financial control system and to approve the financial planning
- appoint and dismiss the company's managers, respectively sign and terminate their employment contracts
- determine the company's organizational structure and policy regarding the remuneration of the company's employees
- supervise the managers' activity;
- prepare the annual report, organize the General Meeting and implement the latter's resolutions;

- appoint and/or remove the persons appointed as representatives of the company before banks, having the right of the first signature, respectively of second signature; the rules of joint signatures shall be applied correspondingly for all the payments made for and on behalf of the company;
- approve the contract terms of any type of loans from banks and/or financial institutions, as well as from any type of legal entity;
- approve the company's interim financial statements, in accordance with the law;
- approve the company's marketing strategy and investments plan, as well as the annual budget (investment expenditure and operational expenditure), following the joint proposal made by the General Manager and the Financial Manager;
- with the exception of the legal documents for the approval/signing of which it is necessary, in accordance with the mandatory requirements of the law, to have the approval of the general meeting of shareholders, to adopt and sign on the company's behalf the legal documents for amounts between USD 500,001 and 10,000,000; the approval is necessary in the case of one commercial transaction executed by one and/or several separate contracts if the cumulated value of such contacts exceeds the respective amount;
- file the request for the company's insolvency, in accordance with Law no. 85/2006 regulating the insolvency procedure;
- decide on the relocation the company's headquarters;
- decide on changing the company's business activity (except for the company's main field of activity and main activity);
- decide on the increase of the registered capital by the issue of new shares, in accordance with the law;
- exercise any other attributions for the fulfilment of the Company's scope of activity and to act according to the duties and limits devolving upon it as per the Articles of Incorporation, legal provisions or resolutions of the General Assembly of Shareholders.
- The Board of Directors is supported by the Audit Committee, responsible for overseeing financial controls and compliance. As of December 2023, the committee is chaired by Mr. Dan Alexandru Iancu, with Mr. Tergeussizov and Mrs. Turcanu as members.

At Rompetrol, we understand that the path to sustainability is ongoing and requires continuous improvement. Our environmental strategy is built on to best practices, and a deep commitment to complying with and exceeding regulatory standards.

This chapter highlights our efforts in implementing practices that reduce our environmental impact across all operations. From the optimization of our processes to the adoption of greener alternatives, we detail our progress in mitigating the effects of climate change and preserving natural resources.

Through transparent reporting and reflective analysis, the Environment Chapter in our 2023 Sustainability Report offers insights into Rompetrol's environmental governance, key performance indicators, and our projects.

ELEMENTS *of* DIVERSITY

Introduction

Approach to Environmental Protection and Conservation

Climate Change Strategy and Climate-related Risks

Group Carbon Footprint

KMG International Decarbonization Strategy

Environmental Performance Targets

Rompetrol Rafinare SA

Rompetrol Downstream SRL, Rompetrol Gas SRL

Rompetrol Bulgaria EAD

Rompetrol Georgia LTD

Rompetrol Moldova SA

Rompetrol Energy SA

Rominserv SRL

Rompetrol Well Services SRL

Rompetrol Quality Control SRL

Midia Marine Terminal SRL

Rompetrol HQ



CHAPTER 5

E

Environment



APPROACH *to* ENVIRONMENTAL PROTECTION *and* CONSERVATION

GRI	SASB
GRI 2-27	EM-MD-160a.4
GRI 3-3	IPECA
GRI 11.8.2	CCE-1 C1
GRI 11.15.4	ENV-6 C1-C4

The transition towards a decarbonized economy is not just a global narrative but a pressing reality for Romania and the broader European community, marking a pivotal chapter in companies’ environmental strategies. At Rompetrol, we recognize the significance of our environmental footprint resulting from our operations.

Guided by a comprehensive strategy, our commitment to minimizing this impact revolves around responsible practices, continuous improvement, and dedication to environmental stewardship.

Our multifaceted approach to environmental management encompasses regulatory compliance, risk management, stakeholder engagement, and a commitment to transparency, aiming not just to meet but to exceed the industry standards.

CORE PRINCIPLES GUIDING OUR ENVIRONMENTAL APPROACH

Compliance with regulations and standards

We strictly adhere to all relevant environmental regulations and industry standards, striving to surpass these benchmarks whenever feasible to ensure the highest level of environmental protection.

Risk management

By identifying, assessing, and managing environmental risks associated with our operations, we’ve established comprehensive processes to safeguard against potential negative impacts on the environment.

Continuous improvement

Our dedication to enhancing environmental performance is evident through regular monitoring, the adoption of new technologies, and the implementation of best practices aimed at reducing our ecological footprint.

Stakeholder engagement

We maintain open lines of communication with local communities, environmental groups, and regulators to address concerns, integrate feedback, and foster collaborative efforts towards sustainable environmental practices.

Transparency

Rompetrol is committed to clear communication regarding our environmental performance, regularly reporting on our progress towards sustainability goals and informing the public about potential risks and safety measures.

STRATEGIC ENVIRONMENTAL MANAGEMENT INITIATIVES

Our environmental objectives and strategies are meticulously designed to cover every aspect of our operations, from regulatory compliance and emergency preparedness to environmental investments and regular performance audits. We emphasize the importance of alignment with Best Available Techniques (BAT/BREF) and the implementation of monitoring and measurement systems to oversee our environmental impact.

Our approach to environmental stewardship focuses on the relevant material topics identified in our stakeholder engagement & materiality assessment processes and it refers to issues like environmental compliance, climate change and decarbonization, waste management, protection of water resources, air emission management, energy consumption.

To manage our environmental performance, we plan and conduct operational activities following an established set of procedures, designed to maintain environmental compliance and to demonstrate our environmental stewardship through the following measures:

- Reviewing performance to check proper implementation of monitoring and operational control policies and compliance with applicable laws and policies
- Evaluating environmental nonconformities and the corresponding preventative and corrections actions.

ENVIRONMENTAL COMPLIANCE

Recognizing the critical importance of adhering to both local and international environmental regulations, we have established a robust compliance governance framework designed to ensure that all our operations not only meet but strive to exceed statutory requirements.

This framework is built on a comprehensive understanding of the environmental landscape, integrating risk management strategies and continuous monitoring systems to identify, assess, and mitigate potential compliance risks. Through regular audits, training programs, and the implementation of best practices, we aim to foster a culture of environmental compliance across all levels of our organization.

Moreover, Rompetrol has established an integrated QHSE system detailing policies, procedures, and practices for managing environmental risks and impacts. This system is supported by over 300 authorized working points in Romania, Georgia and the Republic of Moldova, where environmental authorizations are legally mandated.

Throughout the reporting period, our focus has remained on maintaining the validity of regulatory acts, ensuring compliance with legal requirements to mitigate environmental incidents, and upholding certifications based on ISO 14001:2015 as part of our Integrated Management System.

Additionally, environmental compliance activities comprise reports and audits aimed at meeting required deadlines set by both internal and legal requirements, along with the timely transmission (immediately after the entry into force) of any new legal requirements regarding applicable European regulations (Directives, Decisions, Regulations).

Our dedicated compliance teams work tirelessly to keep abreast of evolving environmental laws and regulations,

ensuring that Rompetrol remains at the forefront of regulatory compliance. This proactive approach not only safeguards our operations against legal and financial risks but also reinforces our dedication to environmental stewardship.

We remain committed to environmental protection and conservation, ensuring our operations not only comply with current regulations but also contribute positively to the sustainability of our planet.

However, in Petromidia, in 2023, at the MHC unit (Mild Hydrocracking), an incident led to a discharge of hydrotreated vacuum distillate from the fractionation column into the storage tanks; there were no environmental consequences. Around 14.2 tons of petroleum products (liquids and gaseous) burnt, causing property damage to some technical equipment.



CLIMATE CHANGE STRATEGY *and* CLIMATE-RELATED RISKS

GRI
GRI 301-1
GRI 301-2
IPIECA
CCE-1 C1-C4
CCE-2 C1, C2, C4, A1

In the face of the escalating climate crisis, Rompetrol has embraced a forward-looking stance, acknowledging the imperative need to address climate change and its associated risks head-on.

Rompetrol has implemented targeted programs to assess environmental aspects at each location, manage potential risks, and mitigate impacts. These initiatives, tailored to our specific activities, include:

- Environmental Management Program: a holistic strategy to minimize our environmental impact through sustainable practices and continuous improvement.
- Waste Management Program: focused efforts on prevent and reducing waste generation, enhancing recycling, and responsible disposal to lessen our environmental footprint.
- Investment Program: projects approved at the company level, primarily in operational activities, aimed at reducing our environmental impact and benefitting the communities we serve.

INTEGRATED CLIMATE-RELATED RISK MANAGEMENT

Understanding and managing climate-related risks is integral to Rompetrol's operational and strategic planning. Our Risk Management process seamlessly integrates climate-related risks and opportunities, employing a standardized methodology to identify, assess, and manage business-related risks (Enterprise Risk). This bottom-up and top-down approach ensures comprehensive monitoring and documentation of risks, including policy, legal, financial, technology, market, and acute climate-related risks, across all levels of our operations.

Through comprehensive risk assessments, we identify potential climate-related risks that could impact our operations, supply chains, and market positioning. This process includes evaluating physical risks associated with extreme weather events and transitional risks arising from policy changes, technological advancements, and shifting market dynamics.

Based on our risk assessment findings, we develop and implement targeted mitigation and adaptation strategies. These strategies aim to enhance our operational resilience, protect assets from climate-related damage, and ensure business continuity in the face of climate volatility.

Transparency and stakeholder engagement are pivotal to our climate risk management approach. We actively communicate our climate risk assessments, strategies, and progress through sustainability reporting, engaging with stakeholders to foster collaborative efforts in addressing climate challenges.

Key climate-related risks and their potential impacts on our medium-term financial performance are thoroughly analyzed, with all findings recorded in the Risk Register. This document, updated quarterly, informs future capital expenditures and operational decisions, ensuring our resilience against climate

volatility. These risks are assessed in terms of their potential impact on the medium-term financial performance plan:

- short and medium-term risks are analyzed for their quantitative impact on the Risk Register and annual financial plan
- effects of long-term risks are evaluated based on a qualitative analysis, considering a higher level of uncertainty.

The quantitative impact is analyzed based on the worst scenario.

Within the Group, there is a general risk management framework which targets all types of risks, including market and financial risks, safety and operational risks or strategic risks. The Risk Management Department coordinates the periodic reassessment of risks and the measures for implementation at the level of each entity.

Climate related risks are identified based on a workshop meeting with key operational stakeholders, where they are documented, ranked and discussed internally. Finally, all risks, along with a detailed mitigation plan are sent for approval to Group management.

All parties involved contribute to the development of a risk mitigation plan, which is approved by local and Group management and then shared with relevant departments and responsible roles.

During the reporting period, we developed and implemented a Climate Risk Management Procedure, mandating annual reviews of Group climate risk assessments by the Board of Directors (BoD). This ongoing development of detailed methods and tools underscores our commitment to refining our risk management capabilities.

The following short, medium and long-term risks were identified in relation to our operations:

Short- and medium-term risks*		Financial impact
Policy & legal risks	Increased pricing of GHG emissions Enhanced emission reporting obligations Exposure to litigation	Increased operating costs (higher compliance costs, increased insurance premiums) Asset impairment, and early retirement of existing assets due to policy changes
Technology risks	Substitution of existing products with lower emissions options Costs to transition to lower emissions technology	Reduced demand for existing products and services Capital investments in technology development Costs to adopt/deploy new practices and processes
Market risks	Changing customer behavior Increased cost of raw materials	Reduced demand for products due to change in consumer preferences Increased production costs due to changing input prices (energy, water) and output requirements (waste treatment) Increased energy costs
Acute climate-related risks	Increased severity of extreme weather events (thunderstorms, floods)	Reduced revenue from decreased production capacity (transport difficulties, supply chain interruptions) Reduced revenue and higher costs from negative impacts on workforce (health, safety, absenteeism)
Long-term risks*		Financial impact
Chronic climate-related risks	Changes in precipitation patterns and extreme variability in weather patterns Rising average temperatures Rising sea levels	Reduced revenue from decreased production capacity (transport difficulties, supply chain interruptions) Reduced revenue and higher costs from negative impacts on workforce (health, safety, absenteeism) Increased operating costs (inadequate water or energy supply) Increased capital costs (damage to facilities) Reduced revenues from lower sales/output

* For the purposes of climate disclosure, short-term is defined as 1 – 3 years, medium-term as 3 – 10 years, and long-term as 10 – 40 years.

Recognizing the opportunities presented by renewable energy programs and energy-efficiency measures, Rompetrol is actively engaging in initiatives that not only address short-term risks but also unlock long-term value through the development of new products and services. Our complex metric system for managing environmental aspects, encompassing water and energy consumption, emissions, and waste management, reflects our dedication to environmental stewardship and climate change mitigation.

Environmental issues, including the process of obtaining permits, certifications, and post-audit follow-up measures, are communicated through various channels such as weekly management meetings, monthly Group Management reports, quarterly Risk Register updates, and yearly Integrated Management System Analyses. This multi-faceted reporting structure ensures that environmental considerations remain at the forefront of our management's decision-making processes.

GROUP CARBON FOOTPRINT

During the financial year 2023, KMG International NV (hereafter referred to as KMG or the Group) focused on managing retail assets located in Central and Eastern European (CEE) countries, including Romania, Bulgaria, Moldova, and Georgia.

Meanwhile, the group remains active primarily in refining, marketing, and trading, with supplementary operations in exploration and production, and various other oil industry services such as drilling, Engineering, Procurement, and Construction Management (EPCM), and transportation.

The carbon footprint presented in this report represents the total greenhouse gas (GHG) emissions caused by our Company during the financial year 2023, expressed as carbon dioxide equivalent. The Greenhouse Gas Protocol (GHG Protocol) defines three emission scopes, as illustrated in the graph below:

- **Scope 1** emissions are direct emissions from Company-owned and controlled sources. In other words, emissions released into the atmosphere as a direct result of a set of activities, at Company level. All fuels that produce GHG emissions, fugitive emissions such as refrigerant gas leaks must be included in scope 1.
- **Scope 2** emissions are indirect emissions from the generation of purchased energy, such as purchased electricity.
- **Scope 3** emissions are all indirect emissions – not included in scope 2 – that occur in the value chain of the reporting company, including both upstream and downstream emissions. In other words, emissions that are linked to the company's operations.

KMG International entities included in the CFP calculation – FY 2023

Sector	Entity	Activity
Industry	Rompetrol Rafinare SA	Manufacturing of the products obtained from the processing of crude oil
	Petromidia Refinery	Includes refinery of petroleum products and petrochemicals
	Vega Refinery	Includes refinery of petroleum products and petrochemicals
	Rompetrol Energy SA	Production and distribution of thermal energy, demineralized water and the distribution of electricity
Services	KMG International HQ	HQ includes all KMG offices in Bucharest
	Rominserv SRL	Industrial maintenance and management services
	Rompetrol Quality Control SRL	Laboratory activities
	Midia Marine Terminal SRL	Port activities (Crude unloading through marine terminal, products loading)
	Rompetrol Well Services SA	Special oil and gas well services, including but not limited to cementing, acidizing, nitrogen boosting, casing etc.
Downstream*	Rompetrol Downstream SRL	Filling stations, including fuel storage warehouses (and terminals)
	Rompetrol Bulgaria EAD	Filling stations, including fuel storage warehouses (terminals)
	Rompetrol Moldova SA	Filling stations, including fuel storage warehouses (terminals)
	Rompetrol Georgia LTD	Filling stations, including fuel storage warehouses (terminals)
	Rompetrol Gas SRL	Wholesale of solid, liquid and gaseous fuels derived products.

*fuel stations and warehouses

Rompetrol Refinery operates the two refineries of the KMG Group - Petromidia Refinery in Năvodari, Constanța, together with the only petrochemical division of the country, and Vega Refinery in Ploiești, Prahova, which keeps the local refining industry at high standards.

KMG Rompetrol Services Center and KMG Rompetrol Development operate in the Rompetrol HQ building and their emissions are not metered separately. Therefore, their emissions were calculated together.

Greenhouse Gas Emissions

Sector	SCOPE 1 (tCO2e)	vs. 2022	SCOPE 2 (tCO2e)	vs. 2022	SCOPE 3 (tCO2e)	*vs. 2022	TOTAL (tCO2e)	vs. 2022
Refining Industry	1,029,268	-3.7%	275	-85.3%	4,234,715	-5.1%	5,264,258	-4.8%
KMG Services	5,627	+25%	486	+3.6%	3,119	-10.7%	9,232	+9.1%
Retail	2,402	-15.8%	7,600	-32%	9,794,932	+15.9%	9,804,934	+15.81%
GRAND TOTAL	1,037,297	-3.6%	8,361	-38%	14,032,765	+8.6%	15,078,423	+7.65

For the financial year 2023, KMG's full-year emissions (tons CO2 equivalent) have been calculated and compared to the base year 2022. The significant differences for Scope 1, Scope 2 and Scope 3 are mainly due to the updated emission factors used for fossil fuels and those for electricity purchased from outside KMG.



METHODOLOGY CFP - KMG ASSETS

Greenhouse gas emissions of KMG include emissions that are directly caused by our own activity as well as the emissions generated along the value chain that are material and controlled by KMG.

Emissions from ETS installations - Scope 1 statutory reporting and auditing requirement

The two KMG refineries fall under the provisions of HG no. 780/2006 regarding the establishment of the commercialization scheme of GHG emissions certificates, with subsequent amendments and additions, must draw up, annually, a GHG emissions monitoring report.

In accordance with the harmonized requirements provided for in Regulation (EU) no. 2066/2018 for the ETS Directive 2003/87/EC, which provides (among others):

- the obligation to verify greenhouse gas emissions by 01 March each year and
- the obligation to validate greenhouse gas emissions by March 31

The European Directive on Emission Trading Scheme (Directive 2003/87/EC) applies to energy activities (burning fuels for energy purposes, oil refining), production and transformation of ferrous and non-ferrous metals, mineral products industry, paper industry, chemical industry, capture, transport and storage of GHG and air transport.

GHG Protocol

The GHG Protocol was employed for estimating other emissions along the value chain and provides the most widely used accounting (emissions calculation) standards for greenhouse gases in the world (<https://ghgprotocol.org/about-us>), including a number of calculation tools. Guidance documents include - one or more approaches for determining CO2 and other GHG emissions, e.g., direct measurement, mass balance, etc. The calculation tools are available on the GHG Protocol website and are meant to complement the Protocol and make calculations easier, but their use is not mandatory (<https://ghgprotocol.org/calculation-tools>).

The GHG Protocol did not set a "one size fits all" materiality threshold, material emissions (sources) are according to sector activities (see draft ESRS – sector guidance for example) or site-specific knowledge.

GHG Protocol has provided Excel-based calculation tools on its website for any organization to download and use free of charge. These tools use widely accepted emission factors for both cross-sector and sector-specific emission sources in corporate GHG inventories. These are default factors, other (better) factors may be used based on site-specific knowledge.

The inventory of GHG emissions includes all relevant KMG companies and activities selected based on operational control criterion 100% operated by KMG. The KMG boundaries for calculating GHG emissions have been established on a materiality basis following internal consultation with KMG representatives from potentially material entities and particularly for Scope 3, published data for the Oil&Gas Downstream sector was consulted.

Double reporting was avoided by defining KMG's Scope 1, 2, 3 emission boundaries - centralised approach.

Monitoring & reporting obligations under RED II

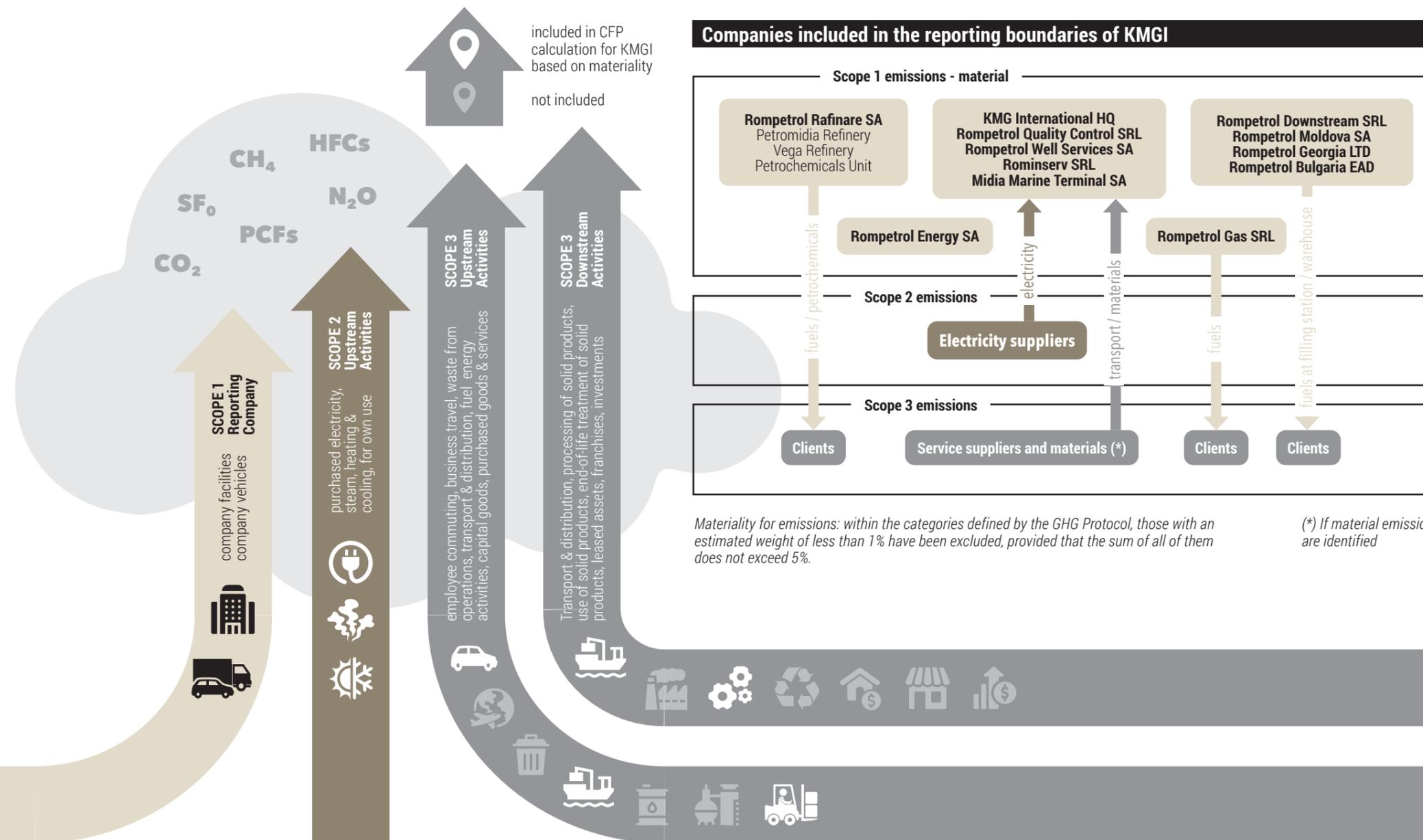
European Union member countries, including Romania, are obliged to meet the requirements of Directive (EU) 2018/2001 (- RED II) of the European Parliament and of the Council of 11 December 2018, a reform aimed at stimulating the use of renewable energy sources, partially transposed into Romanian legislation by Emergency Ordinance no.163/2022.

KMG is subject to these regulations by means of Emergency Ordinance no. 80/2018, which partially transposes Directive 2018/2001, aimed at establishing the conditions for placing petrol and diesel on the market, introducing a mechanism for monitoring and reducing greenhouse gas emissions and establishing methods for calculating and reporting the reduction of greenhouse gas emissions and for amending and supplementing Law no. 220/2008 for establishing the system for promoting the production of energy from renewable energy sources.

In accordance with the requirements of GEO No. 80/2018, supplemented and revised by GEO No. 33/2023 aimed at establishing the conditions for the placing on the market of gasoline and diesel, which provides (among others):

- the obligation for economic operators to market only gasoline with a biofuel content of at least 8% by volume, and
- an obligation on economic operators to market only diesel with a biofuel content of at least 6.5% by volume, to meet the greenhouse gas emission reduction target from 1 June 2023.

Directive 2018/2001 of the European Parliament requires, inter alia, the widespread adoption of renewable energy in the transport sector, as set out in Article 25, with the aim of ensuring a minimum share of 14% of final energy consumption in the transport sector from renewable sources by 2030.



Assumptions and notes on methodology

- In order to avoid double reporting at the KMG level, limits have been set at Group level for Scope 1, 2, 3. The limits have been set in accordance with the GHG Protocol - centralized approach.
- The inventory of GHG emissions includes all relevant KMG companies and activities - selected based on the criterion of operational control 100% owned by KMG. Entities with KMG operational control according to the GHG Protocol were included.
- In KMG's centralized reporting, emissions related to LPG quantities are reported by gas stations (Rompetro Downstream Romania) and Rompetrol Gas.
- The transport and production of raw materials (oil, additives, etc.) to the refineries are not under the operational control of KMG, therefore the associated emissions were not included in the boundaries of KMG and the associated emissions could not be quantitatively estimated. Raw material is purchased with delivery, for the refinery.
- The operational transport from the refineries to the other KMG entities, including LPG, automotive and rail (electric) transport, as well as to its own storage facilities, is carried out by third parties contracted by Rompetrol Downstream. Thus, the emissions associated with Scope 3 (since they are external carriers) are included in the calculation by Rompetrol Downstream (Romania), Rompetrol Bulgaria, Rompetrol Moldova and Rompetrol Georgia, Rompetrol Gas.
- The transportation of petroleum products from refineries to B2B customers (both by cars and by barges) is under the control of KMG's customers, with the exception of deliveries to the Romanian Army (MApN), which are not significant in terms of the volume of emissions. For this reason, the shipments of petroleum products to the Romanian Army were not quantified to be included.
- Rail transport was not included in the calculation as material, as there are no direct GHG emissions associated with it, given that most of the rail transport is electric, with very few exceptions. For the Vega Refinery, raw materials are transported by rail, whereas for other KMG entities, rail transport is used for other purposes.
- Emissions associated with waste generated have not been included in the calculation as they are not considered significant/material.
- Emissions associated with wastewater treatment plants were not included in the calculation, as they were considered immaterial/ insignificant.
- Material GHG emissions associated with raw materials include cement received monthly from Germany and transported to Rompetrol Well Services for column cementing service activities, and for which, Scope 3 upstream emissions for cement production and transportation are calculated and included. For the delivery of the raw material (cement) to Rompetrol Well Services, only the delivery distance (not the return distance) of the vehicles was taken into account. It is assumed that they will take other freight routes back to Germany (as they are not under the operational control of KMG).
- To avoid double reporting in the case of external transporters, who supply from Rompetrol filling stations or from other KMG entities (they are Rompetrol customers), emissions were calculated and included in Scope 3 only once.
- To avoid double reporting, the quantities of Scope 1 fuel from KMG's own fleet (entities in industry and services, as well as the Rompetrol Downstream fleet) were subtracted from the total quantities of Scope 3 fuel, as these vehicles are fueled from Rompetrol filling stations.
- To avoid double reporting, the quantities of scope 1 fuel from the own fleets of Rompetrol Bulgaria, Rompetrol Moldova and Rompetrol Georgia were subtracted from the total quantities of fuel sold by them - Scope 3, because these vehicles are fueled from Rompetrol filling stations.
- In the case of operational transport carried out by third parties, their fuel consumption was included in Scope 3- assuming they fuel exclusively from other suppliers, unless contractual conditions mandate purchasing fuel from Rompetrol.
- The fuel storage facilities are operated by Rompetrol Downstream, Rompetrol Georgia, Rompetrol Bulgaria and Rompetrol Moldova, the associated emissions being reported by these entities (emissions of Romoil SA and Rompetrol Logistics SRL storage facilities are included in Rompetrol Downstream (the entity that operates the storage facilities)).

- Emissions associated with the construction phase of new petrol stations are not included in the calculation as they are temporary and not under KMG's operational control. Consequently, they are not reported by Rompetrol Downstream (or other entities such as KMG Rompetrol Services Center, Rompetrol Georgia, Rompetrol Bulgaria, Rompetrol Moldova).
- Business flights and other emissions associated with business travel (accommodations) have not been included in the calculation, as they are not considered significant/ material or quantifiable (in the case of accommodations).
- KMG Rompetrol Services Center and KMG Rompetrol Development operate in the Rompetrol headquarters building, and their emissions are not calculated separately.
- Commuting of employees was not included in the calculation to avoid double counting, it is assumed that they are fueled by KMG and the related emissions are reported within the quantities of fuel sold.
- Emission factors for fossil fuels (gasoline and diesel) and biofuels (bioethanol and biodiesel) were calculated in accordance with RED II requirements. To calculate the emission factors of biofuels (biodiesel and bioethanol), the product characteristics according to the data provided by the manufacturer were used. All biofuels purchased by Rompetrol Refinery are certified according to RED II.
- The quantities of fuel sold by Rompetrol Downstream, Rompetrol Moldova, Rompetrol Georgia and Rompetrol Bulgaria are delivered by Rompetrol Refinery. The emission factors of fuels and biofuels sold in gas stations are calculated based on the data provided by Rompetrol Refinery (for fuel sold in Romania) and Rompetrol Bulgaria (for fuel sold in Bulgaria). It should be noted that less than 1% of Rompetrol Refinery's total fuel volume comes from purchases from the market, and this amount is included in the emissions calculation.
- In the case of Rompetrol Moldova and Rompetrol Georgia, the introduction of biocomponents (bioethanol and biodiesel) in fuels was not applied, because the specific legislation of these countries does not require their use, and therefore, the marketed products do not include biocomponents. At the same time, they do not hold stocks of biocomponents in their own warehouses (terminals).

- KMG is not a producer of bioethanol and biodiesel, these components are purchased from third-party suppliers.
- For the fuel consumption associated with external carriers, the biocomponent content was estimated for the Q3-Q4 quarters for carriers from Romania, as the purchased fuel falls under the provisions of Emergency Ordinance no. 33/2023 regarding the obligation to introduce a minimum biocomponent content in fuels. In addition, Rompetrol's emission factor and the minimum legal share of 6.5% biodiesel were used to calculate the emissions associated with the transport carried out by third parties (tankers).
- For Bulgaria, Moldova, Georgia and, in some cases, Romania, the country emission factor for electricity was used (and replaced by the supplier factor, if available) - the last published factor. Emission factors for fuels updated in February 2022 (recommended by the European Commission).
- EU ETS emissions calculations have been introduced where applicable (the two refineries - Petromidia and Vega, and Rompetrol Energy).

SCOPE 2

KMG Scope 2 emissions represent all indirect greenhouse gas emissions resulting from purchased electricity consumption. There are no steam purchases or other upstream generated energy.

KMG Industry entities

Purchased electricity (MWh) from outside of KMG, the latest emission factor (tones of CO2 e/MWh) from the supplier is used.

KMG Services entities

Purchased electricity - emission factor from the supplier is included.

KMG Downstream – Warehouse and Fuel distribution stations

Purchased electricity - emission factor from the supplier if available/ or country average is included.

SCOPE 1

Because Scope 1 emissions refer to all direct greenhouse gas emissions from sources that are controlled by the organization itself, Scope 1 emissions were therefore calculated as follows.

KMG Industry entities

Emissions from installations – EU ETS – Rompetrol Refinery SA – Petromidia Refinery, Vega Refinery, Rompetrol Energy SA

Direct emissions from installations include the following sources: combustion in furnaces, flares, processes. No fugitive or emergency CH4 emissions are accounted for, they are not considered relevant emissions on the enclosed industrial platform. GHG emissions are calculated based on activity data (fuel consumption, production per plant etc.). The direct emissions of the installations are calculated according to the EU ETS regulations, validated by an accredited external verification body. The total flare gas (Nm3) is taken into account.

Mobile emissions – include company vehicles (tons CO2e) - Emission factors: GHG Protocol by fuel type.

KMG Services entities

Heating gases, vehicles, refrigerants have been included in Scope 1 if material and controlled by KMG.

KMG Downstream – Warehouse and Fuel distribution stations

Truck transport (may be Scope 3 if carried out by a carrier – service provider – external), refrigerants (losses of cooling agents) from refrigeration units and air conditioning are included in Scope 1.

Rompetro Gas SRL – LPG bottling stations in Arad and Bacău – material emissions are from thermal power plants for heating – (propane combustion).

Emissions associated with fuel burning of own fleets (Scope 2 emissions) – were subtracted from the quantities of fuel sold by Rompetrol Downstream (Scope 3) in order to avoid double reporting of these emissions as they supply from Rompetrol filling stations.

SCOPE 3

KMG Scope 3 material emissions are all indirect greenhouse gas emissions resulting from the combustion of fuel and chemicals sold by Rompetrol Refinery and Rompetrol Downstream entities, as well as emissions associated with raw material purchased from Germany (cement), which are material to Rompetrol Well Services.

KMG Industry entities

Material emissions from the final use of petrol products are to be reported by Rompetrol Downstream, Rompetrol Bulgaria, Rompetrol Moldova, Rompetrol Georgia. There are no material emissions identified for the final use or discharge of non-fuel products (petrochemicals).

The material emissions from the final use of petroleum products (fossil fuels and biofuels) that Rompetrol Refinery distributes to Downstream are reported by Rompetrol Downstream Romania, Rompetrol Bulgaria, Rompetrol Moldova and Rompetrol Georgia, reported under Scope 3 by Petromidia Refinery are only the quantities of fuels sold to KMG and KMG NG. No material emissions were identified for end use or discharge of non-fuel products (petrochemicals) – Petromidia Refinery and Vega Refinery.

KMG Services entities

Business travel - emissions derived from employees travelling by any other means of transport not belonging to Rompetrol's own fleet are not material.

Emissions derived from employees commuting from their respective homes to the workplace are not included to avoid double counting – these are included in petrol sold by filling stations. Emissions related to end use of products sold or waste are not applicable or material.

KMG Downstream – Warehouse and Fuel distribution stations

End use of petroleum products sold: emissions from the combustion of petroleum products, including diesel, gasoline and LPG, have been identified as material emissions.

KMG INTERNATIONAL DECARBONIZATION STRATEGY

As the global community grapples with the urgent need to mitigate climate change, Rompetrol, a key player in the energy sector, is committed to progress towards **decarbonization**.

Leveraging our history of transparent reporting and dedication to sustainability, we are making concerted efforts to align our operations with the ambitious goals set forth by the European Union and international climate agreements.

The imperative for decarbonization is underscored by the EU's commitment to achieve climate neutrality by 2050, as enshrined in the European Green Deal and the European Climate Law. This task has been additionally impacted by geopolitical events, prompting the EU to accelerate its energy transition efforts to reduce dependency on fossil fuel imports. Moreover, the Intergovernmental Panel on Climate Change (IPCC) has emphasized the necessity of peak emissions by 2025 to avert catastrophic temperature rise.

The decision-making process for our decarbonization strategy involved a careful evaluation of economic, operational, and societal factors. Understanding the long-term trends shaping the energy landscape, we opted for a gradual diversification approach, blending traditional oil and gas activities with emerging opportunities in renewable energy and e-mobility.

Therefore, Rompetrol's decarbonization strategy reflects a holistic approach aimed at diversifying the business and reducing the carbon footprint across various fronts, gradually integrating renewable energy sources, and expanding the electric vehicle (EV) charging network.

PROJECT PORTFOLIO

Our decarbonization projects, categorized into first and second priorities, encompass various initiatives spanning renewable energy production, EV charging infrastructure, biodiesel and bioethanol production, green hydrogen offtake and more. While some projects, such as biogas production and carbon capture, utilization, and storage (CCUS) have been deprioritized due to regulatory constraints and feasibility concerns, others, like EV charging infrastructure and renewable energy production, have been accelerated to capitalize on emerging opportunities in the clean energy sector.

Relevant to say that these type of projects often require significant capital investment and involve new technologies that are either marginally profitable or not profitable at all, which can slow down their implementation.

FIRST PRIORITY PROJECTS

Expansion of the retail network and EV charging infrastructure

Our commitment to expanding the Rompetrol retail network underscores our dedication to providing accessible and sustainable energy solutions to consumers. The planned addition of 44 gas stations aims to enhance the company's market presence and customer reach, creating long-term value while aligning with our sustainability goals.

Simultaneously, the company prioritized the deployment of electric vehicle (EV) charging infrastructure on its network. 2023 marked the successful initiation of KMG's first project co-financed by the European Union. The project "Development of alternative fuels infrastructure by Rompetrol on the A1 motorway at the RO-HU border" is co-financed by the European Union through the Connecting Europe Facility (CEF-Transport), which was approved on March 15, 2023, by the European Climate, Infrastructure and Environment Executive Agency. The aim of the project is to install 11 ultra-fast chargers of 300 kW (each station with two 150 kW charging points) and to upgrade the grid connection for 11 locations with a power of 600 kW each.

Charging stations for electric vehicles facilitate the transition to cleaner mobility solutions and, at the same time, contribute to the process of awareness by citizens and the community of the effects that the choice of vehicle type can have on the environment. Through the investment we are going to make, with the financial support of the European Union, in the infrastructure of charging stations for electric vehicles, we will contribute to a greener future, while promoting innovation and economic growth.

It will also have a positive impact on cross-border transport and support the transition to low-emission mobility. Our goal is to become a provider of integrated solutions necessary for road transport, in line with the evolution of market trends and expectations of our customers

Renewable energy production and biodiesel/bioethanol facilities

With future investments in solar photovoltaic projects, totaling approximately 40 MW, Rompetrol is aiming to contribute to the transition towards renewable energy while reinforcing its commitment to sustainability and environmental stewardship.

Production of biofuels is an important pillar of our decarbonization strategy, with a significant investment earmarked for the construction of a new bioethanol production plant within the Petromidia refinery, with a capacity of ~50 thsd. tons. underscores our commitment to expanding our renewable energy portfolio and reducing our carbon footprint.

Furthermore, we continued to prioritize the co-processing of biodiesel at Petromidia refinery, with annual throughput of around 60 thousand tons feedstock.

These investments not only create value for the company but also contribute to sustainability objectives of Romania.

Combined Heat And Power (CHP) and green hydrogen initiatives

In line with our focus on energy efficiency and innovation, Rompetrol invested 126 million dollars in Combined Heat and Power (CHP) projects, with a total capital commitment of 164.5 million dollars. This project will secure efficient and reliable supply of electricity and steam to Petromidia Refinery. Moreover, we embraced emerging opportunities in the

green hydrogen sector, towards compliance with legislative requirements for the supply of green hydrogen in Romania. This investment encompass infrastructure development, including the construction of pipelines and the adaptation of existing installations, positioning Rompetrol as a player in the transition towards a hydrogen-based economy. This initiative would allow substantial reductions in CO2 emissions, thus aligning with our sustainability goals.

Renewable hydrogen is set to play a pivotal role in reducing greenhouse gas emissions and achieving climate neutrality across the European Union by 2050. As part of the REPowerEU plan, the EU aims to produce 10 million tons per year (Mt/year) of hydrogen within Europe and import an additional 10 Mt/year by 2030. To facilitate investments in hydrogen production projects, clear targets have been set for the consumption of renewable fuels of non-biological origin (RFNBOs) in the industry and transport sectors under the Renewable Energy Directive (RED) III.

SECOND PRIORITY PROJECTS

Carbon Capture, Utilization and Storage

Although currently deprioritized due to legislative constraints and high capital investments, we recognize the potential of CCUS technologies in reducing CO2 emissions. Consideration of this project after 2025 demonstrates our forward-thinking approach to addressing environmental challenges.

Green jet fuel production (SAF)

From 2025, KMG will be required to blend a biocomponent for jet fuel. A process has been initiated to assess the feasibility of producing sustainable aviation fuel (SAF). We are currently conducting a high-level assessment of standalone sustainable aviation fuel (SAF) production and carbon capture and storage (CCS).

PROJECT PROGRESS

The progress of various key projects within our decarbonization agenda shows a concerted effort towards sustainable transformation.

EV Charging Infrastructure (in progress): Rompetrol has made significant strides in its EV charging infrastructure project, with the installation of 300kW DC charging stations in 11 CODO stations along the CNAIR 1 Sibiu Nădlac A1 Highway. We are advancing towards our goal of enhancing accessibility to electric vehicle charging stations. Charging stations for electric vehicles facilitate the transition to cleaner mobility solutions and, at the same time, contribute to the process of awareness by citizens and the community of the effects that the choice of vehicle type can have on the environment. Through the investment we are going to make, with the financial support of the European Union, in the infrastructure of charging stations for electric vehicles, we will contribute to a greener future, while promoting innovation and economic growth.

Two public tenders are currently underway for the initial EU-funded project. Upon successful completion of this pilot project, which entails taking over the operatorship, the plan is to extend this initiative to additional Rompetrol stations before expanding beyond the network.

Bioethanol Feasibility Study: Having completed the feasibility study for producing advanced bioethanol with a capacity of at least 50,000 tons for internal consumption, we are now internally assessing the project's viability. The company is deliberating between options to either refurbish the existing bioethanol plant or construct a new one, with a focus on risk assessment and project approval in the KMG Investment Committee.

We are now seeking a partner to become the foremost advanced bioethanol producer in Romania. This initiative aims not only to fulfill our own bioethanol needs but also to supply the market.

Biodiesel Feasibility Study: We have finalized the feasibility study for coprocessing advanced biodiesel with a capacity of 60,000 tons for internal use. The company is now moving forward with decisions regarding catalyst replacement and long-term feedstock supply strategy development, pending project approval by the KMG Investment Committee.

The next step is to conduct technical solution studies to assess the potential impact of biocomponents on these units and proceed with testing. This approach will enable us to comply with regulatory requirements and potentially reduce costs.

On-Site Renewables: Rompetrol's on-site renewables project aims to develop solar PV generation capacity of 41.9 MW, primarily for Petromidia's use. Due to challenges in obtaining a connection to the network, we are considering the project's implementation for green hydrogen production. Further progress is expected as we navigate the complexities of renewable energy integration.

This represents a pilot renewable energy source (RES) project for our Group. The next step involves updating the feasibility study (FS), taking into account that a portion of the land is allocated to a green hydrogen project and there have been changes in the costs of solar panels. We also aim to secure an Authorization to Realize (ATR), which presents challenges in Dobrogea. Alternatively, we could execute this project alongside the green hydrogen initiative. This project will provide us with valuable experience in implementing RES projects and, ideally, set the stage for scaling up to larger RES initiatives.

Green Hydrogen Initiative (in progress): In its early stages, the green hydrogen initiative involves a high-level assessment of production and application for internal use. The project implies the construction of new green hydrogen plant near Petromidia refinery. The green hydrogen is necessary due to implementation of the new law no 237/2023.

The project envisions a long-term partnership with a third party in which KMG International will supply the land and enter into an off-take agreement. In return, the partner will procure renewable energy and handle the installation and operation of the electrolyzer. By replacing gray hydrogen with green hydrogen at Petromidia, we aim to reduce our CO2 emissions.

On-site cogeneration plant: Over the course of 2023, Rompetrol achieved significant progress in commissioning the cogeneration plant on the Petromidia platform, reaching over 80% completion since the project began in May 2021.

Key components such as two gas turbines (TG) and two heat recovery steam generators (HRSG) have been delivered and installed near the Năvodari refinery, each capable of producing 90 tons/hour of steam. Additionally, various equipment including transformers, pumps, and underground piping systems have been installed. The project also involves modernizing the 110 KV power station and installing a 4 km natural gas supply pipeline and technological pipelines, along with the Distributed Control System (DCS) for process control.

The project, valued at over USD 164 million, is a brownfield investment integrating assets from Midia Green Energy. The new power plant, which includes two SGT-750 turbines and two HRSG units, will generate approximately 80 MW of electricity, covering the majority of the Petromidia platform's needs.

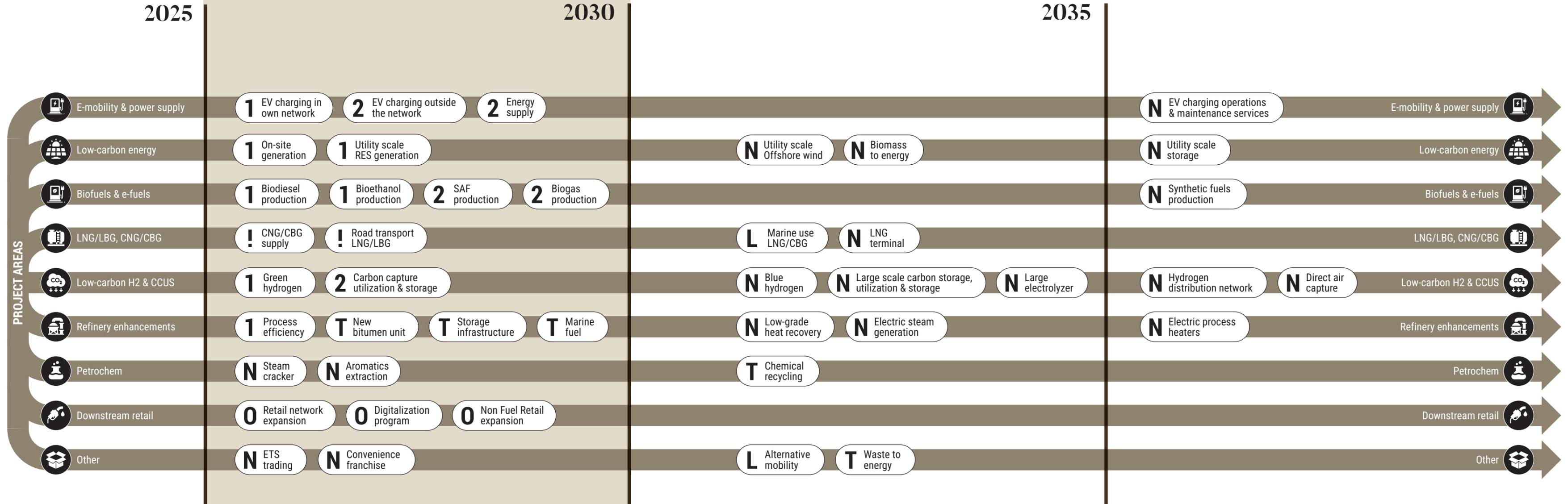
The project is financed by The Kazakh-Romanian Energy Investment Fund (KREIF) and is expected to generate approximately \$11 million annually in taxes for the state budget.

The initial operational date for the plant was July 31, 2023. However, due to unforeseen external factors, a new deadline was set for 2024.

LOOKING AHEAD

We are working on providing innovation, transparency, and stakeholder engagement to drive meaningful progress towards a sustainable future. By aligning with EU directives and international best practices, we are not only mitigating our environmental impact but also positioning ourselves from a diversified downstream player to an energy provider. Through strategic investments and collaboration, we are poised to navigate the evolving energy landscape.

- 1** First priority
- 2** Second priority
- L** Long-term priority
- N** Not prioritized
- T** To be assessed
- O** Ongoing, to be continued



ENVIRONMENTAL PERFORMANCE TARGETS: CHARTING A SUSTAINABLE PATH FORWARD

Romania's long-term strategy for reducing greenhouse gas emissions is approved as of GD no. 1215/2023, and relies on the joint effort of all operators. According to this,

- The decarbonisation of the energy sector has already started. In 2019, 69% of the emissions reduction target was achieved. By 2035, 98% of the goal would be achieved.
- In the industry sector, net emissions decreased by 73% between 1990-2019. The ultimate goal is an 89% reduction in 2050 from 1990 levels.

As far as the transport sector is concerned, with the entry into force of GEO no. 80/2018, Rompetrol Rafinare has introduced quantities of biofuel in some of the products it manufactures, respectively in gasoline and diesel, a minimum of 6.5% of diesel, respectively a minimum of 8% bio component for gasoline. This determined also a decrease in the amount of CO2 emitted.

Starting with the year 2024, with the transposition of Directive 2003/87/EC corroborated with Regulation (EU) 2023/2122, the Entities covered by these legislative provisions will be obliged to comply with the requirements of the EU ETS2 scheme.

Our Environmental Performance Targets are rooted in a deep understanding of our operational impact and the broader environmental context in which we operate. These targets encompass a broad spectrum of focus areas, including greenhouse gas (GHG) emissions reduction, energy efficiency improvements, waste management optimization, water conservation, and the integration of renewable energy sources into our operations.

Bucharest HQ of KMG International NV	2022*	2023	2025	2030	2035	2040	2045	2050
Scope 1: CO ₂ e emissions (t), var. from base year	630.75	-	-4%	-7%	-	-	-	-
Scope 2: CO ₂ e emissions (t), var. from base year	259.34	-1%	-5%	-7%	-	-	-	-
Reduction of energy consumption (MWh), var. from base year	1,194	-1%	-5%	-7%	-	-	-	-
Freshwater withdrawal (million liters), var. from base year	3.38541	-1%	-4%	-13%	-	-	-	-
Reduce water discharge (million liters), var. from base year	3.331	-1%	-2%	-3%	-	-	-	-

* 2022 is the base year for the measurements

Rompetrol Rafinare SA - Petromidia Refinery	2022*	2023	2025	2030	2035	2040	2045	2050
Scope 1: CO ₂ e emissions (t), var. from base year	883,003	-5.7%	-10%	As per legislative requirements				
Scope 2: CO ₂ e emissions (t), var. from base year	0	0%	0%	-	-	-	-	-
Energy Intensity Index	96.25	91.8	87.9	86.9	86.9	85.7	85	-
Reduction of energy consumption (GJ/t)	3.38	3.38	3.30	3.28	3.28	3.24	3.22	1)
Freshwater withdrawal (million liters), var. from base year	2.781	-1%	-4%	-15%	-15%	-20%	-20%	2)
Water discharge (million liters)	8.766	6	6	6	6	5.8	5.8	3)
Significant spills	0	0	0	0	0	0	0	4)

* 2022 is the base year for the measurements

- 1) At BU level value according to Budget forecast
- 2) New Carasu pumping station in 2025 & in 2040 new pipeline system
- 3) New drinking water system in 2030
- 4) New pump installed in 2025 on reused water system

Rompetrol Rafinare SA - Vega Refinery	2022*	2023	2025	2030	2035	2040	2050	Obs.
Scope 1: CO ₂ e emissions (t), var. from base year	41,606	41,568.2 -0.09%	-0.5%	in line with legislation; to be determined based on business scenarios; will be reported in the future				
Scope 2: CO ₂ e emissions (t), var. from base year	0	6.9	0%	-	-	-	-	
Energy consumption (GJ/t)	2.34	2.33	2.40	2.40	2.40	2.40	2.40	1)
Freshwater withdrawal (million liters), var. from base year	1.304	1.156	TBD					
Water discharge (million liters), var. from base year	1.269	1.330	TBD					
Significant spills	0	0	0	0	0	0	0	

* 2022 is the base year for the measurements

- 1) At BU level value according to Budget forecast

Our targets are designed not only to mitigate our environmental impact but also to contribute positively to the collective global effort to combat climate change, preserve biodiversity, and ensure the sustainable use of natural resources. Each target is carefully calibrated to address specific environmental challenges, leveraging innovative technologies, best practices, and collaborative efforts to achieve measurable and impactful results.

Rompetrol Downstream SRL	2022*	2023	2025	2030	2035	2040	2050	Obs.
Scope 1: CO ₂ e emissions (t), var. from base year	1,647	1,135 In accordance with Romanian law						1)
Scope 2: CO ₂ e emissions (t), var. from base year	6,321	2,748 In accordance with Romanian law						
Recycled input plastic materials used (t)	53.2	41.027 In accordance with Romanian law						2)
Asset specific VOC emission (kg), var. from base year	71,034	87.6	-25%	-25%	-45%	-45%	-45%	3)
Significant spills	0	1	0	0	0	0	0	4) 5)
Waste diverted from disposal (t)	971	902	-	-	-	-	-	n/a
Environmental grievances	1	2	0	0	0	0	0	6)

* 2022 is the base year for the measurements

- 1) GEO 33/2023 regarding modification and completion GEO no. 80/2018 and European Climate Law 22.04.2020
- 2) GO no. 6/2021 - Recyclable plastic for plastic bottles
- 3) In accordance with Law no. 203 /2018 and EU Directive no. 2284/2016 and according to legislation nr. 264/2017 to have 0.01% by weight of the total amount trached we did not exceed the legal limits in 2023
- 4) Annual measurement and pump with vapor recovery for new locations
- 5) In conformity with Romanian law: GEO no. 196/2005 - % recovery from recyclable waste generated
- 6) Complaints from neighbors on environmental issues

Rompetrol Gas SRL	2022*	2023	2025	2030	2035	2040	2050	Obs.
Scope 1: CO ₂ e emissions (t), var. from base year	671	-	-10%	-	-	-	-	1)
Scope 2: CO ₂ e emissions (t), var. from base year	242	-	-10%	-	-	-	-	
Asset specific oil-in-water discharge limits (mg/l)	In accordance with Romanian law							n/a
Significant spills	0	0	0	0	0	0	0	
Waste diverted from disposal (t), waste recover rate	16.08	+60%	+65%	+65%	+65%	+65%	+65%	2)
Environmental grievances	0	0	0	0	0	0	0	n/a

* 2022 is the base year for the measurements

- 1) GEO no. 80/2018 and European Climate Law 22.04.2020
- 2) GEO no. 196/2005

Rompetrol Well Services SA	2022*	2023	2025	2030	2035	2040	2050	Obs.
GHG emission intensity (t)	0.000107	-1%	-5%	-7%	-10%	-15%	-20%	
Third party water consumption (million liters), var. from base	3.01	-0.5%	-1%	-5%	-	-	-	n/a
Significant spills	0	0	0	0	0	0	0	
Environmental grievances	0	0	0	0	0	0	0	

* 2022 is the base year for the measurements

Rominserv SRL	2022*	2023	2025	2030	2035	2040	2050	Obs.
Scope 1: CO ₂ e emissions (t)	279.38	314.38	270	265	260	255	250	
Scope 2: CO ₂ e emissions (t)	0	1,02	0	0	0	0	0	
Energy consumption (GJ/t)	0.6398	0.67	0.70	0.75	0.80	0.85	0.90	
Freshwater withdrawal (million liters)	0.9525	-	-	-	-	-	-	
Water discharge (million liters)	0.8659	0.85	0.80	0.75	0.70	0.65	0.60	n/a
Asset specific oil-in-water discharge limits (mg/l)	-	-	-	-	-	-	-	
Significant spills	0	0	0	0	0	0	0	
Waste diverted from disposal (t)	-	-	-	-	-	-	-	
Environmental grievances	0	0	0	0	0	0	0	

* 2022 is the base year for the measurements

Rompetro Energy SA	2022*	2023	2025	2030	2035	2040	2050	Obs.
Scope 1: CO ₂ e emissions (t)	143,768	will be disclosed once cogeneration plant is operational						1)
Scope 2: CO ₂ e emissions (t)	1,872	1,350	200	200	-	-	-	
Energy consumption (GJ/t), var. from base year	929,483	will be disclosed once cogeneration plant is operational						2)
Freshwater withdrawal (million liters)	2,541	5%	2%	2%	2%	2%	2%	
Water discharge (million liters)	1,105	3%	2%	2%	2%	2%	2%	
Asset specific oil-in-water discharge limits (mg/l)	<0.24	<0.24	<0.24	<0.24	<0.24	<0.24	<0.24	n/a
Significant spills	0	0	0	0	0	0	0	
Waste diverted from disposal (t), waste recovery rate	36%	40%	55%	60%	67%	67%	67%	
Environmental grievances	0	0	0	0	0	0	0	

* 2022 is the base year for the measurements

1) Increase due to the new cogeneration plant 2) Base year 2024, full year Cogen operation

Midia Marine Terminal SRL	2022*	2023	2025	2030	2035	2040	2050	Obs.
Scope 1: CO ₂ e emissions (t), var. from base year	1,438.55	0%	0%	-1%	-1%	-1%	-1%	
Scope 2: CO ₂ e emissions (t), var. from base year	147.55	0%	0%	-1%	-1%	-1%	-1%	n/a
Significant spills	0	0	0	0	0	0	0	

* 2022 is the base year for the measurements

Rompetro Quality Control SRL	2022*	2023	2025	2030	2035	2040	2050	Obs.
Scope 1: CO ₂ e emissions (t), var. from base year	83	0%	-1%	-1%	-1%	-1%	-1%	
Significant spills	0	0	0	0	0	0	0	n/a
Environmental grievances	0	0	0	0	0	0	0	

* 2022 is the base year for the measurements



ENVIRONMENTAL PERFORMANCE TARGETS: GUIDING SUSTAINABLE PROGRESS

Our environmental KPIs serve as the compass guiding our sustainability journey. They help us quantify our impact, guide our policies, and shape our actions towards achieving a more sustainable operational model.

Each key performance indicator is selected based on its relevance to our operations, potential positive or negative impact, and alignment with our long-term vision for environmental responsibility. Below, we outline the essence of our environmental KPIs, their significance, and how they inform our future actions.

By closely monitoring these indicators, we are better equipped to make informed decisions that not only benefit our operations but also contribute positively to the planet.

Energy Efficiency

- **Policy:** implementation of energy-saving technologies and optimization of operational processes to reduce energy consumption.
- **Impact:** positive impacts include reduced greenhouse gas emissions and operational costs. Negative impacts might involve initial capital investments.
- **Relevance:** energy efficiency directly affects our carbon footprint and operational efficiency, making it crucial for mitigating climate change and reducing costs.
- **Future actions:** continuous investment in energy-efficient technologies and practices, along with regular reviews of operational processes for further optimization opportunities.

Waste Management

- **Policy:** enhanced waste segregation & sorting, recycling, and preventing and reduction initiatives.
- **Impact:** positive impacts include minimized environmental pollution and conservation of natural resources. A potential negative impact is the cost associated with developing more sophisticated waste management systems.
- **Relevance:** effective waste management is essential for reducing environmental pollution and aligning with regulatory compliance.
- **Future actions:** strengthening waste preventing and reduction and recycling programs, increasing recycling targets, exploring innovative waste-to-energy solutions, and enhancing partnerships for sustainable waste management.

Water Conservation

- **Policy:** implementation of water-saving technologies and practices, along with wastewater treatment and reusing.
- **Impact:** positive impacts include reduced water consumption and improved water quality in local communities. The potential negative impact involves the cost of investment in water-saving technologies.
- **Relevance:** water is a critical resource, and its conservation is vital for sustaining ecosystems and supporting community well-being.
- **Future actions:** further integration of water-efficient technologies, continuous improvement of wastewater treatment processes, and active engagement in water stewardship initiatives.

Emission Reduction

- **Policy:** adoption of low-carbon technologies, improvement of energy efficiency, and investment in renewable energy sources.
- **Impact:** positive impacts include reduced GHG emissions, contributing to global efforts against climate change. Negative impacts might relate to the financial costs of transitioning to low-carbon alternatives.
- **Relevance:** GHG emissions reduction is fundamental to combating climate change and aligning with international sustainability goals.
- **Future actions:** enhancing the share of renewable energy in our operations, optimizing energy use, and engaging in carbon offsetting and sequestration projects.

Biodiversity Preservation

- **Policy:** implementation of biodiversity protection measures in operational areas, including habitat conservation and restoration projects.
- **Impact:** positive impacts include the preservation of ecosystems and species diversity. The potential negative impact could be operational limitations in areas of high biodiversity value.
- **Relevance:** biodiversity is crucial for ecosystem health and resilience, impacting our social license to operate and community relations.
- **Future actions:** ongoing assessment of biodiversity impacts, collaboration with environmental organizations for conservation projects, and integration of biodiversity considerations into new projects.

ROMPETROL RAFINARE SA

ENVIRONMENTAL STRATEGY APPROACH

As a pivotal subsidiary of KMG International N.V., Rompetrol Rafinare plays a crucial role in Romania's energy sector, underscored by its ownership and operation of the Petromidia and Vega refineries. These two units collectively account for 44.6% of the local refining capacity and have the capability to fulfill 70% of the internal demand for fuels, positioning Rompetrol Rafinare not only as a key player in the market but also as a significant contributor to Romania's energy independence and sustainability efforts.

With the Petromidia and Vega refineries at the heart of our operations, we have instituted a robust environmental management framework that reflects our dedication to sustainability and responsible environmental practices. This framework encompasses a holistic Environmental Management program, rigorous environmental aspect assessments, targeted investment programs, and a proactive approach to waste management, all designed to mitigate the environmental impact of our activities and contribute positively to our communities and the planet.

- The Environmental Management program at the Petromidia and Vega refineries is crafted based on the specific environmental impacts of our activities. Through detailed assessments, we identify significant environmental aspects and impacts at each location, ensuring that our management strategies are both effective and targeted. This level of granularity allows us to address the unique challenges of each refinery, reinforcing our commitment to environmental excellence.
- Central to our approach is an investment program approved at the company level, focusing on projects that not only enhance operational efficiency but also significantly reduce our environmental footprint. These projects, ranging from technological upgrades

to process optimizations, demonstrate our resolve to lessen our impact on the environment and our neighboring communities, showcasing our role as a conscientious corporate citizen.

- Understanding the importance of effective waste management, Rompetrol Rafinare has developed a comprehensive set of procedures, programs, and plans dedicated to managing the waste generated by our refineries.

To ensure transparency and accountability, Rompetrol Rafinare employs a dynamic system for reporting environmental issues, ranging from immediate email notifications to detailed analyses in our Integrated Management System. Our environmental performance is monitored through a complex metric system, tracking water and energy consumption, emissions, and waste management. These metrics, reviewed on a daily, monthly, and yearly basis, inform our dedicated environmental objectives, which now incorporate climate change targets, emphasizing our proactive stance on sustainability.

ENVIRONMENTAL PERFORMANCE FRAMEWORK

Our operations are meticulously regulated under Integrated Environmental, Water, and Greenhouse Gas (CO2) Permits, issued by competent environmental authorities in line with applicable legislation. This regulatory framework underscores our unwavering commitment to environmental protection and operational safety, ensuring our refineries operate within the highest standards.

In 2023, Rompetrol Rafinare maintained its certifications, attesting to our dedication to quality, environmental stewardship, occupational health and safety, and energy

management. These include certifications according to ISO 9001, ISO 14001, ISO 45001, and ISO 50001 standards, along with the International Sustainability & Carbon Certification (ISCC), aligning with the sustainability requirements of Directive 2009/28/EC (RED). Additionally, our commitment to product safety and compliance is evident in the staged revision of Safety Data Sheets for products from both Petromidia and Vega refineries, ensuring alignment with the latest chemical regulations.

As SEVESO sites, the Petromidia and Vega refineries adhere to stringent regulations under Law 59/2016, focusing on the control of major accident hazards involving dangerous substances. We have implemented a comprehensive Safety Management System (SMS), to prevent, mitigate, and manage the effects of potential major accidents. This includes a suite of documented plans and procedures, ranging from internal emergency plans to specific interventions for accidental pollution, fire prevention, and civil protection, underscoring our commitment to safety and emergency preparedness:

- Notification of substances according to the Procedure for Notification of Activities with Major Accident Hazards Involving Hazardous Substances approved by MO no 1175/2019.
- Safety Report
- Internal Emergency Plan
- Accidental pollution prevention and control plan
- Fire prevention and extinction intervention plan
- Evacuation plan
- Civil protection notification and alarm plan
- Earthquake defense plan
- Plan for the management of emergencies caused by floods and hazardous weather events.

GRI

GRI 302-1 - 302-4
GRI 303-1 - 303-5
GRI 304-1 - 304-3
GRI 305-1 - 305-5
GRI 305-7
GRI 306-1 - 306-5
GRI 11.1.2 - 11.1.4
GRI 11.1.5 - 11.1.8
GRI 11.2.3
GRI 11.3.2
GRI 11.5.3 - 11.5.6
GRI 11.6.2 - 11.6.6
GRI 11.8.2
GRI 11.15.4

SASB

EM-RM-110a.1
EM-RM-110a.2
EM-RM-120a.1
EM-RM-120a.2
EM-RM-140a.1
EM-RM-140a.2
EM-RM-150a.1

IPIECA

CCE-1 C1, C3, C4, A1-A3
CCE-2 C1-C2, C4, A1
CCE-3 C1-C2, A1, A5
CCE4 C1-C2, C4, A1-A3
CCE-6 C1-C2, A1-A4
CCE-7 C1-C5, A1, A2
ENV-1 C1-C2, C5, A1-A4, A8-A11
ENV-2 C2, A1-A6
ENV-3 C1-C3, A1-A4
ENV-4 C1-C2, A1
ENV-5 C1-C2, A1-A3
ENV-6 C1-C4
ENV-7 C1-C3, A1-A4

- Action plan to prevent and combat snowfall, frost, landslides, and other hazardous weather phenomena specific to the cold season
- Work procedure "Emergency preparedness and response capacity"
- Training, skills development and emergency response exercises.

COMMUNITY ENGAGEMENT *and* INCIDENT RESPONSE

Rompetrol Rafinare values its relationship with the local community, actively monitoring and addressing concerns related to our operations. In the reporting period, there were no spills recorded within Rompetrol Rafinare operations.

Despite receiving two grievances related to olfactory discomfort near the Petromidia Refinery, subsequent air quality assessments confirmed no violations of atmospheric pollutant limits. Taking these concerns seriously, we initiated a comprehensive air quality monitoring process to assess the situation and ensure the well-being of the community and the environment. The air quality assessment was conducted by the Rompetrol Quality Control (RQC), an ISO 17025 certified laboratory, renowned for its adherence to international standards and accuracy. In addition, air quality monitoring stations located in proximity to the reported areas were utilized to provide a thorough evaluation of the situation. The results of these comprehensive monitoring activities confirmed that there were no violations of the limit values for atmospheric pollutants, indicating that the air quality remained within safe and acceptable standards.

At the Vega Refinery we have two air quality monitoring stations located in the northern and southern areas of the refinery. Although fines were received from the local authorities for limited H2S exceedances, these exceedances are not related to the activity of the refinery, the records being also influenced by the activity of other refining operators.

As we continue to refine our operations and strategies, our focus remains on minimizing our impact, contributing to a sustainable future, and setting new benchmarks for environmental performance in the refining industry.

MATERIALS

At Rompetrol Rafinare, we recognize that every aspect of our material usage—from procurement and processing to recycling and disposal—has significant environmental implications. As such, we are dedicated to implementing sustainable materials management practices that not only align with global environmental standards but also support our long-term vision for a sustainable future.

Petromidia Refinery

Throughout 2023, Rompetrol Rafinare processed a total of 5.01 million tons of feedstock, marking a slight decrease of 4.7% compared to the previous year, when 5.26 million tons were processed. This adjustment in volume can largely be attributed to the operational impacts following the incident on 21st June at the 220 P12 pump in the Petromidia refinery, specifically affecting the Mild Hydrotreater unit.

Over the past five years, our total feedstock processing volumes have seen fluctuations, reflective of both market conditions and operational challenges:

Feedstock mix (million tons)	2019	2020	2021	2022	2023
Crude oil	5.36	3.82	3.51	4.80	4.34
Other, of which:	0.98	1.05	1.08	0.46	0.68
Biocomponent (biodiesel, bioethanol)	0.16	0.16	0.16	0.15	0.15
SRGO	0.46	0.38	0.20	0.02	0.01
SRFO	0.06	0.16	0.07	-	-
Diesel component	0.04	0.19	0.42	0.12	0.32
Total feedstock	6.33	4.86	4.59	5.26	5.01

The breakdown of feedstock types further emphasizes our diversified approach to materials management:

- **Crude oil:** the primary component of our feedstock saw a processing volume of 4.34 million tons in 2023, compared to 4.80 million tons in the preceding year.
- **Other feedstock:** this category, including biocomponents like biodiesel and bioethanol, along with other refining components, amounted to 0.68 million tons in 2023.

The use of biocomponents remained consistent, emphasizing our commitment to integrating sustainable materials into our operations.

A noteworthy aspect of our materials management strategy is our focus on recycling and recovery. In 2023, we successfully recovered 15,348

tons of slop, a significant increase from the previous years, showcasing our enhanced efficiency and commitment to reducing waste:

- **2019:** 7,029 tons/year
- **2020:** 8,105 tons/year
- **2021:** 7,321 tons/year
- **2022:** 10,441 tons/year
- **2023:** 15,348 tons/year

This progress in recycled input materials underscores Rompetrol Rafinare's dedication to sustainable practices and the circular economy, contributing positively to environmental protection and resource conservation.

Vega Refinery

In 2023, Vega Refinery demonstrated notable progress in the strategic management of raw materials, processing a total of 374,326.793 tons. This represents an increase from the previous year's total of 372,920 tons and marks a continuation of the upward trend observed from 321,052 tons in 2021 and 363,803 tons in 2020. Such data not only reflects the operational resilience of Vega Refinery but also underscores our commitment to optimizing resource utilization in response to dynamic market demands and environmental sustainability objectives.

The detailed breakdown of materials processed in 2023 versus previous years not only highlights the refinery's adaptive operational strategies but also aligns with our environmental and sustainability goals. By optimizing the mix and volumes of feedstocks and products, we contribute to more efficient energy use, reduce potential waste, and enhance our sustainability profile.

ENERGY

Within Rompetrol Rafinare, the Group's Business Unit, the commitment to enhancing energy efficiency is demonstrated through the diligent monitoring of several key energy efficiency indicators. These indicators, tracked on a daily basis, provide valuable insights into the energy performance of our operations, encompassing the Petromidia Refinery, Vega Refinery, and the Petrochemical Division.

BU Refining Energy

The BU Refining Energy indicator is a comprehensive measure of energy performance across our integrated operations. It represents the aggregate energy consumption of the Petromidia Refinery (PEM), Vega Refinery, and Petrochemical Division (RPP) relative to the total throughput. This comprehensive indicator is crucial for understanding the energy dynamics at play within our operations and serves as a benchmark for ongoing improvement efforts. In 2023, this indicator achieved a value of 3.38 GJ/t of total throughput, showcasing the efficiency of our refining processes.

Energy Intensity Index (EII) at Petromidia Refinery

The Energy Intensity Index (EII) for the Petromidia Refinery provides a detailed assessment of how efficiently energy is utilized within the refinery. Calculated as the actual energy consumption divided by the standard energy, multiplied by 100, the EII for 2023 stood at 101.3. This indicator is instrumental in identifying areas for energy optimization and reducing our environmental footprint.

As a comparison, in 2010, our EII was 119.5, showing a constant improvement over time.

Energy Consumption

For the Petromidia Refinery, the energy consumption ratio in 2023 was 3.06 GJ/t of throughput, indicating the energy required per ton of throughput processed. This metric serves as a direct indicator of the refinery's efficiency in converting energy into valuable products.

Similarly, the Vega Refinery achieved its lowest energy consumption ratio to date, at 2.33 GJ/t of throughput in 2023. This milestone underscores Vega Refinery's effectiveness in managing energy use and highlights the success of our energy conservation initiatives.

This metric is vital for tracking energy efficiency improvements and guiding strategic energy management practices.

3.38 GJ/t of total throughput	BU Refining Energy indicator formula = (PEM Energy consumption + Vega Energy consumption+ RPP Energy Consumption)/ (PEM Total Throughput + Vega Total Throughput + RPP Total Throughput)
101.3 (influenced by Refinery operation)	Energy Intensity Index (EII) = Actual Energy Consumption in GJ/day divided by Standard Energy in GJ/day multiplied by 100 Actual energy (GJ/day) – Σ (Steam consumption, Steam production, Fuel gas consumption, Power consumption, Coke on catalyst & flue gases from FH2) for units and Off sites area Standard energy (GJ/day)– Σ Standard energy for all units (Unit Capacity x Utilization x EII factor*) + Off Sites & Utilities Energy, where*EII factor - may either be a constant factor or a result of several variables describing the unit' feedstock and operating conditions and Off sites & Utilities energy; is a linear function of daily net throughput and complexity
3.06 GJ/t of total throughput	Energy consumption in Petromidia Refinery Ratio between Total Energy Consumption and Refinery Total throughput
22.42 GJ/t of polymers production	Energy index for polymers (EIP) shows how efficiently the Petrochemicals Plant utilizes energy and is equal with Actual Energy Consumption in GJ/day divided by total yield (polymer and propylene polymer grade)
2.33 GJ/t of throughput (lowest value ever)	Energy consumption in Vega Refinery Ratio between Total Energy Consumption and Refinery net Input

Energy Index for Polymers (EIP)

The Energy Index for Polymers (EIP) measures the energy efficiency of our Petrochemical Division, relating actual energy consumption to the total yield of polymers and propylene polymer grade. In 2023, the EIP reached 22.42 GJ/t of polymer production, underscoring our commitment to efficient energy use in petrochemical manufacturing. This indicator is crucial for evaluating the energy performance of our polymer production processes and fostering sustainability in petrochemical operations.

In 2023, notable achievements in energy efficiency were recorded, reflecting our ongoing efforts to optimize energy use and reduce our environmental impact.

The total energy used in 2023 across the Refining Business Unit was approximately 18,686 TJ, distributed among the three main entities, as follows:

- **Petromidia Refinery:** dominating the energy consumption profile with 15,355 TJ, accounting for approximately 82% of the total. This significant proportion underscores the refinery's role as the cornerstone of our operations.

- **Petrochemical Division:** consumed 2,457 TJ, making up about 13% of the total energy usage. This reflects the energy-intensive nature of petrochemical processing but also points to efficient energy use within this segment.
- **Vega Refinery:** represented the smallest share with 874 TJ or 5% of the total, highlighting its operational efficiency and the effectiveness of energy management practices in place.

In 2022, the total energy consumption was slightly higher at 19,623 TJ, with the Petromidia refinery again leading the consumption but with a small variation in the distribution percentages across the entities. The years 2021 and 2020 saw total energy usages of 16,681 TJ and 18,721 TJ, respectively, indicating fluctuations in energy consumption patterns over the years, attributable to operational adjustments, efficiency improvements, and market demands.

The composition of energy consumed within the Refining Business Unit highlights the diversity of energy sources and the strategic focus on optimizing each type:

- **Power:** constituted 22% of the energy mix, essential for the myriad of operational and processing activities across the refineries.

- **Steam:** accounted for 13%, playing a critical role in both the refining and petrochemical processes.
- **Fuel gas:** was the predominant energy source at 49%, underscoring the reliance on gas for high-temperature processes and energy generation.
- **Coke on catalyst & PSA gases from HPP Unit:** made up 16%, indicating specialized uses in refining operations, particularly in enhancing product yields and process efficiency.

Rompetro Rafinare's energy efficiency landscape: analysis and strategic direction

Rompetro Rafinare's strategic approach to energy management is evident in the detailed tracking and analysis of energy efficiency indicators across our operations, including the Petromidia and Vega refineries and the Petrochemicals Division. A key highlight from our energy management strategy is the minimal level of energy exported, which is less than 1% of the total acquisition and production of energy, indicating a highly efficient use of generated energy within our operations.

The analysis of energy consumption trends at Rompetrol Rafinare up to 2023 reveals a dynamic approach to energy management, with a focus on enhancing operational efficiency and minimizing environmental impacts. The strategic allocation of energy resources across different operational units underscores our commitment to sustainable practices and the continuous improvement of energy utilization.

Refining energy efficiency targets: a vision for energy efficiency

We take a comprehensive evaluation of energy consumption in the first half of 2023 and the anticipated impact of energy reduction initiatives, such as the cogeneration project slated to commence in 2024.

Our energy efficiency roadmap through to 2028 is designed with precision, aiming to progressively enhance our energy performance across all operational facets. Below is an outline of the energy efficiency targets set for the coming years:

These energy efficiency targets for the years 2024 through 2028 represent Rompetrol Rafinare's proactive approach

Energy Efficiency Indicators	2017	2018	2019	2020	2021	2022	2023
BU Refining Energy Indicator	3.42	3.31	3.29	3.46	3.30	3.38	3.38
Energy Intensity Index (EII) for Petromidia Refinery	100	96.1	97.1	99.2	102.8	96.2	101.3
Energy Consumptions in Petromidia Refinery	3.04	2.97	2.99	3.06	2.9	3.03	3.06
Energy index for polymers (EIP)	18.7	18.2	18.7	18.9	20.6	20.1	22.4
Energy Consumptions in Vega Refinery	2.65	2.4	2.39	2.57	2.76	2.34	2.33

Energy Efficiency Indicators - Targets	2024	2025	2026	2027	2028
BU Refining Energy Indicator	3.44	3.35	3.36	3.37	3.37
Energy Intensity Index (EII) for Petromidia Refinery	94.2	91.6	91.5	91.7	92.2
Energy Consumptions in Petromidia Refinery	3.12	3.00	3.00	3.02	3.02
Energy index for polymers (EIP)	18.12	18.24	18.22	18.22	18.58
Energy Consumptions in Vega Refinery	2.27	2.21	2.22	2.21	2.27

to embedding sustainability into the heart of our operations. The integration of major projects like the cogeneration facility starting 2024, alongside ongoing initiatives aimed at energy reduction, plays a pivotal role in achieving these targets.

As we move forward, our focus remains on continuously monitoring our performance against these targets, adapting our strategies as needed, and investing in innovative technologies and processes that drive energy efficiency.

Reduction of energy consumption: energy efficiency programs and projects

In recent years, Rompetrol Rafinare has embarked on a comprehensive journey to elevate energy efficiency across its operations, demonstrating a multifaceted approach that encompasses no-cost/low-cost initiatives, capital investment projects, and the development of a Long Range Energy Efficiency Program.

No cost/low-cost energy efficiency initiatives

The implementation of no-cost/low-cost initiatives has yielded significant energy savings, with an estimated impact of approximately 506 TJ/year. These initiatives include:

- **Optimizing furnace operation:** by operating furnaces with the minimum combustion excess air, we've enhanced efficiency and reduced energy wastage.
- **Utilizing all back pressure steam turbines:** this practice has maximized energy recovery and utilization across operations.
- **Promoting energy awareness:** through our energy awareness program, we've fostered a culture of conservation among our employees, encouraging mindful energy use.
- **Implementing steam traps & condensate recovery program:** this initiative has been crucial in capturing lost energy and improving system efficiency.
- **Minimizing use of process air coolers and pumps:** by carefully managing the operation of air coolers and pumps, we've significantly reduced unnecessary energy consumption.
- **Optimizing reflux ratios for columns:** this measure has improved the efficiency of our distillation processes, conserving energy.
- **Heater and boiler optimization at Vega Refinery:** this initiative involves the operation of heaters and boilers at the minimum combustion excess air to maximize energy efficiency and reduce GHG emissions.

Capital projects for enhanced energy efficiency

In addition to the no-cost/low-cost measures, Rompetrol Rafinare has also invested in capital projects, achieving an additional reduction in energy consumption of approximately 312 TJ/year. These projects include:

- **Heat potential utilization from the amine unit:** maximizing the heat recovery from condensate has yielded substantial energy savings.
- **HP steam pipeline replacement:** by replacing high-pressure steam pipelines with lower-size alternatives, we've eliminated significant energy losses.
- **Heat recovery from distillation columns:** implementing heat recovery solutions for both the Crude Unit and Delayed Coker Unit distillation columns has enhanced energy utilization.
- **Vega steam boiler operation:** since 2020, the operation of the Vega steam boiler has contributed to our energy efficiency goals.
- **Condensate recovery in the Petrochemical Division:** This initiative has reclaimed valuable energy resources, furthering our efficiency efforts.

In-progress and future energy efficiency measures

Looking ahead, Rompetrol Rafinare continues to explore new avenues for energy savings, with projects like the CO Boiler upgrade for heat recovery from flue gases, projected to have an impact of approximately 576 TJ/year.

Moreover, at the company level, a Long Range Energy Efficiency Program has been defined, outlining our strategic direction for further energy conservation measures. While not yet included in the CAPEX plan, this program represents our ongoing commitment to operational excellence and sustainability.

WATER

Recognizing the importance of water as a vital resource, we have implemented dedicated internal procedures that encompass all aspects of water management – from quality monitoring and wastewater treatment to the prevention of accidental pollution. These measures not only align with regulatory compliance but also underscore our dedication to responsible stewardship of water resources.

Water quality monitoring and wastewater management

Our water management strategy is grounded in rigorous monitoring and verification processes. We ensure that all specific pollutants, as outlined in our permits, are closely monitored with varying frequencies, including daily, weekly, monthly, and quarterly assessments.

Additionally, the verification and maintenance of waste water transport facilities are prioritized, alongside the sealing and isolation of structures/basins, to prevent any potential leaks or contaminations. This meticulous attention to infrastructure integrity is crucial for minimizing the environmental impact of our operations.

Accidental pollution prevention and control

A cornerstone of our water management framework is the Accidental Pollution Prevention and Control Plan. This plan outlines detailed rules and procedures for managing potential incidents, establishing immediate intervention and control measures designed to limit environmental impact and ensure the security of technological installations. Through proactive planning and readiness, we aim to prevent or swiftly address any accidental discharges, thus maintaining the integrity of local water bodies.

Transparent reporting and community engagement

Rompetrol Rafinare believes in the importance of transparency and open communication, particularly regarding water management. We regularly report on water emissions, employing specific targets to monitor and demonstrate progress in our water management practices. Communities and authorities are consistently informed about any activities that might impact the loading of pollutants into discharged water, ensuring a transparent and collaborative approach to environmental stewardship.

Our principles for managing treated wastewater discharge are designed to ensure the highest standards of environmental protection:

- **Compliance with emission limits:** we strive to keep emissions to water below the specified limits in our Water Management Permit, ensuring the preservation of water quality.
- **Operational efficiency of treatment facilities:** all facilities related to the usage, treatment, and discharge of wastewater are operated to ensure maximum efficiency, adhering to strict operating regulations.
- **Pollution prevention:** measures are in place to prevent or minimize the emission of pollutants into water. Unauthorized and accidental discharges are strictly prohibited, highlighting our zero-tolerance policy for water pollution.
- **Maintenance and leak prevention:** routine maintenance is conducted on all installations handling substances of concern to water, including the implementation of leak detection devices where appropriate.
- **Documentation and maintenance:** a comprehensive site plan details all underground constructions and pipelines, and wastewater disposal facilities are regularly checked and maintained.
- **Emergency preparedness:** sufficient neutralization/treatment substances are readily available and stored in proximity to facilities handling substances of water hazard, ensuring preparedness for any incidents.

Petromidia Refinery

Rompetrol Rafinare's water management practices at the Petromidia Refinery showcase a holistic and responsible approach to water usage, treatment, and conservation. Its approach to water management is meticulously aligned with the stringent requirements of Water Permit no. 147/2023, valid for three years.

Water withdrawal and sources

Rompetrol Rafinare's water withdrawal strategy is diversified to meet the various operational needs:

- **Fresh water withdrawal:** over the years, our withdrawal of fresh water has seen variations, reflecting our adaptive management practices in response to operational demands and sustainability

goals. In 2023, the refinery withdrew 8,265 thousand cubic meters of fresh water, slightly lower than the previous year, indicating our ongoing efforts to optimize water use.

- **Sources of water:** our water is sourced primarily from the Danube Carasu and the Luminita branch, with designated capacities for each. The Danube Carasu source provided 5,993 thousand cubic meters in 2023, showcasing a significant contribution to our water supply. The Luminita source's capacity increased notably in 2023, highlighting its role in our diversified water sourcing strategy.

The refinery's drinking water is sourced from the R.A.J.A. zonal system, highlighting our reliance on established and reliable water infrastructure. This supply is facilitated by a connection pipe of Dn 250 mm from the Palas Constanta main line, with a diameter of 800 mm, ensuring a consistent and safe water supply to meet the refinery's needs.

In 2023, 256 thousand cubic meters of potable water were used, indicating our commitment to providing safe and reliable water for our operations.

For the operation of the industrial platform, the supply of technological and fire water is derived from two primary sources:

- **Normal operating conditions:** water is sourced from the Poarta Alba-Midia-Navodari canal via the Saligny pumping station, operated by ANIF Constanta. The intake from this canal is designed for a capacity of 71481.600 thousand m³, with a flow rate of approximately 650-1000 m³/h.
- **Emergency situations:** the refinery utilizes the Luminița Branch of the Poarta Alba - Midia Canal for industrial water intake. This alternative source, equipped with a pumping station, boasts a designed capacity of 3000 m³/h.

Raw water drawn from these sources is primarily used for cooling and various technological processes within the refinery. The distribution of treated water within the refinery utilizes a branched network of steel pipes with diameters ranging from 300 to 1000 mm, spanning approximately 9 km in length.

The supply of water for firefighting purposes is exclusively sourced from the Luminița branch of the Poarta Alba - Midia Năvodari Canal, ensuring readiness for emergency response.

The refinery's water management practices impact two major hydrographic basins:

- XIV – 1.000.00.00.00.0 (Danube River)
- XV-1.000.00.00.00.0.0 (Black Sea Coast).

The refinery boasts a highly efficient water recirculation system for cooling purposes, featuring:

- three recirculated water households: G1, G2, G3.
- ASU cooling water station.
- additional cooling water stations: G100, G200, G300.

This system achieves a water recirculation coefficient of 97% for cooling water, exemplifying our commitment to water conservation and efficiency.

Wastewater treatment and discharge

Recognizing the significance of the Black Sea as a natural emissary, our practices and procedures are meticulously designed to ensure the treated wastewater from the final Wastewater Treatment Plant (WWTP) meets the highest standards before its discharge.

Wastewater is directed in the Wastewater Treatment Plant (WWTP) belongs to Rompetrol Rafinare, which has three stages of treatment: mechanochemical, secondary biological and tertiary biological. Chemically impure water resulting from technological processes on the site is collected into

the chemically impure sewer. All sewage (chemical, meteorological and domestic) from the site is directed to the final Wastewater Treatment Plant. The treated water is discharged from the treatment plant into the two ponds (Stilling Pond I and Reed Pond II) where the biological treatment process (tertiary treatment) is (naturally) completed, and then through the Buhaz Stream, into the Black Sea. The biological self-purification pond, consisting of the first lentic pond and the second reed pond, has a surface of 50 ha and is located in the Vadu area, approximately 15 km North from the refinery.

According to the company's Water Management Permit, the categories of wastewater reaching the Wastewater Treatment Plant include:

- domestic water (also from Rompetrol Energy facilities and from Năvodari and Corbu cities)
- rainwater
- water loaded with salts (from the cooling water system)
- chemically impure water.

Quality monitoring of the treated water is done at the discharge point from Pond II into the Buhaz Stream (and then discharging in the Black Sea).

Petromidia water withdrawal	2017	2018	2019	2020	2021	2022	2023
Fresh water (th. m ³)	9,091	9,101	8,382	8,500	7,476	8,702	8,521

8,521,000 m³ = 8,265,000 m³ raw water + 256,000 m³ potable water

Petromidia water discharged	2017	2018	2019	2020	2021	2022	2023
Discharged water (th. m ³)	4,199	5,429	6,472	6,771	8,670	8,766	8,702

8,702,000 m³ = treated in Vadu wastewater treatment plant, out of which 5,831,000 m³ from Rompetrol Rafinare and 2,872,000 m³ from Raja SA (wastewater from Năvodari city and Corbu village)

Petromidia water consumption	2017	2018	2019	2020	2021	2022	2023
Fresh water (th. m ³)	5,159	3,820	3,574	3,760	1,532	3,078	3,004
Fresh water (m ³ /t of throughput)	1.04	1.00	0.85	1.21	1.07	1.11	1.16
Fresh water for cooling (th. m ³)	2,901	3,394	3,105	3,126	3,145	3,415	3,180
Potable water (th. m ³)	624	528	329	241	253	296	256

To ensure the comprehensive management of wastewater quality, Rompetrol Rafinare monitors a wide array of indicators with varying frequencies—from daily to semi-annually—including:

- pH
- SEEP (extractables substances with petroleum ether)
- Benzene, Toluene, Ethylbenzene, and Xylene
- Sulfides and hydrogen sulfide
- Sulfates, Phenols, and Total suspended solids
- Chemical Oxygen Demand (COD), Biological Oxygen Demand (BOD5)
- Ammonia nitrogen, Total nitrogen, and Total phosphorus
- Detergents, Total ionic iron, Nickel, Mercury, Vanadium
- Lead, Cadmium, Diethylhexyl phthalate (DEHP)
- Trichlorobenzene, 1,2-Dichloroethane, Dichloromethane
- Tetrachloroethylene, PCB, Hexachlorobutadiene

Water analyses are performed by an ISO 17025-accredited laboratory in accordance with national and international standards, as well as requirements of the integrated environmental permit and water management permit.

The refinery’s sewerage system is provided with separate routes for each category of wastewater collected from the site.

Freshwater consumption has been managed efficiently across the years, with 3,004 thousand cubic meters consumed in 2023. A significant portion of water is reused within our operations, with 18.1% of total fresh water consumed in 2023 being recycled.

The discharged water volumes have steadily decreased, reaching 8,702 thousand cubic meters in 2023 (including the domestic waste water from Navodari sewage). This reflects not only the scale of our operations but also our comprehensive treatment processes that ensure water is returned to the environment safely.

Moreover, there was no exceeding of the concentrations value limit for pollutants discharged (including priority dangerous substances) in 2023.

Hydrocarbon discharges and environmental efforts

Our meticulous monitoring and treatment processes have maintained hydrocarbon discharges at levels below the detection

limit, demonstrating our effective management of potential pollutants. Our adherence to environmental responsibility is underscored by the annual average concentration of hydrocarbons in discharged water, which remains below 0.24 mg/l, under the detection limit, with a total quantity of hydrocarbons discharged amounting to 2.088 tons.

The trends in hydrocarbon discharge into water have been closely monitored:

- **2019:** 1,794 kg (0.27 mg/l)
- **2020:** 1,722 kg (0.245 mg/l)
- **2021:** 2,124 kg (0.245 mg/l) - the quantity is higher due to the larger volume of water treated and discharged
- **2022:** 2,103 kg (0.24 mg/l) - the quantity is slightly lower, comparable to the previous year
- **2023:** 2,088 kg (0.24 mg/l) - the quantity is lower due to lower volume of discharged water compared to the previous year

Vega Refinery

At Vega Refinery, water management is meticulously designed to align with stringent environmental standards, as outlined in Water Permit no. 31/28.02.2023, valid for three years. This commitment to sustainability and regulatory compliance underpins all aspects of our water use, from supply and distribution to pretreatment and discharge, ensuring the refinery’s operations harmonize with environmental preservation efforts.

Technological and fire water supply

Vega Refinery secures its technological and fire water supply primarily from groundwater wells, including P1, P2, P6, and reserves P3, P4, P5, P7, P8. This groundwater is channeled into the refinery through an 8” diameter main pipe, forming a closed circuit (ring type) within the refinery grounds. From this circuit, water is distributed to various technological units via pipes with diameters of Dn 50 and 200 mm, over a network spanning approximately 7.8 km. The Water Permit authorizes an annual maximum water volume of 1,715,500 cubic meters, ensuring sufficient supply for refinery operations while adhering to sustainable water use principles.

Wastewater management and discharge

Given the wastewater drainage system’s pathway through part of Ploiesti city, heavy rains pose a risk of backflow onto municipal streets. This potential challenge underscores the importance of robust monitoring and maintenance protocols to prevent any adverse impacts on the local community and environment.

Monitoring and pollution prevention

Vega Refinery employs comprehensive monitoring practices, including visual inspections, daily process monitoring, and quality verification of process water from capture to discharge. These measures ensure that water quality is maintained at every stage of its journey through the refinery.

Furthermore, Vega has developed an “Accidental Pollution Prevention and Control Plan” that identifies critical monitoring points to prevent pollution. The plan is part of our proactive approach to environmental management, emphasizing the importance of readiness and responsiveness in safeguarding water quality.

Vega water withdrawal - fresh water (th. m³)					
2018	2019	2020	2021	2022	2023
967.82	885.25	1,349	1,340.6	1,304	1,156

Vega discharged water (th. m³)					
2018	2019	2020	2021	2022	2023
1,028	1,272	1,465	1,422	1,269	1,330

Vega water consumption - fresh water (th. m³)					
2018	2019	2020	2021	2022	2023
5.64	-320.9	-52.9	-4.1	46	-174.074

Pollutant levels in discharged water are rigorously monitored according to the stipulations of both the Water Permit and Integrated Environmental Permit, with varying frequencies ranging from daily to semi-annually. Other indicators monitored in the discharged water, with different frequency include water pH, SEEP (extractables substances with petroleum ether), sulfides and hydrogen sulfide, phenols, total suspended solids, CCOCr, ammonia nitrogen, detergents, cyanide.

Additionally, a contract with the owner of the wastewater treatment plant stipulates maximum allowable concentrations for specific pollutants, ensuring discharged water meets or exceeds environmental standards.

In terms of fresh groundwater extracted for remediation or to control the migration of contaminated groundwater, there are 20 observation monitoring drilling points (7 on the refinery premises and 13 that were built for the Vega lagoons greening project). Water from these boreholes is not used in production, it is used only to monitor the evolution of the underground aquifer. Water quality indicators are monitored every six months.

BIODIVERSITY

Our biodiversity policy and conservation efforts underscore our deep commitment to responsible environmental stewardship. Through proactive management, integration of biodiversity in our decision-making, impact mitigation, and transparent reporting, we strive to contribute positively to global biodiversity conservation. Our engagement in habitat restoration and protection, especially near sensitive areas like the Danube Delta Biosphere Reserve, demonstrates our dedication to preserving the natural world for future generations.

Biodiversity policy

We are committed to following specific principles to uphold this recognition, including the ones below.

- **Stewardship** - We manage all of our landholdings with responsible care for the resources and values they contain, including the biodiversity they hold and represent.
- **Integration in decisions** - We integrate the consideration of biodiversity issues, risks, and opportunities into all decision-making, planning, and operational processes.

- **Impact on biodiversity** - We seek opportunities to protect, restore, and enhance biodiversity on and around our company sites, creating conservation outcomes that address our impact on biodiversity.

- **Transparency** - We report on biodiversity issues in an open and transparent manner and use targets to track our progress in biodiversity management.

When identifying specific environmental aspects, we take into consideration aspects like:

- **Direct environmental impacts** of our activities, services, and products, as well as indirect environmental impacts that we can influence from a life cycle perspective
- **Normal operating conditions**, including planned shutdowns according to operating procedures, abnormal operating conditions such as breakdowns or technical incidents, foreseeable emergency situations, and special activities such as accidental shutdowns, repairs, maintenance, temporary waste storage, and transport of hazardous products on inland roads
- **Indirect environmental aspects** due to interaction with third parties such as suppliers, contractors, and neighboring economic operators.

For each new project an environmental impact assessment is performed prior to implementation. This assessment identifies, describes, and evaluates, as appropriate in each case, the significant direct and indirect effects of a project considering the following factors:

- a) population and human health
- b) biodiversity, paying special attention to protected species
- c) land, soil, water, air and climate
- d) material assets, cultural heritage and landscape.

Biodiversity impacts and conservation efforts

The Petromidia Refinery’s proximity to Natura 2000 Sites — approximately 300 m from ROSPA 0060 Tasaul-Corbu Lakes and 1.35 km from ROSPA0076 Black Sea — places us in a unique position to influence local biodiversity positively. The

refinery is near important biodiversity areas like the Danube Delta Biosphere Reserve, highlighting the significance of our conservation efforts. Additionally, the final stage of our Wastewater Treatment Plant, featuring two biological ponds, is situated within the Danube Delta Biosphere Reserve, marking our operations’ unique position adjacent to critical biodiversity hotspots.

The area surrounding our operations hosts several Natura 2000 sites, including:

- **ROSCI0065 Danube Delta:** Encompassing the Vadu ponds area at the southern boundary of the reservation.
- **ROSCI0066 Danube Delta marine area:** Separating the land from the biological ponds approximately 3.5 kilometers to the northeast and east.
- **ROSPA0031-Danube Delta and Razim Sinoie Complex:** Incorporating the Vadu ponds within the reservation’s southern limit.

These sites, especially the two biological ponds (Pond 1 si 2) with a total surface of approximately 50 hectares, are instrumental in our environmental considerations and conservation efforts.

Local biodiversity has experienced both direct and indirect impacts over the years, leading to adaptations of flora and fauna to conditions shaped by industrial activities. Despite these challenges, the site has become home to green spaces designed as natural protective curtains and ruderal flora, alongside synanthropic fauna species such as Corvus corone cornix, Corvus frugilehus, and Pica pica, among others.

Adjacent to our facility, large lake habitats with reeds serve as refuge and sustenance for various species, highlighting the rich biodiversity present in areas close to industrial operations (Phalacrocorax carbo, Cygnus olor, Alcedo atthis, Anas platyrhynchos, Larus sp., Circus aeruginosus, Pelecanus onocrotalus, Fulica atra, Ardea cinerea, Emys orbicularis, Natrix natrix, Pelophylax sp., Bufo viridis). In the area of the Vadu ponds, there are protected species present occasionally, especially in winter, such as the winter swan (Cygnus cygnus), lynx (fulica atra), wild duck, common gull (Larus cachinas), which can be seen on the water surface or on the shore.

Habitats protected

While the Petromidia Refinery itself does not lie within a protected area, the two biological ponds at Vadu are part of the Danube Delta Biosphere Reserve. This proximity necessitates rigorous monitoring and analysis to ensure the protection of this vital biodiversity area. Thus, the area is permanently monitored, through on-site inspections and daily/weekly analyses of the potential pollutants in the treated water from the two ponds.

Habitats to be restored

The land known as Cassettes Vadu 1 & 2, located near the existing Vadu ponds, is currently undergoing restoration. Initially designed as a solution for the removal of biological sludge, inspections in 2019 revealed contamination with petroleum products, leading to a remediation process under the Contaminated Sites Law.

EMISSIONS

Romp petrol Rafinare is proactively addressing the challenges and opportunities presented by the European Union’s ambitious climate targets, particularly the “Fit for 55” legislation package. This initiative aims to reduce net greenhouse gas (GHG) emissions by at least 55% by 2030, marking a significant step towards achieving a climate-neutral continent by 2050. With EU greenhouse gas emissions already reduced by 24% compared to 1990 levels, Rompetrol Rafinare is committed to contributing to these efforts through innovative strategies and technologies designed to reduce carbon emissions and enhance sustainability.

Financial strategies and emissions mitigation

The anticipated increase in EU Allowance (EUA) prices represents a financial risk to our refinery’s operations. To mitigate this risk, we have implemented a hedge program for the required volumes of EUAs for Phase 4 (2021-2025), locking in prices for the next three years at Petromidia and five years at Vega. This strategic approach enables us to manage financial risks associated with carbon

pricing effectively while ensuring compliance with GHG emissions regulations. Our Financial Risk Management Department plays a crucial role in this process, providing price estimations based on forecasts from leading carbon agencies.

Operational and high-impact plans to mitigate emissions

Greenhouse gas emissions are regularly monitored and controlled through operational KPIs. According to its GHG emissions management strategy, Rompetrol Rafinare carries out specific activities, grouped under two strategic directions, aimed at mitigating emissions and reducing the CO2 impact. Our decarbonization approach encompasses both low/no-cost operational measures with a focus on CO2 reduction and high-cost plans with significant potential to lower GHG emissions:

- **Operational measures:** these include optimizing the refinery’s hydrogen network and implementing heat integration between units to reduce fuel gas consumption and CO2 emissions.
- **High-impact plans:** We are exploring the coprocessing of vegetable oils, the establishment of a new Bioethanol Plant, and the potential for Carbon Capture and Storage (CCS)/Carbon Capture and Usage (CCU) as part of our broader decarbonization strategy. The introduction of Green H2 production and the use of renewable energy sources such as solar PV are also under consideration.

At Vega Refinery, operational measures and capital investments are aimed at reducing CO2 emissions. These include the replacement of heaters to improve efficiency and exploring green technologies to replace power production, contributing to Scope 2 emissions reduction.

GHG emissions reduction potential

The primary source of CO2 emissions under Scope 1 within our operations emanates from both stationary and mobile equipment. These emissions are direct consequences of our refinery operations, including the combustion processes required for energy production and the operation of machinery essential to our refining activities.

Notes on disclosing emissions, valid for all entities represented in the current report

On Scope 1 – includes emissions from sources that are owned or controlled by the company. Emissions from installations – EU ETS - Rompetrol Refinery SA – Petromidia Refinery, Vega Refinery, Rompetrol Energy SA. Direct emissions from installations include the following sources: combustion in furnaces, flares, processes. GHG emissions are calculated based on activity data (fuel consumption, production per plant, etc.). The direct emissions of the installations are calculated according to the EU ETS regulations, validated by an accredited external verification body. The total flare gas (Nm3) is taken into account.

We also included company vehicles (tons of CO2e) - Emission factors: GHG Protocol by fuel type.

For Rompetrol Well Services and Rominserv – heating gases, vehicles and refrigerant have been included.

For Rompetrol Downstream and Rompetrol Gas – we included transportation, refrigerants (losses of cooling agents) from refrigeration units and air. Rompetrol Gas SRL we included material emissions from thermal power plants for heating – (propane combustion) as well as own-fleet transportation.

For the next reporting cycles, we aim to enhance our GHG emissions calculations by developing a more comprehensive approach that provides a higher level of detail for our emission sources. Given the profile of our business, it is important to note that the largest and most material portion of our emissions comes from stationary combustions, which are regulated under the EU ETS scheme.

On Scope 2 – In this report, we calculate Scope 2 emissions using the market-based method, which considers the emissions from the specific electricity contracts and supplier-specific emission factors we use. This approach reflects the emissions from the electricity that we have chosen or contracted for, often incorporating renewable energy certificates or guarantees of origin.

For the next reporting cycle, in compliance with the European Sustainability Reporting Standards (ESRS), we will also disclose Scope 2 emissions using the location-based method. This method calculates emissions based on the average emission factors of the grid in the locations where our energy consumption occurs, regardless of our specific electricity contracts. This approach provides a view of emissions based on the regional or national grid averages where our operations are located.

Scope 3 emissions accounting is a journey during which our emissions inventories get more comprehensive and granular over time. The variety of sources and activities involved adds complexity to the calculation and reporting processes.

In our Scope 3 emissions reporting (for Rompetrol Rafinare – Petromidia Refinery and Rompetrol Downstream), we have included Category 9 (Downstream Transportation and Distribution) and Category 11 (Use of Sold Products) as these categories are the most material to our business. For Vega Refinery we accounted only subcategory 3.11.

For Rompetrol Gas we accounted subcategories 3.9 and 3.11.

Category 9 encompasses emissions from the transportation and distribution of our products between the point of sale and the end consumer in vehicles and facilities not owned or controlled by our company. Category 11 covers emissions resulting from the use of our sold products over their operational lifetime.

For Rompetrol Well Services Scope 3 we included the transport of raw material (cement) – subcategory 3.4 (Upstream Transportation and Distribution), as it is the most relevant (and the most material) for RWS activity.

In the next reporting cycles, we aim to provide a higher level of granularity in our emissions reporting by including additional categories such as waste generated in operations and other relevant Scope 3 emissions categories.

For Scope 3 emissions, the major contributing factor is the combustion of products manufactured and sold by our refinery, including gasoline, diesel, and jet fuel. These indirect emissions occur outside of our direct control but are inherently linked to the end-use of our products.

At Rompetrol Rafinare, we employ a rigorous methodology for monitoring and reporting our CO2 emissions. Notably, our approach does not involve direct measurement of CO2 at emission stacks; instead, we calculate CO2 emissions based on detailed activity data, including fuel consumption and unit throughput. This calculated approach ensures accurate and comprehensive accounting of our emissions, facilitating targeted efforts to reduce our carbon footprint. It is also important to highlight that our operations do not involve venting processes, and we have not identified CO2 fugitive emissions as a significant concern within our operational footprint.

Romp petrol Rafinare is actively engaged in identifying and applying technologies and strategies to reduce CO2 emissions and mitigate the financial risks associated with the EU’s carbon pricing mechanism. We have analyzed:

New projects capable of reducing GHG emissions (high cost/high impact on CO2 reduction):

- Coprocessing of vegetable oils in 125-Diesel Hydrotreater (DHT) – unit revamp in order to process spent or fresh vegetable oils for producing Hydrotreated Vegetable Oils - HVO (technical study required for unit revamp)
- SAF production from vegetable and animal feed stock - under technical analysis
- New Bioethanol Plant – 50 kt/year capacity, second generation biofuel (study required for feed availability)
- Carbon Capture and Storage (CCS)/Carbon Capture and Usage (CCU)- under analysis.
- Production and utilization of Green H2 in the Refinery - under technical analysis

The technologies and strategies we are investigating or piloting hold significant potential for GHG emissions reduction:

- the capture and storage/usage of approximately 120 kt/year CO2.
- increasing the share of biofuels in conventional fuels.
- generating renewable energy through solar PV and wind projects.

Air emissions management

Romp petrol Rafinare SA is committed to rigorous air emissions monitoring and management in strict adherence to environmental regulations, including the Integrated Environmental Permits and BAT (Best Available Techniques) Conclusion Decision No 2014/738/EU and Decision 2021/2326/EU (only for Vega refinery). Our approach utilizes state-of-the-art, metrologically verified equipment, operated by qualified personnel to ensure accurate and reliable emissions data.

The regulated pollutants for which we maintain stringent emission limit values include SO2, NOx, CO, and dust from flue gases from combustion units. Continuous, real-time monitoring of emissions at critical units such as the Fluid Catalytic Cracking (FCC), Sulphur Recovery Unit (SRU), and Hydrogen Plant is conducted using online analyzers in line with BAT standards. Furthermore, all technological installations involving combustion processes undergo emissions monitoring through an accredited laboratory, ensuring comprehensive oversight.

To align with European environmental standards and BAT/BREF requirements, Rompetrol Rafinare has implemented several key environmental projects:

- **Low-NOx burners:** replacement of furnace burners with new, high-performance, low-NOx burners to significantly reduce NOx emissions.
- **DGRS plant upgrade:** a major upgrade of the Desulphurization Gas Recovery Sulphur plant aimed at drastically lowering SO2 emissions.
- **Catalytic Cracking plant modernization:** introduction of an ESP electrostatic filter to curtail dust emissions.
- **Coking plant modernization:** implementation of a closed quick-draining system to prevent air and soil pollution.

The Petrochemical Plant employs advanced techniques to minimize emissions and enhance operational safety, including:

- Safety valves for pressurized machinery, allowing for collection in a closed system.
- Explosive gas analyzers and smoke dispersion chimneys with significant heights for optimal dispersion.
- Nitrogen drying systems and bag filters at HDPE and PP plants for polymer powder retention.
- Dust suction hoods at HDPE and PP plants to prevent stabilizer dust emissions.

The LDAR program is a cornerstone of our strategy to identify and mitigate unintended or fugitive emissions from equipment such as valves, pumps, and connectors. By systematically detecting leaks and conducting necessary repairs, we aim to significantly reduce VOC emissions and their environmental impact.

For advanced monitoring and forecasting of pollutant dispersion around the Petromidia platform, Rompetrol Rafinare SA utilizes the ARIA soft provided by Aria Technologies. This application models the dispersion of key pollutants in real-time, incorporating local meteorological data to enhance the accuracy of dispersion modeling.

Our commitment to environmental stewardship is demonstrated through regular monthly and annual reporting to environmental authorities, confirming our adherence to the requirements of applicable legislation and the integrated environmental permit.

Through these comprehensive strategies and technologies, Rompetrol Rafinare SA continues to advance its environmental performance, contributing to cleaner air and a healthier environment while maintaining operational excellence.

Petromidia Refinery

The primary source of CO2 emissions falls under SCOPE 1, which includes emissions generated by both stationary and mobile equipment. As for SCOPE 3, the primary source of emissions is the combustion of products produced and sold by the refinery, such as gasoline, diesel, and jet fuel.

Scope 1: Petromidia GHG emissions		2023	2022	2021	2020	2019	Obs.
Direct emissions from units (t & tCO₂e)							
Combustion of fuels in furnaces, flares, process: regeneration of coke in Fluid Catalytic Cracking unit, reformation of CH ₄ with steam in the Hydrogen Plant	CO ₂	835,562	881,633	702,940	812,031	992,859	1)
	CH ₄	15.93	15.97	12.70	14.44	18.37	2)
	CO ₂ e	398.32	399.46	317.50	361.00	459.25	
N ₂ O		2.34	2.28	1.82	2.1	2.65	2)
	CO ₂ e	696.33	681.13	542.36	620.14	789.70	
		CO ₂	145.54	296.28	206	181	194
Mobile emissions (t & tCO₂e)							
Company vehicles	CH ₄	-	-	0.00858	0.0074	0.0078	3)
	N ₂ O	-	-	0.00172	0.0015	0.0016	
Total Scope 1 (tCO₂e)		836,802	883,003	704,007	813,194	994,303	

1) Direct emissions are calculated according to EU ETS regulations in force and verified / validated by an authorized verifier. Emissions factors are calculated for each flow, based on fuel gas composition analyzed by ISO 17025 laboratory.

2) Source of the CH₄, N₂O emission factors: IPCC 2006 Guideline, vol.2. Energy – chapter 2, Stationary Combustion GWP (for CH₄, N₂O conversion in CO₂e): IPCC Fifth Assessment Report, 2014 (AR5).

3) Source of the emission factors: IPCC 2006 Guideline, vol.2. Energy – chapter 3, Mobile Combustion. No HFCs, PFCs, SF₆, NF₃ emissions GWP (for CH₄, N₂O conversion in CO₂e): IPCC Fifth Assessment Report, 2014 (AR5).

Scope 1: Petromidia Direct GHG Emissions		2023	2022	2021	2020	2019
Operational (tCO ₂ e)		836,809	883,003	704,007	813,194	994,303
Equity share (tCO ₂ e)		462,789.52 55.3041%	488,337 55.3041%	389,345 55.3041%	449,730 55.3041%	549,890 55.3041%

Scope 2: Petromidia GHG emissions		2023	2022	2021	2020	2019	Obs.
Electricity* (t & tCO ₂ e)	CO ₂	263	0	62,377	74,100	116,002	1)
	CO ₂	0	0	102,751	105,204	100,614	
Steam imported** (t & tCO ₂ e)	CH ₄	0	0	0.00858	0.0074	0.0078	2)
	N ₂ O	0	0	0.00172	0.0015	0.0016	
Total Scope 2 (tCO₂e)		263	0	165,287	179,398	216,711	

* Electricity comes from renewable sources (hydro & PV)

** CO₂ related to steam production is accounted as Scope 1 by Rompetrol Energy

1) No conversion factors for CH₄ and N₂O emissions from electricity at EU/Romania level.

2) Source of the emission factors: IPCC 2006 Guideline vol.2. Energy – Chapter 2, Stationary Combustion GWP (for CH₄, N₂O conversion in CO₂e): IPCC Fifth Assessment Report, 2014 (AR5).

Scope 3: Petromidia GHG emissions	2023
Total emissions (tCO₂e)	4,128,161.67

Covers emissions related to combustion of the products placed on the market (gasoline, Diesel, Jet), other than those sold to company within KMG Group and employees' transport to the workplace; Scope 3 subcategory 11 'Use of Sold Products' and subcategory 9 'Downstream Transportation and Distribution' as per GHG Protocol.

Petromidia Refinery total GHG emissions:
4,965,284.48 tCO₂e

Petromidia GHG Emissions intensity	2023	2022	2021	2020	2019
tCO ₂ /t of total feedstock processed	0.163	0.1571	0.1427	0.155	0.147
tCO ₂ /t of crude unit throughput	0.187	0.1715	0.1783	0.185	0.169

* CO₂ – Scope 1, direct emissions (stationery and process, related to EU ETS Directive)

Petromidia hydrocarbon gas flared	2023	2022	2021	2020	2019
Total hydrocarbon gas flared (Nm³)					
Refinery units (3 flares) – only in emergency situation	9,397	12,413	7,805	62,977	29,500
Total hydrocarbon gas flared - ground flare (Nm³, ~50% N₂)					
Petrochemicals units (Pyrolysis, PP, LDPE, HDPE) Liquefied Gas Storage Park, Bottling Station, Liquefied Gas Loading/Unloading Ramp, Cryogenic Storage	184,360	600,268	2,521,351	2,284,102	2,594,706

Petromidia air emissions (tons)		2023	2022	2021	2020	2019
Sulfur oxides	Refinery units	250.110	248.790	191.810	213.050	282.100
	Petrochemical units	1.942	3.784	0.148	0.200	0.470
Nitrogen oxides	Refinery units	366.730	383.250	291.550	320.680	431.450
	Petrochemical units	23.000	60.596	54.030	67.600	70.910
Particulate matter	Refinery units	17.190	17.790	16.830	18.730	24.510
	Petrochemical units	0.687	2.032	1.720	2.330	2.430
Carbon monoxide	Refinery units	115.580	120.700	97.110	106.250	140.470
	Petrochemical units	9.836	27.902	23.760	33.300	31.900
Ozone-depleting substances	Not applicable	-	-	-	-	-
Volatile organic compounds*	Emissions related to gasoline storage, loading & unloading (mandatory to report according to Law no. 264/2017)	88.660	92.000	72.270	85.210	118.290
	Total diffuse emissions calculated for Petromidia refinery / crude oil input (no requirements for reporting)	867.700	965.270	734.240	815.000	1,103.000

* VOC emissions factors: EMEP/EEA air pollutant emission inventory guidebook (Corinaire) 2019 - 1.B.2.a.iv Fugitive emissions oil – refining/storage

It is worth noting that the refinery has implemented measures to minimize CO₂ emissions. There is no venting process, and CO₂ fugitive emissions are absent. Rather than measuring CO₂ emissions at the stack, the refinery calculates the emissions based on activity data, such as fuel consumption and unit throughput.

CO₂ emissions at the stack, the refinery calculates the emissions based on activity data, such as fuel consumption and unit throughput.

To mitigate the environmental impact of flaring, Rompetrol Rafinare has implemented a Flare Gas Recovery Facility (RGF) within the refinery. This innovative system is engineered to recover gases that would otherwise be lost to flaring from the safety valves of refinery units. By redirecting these gases into the fuel gas network post-desulfurization, the RGF plays a critical role in reducing emissions and enhancing fuel efficiency.

The RGF is capable of handling gas exhaust continuously, with any surplus gas during emergencies directed to the emergency flares. Introduced in 2011, our new flare system comprises three towers, each 115 meters tall, designed to manage gas emissions from low- and high-pressure units and the Catalytic Cracking Plant effectively.

Similar recovery strategies are employed at the petrochemical site, with objectives including the collection of discharges from various equipment and units, and the partial burning of collected gases in a ground flare. The remainder is reintegrated into the platform's combustible gas system. The ground flare, featuring five combustion stages and 465 burners, is a testament to our commitment to minimizing flaring's environmental impact.

Flaring activities contributed to 0.06% of total direct GHG emissions in 2023, equating to 493.5 tons of CO₂ out of a total of 835,562 tons from refinery and petrochemical unit operations. This minimal percentage underscores our effective management and mitigation strategies.

The control system for flaring is integrated into the refinery's Distributed Control System, providing comprehensive monitoring, data recording, and operation management capabilities. This integration facilitates precise control over flaring activities, enhancing our ability to reduce emissions and comply with environmental regulations.

Routine flaring occurs at the petrochemical ground flare, while non-routine flaring at refinery flares is limited to emergency and abnormal situations, such as national grid electricity interruptions, incidents, and turn-around activities. Notably, no vented gas is reported, excluding emergency pressure relief valves and unintentional fugitive gas leaks.

The refinery's approach to managing air emissions encompasses rigorous monitoring, the application of Best Available Techniques, and continuous improvement strategies to minimize pollutants such as SO₂, NO_x, CO, and particulate matter from flue gases.

Vega refinery					
Scope 1: Vega GHG emissions	2023	2022	2021	2020	2019
Direct emissions from units combustion of fuels in furnaces, flares, process (tCO ₂ e)	41,553	41,588	42,695	46,070	50,646
Mobile emissions company vehicles (tCO ₂ e)	15.2	18	11	8.3	14.5
Total Scope 1 (tCO₂e)	41568.2	41,606	42,689	46,078.3	50,660.5

Source of the emission factors: IPCC 2006 Guideline

No CO₂ fugitive emissions. CO₂ is not measured at stack, is calculated based on activity data (fuel consumption, unit throughput, etc.). Direct emissions from units are calculated acc. to EU ETS regulations and are validated by an external accredited verifier

Direct GHG emissions (Scope 1)	2023
Operational (tCO ₂ e)	41553
Equity share (tCO ₂ e)	22,980.471 (55.304%)

Scope 2: Vega GHG emissions	2023	2022	2021	2020	2019
Total electricity (MWh)	10,047	9,917	8,973.396	9,826	10,940
Total Scope 2 (tCO₂e)	6.9	0	2,180	2,387	2,658

Source of the emission factors: IPCC 2006 Guideline

Vega Refinery Scope 3 emissions (chemical products): 106,564.47 tCO₂e <i>Only emissions from subcategory 3.11 Use of Sold Products, as per GHG Protocol</i>	Vega Refinery Emissions Intensity in 2023: 0.111 tCO₂e/feedstock <i>Scope 1, direct emissions (stationary and process, related to EU ETS Directive)</i>
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The flue gas exhaust system at Vega Refinery, established alongside the N-Hexane installation between 1979 and 1980, plays a crucial role in managing emissions and ensuring safety. Designed according to the ICITPR 7354/50 project in 1979, this comprehensive system showcases our commitment to environmental stewardship and operational excellence.

The system is composed of several key elements:

- **Flue manifold:** this component connects safety valves from various installations including N-Hexane, Rectification, and Hydrogenation. It also integrates flows from pressure regulating loops in the reflux vessels of the N-Hexane and Rectification columns.
- **Flawed household:** comprising vessels and corresponding pumps, this segment ensures the effective management and redirection of gases.
- **Flame basket:** equipped with a supply connection, anchors, gas pipes, steam pipe, and hydraulic heating, the flame basket is pivotal for the safe combustion of excess gases.

The flue collector, initiating from the intermediate storage vessels (V8, V11A, B) at the N-Hexane installation's edge, spans across the platform. It integrates safety valves from numerous vessels and columns, reflecting a sophisticated network designed to mitigate emissions efficiently.

Vega hydrocarbon gas flared (Nm³)				
2019	2020	2021	2022	2023
159,020	120,420	85,970	210,258	190,252

The contribution of flaring to total greenhouse gas (GHG) emissions is relatively low, marking 1.42% of the refinery's direct emissions. This indicator emphasizes our effective flaring system and its minimal impact on our overall carbon footprint.

The refinery's process control system, integrated with the Distributed Control System, enhances the monitoring and management of flaring operations. Key functions include:

- Monitoring of process variables
- Controlled operation of measurement loops
- Real-time data recording and storage
- Management of alarms and manual or motor-driven valves
- Oversight of interlocks and operating sequences

Vega air emissions	2023	2022	2021
NO _x (t)	24.17	24.85	22.78
SO _x (t)	0.209	0.214	0.241
PM (t)	0.657	0.671	0.716

Non-routine flaring activities are limited to emergency and abnormal situations, underscoring our commitment to operational safety and environmental protection.

To monitor air quality indicators such as H₂S, VOC, BENZEN, SO₂, PM 10, and meteorological conditions, two air quality monitoring stations have been installed in the Vega Refinery area in accordance with the requirements of Law no. 104/2011 (which transposing Directive 2008/50/EU on ambient air quality and cleaner air for Europe). The reports generated by these stations are sent daily to the competent authorities for environmental protection local authorities. The aim is to detect any potential breaches of atmospheric limit values.

WASTE

Romp petrol Rafinare adheres to all regulatory mandates regarding waste management, integrating these requirements within its internal protocols and guidelines. This commitment is extended to service providers, subcontractors, and tenants across both refinery platforms through comprehensive contractual agreements, including the Health, Safety, and Environment (HSE) Convention.

Authorized entities are engaged for the disposal or recycling of all waste types, aligning with environmental preservation efforts. The organization has developed a robust waste prevention and reduction strategy, addressing multiple facets such as efficient waste management practices, designing products for minimal raw material and chemical usage, strategic procurement to avoid surplus and waste, exploring waste minimization alternatives, setting clear objectives, and adopting proactive waste management approaches. This strategy

is publicly accessible on the company's website and submitted to the environmental protection authority.

In the Refining Business Unit, waste management prioritizes prevention, aiming to minimize waste generation before it occurs. Initiatives within Rompetrol Rafinare's waste reduction program include selective recycling, evaluating products for environmental sustainability, opting for reusable or recyclable chemical packaging, utilizing long-lasting renewable catalysts, and exploring alternative waste treatment methods.

Waste management protocols, as dictated by legislation, are thoroughly integrated into Rompetrol Rafinare's internal procedures, ensuring specific waste handling practices like selective collection, appropriate temporary storage, waste recovery or disposal by authorized operators, and comprehensive waste traceability from creation to disposal, maintained for a minimum of three years.

Efforts to prevent environmental contamination include the strategic placement of euro containers and designated storage areas to prevent soil and water pollution and mitigate air emissions. Petromidia and Vega platforms are equipped with appropriately marked containers and storage areas, minimizing environmental impact. The company also focuses on reducing packaging waste through the use of reusable containers, bulk chemical purchases, and durable or renewable catalysts.

Comprehensive waste records are maintained for each waste category, emphasizing the separation of hazardous from non-hazardous waste. Hazardous waste is carefully characterized and stored under conditions that safeguard human health and the environment, avoiding potential pollution or health risks. Authorized carriers ensure the traceable transport of waste from its origin to its final destination, with meticulous records kept for a minimum of three years, demonstrating the company's commitment to responsible waste management and environmental stewardship.

Petromidia Refinery

To navigate the complexities of waste management efficiently, Petromidia Refinery employs a systematic approach that encompasses the segregation of household and production waste right from their generation to final disposal or recovery. The foundation of this system rests on the clear identification and continuous monitoring of waste sources and streams within each department. This responsibility includes the documentation of waste categories generated by their respective activities, underscoring a decentralized yet coordinated effort in waste management.

The facility is fully equipped with euro containers, specialized outdoor areas, and concrete platforms strategically placed close to waste generation

Petromidia waste by category (tons)	2023	2022	2021	2020	2019
Dehydrated sludge from wastewater treatment plant	3,786.32	4,284.58	3,551.98	4,954.86	4,413.68
Sludge from Lagoon no 1 (historical)	-	-	9,358.89	7,475.86	12,800.44
Waste oil	10.81	22.66	14.87	35.46	18.28
Ceramic balls	44	26	3	358.9	7.25
Spent catalysts (metal-containing: Ni, Co, Mo)	599.33	18.93	365.55	1,207.96	304.5
Spent catalyst from cracking catalytic unit	564.62	592.3	567.16	536.08	713.4
Iron and steel scrap	223.68	427.37	110.02	778.4	377.3
Packaging with traces of hazardous substances	-	-	0.68	1.08	1.72
Aluminum scrap	0.36	0.26	0.98	3.26	0.4
Plastic packaging waste	18.28	8.66	7.56	-	16.98
Wood packaging waste	29.02	20.24	17.46	47.04	28.78
Paper- cardboard	8.3	19.24	2.42	11.52	9.66
Mixed municipal waste	111.94	120.9	116.12	130.84	136.34
Insulating materials (waste mineral wool)	-	-	-	-	114.82
Contaminated insulating materials (waste mineral wool)	-	219.7	33.78	705.1	106
Tank bottom sludges	-	3.88	12.96	-	106.14
Contaminated soil with hazardous substances	76.62	400.46	90.26	202.86	1,440.58
Waste fluorescent tubes	-	0.26	-	-	-
Cable waste	8.2	1.04	0.12	17.06	-
Absorbents, filter materials	-	-	3.72	3	0.38
Waste plastics from organic chemical processes	142.1	171.92	181.28	252.46	196.56
Spent catalysts contaminated with dangerous substances	-	-	21.04	-	-
Concrete mixes, bricks, tiles and ceramic materials	-	14.54	-	-	-
Plastic and rubber materials	-	33.66	-	-	-
Expired substances (laboratory, Hg)	-	-	-	12.28	0.095
Electrical and electronic equipment waste	-	-	-	0.172	1.44
Spent platinum catalysts	-	0.556	-	-	8.695
Plastic waste	0.3	-	-	-	-
Discarded equipment	0.16	-	-	-	-
Contaminated absorbents	1.96	-	-	-	-
Contaminated packaging	9.18	-	-	-	-
Wastes containing sulfur	38.58	-	-	-	-

points. These are designed with a temporary storage capacity to accommodate the volume of waste produced in the interval between two collections. To facilitate efficient waste segregation, containers and collection areas are clearly marked according to the type and category of waste they are designated for.

The refinery's methodical approach is encapsulated in detailed internal procedures and annual plans, notably the "Waste Management" procedure and the corresponding yearly waste management plan. These documents serve as the backbone of the waste management strategy, subjected to rigorous validation through both internal and external audits and inspections. This strategy adheres to the principles of the waste hierarchy: prioritizing waste prevention, preparation for reuse, recycling, other forms of recovery such as energy recovery, and, as a last resort, disposal.

Significantly, Petromidia Refinery does not engage in the onsite treatment of waste prior to its disposal or recycling. Instead, a selective collection protocol is implemented based on the nature of the waste, facilitating its temporary storage in suitably marked locations pending final disposal or recycling. This step ensures that the waste is handled appropriately, aligning with the refinery's commitment to environmental stewardship and regulatory compliance.

The external recovery of packaging materials, specifically for petrochemical products, underscores the refinery's commitment to sustainability. By employing recyclable materials for packaging and establishing a recovery service contract mandating a minimum 60% recovery rate of total packaging introduced to the market, the refinery reinforces its dedication to environmental responsibility.

The refinery's operations generate a wide array of waste types, categorized into hazardous

Petromidia waste generated	2023	2022	2021	2020	2019
Hazardous waste (t) of which: historical waste-sludge from Lagoon no. 1	4,484.22 -	4,950.47 -	13,453.73 9,358.89	13,594.48 7,475.86	19,745.13 12,800.44
Non-hazardous waste (t)	1,189.54	1,436.69	1,006.12	1,410.76	1,886.88
Total (t)	5,673.76	6,387.16	14,459.85	15,005.24	21,632.01

Hazardous waste categories generated in current activity: sludges (from WWTP; tanks cleaning) waste oils, contaminated soil, contaminated insulation, expired chemicals and catalysts

Non-hazardous waste categories generated in current activity: recyclable waste - metal, plastics, paper, not recyclable - domestic waste, insulation, wood etc.

Petromidia waste sent for recovery*	2023	2022	2021	2020	2019
Hazardous waste (t)	**4.41	324.84	1,240.54	243.52	878.18
Non-hazardous waste* (t)	1,081.96	1,081.53	1,497.90	1,233.92	1,605.65

** Recovery methods applied were mainly: recycling (plastics), metal recovery and regeneration (catalysts) etc.*

*** Explanation for the figures of 2022 (324.84 t) vs. 2023 (4.41 t): in 2022, greening activities took place at Lagoon no. 1, (after emptying the historical sludge stock), which produced contaminated soil subject for bioremediation (approx. 300 t)*

Petromidia waste sent for disposal*	2023	2022	2021	2020	2019
Hazardous waste (t)	3874.08	4,609.42	13,047.80	13,350.96	18,866.95
Non-hazardous waste* (t)	183.90	197.86	133.58	177.88	281.22

** Disposal method applied was final storage in authorized warehouses and energy recovery*

and non-hazardous classes. Hazardous wastes include sludges from the wastewater treatment plant and tank cleaning operations, waste oils, contaminated soil, insulation, and expired chemicals and catalysts. Conversely, non-hazardous wastes encompass recyclable materials such as metals, plastics, paper, and non-recyclable waste including domestic waste, insulation, and wood.

A key component of effective waste management is the documented procedure that aligns with the Integrated Environmental Permit and other pertinent legal frameworks. This procedure meticulously outlines the identification of waste categories stemming from production and auxiliary activities,

ensuring adherence to the waste hierarchy. It encompasses strategic and cost-effective measures for waste recovery and disposal, including those related to the decommissioning of disused facilities.

To maintain the integrity of the waste management process, staff training on legal requirements and best practices is paramount. This educational component is vital for ensuring that all involved in waste management are well-informed and capable of executing their responsibilities efficiently, thereby keeping the waste management process under stringent control. Through these comprehensive strategies, Petromidia Refinery demonstrates its unwavering commitment to responsible waste

management and environmental preservation.

In 2023, Petromidia Refinery demonstrated a strong commitment to environmental sustainability through its waste management practices, with 95% of total waste generated being sent for recovery, and the remaining 5% disposed of. This marks a slight improvement compared to 2022, where 92% of waste was recovered, including processes such as (co) incineration with energy recovery, and 8% was disposed of, primarily consisting of household waste. The trend reflects a consistent effort to enhance waste recovery rates over the years, although there was a slight dip from the 98.5% recovery rate achieved in the previous reporting period, with only 1.5% disposed of.

In 2020, the company managed to send 93% of its total waste for recovery, focusing on minimizing disposal to 7%, which mainly included household waste, contaminated soil, and contaminated mineral wool. The year 2019 saw similar efforts, with 92% of the waste recovered and 8% disposed of. These statistics underscore Rompetrol Rafinare's ongoing commitment to improving waste management practices, emphasizing recovery over disposal to mitigate environmental impact.

Vega Refinery

At Vega Refinery, waste management is a priority, with systems in place to ensure compliance with legal provisions. The platform is outfitted with euro containers, specially designed outdoor areas, and concrete platforms that are optimally located for waste generation points. These have a temporary storage capacity suitable for the amount of waste generated between collections. Containers are color-coded and marked according to the type/category of waste, facilitating effective waste separation and handling.

Vega waste generated	2023	2022	2021	2020	2019
Hazardous waste (t)	203	119.06	110.86	1,023.72	524.50
Non-hazardous waste (t)	64.76	105.56	79.88	185.02	80.96
Waste from Vega lagoons (t)	0	89,039.48	-	-	-

Vega waste sent for disposal	2023	2022	2021	2020	2019
Hazardous waste (t)	309	19.06	109.86	1,023.72	524.50
Non-hazardous waste (t)	14.32	99.56	68.48	103.82	54.94
Waste from Vega lagoons (t)	0	89,039.48	*27,048.30	54,066.31	-

** 2,333.36 tons treated waste from lagoons handed over to authorized units*

Vega Refinery has established contracts with authorized companies for the collection, transport, and recovery/disposal of all site-generated waste. This encompasses both hazardous and non-hazardous wastes such as used oil, bitumen waste, sludges from effluent treatment, contaminated soil, scrap metal, plastic packaging, paper and cardboard, household waste, mineral wool waste, and tank sludge.

The refinery's waste management principles include avoiding waste generation whenever possible and ensuring that any waste produced is managed to minimize environmental impact. This involves applying the waste hierarchy to encourage waste prevention and efficient management, thereby reducing environmental effects. Recyclable waste is sorted by category for recovery, and a program is in place to prevent and reduce waste generation.

Waste management procedures are documented, covering the flow from generation to recovery or disposal, and include maintaining records for each waste type according to legislation and the Integrated Environmental Permit requirements. The mixing of different categories of hazardous waste, as well as mixing hazardous with non-hazardous waste, is strictly prohibited. Hazardous waste is characterized and temporarily stored in labeled, secure areas to reduce health risks and environmental degradation.

Waste destined for off-site recovery or disposal is transported by authorized companies, with storage practices designed

Vega waste by category	2023	2022	2021
Iron waste (t)	19.44	83.28	1.4
Mineral wool (t)	-	19.06	-
Street-cleaning residues waste (t)	-	-	19.18
Tank bottom sludges (t)	-	-	1
Solid wastes from soil remediation containing hazardous substances (t)	-	-	105.44
Bitumen waste (t)	31	6	59.3
Sludges from on-site effluent treatment containing hazardous substances (t)	85.22	100	4.42
Slam	117.78	-	-
Mixed municipal waste (t)	14.32	16.28	-

to prevent soil and water contamination and minimize air emissions. Historical waste management is outsourced to third parties, ensuring compliance with contractual and legislative obligations.

A documented procedure ensures the waste management process meets Integrated Environmental Permit requirements, identifies waste categories accurately, and follows the waste hierarchy. This procedure also aims for cost-effective recovery or disposal, including decommissioned facility waste, and mandates staff training on legal and applicable requirements to maintain process control.

Reporting on waste composition includes detailing hazardous versus non-hazardous waste, waste streams relevant to the sector's activities, and materials present in the waste.

A Waste Prevention and Reduction Program, informed by a waste audit and compliant with O.U.G. no. 92/2021, has been developed and implemented at Vega refinery. This program emphasizes selective collection and recycling of waste, scrutinizes the environmental impact of purchased and marketed products, and aims to reduce waste destined for final disposal, showcasing Rompetrol Rafinare S.A.'s commitment to sustainable waste management and environmental protection.

All waste management practices are designed to minimize environmental impact, with a strong emphasis on waste reduction, reuse, and recycling wherever feasible. Even though no waste

was sent for recovery during this period, the commitment to environmental stewardship and the pursuit of sustainable waste management solutions remains a priority.

Historical waste management

The refinery's approach to managing historical waste, not a byproduct of its normal production processes, involves a specialized landfill site comprising 14 lagoons situated on the north side of the refinery platform, spanning approximately 82,450 square meters. These lagoons are meticulously designed with waterproofing measures, utilizing compacted soil layers and bentonite to prevent leakage and environmental contamination.

The site primarily houses acid tar lagoons (lagoons 7 - 20), where deposits from petroleum product tanks, by-products, sludge from petroleum product separators, and contaminated soils are temporarily stored. These lagoons have been critical in managing waste products that are not directly associated with the refinery's primary production activities but result from ancillary processes or historical operations.

Specifically, lagoons 7 - 12, covering a surface area of 15,475 square meters, have reached their maximum storage capacity. These are partly land-leveled and partly contained by contour dams due to varying land elevations, primarily storing acid tars. Rainwater accumulation on these lagoons is managed by diverting it into the chemical sewer system through pumping.

Similarly, lagoons 13 - 15 and 16 - 19, with surface areas of 12,250 square meters and 43,350 square meters respectively, are interconnected yet divided by demarcation dams, some of which are surpassed by the level of deposits. These lagoons also store acid tars, with collected rainwater being evacuated into the chemical sewerage network through pumping mechanisms.

Additionally, lagoon 20, situated near lagoons 16-19 and south of them, spans approximately 0.5775 hectares. Like its counterparts, it serves as a storage area for acid tars, adhering to the refinery's comprehensive waste management strategy.

There's an ongoing project aimed at greening these lagoons, entailing the treatment of existing waste and subsequent storage in cells waterproofed in compliance with Order 757/2004. This initiative represents the refinery's commitment to environmental stewardship, ensuring that historical waste management is conducted in a responsible and sustainable manner.

SPILLS

To mitigate the risk of accidental hydrocarbon releases or other hazardous materials into the environment, Rompetrol Rafinare has instituted a series of documented procedures and plans. These include a comprehensive strategy to prevent and address accidental pollution, detailed environmental protocols outlined in operational manuals specific to each refinery unit, and thoroughly developed emergency response and crisis management frameworks.

As SEVESO sites, both the Petromidia and Vega refineries operate under the stringent requirements of Law 59/2016, which integrates the SEVESO Directive into Romania's national legislation, focusing on controlling major accident hazards involving dangerous substances. Adhering to these regulations, Rompetrol Rafinare commits to the ongoing advancement of a Safety Management System (SMS) aimed at averting major accidents and reducing their potential impact. This commitment is supported by regular training sessions and emergency drills conducted for all operational personnel to ensure readiness and effective response capabilities.

However during 2023, the reporting period, in Petromidia, MHC unit (Mild Hydrocracking), there was a fire around pumps discharging hydrotreated vacuum distillate from the fractionation column into storage tanks.

Key documents and plans maintained and routinely revised to keep staff informed and prepared include:

- Procedures for the Notification of Activities with Major Accident Hazards Involving Hazardous Substances,
- A comprehensive Safety Report,
- An Internal Emergency Plan,
- A plan dedicated to the prevention and control of accidental pollution,
- Fire prevention and response strategy,
- An evacuation protocol,
- Plans for civil protection notifications and alarms,
- An earthquake defense strategy,
- Management plans for emergencies due to floods and severe weather conditions,
- Strategies to tackle snowfall, frost, landslides, and other cold-season hazards,
- A procedure for "Emergency preparedness and response capacity",
- Initiatives for training, skill enhancement, and conducting emergency response exercises.

During the reporting period, Rompetrol Rafinare reports no hydrocarbon spills greater than 1 barrel reaching the environment. However, the company is addressing a historically contaminated site near Vadu Ponds. This site is currently undergoing a thorough legal and environmental review process as mandated by Law 74/2019, which deals with contaminated sites. The steps taken so far include:

- Submission of a Preliminary Assessment Report to the Environment Protection Agency, which outlines initial findings and recommendations.
- A detailed investigation into the extent of contamination has been conducted and its findings submitted to the relevant authorities.
- A Feasibility Study, detailing potential remediation strategies and their impacts, has been submitted to the Environment Protection Agency.
- A Remediation Project is currently in development, aimed at addressing and mitigating the identified environmental impacts.

The next stage in the process involves finalizing and initiating the remediation project based on the feasibility study's recommendations, with the goal of restoring the area near Vadu Ponds.



ROMPETROL DOWNSTREAM SRL, ROMPETROL GAS SRL

Through a comprehensive range of environmental management programs, waste reduction strategies, and innovative projects aimed at energy efficiency, Rompetrol Downstream & Rompetrol Gas besides fulfilling their legal obligations, are also actively contributing to the protection and preservation of natural resources.

This chapter highlights the extensive measures undertaken by Rompetrol Downstream & Rompetrol Gas to manage their impact on the environment effectively. These efforts are underpinned by a comprehensive risk management framework that evaluates and addresses environmental risks, including those related to climate change, thus ensuring that operational practices contribute positively to environmental conservation.

Moreover, this section outlines the adherence of both entities to the principles of the waste hierarchy, showcasing their dedication to waste prevention, recycling, and the recovery of resources. It also illustrates their pursuit of innovation through the exploration and implementation of alternative energy sources, underscoring their transition towards a more sustainable energy paradigm.

Rompetrol Downstream and Rompetrol Gas, key pillars in the Group's Retail Division, have instituted a suite of programs aimed at mitigating their environmental footprint. These include the Environmental Management program, a detailed assessment of environmental aspects for each site, a comprehensive investment plan, and a robust Waste Prevention and Reduction Program. These initiatives encompass a broad range of activities, such as:

- Periodic environmental condition monitoring (air, water, soil).
- Advanced waste management practices, including selective collection, organized waste platforms, and compliance with all legal waste management directives.
- VOC emission reporting and regular updates on significant environmental issues.
- Adherence to all applicable legal requirements for environmental regulation.

To keep management abreast of environmental matters, information on permits, compliance obligations, reporting directives, audit findings, and environmentally focused projects is regularly communicated.

While specific assessments for climate change risks and a detailed medium-to-long-term strategy to address such risks are not yet in place for Rompetrol Downstream & Rompetrol Gas, the Risk Management Department initiated a project in 2023 focusing on environmental risk assessments linked to short-to-medium-term climate evolution. This includes examining energy security concepts and creating a framework for qualitative assessment of climate policy's impact on energy security.

Both Rompetrol Downstream and Rompetrol Gas are ISO certified - ISO 22000 and 50001 (DWS) and ISO 9001, 14001, 45001 (DWS and Gas), reflecting their commitment to Integrated Management Systems, emphasizing food safety, energy management, and quality.

Environmental impact assessments are conducted for each new gas station, including noise studies when mandated, ensuring environmental considerations are prioritized.

As SEVESO classified sites, Rompetrol Downstream and Rompetrol Gas have comprehensive emergency plans

and policies to prevent and mitigate major accidents involving dangerous substances, with regular updates and validations by authorities. Dangerous substances used in operations are annually registered with local emergency, environmental, and labor authorities, and their management is detailed in internal policies, widely communicated, including on company websites.

Annual drills are conducted at depots, involving company fire brigades and local emergency and community representatives, to ensure readiness in case of emergencies.

Facilities are designed to prevent soil and groundwater pollution, featuring concrete platforms, oil drainage systems, and vapor recovery installations (Rp Dws). Waste management practices ensure segregation and proper disposal or recovery, with contracts in place with authorized waste management companies. Waste traceability is maintained through detailed records and compliance with environmental reporting standards.

The generated waste is temporarily stored, by type of waste, in designated containers, on the waste platform corresponding to each location. Each location has a contract with companies authorized in collecting, transporting, recovery/ disposing of hazardous and non-hazardous waste. The amount of waste generated monthly is recorded on the waste management record sheet, under the corresponding waste code. Annually, these waste management sheets are uploaded to the Integrated Environmental System (managed by NEPA) - PRODDDES questionnaire, according to the legal requirements in force, and being reported to the local Environmental Protection Agencies.

Hazardous and non-hazardous waste are collected, transported and recovered or disposing by an

GRI

- GRI 301-1 - 301-2
- GRI 302-1 - 302-5
- GRI 303-1 - 303-5
- GRI 305-1 - 305-5
- GRI 305-7
- GRI 306-1 - 306-5
- GRI 413-1 - 413-2
- GRI 417-1 - 417-2
- GRI 11.1.2 - 11.1.4
- GRI 11.1.5 - 11.1.8
- GRI 11.2.3
- GRI 11.3.2
- GRI 11.5.3 - 11.5.6
- GRI 11.6.2 - 11.6.6
- GRI 11.8.2
- GRI 11.15.4

SASB

- EM-RM-110a.1
- EM-RM-110a.2
- EM-RM-120a.1
- EM-RM-120a.2

IPIECA

- CCE-1 C1-C4, A1
- CCE-2 C1-C2
- CCE-3 C1-C2, A1, A4
- CCE-4 C1-C2, C4, A1-A3
- CCE-6 C1, A1, A3
- ENV-1 C1-C2, A2, A8, A10
- ENV-2 A1-A3, A6
- ENV-5 C1-C2
- ENV-6 C1-C2, A2
- ENV-7 C2-C3

authorized company, in accordance with the contractual and legislative obligations in force. Waste traceability is documented in hazardous and non-hazardous waste transport annexes and through their recovery.

All reservoir and pumps from gas stations, above ground tanks warehouse and depot equipment and installations, as well as products, are labeled according to the applicable legislation. During the reporting period, there were no non-compliance incidents regarding product and service information and labeling.

During the reported period, Rompetrol Downstream faced a fine for accidental pollution in the Cîbin River due to non-compliance with the Water Management Authorization's pollution prevention plan. However, the pollution was promptly addressed and remediated.

Community grievances related to environmental concerns are taken seriously, with a recent example at the Piatra Neamt station, where complaints about fuel stains and vapor emissions were investigated but found non-sanctionable, leading to corrective actions.

Throughout the reporting period, no significant hydrocarbon spills or community grievances were recorded by Rompetrol Gas, thanks to their strategic location away from residential areas. Similarly, Rompetrol Downstream and Rompetrol Gas reported no significant water, soil, or groundwater spills, underscoring their commitment to environmental stewardship and regulatory compliance.

MATERIALS

Materials used	2019	2020	2021	2022	2023
Gasoline sold (t)	317,110	286,121	303,567	275,015	323,792
Diesel sold (t)	1,761,052	1,691,140	1,644,756	1,598,139	1,605,000
Imported additives (t)	65.45	73.95	156.00	161.50	156.40
LPG sold (t)	26,864	21,162	6,095	7,405	10,127
Plastic packaging (t) - reported to the EFA	48.23	58.60	77.55	53.19	41.02
Paper-cardboard packaging (t) - reported to the EFA	54.63	55.79	73.32	41.73	70.53
Wood packaging (t) - reported to the EFA	-	-	-	0.29	0.837

EFA = Environment Fund Administration

The Group's Retail Business Unit meticulously plans and execute material procurement and usage processes, aimed at reducing waste and promoting the recycling and reuse of resources wherever possible. This showcases the efforts made by Rompetrol Downstream and Rompetrol Gas to ensure that all materials used in operations, from the production phase to the end-of-life stage, are managed with the utmost respect for environmental conservation and efficiency principles.

Rompetrol Downstream SRL

In 2023, Rompetrol Downstream continued its focus on sustainable material management, which is evident in its careful selection and import of additives and the management of packaging materials. The comprehensive effort to align with environmental sustainability goals is also reflected in the management of packaging materials. In 2023, a total of 41.027 tons of plastic, 70.535 tons of paper-cardboard, and 0.837 tons of wood were reported to the Administration of the Environmental Fund. This represents a strategic approach to packaging, focusing on reducing the environmental footprint and complying with the Single-Use Plastics (SUP) Directive aimed at reducing the amount of plastic placed on the market.

Comparing the years, there was a notable decrease in the use of plastic packaging, marking a 23% reduction. Conversely, the use of paper-cardboard packaging increased significantly by 69% in 2023. This shift underscores Rompetrol Downstream's commitment to environmental stewardship by optimizing the use of sustainable materials and reducing reliance on single-use plastics in accordance with the SUP Directive. The wood packaging, albeit a smaller component, also saw an increase in its usage, reflecting a continuous adjustment towards more environmentally friendly materials.

Rompetrol Gas SRL

In 2023, Rompetrol Gas experienced significant growth in the volume of materials used for its operations, primarily focusing on propane and butane, the key components of LPG. The total volume of LPG handled by Rompetrol Gas reached 99,525 tons, marking a notable increase compared to the previous years. This growth demonstrates the company's expanding operations and its commitment to meeting the rising demand for LPG.

Materials used	2019	2020	2021	2022	2023
Propane (t)	29,621	34,252	34,000	34,081	39,846
Butane (t)	44,431	51,378	51,004	51,122	59,679

ENERGY

Rompetrol Downstream SRL

In 2023, Rompetrol Downstream's fleet fuel consumption showcased a significant shift, totaling 408,005 liters or 3,631.2 MWh. This represents a decrease from 2022's total consumption of 631,289.67 liters (5,618 MWh) across both fleet and sponsorship activities.

The electricity consumption within the organization saw an increase to 32,959.57 MWh in 2023, up from 29,678.86 MWh in 2022 and 29,951 MWh in 2021. This rise is attributed to the opening of 11 new stations and higher electricity use due to increased air conditioning demand during the hotter summer months.

Thermal power plants' fuel consumption, which includes LPG (Craiova depot) and natural gases (utilized across three stations and two depots), recorded a decrease in natural gas consumption in 2023.

Overall, the total energy consumption within Rompetrol Downstream has seen a consistent year-on-year increase, with 37,123.66 MWh recorded in 2023, up from 35,878 MWh in 2022, and 33,510 MWh in 2021.

This increase in energy consumption aligns with the strategic expansion of the organization, which includes the opening of new stations and aims to enhance customer engagement and stay duration within the stations. As Rompetrol Downstream continues

Energy consumption inside the organization	2020	2021	2022	2023
Fuel consumption (liters)				
Gasoline (sponsorship)	35,749.17	38,435.42	50,350.66	-
Gasoline (own fleet)	27,405.81	29,318.12	91,956.35	110,831
Diesel (sponsorship)	239,225.48	150,386.87	105,868.16	-
Diesel (own fleet)	170,020.49	182,904.40	383,114.50	297,174
Total fuel consumption (MWh)	4,204	2,679	5,618	3,631.20
Electricity consumption (MWh)	27,430.75	29,951	29,678.86	32,959.57
Fuel consumption of thermal power plants* (MWh)	766	879.57	581	532.89
Total energy consumption (MWh)	32,401	33,510	35,878	37,123.66

1 l gasoline/diesel = 8.9 KWh

1 kg gas TPP = 13.6 KWh

* including LPG (Craiova depot) and natural gases (3 stations and 2 depots)

Energy consumption outside the organization	2020	2021	2022	2023
Truck diesel consumption with transports between depots and fuel stations (MWh)	28,524	34,344	34,176	38,695.91
Total energy consumption (MWh)	28,524	34,344	34,176	38,695.91

Energy Intensity	2020	2021	2022	2023	Energy savings	2020	2021	2022	2023
Energy intensity (t/E I)	0.01621	0.01714	0.01915	0.02701	Energy savings (MWh)	32,401	33,510	35,878	37,123

Energy intensity [tE I] = energy consumption / sales

Energy efficiency measures applied in 2023

Measure applied (including repairs and modernization or retrofitting)	Commissioning date	ROI period (years)	Cost of the investment (th. RON)	Energy savings MWh/yr vs. toe/yr	Cost economy (th. RON/yr)	Specific energy saving cost (RON/MWh)
Interior and exterior lighting system operating program	2023	n/a	0	25 2.15	35	0
Maintaining a rigorous control of electricity consumption, maintaining room temperatures within parameters and refrigeration systems to reduce consumption	2023	n/a	0	25 2.15	35	0
Replacement of beverage refrigerators in 20 fuel stations	2023	2	290	100 8.6	140	2,900
Total			290	150 12.9	210	966.7

to evolve, with changes in its customer base and business lines, it anticipates a continuation of this trend in energy consumption growth, underscoring a dynamic phase of development within the organization.

Rompetrol Gas SRL

In 2023, Rompetrol Gas continued its efforts to efficiently manage and reduce energy consumption within its operations. The company's energy consumption for the year amounted to 3,910 MWh, marking a significant decrease of 8% from 2022's total of 4,217 MWh.

The breakdown of the 2023 energy consumption is as follows:

- Electricity consumption stood at 1,073 MWh, categorized under Scope 2 emissions, indicating the energy utilized from the grid.
- The heating system, powered by propane, contributed 2,706 MWh to the total energy consumption, classified under Scope 1 emissions.
- The car fleet, also included in Scope 1 emissions, accounted for 131 MWh, with a total fuel consumption of 14,732 liters (14.7 KL).

Moreover, energy consumption outside of the organization, primarily associated with the transportation of products via auto tankers, was 9,012 MWh for 2023. This consumption shows a slight increase from the previous year's 8,655 MWh, underlining the operational demands of the company.

The energy intensity for Rompetrol Gas in 2023, calculated as the ratio of energy consumption to sales, was 0.0392286. This ratio demonstrates an improvement in energy efficiency, with the company achieving lower energy consumption relative to its sales volume of 99,525 tons, compared to previous years.

The decrease in energy consumption in 2023, compared to 2022, indicates successful implementation of strategies aimed at enhancing energy efficiency and reducing the environmental impact of the company's activities.

Energy consumption inside the organization	2019	2020	2021	2022	2023
Electricity consumption (MWh)	769	981	1,057	1,138*	1,073*
Heating system propane (t MWh)	162 2,268	176 2,464	208 2,912	211 2,954**	199 2,706**
Car fleet (liters MWh)	10,000 89	9,700 87	13,000 116	14,000 125	14,732 131
Total energy consumption (MWh)	3,126	3,532	4,085	4,217	3,910

1 kg propane = 13.6 KWh

*Scope 2 / **Scope 1

Energy consumption outside the organization	2019	2020	2021	2022	2023
Auto tanker fuel consumption (liters MWh)	944,933 8,394	74,467 658	962,997 8,561	972,583 8,655	1,012,672 9,012
Total energy consumption (MWh)	8,394	658	8,561	8,655	9,012

1 liter gasoline/diesel = 8.9 KWh

Energy Intensity	2019	2020	2021	2022	2023
Energy usage (MWh var. from previous year)	3,126	3,532 +13%	4,085 +18%	4,217 +3%	3,910 -8%
Sales (t)	74,052	85,630	85,004	85,204	99,525
Energy intensity (tE I)	0.04221	0.04124	0.04805	0.04949	0.03922

Energy intensity [tE I] = energy consumption / sales

Energy savings	2020	2021	2022	2023
Energy savings (MWh)	3,532	4,085	4,217	3,910

WATER

Rompetrol Downstream and Rompetrol Gas meticulously manage water as a critical shared resource, adhering to the specifications set out in the water management permits for each operational site.

Rompetrol Downstream SRL

Rompetrol Downstream ensures a sustainable supply of fresh water by adhering to Water Management Permits issued for each operational site. This includes sourcing water from beneath the ground via boreholes (benefiting 30 stations and 4 depots) or tapping into the municipal drinking water infrastructure (benefiting stations and 2 depots) for various needs such as sanitation, fire suppression, and food preparation.

This water is utilized for hygiene, firefighting, and culinary purposes. The produced wastewater, encompassing household, technological, and rainwater categories, is managed through various methods: it's either discharged into municipal sewage systems (134 fuel stations plus 1 depot), drained into pools (50 fuel stations plus 3 depots), or released into natural emissaries (2 depots).

To manage technological wastewater, it's collected via gutter systems, processed through hydrocarbon separators, and subsequently released into sewage systems, drainage tanks, or natural emissaries. Specifically, wastewater from three of the depots undergoes treatment at ORM cleaning stations before discharge.

Wastewater treatment compliance is ensured for certain work points under NTPA 001 / NTPA002, with others requiring monitoring of specific indicators like pH, total suspended solids, and chemical oxygen demand, among others. For household water, NTPA 002 regulations apply across 170 fuel distribution stations, while NTPA 001 and NTPA 002 standards govern rainwater discharge across various stations.

The freshwater withdrawal metrics in relation to production activities have been diligently recorded and analyzed to ensure sustainable resource management. In 2023, a total of 235,128 m³ of freshwater were withdrawn, equating to 235 Mega liters of water. This results in a freshwater withdrawal intensity of 1.23 per unit of production, indicating the volume of water withdrawn for every unit of output produced by the business. Freshwater made up 99.994% of the total quantity withdrawn.

In 2023, Rompetrol Downstream registered a higher water consumption due to the opening of 11 new stations and the maintenance of adjacent green zones. Water consumption dedicated to safety and preparedness activities, specifically for ISU exercises, was meticulously accounted for in addition to DWS general water usage. These exercises, conducted quarterly, are vital for ensuring readiness in emergency situations and involve the use of water from the reservoirs at the warehouses.

In 2023, a total of 4 exercises were carried out, each consuming 5 m³ of water, totaling 20 m³ for each round of exercises. With 6 depots participating, this amounted to 120 m³ of water used solely for these emergency preparedness activities. Including additional water sources, the total water withdrawal for the year was 231,128 m³, with an extra 15 m³ supplied by La Fântâna. After accounting for water discharges, the net additional consumption attributed to these exercises and additional sources was 135 m³, equivalent to 0.135 Mega liters.

Upon review, it has been determined that none of Rompetrol Downstream's projects or operational activities are located in areas characterized by water stress or scarcity. This positioning allows the organization to manage its water consumption without exacerbating conditions in vulnerable ecosystems or communities.

While there are currently no projects dedicated to water treatment and reuse, ongoing evaluations aim to identify potential conservation and innovative water management solutions, aiming for sustainable practices and minimal environmental impact.

Arad Depot

Domestic wastewater from restrooms is routed to a mechanical-biological treatment plant, with effluent treatment including a petroleum product separator. Technological wastewater from CF ramp washing and tank servicing undergoes pre-treatment before rainwater system discharge, adhering to NTPA 001 standards.

Rainwater is divided into two categories. Firstly, rainwater that may be polluted with petroleum products, which comes from the rail discharge ramp and from the area of the car fuel loading ramp. After being separated, the water is discharged into the rainwater drainage of the plant's platform. Secondly, "clean" rainwater falling on most of the surface of the station from the pavilion, road and concrete platforms is collected in separate sewers through PVC pipes and discharged into the rainwater sewer after passing through a petroleum product separator. The discharge of both categories of water complies with the provisions of NTPA 001.

Rompetrol Downstream SRL water withdrawal	2020	2021	2022	2023
Fuel stations and depots (th. liters)	188	221	208	235.128
La Fântâna drinking water (th. liters)	-	-	0.013	0.015

8,521,000 m³ = 8,265,000 m³ raw water + 256,000 m³ potable water

Rompetrol Downstream SRL water discharged	2020	2021	2022	2023
Discharged water (th. liters)	188	221	208	235.128

Water withdrawal and water discharge quantities correspond.

Rompetrol Downstream SRL water consumption	2020	2021	2022	2023
Fuel stations and depots (th. liters)	0	0	0	0
ISU drills and La Fântâna (th. liters)	0.133	0.133	0.133	0.135

Water consumption represents the difference between water withdrawal and water discharge. In the depots, water was consumed from the reservoir for ISU drills (4 drills * 5 m³ = 20 m³, 20 m³ * 6 depots = 120 m³). La Fântâna = 15 m³

Rompetrol Downstream SRL exceeded escape limits	2020	2021	2022	2023
Fuel stations depots	23 0	26 0	19 2	24 2

Craiova Depot

Complex water management includes a reinforced concrete collection pool for domestic and technological wastewater, and PVC pipe networks for household waste. Rainwater management involves rectangular section gutters and hydrocarbon separators, with dedicated wastewater treatment facilities for domestic water.

Wastewater treatment plants include a domestic wastewater treatment plant, a collector basin for domestic and sewage wastewater (collection is done with the help of a pump, through a discharge pipe) and hydrocarbon separator with sludge decanter included, for the periodical draining of oil products.

Mogoșoaia Depot

Features a reinforced concrete, watertight drainage basin for domestic wastewater. Technological and rainwater, post hydrocarbon separation, is managed through retention basins and concrete tanks for regulated discharge.

Condensate water from oil tankers, along with rainwater collected from concrete platforms inside the tank fleet and in the car ramp area, is passed through a hydrocarbon separator, after which it is discharged into the two retention basins and into the three concrete retention tanks. From there, it is emptied upon request.

Quality indicators of wastewater and evacuated condensed water must fall within the limits imposed by NTPA 002.

Șimleu Silvaniei Depot

Domestic and potentially polluted water is treated via a mechanical-biological plant before Crasna River discharge, ensuring environmental compliance. Technological waste water, potentially impure rain water and household water pre-purified through the mechanical-biological station pass through the petroleum products separator

Vatra Dornei Depot

Utilizes a drainable basin for domestic wastewater, with urban treatment plant disposal. Rainwater and wash water pass through a petroleum product separator before Bistrita emissary discharge.

Zărnești Depot

Domestic wastewater treatment processes are in place for office and pavilion facilities, with all wastewater types undergoing appropriate treatment before Barsa stream discharge, ensuring environmental safeguards are met. Collected water from the area of the tanks, the area of the CP1 and CP2 fuel pump houses, and the area of the technological platform is passed through a Hauraton-type oil product separator.

Rompetrol Gas SRL

Rompetrol Gas operations ensure water supply through comprehensive and compliant methods across various depots, utilizing both underground drilling and commercial bottled water for drinking purposes, alongside connections to local drinking water networks for hygienic-sanitary, firefighting, and food production needs.

Bacau Depot secures its drinking water supply commercially in bottled containers and hygienic-sanitary water from underground sources (Bistrita river via 3 drilled wells), equipped with state-of-the-art pumping and storage facilities. Domestic wastewater is responsibly managed and discharged after being collected in a secure, drainable basin, with rainwater being managed to prevent environmental impact.

Each drilling rig is equipped with a PHED-built cabin, in which capture installations are mounted: the pump head, the GRUNDFOS submersible pump and the electrical equipment. The adduction network is shared (for hygienic-sanitary, technological and PSI water) and consists of PE pipes, DN 65-80, which supply the semi-buried two-compartment reinforced concrete tank with a volume of 2x600 m³. Attached to the tank is the pump house which is equipped with a pumping plant (V = 100 l) for the hygienic-sanitary water network.

Domestic wastewater from the Administrative Technical Group is collected and transported in a 54m³ watertight, drainable basin. Wastewater discharge from the tank (water considered to be conventionally clean) is done through a metal pipe in the rainwater gutter. Rainwater from the tank area, from buildings, from concrete platforms and water used for cooling LPG storage tanks, is collected through concrete gutters covered with road grills and discharged

Romp petrol Gas SRL water withdrawal	2019	2020	2021	2022	2023
Surface water / rainfall (th. liters)	-	-	-	-	-
Groundwater (th. liters), of which:	1,467	1,859	7,412	4,083	2,116
Bacău (m³)	590	637	4,792	2,622	760
Pantelimon (m³)	877	1,222	2,620	1,461	1,356
Sea water	n/a	n/a	n/a	n/a	n/a
Produced water	n/a	n/a	n/a	n/a	n/a
Third-party water - Arad only (th. liters)	1,112	1,602	1,755	2,930	3,053
Total (th. liters)	2,579	3,461	9,167	7,013	5,169

Romp petrol Gas SRL water consumption	2019	2020	2021	2022	2023
Water consumption (th. liters)	0	0	0	0	0

Water consumption represents the difference between water withdrawal and water discharge.

into the outer gutter of the DE729 paved road. The emptying of the pool is done by an authorized company.

Pantelimon Depot acquires its raw water supply from underground drilling, equipped with efficient water collection and distribution installations. It utilizes water for diverse needs, including green spaces and firefighting, with domestic wastewater managed via a designated drainable basin and professional emptying services.

Raw water is supplied from the underground, through the F1 drilling rig, equipped with a TRICONSERV type pump, with Q = 1.01 l/s. The water distribution network includes HDPE pipes with DN = 25 mm and L = 5 m. Water for watering green spaces and washing concrete platforms is also supplied from the underground, through drilling. The water necessary to extinguish potential fires is provided from Drilling 1 and is stored in a buried tank with a volume of 285 m³.

Domestic wastewater is discharged into a 10 m³ drainage basin, located inside the depot. The sewerage network consists of PVC pipes with DN = 110 mm. Drainage is provided by an authorized company. Rainwater is discharged into the ground.

Arad Depot provides its drinking water through commercially available bottled containers, with hygienic-sanitary water supplied from the local network of Vladimirescu locality. It features a robust water distribution system and specialized storage for firefighting needs, alongside a systematic approach to wastewater management to ensure environmental compliance.

The water distribution network consists of HDPE pipes with DN = 100 mm..

Water for watering green spaces and washing concrete platforms is also supplied from the local network, along with the fire extinguishing water, the latter being stored in a semi-buried tank with two compartments of 600 m³ each. Wastewater is collected in a drainable concrete basin, with a volume of 75 m³, which is emptied by an authorized company, upon request.

Management of water discharge-related impacts at these depots involves meticulous monitoring and compliance with regulatory standards for wastewater quality, ensuring that discharged water meets the established limits and minimizes environmental impact. The limits set for discharged wastewater quality indicators are covered by GD188/ 2002 - NTPA 002/2002, amended and supplemented

by GD 352/2005. Rainwater discharged into the street is covered by the NTPA 001/2005 standard, according to GD 352/2005.

Each depot employs professional services for wastewater management and adheres to guidelines for sustainable water use and discharge practices, reflecting Rompetrol's commitment to responsible water management and environmental stewardship.

EMISSIONS

Romp petrol Downstream SRL

Romp petrol Downstream is actively engaged in reducing GHG emissions through the adoption of alternative energy sources and innovative technologies across its operations. By integrating photovoltaic panels at fuel distribution stations and facilitating electric car charging, the company underscores its commitment to sustainable energy solutions.

Transitioning from greenhouse gas-emitting fuels to renewable energy for transportation and heating, alongside enhancing the efficiency of transmission and distribution systems, forms the central point of our environmental strategy.

Romp petrol Downstream also monitors the GHG intensity of its fuel products, reporting annually to the Ministry of Energy. This encompasses the sale of various fuels, including those blended with bio-components, and meticulously tracks the origin of these bio-additives.

In 2023, significant strides were made in utilizing renewable resources, with 20% and 22% of the energy at Mogosoaia and Vistea gas stations, respectively, being produced via photovoltaic panels. Additionally, the company invests in green energy to further bolster its consumption of renewables. However, Rompetrol Downstream experienced a significant increase in electricity consumption during the same period, due to the strategic expansion of our network, with the inauguration of 11 new stations. These new facilities, particularly those situated along the A1 highway, have embraced the "Coffee & Gourmet" concept. This innovative approach has not only enhanced the customer experience but has also doubled the serving area to approximately 500 square meters compared to the standard stations, incorporating an assisted serving area for hot food and a fast food section.

Scope 1: Rompetrol Downstream SRL GHG emissions	2023	2022	2021*	2020*
Total fuel (liters), of which:		631,288	401,044.81	472,400.95
Gasoline (liters tCO ₂ e)	272.95	142,306 327.3	n/a	n/a
Bioethanol (liters tCO ₂ e)	4.95			
Mobile emissions				
Company vehicles		488,982 1,320.2	n/a	n/a
Diesel (liters tCO ₂ e)	837.03	n/a	n/a	n/a
Biodiesel (liters tCO ₂ e)	22.15			
LPG (liters tCO ₂ e)	0.11			
Total Scope 1 (tCO₂e), var. from previous year	1,137.08 -31%	1,647.30 +62%	1,015.17 -15%	1,195.97 +21.4%

* In 2020 and 2021, due to the Covid 19 Pandemic, the company's employees carried out their activity mainly from home and business trips were limited

Conversion factors since 2022: 1 L gasoline = 2.68 kgCO₂e; 1 L bioethanol = 0.55 kgCO₂e; 1 L diesel = 3.02 kgCO₂e; 1 L biodiesel = 1.12 kgCO₂e; 1 L LPG = 1.6 kgCO₂e
Conversion factors before 2022: 1 liter gasoline/diesel = 0.0342 GJ, 1 GJ = 0.001 TJ, 1 TJ gasoline/diesel = 74,100 kgCO₂e

Scope 2: Rompetrol Downstream SRL GHG emissions	2023	2022	2021	2020
Electricity consumption (MWh)	32,959.57	29,678	29,951	27,430.75
Conversion factor (tCO ₂ e/MWh)	0.083	0.213	0.243	0.251
Total Scope 2 (tCO₂e), var. from previous year	2,748.43 -57%	6,321.53 -13%	7,278 +6%	6,885 -11.42%

Scope 3: Rompetrol Downstream SRL GHG emissions	2023	2022	2021*	2020*
Total fuel (liters), of which:	2,358,197,682 ¹	2,303,849,881 ¹	3,858,881 ²	3,204,983 ²
Gasoline	liters tCO ₂ e	395,745,196 1,061,230.32	366,380,863 842,675.99	
Bioethanol	liters tCO ₂ e	35,199,646 19,277.82		
Mobile emissions				
Company vehicles			n/a	n/a
Diesel	liters tCO ₂ e	1,782,027,790 5,757,556.39	1,924,005,382 5,194,814.53	
Biodiesel	liters tCO ₂ e	126,470,085 142,074.17		
LPG	liters tCO ₂ e	18,754,965 30,007.94	13,463,636 21,541.82	
Total Scope 3 (tCO₂e), var. from previous year	7,022,984.92 +16%	6,069,400.51 -	9,779.25 +20%	8,122.13 +9.54%

1) includes only category 3.9 Downstream Transportation and Distribution of Own Products, and 3.11 Use of Sold Products

2) includes only category 3.9 Downstream Transportation and Distribution of Own Products

*Note: Scope 3 represents the total sales from which the fleets of the entities in the group were deducted, including the Downstream fleet

Compliance with OUG 80/2018 mandates that the fuel sold must contain a minimum of 8% Bioethanol and 6.5% Biodiesel. For fuel track transport, the Biodiesel content is undetermined due to uncertain supply sources. However, all retail operators - fuel distributors - are required by GEO 33/2023 to maintain a minimum Biodiesel content of 6.5% (v/v) from June 1, 2023, which has been accounted for in Q3 and Q4 emissions calculations.

As we continue to open new stations and evolve our business model to meet customer demands, we anticipate further increases in energy consumption. Our focus remains on enhancing the customer experience, encouraging them to spend more time at our stations, which inherently leads to higher energy usage. Our efforts to manage and mitigate our environmental impact will continue to be a priority as we expand and adapt our operations.

The Vapor Recovery Unit (VRU) system at our depots exemplifies our efforts to mitigate VOC emissions by recapturing vapors during fuel loading processes. Similarly, gas stations are equipped with vapor recovery systems for tank unloading and fuel dispensing, illustrating our commitment to reducing VOC emissions across the board.

For 2023, VOC emissions were quantified at 87.625 tons, reflecting a meticulous process of recording and reporting across all operational points. This is part of an ongoing effort to minimize our environmental footprint, with no emissions of ozone-depleting substances recorded, highlighting our dedication to safeguarding the atmosphere and advancing towards a more sustainable future.

Romp petrol Downstream SRL Emissions Intensity	
	Total emissions (tCO ₂ e)
	7,026,879.10
2023	Sales (t)
	1,938,919.504
	Emissions Intensity (tCO₂e)
	3.62
	Total emissions (tCO ₂ e)
	6,077,369.59
2022	Sales (t)
	1,873,155
	Emissions Intensity (tCO₂e)
	3.24
	Total emissions (tCO ₂ e)
	18,281.42
2021	Sales (t)
	1,954,419.206
	Emissions Intensity (tCO₂e)
	0.009
	Total emissions (tCO ₂ e)
	16,372.70
2020	Sales (t)
	1,998,423
	Emissions Intensity (tCO₂e)
	0.008

Emissions intensity = Total emissions (Scope 1+2+3) / Sales

Romp petrol Gas SRL

Romp petrol Gas maintains a dynamic Environmental Management Program, meticulously updated annually to reflect legislative changes and best practices. This program encompasses a broad spectrum of environmental considerations, including air emissions, wastewater management, soil contamination, noise pollution, and adherence to SEVESO directives for accident prevention and management (PPAM). The framework of the program is built upon a diverse set of references, ranging from codes and guidelines to standards and regulations. These foundational elements are sourced from various authorities including the entity itself, industrial organizations, third-party organizations such as non-governmental entities, government agencies, or a synergistic blend of these contributors.

The company is committed to reducing GHG emissions through various initiatives and operational improvements that span across the entire spectrum of its activities. This includes investing in energy efficiency, embracing cleaner fuel alternatives, and exploring innovative technologies that contribute to a sustainable energy future.

Direct air emissions are measured and reported regularly to the competent authorities. Gases emitted by the thermal power plants at Arad and Bacau LPG bottling stations are measured every year, respectively every 2 years, when the technical overhaul is carried out. The heating system at the Pantelimon LPG bottling station is electrically powered so there are no air emissions to monitor or report. The emission factors utilized were sourced from CORINAIR. The analysis methodology employed adhered to currently established standards, methodologies, assumptions, and/or calculation tools.

Air emissions' impact is low and no determination of SO2, CO2 or NOx atmospheric air concentrations was requested by any competent authorities.

Air emissions	2023	2022	2021	2020
NOx (t)	0.00422	0.00422	0.00422	0.00422
SOx (t)	0.00422	0.00422	0.00422	0.00422

Scope 1: Romp petrol Gas SRL GHG emissions		2023	2022	2021	2020	2019
Stationary emissions Burning fuels, heating	Propane (t tCO₂e), of which:	200 599	211 636	208 643.11	176 544.17	162 500.88
	Arad (t tCO ₂ e)	95 284	n/a	n/a	n/a	n/a
	Bacău (t tCO ₂ e)	105 315				
Total (liters tCO₂e), of which:		14,747 37	14,000 34	13,000 10.4	9,700 7.7	10,000 8
Mobile emissions Company vehicles	Gasoline (liters tCO ₂ e)	11,704 31.38				
	Bioethanol (liters tCO ₂ e)	1,040 0.57	n/a	n/a	n/a	n/a
	Diesel (liters tCO ₂ e)	1,855 6				
	Biodiesel (liters tCO ₂ e)	135 0.152				
Total Scope 1 (tCO₂e)		636	671	676.05	568.75	526.22

1 liter of gasoline= 2.3 kg CO2
 1 liter of diesel = 2.7 kg of CO2
 1 ton of propane = 3,01 tCO2

Scope 2: Romp petrol Gas SRL GHG emissions		2023	2022	2021	2020	2019
Electricity (MWh)		1,073	1,136	4,085	3,532	3,126
Total Scope 2 (tCO₂e)		89.46	242	992.65	886.53	903.41

1 kwh = 0.08338kg CO2

Scope 3: Romp petrol Gas SRL GHG emissions		2023	2022	2021	2020	2019
Fuel consumption with autotankers (liters) Includes subcategories 3.9 Downstream Transportation and 3.11 Use of Sold Products		1,012,672	972,582	962,997	893,604	944,933
Total Scope 3 (tCO₂e)		2,734	2,625	2,440	2,265	2,394

1 liter of fuel = 2.7 kg CO2

Romp petrol Gas SRL Energy Intensity (EI)		2023	2022	2021	2020	2019
Total emissions without rail (tCO ₂ e)		3,459	3,538	4,108.81	3,720.28	3,823.63
Sales (t)		99,525	85,204	85,004	85,630	74,052
Emissions Intensity (tCO₂e)		0.0347	0.0415	0.0483	0.0434	0.0516

Emissions intensity = Total emissions (Scope 1+2+3) / Sales

WASTE

Romp petrol Downstream and Romp petrol Gas have implemented Waste Management Programs that aim to minimize the environmental impact of waste disposal and reduce the loss of valuable resources. These programs focus on preventing waste generation through the development and optimization of production processes. When waste generation is inevitable, efforts are made to recover materials or energy from the waste. Each site segregates waste by type into designated containers on specific waste platforms, ensuring temporary, organized storage.

To manage the disposal and treatment of waste, partnerships have been established with authorized companies that specialize in the collection, transportation, and proper disposal of both hazardous and non-hazardous waste. This structured approach ensures compliance with environmental regulations and promotes sustainable waste management practices.

Waste quantities are meticulously recorded monthly on waste management sheets, which are tagged with specific waste codes for accurate tracking.

Romp petrol Downstream generated waste by category	Code
Tank bottom sludges	05 01 03
Sludges from oil/water separators	13 05 02
Oil from oil/water separators	13 05 06
Oily water from oil/water separators	13 05 07
Paper and cardboard packaging	15 01 01
Plastic packaging	15 01 02
Metallic packaging	15 01 04
Glass packaging	15 01 07
Packaging containing residues of or contaminated by hazardous substances	15 01 10
Absorbents, filter materials (including oil filters not otherwise specified), wiping cloths, protective clothing contaminated by hazardous substances)	15 02 02
Absorbents, filter materials, wiping cloths and protective clothing other than 15 02 02	15 02 03
Other wastes containing hazardous substances	19 02 11
Waste from desanding	19 08 02
Sludges from treatment of urban waste water	19 08 05
Grease and oil mixture from oil/water separation containing only edible oil and fats	19 08 09
Fluorescent tubes and other mercury-containing waste	20 01 21
Edible oil and fat	20 01 25
Batteries and accumulators other than those mentioned in 20 01 33	20 01 34
DEEE other than those mentioned in 20 01 21 and 20 01 23 containing hazardous components	20 01 35
Mixed municipal waste	20 03 01

These records are annually consolidated and submitted to the Integrated Environmental System, overseen by NEPA, through the PRODDDES questionnaire. This process, along with reporting to local Environmental Protection Agencies, ensures transparency and adherence to legal requirements, highlighting Romp petrol's commitment to responsible environmental stewardship and waste management.

Romp petrol Downstream SRL

Waste generated	Code	2023	2022	2021	2020
Hazardous waste (t)	05 01 03	1.138	0.015		
	13 05 02	6.451	3.475		
	13 05 06	0.290	4.597		
	13 05 07	17.295	5.500		
	15 01 10	13.370	0.749	-	-
	15 02 02	7.934	5.520		
	19 02 11	2.835	3.078		
	20 01 21	0.064	0.007		
	20 01 35	0.006	0.000		
	Total hazardous waste (t)		49.383	22.941	18.591
Non-hazardous waste (t)	15 01 01	756.679	753.929		
	15 01 02	135.267	172.193		
	15 01 04	2.071	0.575		
	15 01 07	7.799	3.438		
	15 02 03	0.120	0.008		
	19 08 02	5.704	12.579		
	19 08 05	0.000	1.050		
	19 08 09	5.065	4.507		
	20 01 25	4.388	1.811		
	20 03 01	8,977.804	6,902.124		
Total non-hazardous waste (t)		9,894.9	7,852.214	7,071.409	6,213.489
Total waste generated (t)		9,944.28	7,875.155	7,090.853	6,232.610

Waste diverted from disposal	Code	2023	2022	2021	2020
	05 01 03		0.015	1.638	-
	13 02 05		-	0.118	0.070
Hazardous waste subject to recovery (t)	13 02 06		-	0.085	0.150
R 12 - exchange of waste for exposure to any of the operations numbered R 1 to R 11. If there is no other relevant R code, this includes preliminary operations prior to recovery, including pre-processing, such as, but not limited to, disassembly, sorting, crushing, compaction, granulation, dry-crushing, conditioning, repacking, separation and mixing before any of the operations numbered R 1 to R 11	13 05 02		3.175	2.740	8.870
	13 05 06		4.597	7.361	-
	13 05 07	No hazardous waste subject to recycling	5.500	-	2.400
	13 07 01		-	-	0.565
	13 07 02		-	-	0.030
	15 01 10		0.689	-	-
	15 02 02		5.048	3.809	4.011
	19 02 11		2.938	2.840	2.985
	20 01 21		0.007	-	-
	20 01 35		-	-	-
Non-hazardous waste subject to recovery (t)	15 01 01	756.679	753.929	492.965	370.835
R 12 - exchange of waste for exposure to any of the operations numbered R 1 to R 11. If there is no other relevant R code, this includes preliminary operations prior to recovery, including pre-processing, such as, but not limited to, disassembly, sorting, crushing, compaction, granulation, dry-crushing, conditioning, repacking, separation and mixing before any of the operations numbered R 1 to R 11	15 01 02	13.367	172.193	157.611	144.601
	15 01 04	2.071	0.575	-	-
	15 01 07	7.799	-	-	-
	15 02 03	-	0.005	0.357	0.108
	19 08 02	-	11.824	7.205	17.722
	19 08 05	-	1.050	-	-
	19 08 09	-	4.187	4.735	4.615
	20 01 25	-	1.704	4.458	4.688
Total waste recovered (t)		901.816	970.875	685.922	561.690

Waste directed to disposal	Code	2023	2022	2021	2020
	05 01 03	1.138	-	-	-
	13 02 05				
	13 02 06				
	13 05 02	6.451	0.300	-	-
	13 05 06	0.290	-	-	-
Hazardous waste (t)	13 05 07	17.295	-	-	-
	15 01 10	13.370	0.060	-	-
	15 02 02	7.934	0.472	-	-
	19 02 11	-	0.140	-	-
	20 01 21	0.064	-	-	-
	20 01 35	0.006	-	-	-
Total hazardous waste (t)		49.383	0.972		
Non-hazardous waste (t)	15 02 03	0.120	0.003	-	-
Disposal code D5 - specially constructed landfills, for example, separate watertight compartments, which are covered and insulated from each other and from the environment and others.	19 08 02	5.704	0.755	-	-
	19 08 09	5.065	0.320	-	-
	20 01 25	4.388	0.107	-	-
Total non-hazardous waste (t)		15.277	1.185		
Total waste incinerated with energy recovery (t)		64.660	2.157	-	-
Non-hazardous waste (t)	20 03 01	8,977.804	-	-	-
Total waste directed to disposal (t)		8,993.081	6,902.124	6,404.931	5,670.92

Rompetro Downstream has instituted targeted measures to minimize the environmental impact of waste, focusing particularly on reducing packaging use within our food service operations. Products are served on porcelain dishes, and packaging for “to go” items is made of biodegradable materials, eliminating the use of plastic bags. This initiative aligns with our commitment to sustainability and waste reduction.

To manage packaging waste effectively, we collaborate with suppliers that specialize in the selective collection of packaging waste, ensuring their practices meet regulatory standards. This approach is part of our broader strategy to manage packaging responsibly and sustainably.

In response to the Single Use Plastic (SUP) Directive, as transposed into national legislation by GO 6/2021, we are transitioning towards reusable and sustainable alternatives to single-use plastics. Our goal is to progressively decrease the amount of such materials introduced to the market, aiming for reductions of 5% in 2023, 10% in 2024, 15% in 2025, and 20% in 2026, relative to the quantities reported in 2022.

In compliance with Law no. 249/2015, we take responsibility for the management of packaging waste on the national territory, aiming to recycle or utilize this waste. This responsibility is transferred to an extended producer responsibility organization authorized to manage packaging waste, ensuring we meet recycling goals.

Our waste prevention and reduction program includes plans for each work point to optimize packaging selection and reduce waste. We’ve engaged local suppliers that collects packaging waste at no cost and have contracted an organization to manage our packaging responsibilities. This ensures the

traceability of hazardous and non-hazardous waste, with documentation provided for the transport and recovery of such waste.

We are also committed to implementing the SUP Directive, focusing on products made wholly or partly of plastic, which are designed for single or short-term use. This activity is part of our effort to promote a circular economy, encouraging the use of innovative, sustainable business models, products, and materials, thus contributing to the efficient functioning of the internal market.

Moreover, the Deposit Return Scheme (DRS) allows consumers to return packaging at any designated return point across Romania, irrespective of where the product was purchased. For every returned package, consumers are refunded RON 0.5, promoting recycling and reducing waste without requiring a purchase receipt. This activity underscores our dedication to environmental stewardship and sustainable practices.

Rompetro Gas SRL

At Rompetrol Gas, we implement comprehensive waste management practices to mitigate the environmental impact of our operations. Our approach to handling waste involves segregating it by type into designated containers located on waste platforms specific to each operational site. Contracts are in place with specialized companies, all of which are authorized to collect, transport, and either recover or dispose of both hazardous and non-hazardous waste.

To ensure compliance and accountability, the volume of waste generated is meticulously documented monthly on

a waste management record sheet, specifying the waste code for each type of waste. Annually, these records are compiled and submitted to the Integrated Environmental System (SIM) - PRODDDES questionnaire, aligning with legal mandates and reported to local Environmental Protection Agencies as required by current regulations.

Recognizing the significant negative impact that poor waste management has on climate change, air quality, ecosystems, and biodiversity, Rompetrol Gas is committed to responsible waste handling. Our partnerships with authorized waste management contractors facilitate the monthly collection of waste from our depots, demonstrating our dedication to environmental stewardship.

A cornerstone of our environmental strategy is the Waste Management Program, devised annually with the inclusion of initiatives aimed at reducing the volume of waste generated. Our goal is twofold: to minimize the depletion of raw materials and to lessen the ecological footprint of our disposal methods. To this end, we explore avenues for waste prevention through the innovation or enhancement of production processes. Where prevention is not possible, we strive to reclaim materials or convert waste into energy.

As a producer of waste, we bear the ultimate responsibility for its disposal. This accountability guides our selection of waste management contractors, ensuring they adhere to our stringent disposal criteria as outlined in our agreements. Each site’s waste reduction plan is formally established at the start of the year, with its efficacy evaluated through routine internal audits and inspections.

Waste generated				
Code	2023	2022	2021	2020
13 02 08	0.351	0.28	0.30	0.31
15 01 01	-	-	-	-
15 01 02	1.159	1.04	0.58	0.876
15 01 04	0.758	10.28	2.482	108.06
15 01 10	0.081	0.049	0.035	0.025
15 02 02	0.05	0.044	0.135	0.0275
16 01 07	0.0645	0.0255	0.031	0.028
20 01 01	0.117	0.538	0.3385	0.517
20 03 01	28.758	48.46	21.337	48.33
20 01 40	5.3	3.813	1.581	8.856
Total hazardous waste (t)	0.4969	-	-	-
Total non-hazardous waste (t)	36.142	-	-	-
Total waste generated (t)	36.64	64.54	27.35	167.92

Waste diverted from disposal				
Code	2023	2022	2021	2020
13 02 08	0.351	0.28	0.30	0.31
15 01 01	-	-	-	0.9
15 01 02	1.159	1.04	0.58	0.876
15 01 04	0.758	10.28	2.482	108.06
15 01 10	0.081	0.049	0.035	0.025
15 02 02	0.05	0.044	0.135	0.0275
16 01 07	0.0645	0.0255	0.031	0.028
20 01 01	0.117	0.538	0.3385	0.517
20 03 01	-	-	-	-
20 01 40	5.3	3.813	1.581	8.856
Total waste diverted (t)	7.89	16.08	6.0115	119.59

Waste diverted from disposal				
Code	2023	2022	2021	2020
Hazardous waste subject to recovery (t)				
13 02 08	0.351	0.28	0.30	0.31
15 01 10	0.081	0.049	0.035	0.025
16 01 07	0.0645	0.0255	0.031	0.028
Non-hazardous waste subject to recovery (t)				
15 01 02	1.159	1.04	0.58	0.876
15 01 04	0.758	10.28	2.482	108.06
15 02 02	0.05	0.044	0.135	0.0275
20 01 01	0.117	0.538	0.3385	0.517
20 01 40	5.3	3.813	1.581	8.856
Total waste recovered (t)	7.89	16.08	6.0115	119.59

R 12 - exchange of waste for exposure to any of the operations numbered R 1 to R 11. If there is no other relevant R code, this includes preliminary operations prior to recovery, including pre-processing, such as, but not limited to, disassembly, sorting, crushing, compaction, granulation, dry-crushing, conditioning, repacking, separation and mixing before any of the operations numbered R 1 to R 11

R 12 - exchange of waste for exposure to any of the operations numbered R 1 to R 11. If there is no other relevant R code, this includes preliminary operations prior to recovery, including pre-processing, such as, but not limited to, disassembly, sorting, crushing, compaction, granulation, dry-crushing, conditioning, repacking, separation and mixing before any of the operations numbered R 1 to R 11

ROMPETROL ENERGY SA

Romp petrol Energy is dedicated to operating within the confines of environmental laws and regulations, guided by an Integrated Management System that emphasizes environmental stewardship. This commitment encompasses water and waste management, greenhouse gas (GHG) and air emission mitigation, and the protection of biodiversity.

To effectively manage environmental impacts, Rompetrol Energy employs a detailed metric system that tracks changes across various domains, including water usage, fuel consumption, power and steam usage, compressed air, emissions, and waste. This data is integrated into the company's management system, ensuring transparency and accountability

within the organization and with external regulatory bodies. Individual plant and unit managers are held accountable through specific environmental KPIs and targets that align with the organization's overarching environmental objectives. These efforts are bolstered by gap analyses derived from daily energy consumption reports.

The company regularly monitors and controls its emission-mitigation activities through a continuous on-line monitoring system (CEMS) for two 105 T/h boilers classified as LCP and monthly sampling the other two boilers classified as MCP. To control the emission values from operational point of view, KPI has been set and periodically monitored. The operational department takes measures to control and reduce CO2 production, while the implementation of the Cogen Power Plant offers significant environmental benefits by reducing CO2 emissions. The Cogeneration Power

Plant will enable a more efficient use of fuel and heat by using wasted heat from the electricity generator for thermal energy production.

As a SEVESO III low-tier site, Rompetrol Energy adheres to the stringent requirements of Law 59/2016, which transposed the SEVESO III Directive's provisions on managing major accident hazards involving dangerous substances. The company has established a comprehensive Safety Management System (SMS) that is regularly reviewed and updated to prevent and minimize the impacts of potential major accidents.

To stay ahead of climate-related risks and opportunities, Rompetrol Energy conducts quarterly assessments that consider a wide range of external factors, including climate change, water and air quality, resource availability, site contamination, biodiversity, and the potential for renewable energy.

GRI
 GRI 301-1
 GRI 301-2
 GRI 302-1 - 302-4
 GRI 303-1 - 303-5
 GRI 304-1 - 304-3
 GRI 305-1 - 305-4
 GRI 305-6 - 305-7
 GRI 306-3
 GRI 413-1
 GRI 11.1.2
 GRI 11.1.4
 GRI 11.1.5 - 11.1.8
 GRI 11.2.3
 GRI 11.3.2
 GRI 11.4.2 - 11.4.4
 GRI 11.5.3 - 11.5.6
 GRI 11.6.2 - 11.6.6
 GRI 11.8.2
 GRI 11.15.2
 GRI 11.15.4

SASB
 EM-RM-110a.1
 EM-RM-110a.2
 EM-RM-120a.1
 EM-RM-120a.2
 EM-RM-160a.1
 EM-RM-160a.2
 EM-RM-160a.3

IPIECA
 CCE-1 C1, C3, C4, A1, A2, A4
 CCE-2 C1, C2, C4
 CCE-3 C1, C2, A1, A3, A5
 CCE4 C1, C2, C4, A1, A3
 CCE-6 C1, C2, A2
 ENV-1 C1, C2, C6, A1, A4, A8-A10
 ENV-2 C2, A1, A3, A6
 ENV-3 C1, A1
 ENV-5 C1, C2, A1, A3
 ENV-6 C1-C4
 ENV-7 C2, C3, A1-A4
 ENV-8 C1, C2, A1-A4

RPE Risks & Opportunities

Risks	Opportunities	Impact
Exceed emissions values as per EU and local legislation.	Reduce the emission value on SOx applying combustion air chemical treatment.	Suspension of the environmental permit and non-compliance with the KMGI agreement can lead to financial losses, legal conflicts, project delays, and reputation damage.
New power plant could not be commissioned if RPE did not comply with legal environment requirements by not obtaining the revised Integrated Environmental Permit from competent authority.	Lower energy consumption and decrease GHG emissions by: <ul style="list-style-type: none"> Adopting state-of-the-art equipment that is highly efficient and reliable; Lowering the company's utility costs by eliminating electric power regulated tariffs such as those related to introduction, distribution, extraction, cogeneration and transportation; Decreasing steam processing costs; Improving power supply stability for the Petromidia Platform; 	Failure to comply with the Romanian-Kazakh Investment Fund's Cogen Project may result in missed opportunities.
Non-compliance with Romanian laws and legislation regarding energy, environment, occupational health and safety, emergency situation, finance, construction authorities, metrology.	<ul style="list-style-type: none"> Enhancing reliability in terms of power, steam, and demi-water supply for the Petromidia Platform; Improving control over Petromidia Platform power supply; Increasing the company's EBITDA by selling excess electrical power to the national grid; Securing an alternative natural gas source from Transgaz. 	Reduction of NOx, emissions can help reduce the company's climate impact.
Major accidents that can affect the operability.		Utilizing state-of-the-art equipment can increase efficiency, reduce energy consumption, and lower GHG emissions, resulting in improved financial indicators.
		Eliminating regulated tariffs, reducing steam processing costs, and improving power supply stability, reliability, and control can reduce utility costs and increase the company's EBITDA.
		Diversifying the natural gas supply by having an alternative gas source from Transgaz can release the company from captivity to OMV Petrom.

These assessments cover all operational aspects, from production processes to administrative functions and supply chain management, highlighting specific environmental considerations for each.

This comprehensive approach ensures environmental aspects are thoroughly evaluated across all operational processes, such as demi-water production and wastewater treatment, thermal energy generation, administrative activities, supply chain management, vehicle maintenance and transportation, electrical distribution, and the upkeep of electrical and transformer equipment. Additionally, this evaluation covers the roles of contractors and the firefighting unit. Comprehensive documentation supporting these assessments has been submitted to EPA Constanta, resulting in the acquisition of Environmental Impact Assessment (EIA) approval by issuing the Environmental Agreement.

The company's impact on climate change is significantly influenced by its steam production process, which relies on the combustion of gas or fuel oil. Recognized risks include emissions non-compliance, major operational accidents, and legal infractions in areas such as energy, environmental protection, and safety regulations. To counter these risks, Rompetrol Energy has established clear environmental objectives that are implemented through its QHSE policy.

The company employs modern equipment and technologies, ensuring the efficient production of steam and the integration of renewable energy sources to align with a 2°C climate target. The primary goal of the company is to maintain the reliability of the plant at over 99%, aiming for a minimal rate of unplanned shutdowns of steam boilers, which would affect energy use and greenhouse gas (GHG) emissions:

- Minimize energy usage, including electricity, fuel, water, and compressed air.
- Lower the temperature of waste gases discharged from 175°C to 95°C under standard operating conditions by implementing a Cogeneration Project.
- Cease the use of fuel oil during regular operations following the commissioning of the NPP.
- Decrease the consumption of refinery gas from 100% in 2023 to a maximum of 25% post-NPP commissioning,

with natural gas becoming the primary fuel for the NPP, accounting for at least 75% of the total fuel usage.

- Perform online monitoring to assess the efficiency of steam boilers, specifically tracking O2 content and flue gas temperatures.
- Ensure the new steam boiler plant is outfitted with adequate insulation.
- Secure a Long-Term Service Agreement (LTSA) for the gas turbine, ensuring its long-term optimal functioning over a period of 10+6 years.
- Utilize state-of-the-art, high-efficiency equipment in the NPP, which will positively impact GHG emission reductions.
- Achieve full integration with the refinery regarding steam production by maximizing output from the NPP and reducing reliance on less efficient sources, such as the CO boiler and the petrochemical steam boiler.
- Monitor daily energy use through a detailed energy report to oversee and enhance energy efficiency.

Starting with the first quarter of 2023, the organization has faced more stringent regulations regarding CO2 certificates, leading to increased costs and a reduction in the allocation of these certificates. Thus, Rompetrol Energy's GHG emission reduction strategy is multifaceted, focusing on energy consumption reduction, waste gas temperature reduction, fuel oil consumption elimination, and refinery gas consumption optimization.

RPE has developed a GHG emissions monitoring plan, which includes a risk assessment for GHG emissions, a flow chart outlining the GHG emission process, technical documentation for thermal energy processes, deviation equations for heavy fuel oil/gas, fuel monitoring systems, and a sampling plan for heavy fuel oil/gas.

Under the HSE Convention, contractors are obligated to comply with all relevant legislation and ensure their equipment meets specific emission standards, including greenhouse gases like NOx (Nitrogen Oxides), CO (Carbon Monoxide), SOx (Sulfur Oxides), PM (Particulate Matter), and noise levels. Furthermore, an audit plan for contractors is implemented to ensure ongoing compliance. The EPC contract mandates adherence to all applicable laws and regulations.

In 2023, Rompetrol Energy has spearheaded several environmental initiatives aimed at reducing its ecological footprint and enhancing energy efficiency across its operations. These measures underscore the company's commitment to sustainable practices and its dedication to minimizing environmental impacts. Key initiatives include:

Online air combustion treatment

The company introduced an online air combustion treatment system for boilers no 3 and 5 (LCP installations). This innovative approach significantly contributes to the reduction of Sulphur emissions, aligning with environmental standards and improving air quality.

Energy-efficient lighting

A significant stride towards energy conservation was achieved through the replacement of the lighting system, transitioning from gas-powered illumination to LED technology. A total of 100 bulbs were replaced, with the new LEDs boasting energy intensities of 30 W for 50 pieces and 20 W for another 50 pieces, down from the previous 160 W. This switch not only results in substantial energy savings but also lowers operational costs and reduces carbon footprint.

Steam leak elimination

The company has taken proactive steps to identify and eliminate steam leaks within its facilities. This initiative not only conserves energy but also enhances the safety and efficiency of steam usage in operations.

Heat insulation on steam pipelines

Upgrading the heat insulation on various steam pipelines has been a key focus. This measure effectively minimizes heat loss, leading to improved energy efficiency and reduced thermal emissions into the environment.

Steam traps maintenance

The replacement and repair of steam traps have been a critical aspect of Rompetrol Energy's maintenance strategy. By ensuring that steam traps are functioning optimally, the company prevents energy waste and improves the overall efficiency of the steam distribution system.

The company also places a strong emphasis on waste management, seeking to reduce waste generation and manage disposal in an environmentally responsible manner.

Rompetrol Energy's proactive approach extends to water management, where it operates with due consideration for water-stressed regions and prioritizes the reduction of water withdrawal and discharge.

No spills and no grievances from local communities were identified during the reporting period.

Throughout 2023, Rompetrol Energy embarked on significant initiatives to enhance its environmental sustainability and compliance, notably through the Cogen Project in collaboration with Calik Enerji, Turkey. Key undertakings included:

- The introduction of highly efficient equipment and state-of-the-art technologies, including a gas turbine from Siemens, heat recovery steam generators by CMI John Cockerill, and air compressors by Ingersoll Rand, ensuring compliance with EU environmental legislation.
- Installation of advanced emission monitoring systems (Continuous Emission Monitoring Systems - CEMS) for both new and existing two LCP steam boilers to enhance environmental oversight.
- The procedure for revision and integration of environmental permits with the new Cogen Plant to ensure comprehensive compliance with environmental regulations has been started.
- Development of an environmental monitoring plan aligned with the requirements of the environmental permits, covering all aspects of operation and waste management.
- Initiatives to modernize and upgrade existing infrastructure for improved energy efficiency, including the revamping of firefighting systems and the installation of energy-efficient ventilation systems.

For the operational period from January 1 to December 31, 2023, Rompetrol Energy achieved the following milestones:

- Secured the annual Environment Permit Visa from EPA Constanta, building upon the transfer from UTM on December 17, 2021.
- Implemented an integrated environmental monitoring strategy for the Cogen Project and ongoing operations, ensuring continuous oversight of emissions and compliance with environmental permits.
- Replaced the existing emission monitoring system for two LCP steam boilers with a new CEMS to provide accurate and real-time environmental data.
- Conducted regular monitoring and reporting on environmental factors, in line with the environmental permit requirements, and reported progress on the waste reduction plan to authorities.
- Upheld the ISO 14001:2015 certification for environmental management systems, demonstrating a commitment to continuous environmental performance improvement.

MATERIALS

In 2023, Rompetrol Energy utilized a diverse range of materials to support its operations, highlighting the complexity and variety of its industrial processes. The consumption of materials included significant quantities of combustion gas and heavy fuel oil, amounting to 40,477.57 tons and 14,310 tons, respectively. The organization also made extensive use of various chemicals, crucial for various processes.

Rompetrol Energy did not use any recycled input materials in 2023, continuing the trend from the previous years. This detail underscores the nature of the materials required for the company's operations, which rely heavily on specific chemical and industrial inputs to meet their production and environmental management needs.

Rompetrol Energy SA materials used	2023	2022	2021	
Combustion gas (t)	40,477.57	26,378	365,959.432	
Heavy fuel oil (t)	14,310	22,435	11,236	
Chemicals (t), of which:	2,443.312	1,903.310		
Aluminium sulfate	Al ₂ (SO ₄) ₃	-	0.0002	-
Ammonia 25%	NH ₃	17.216	17.890	15.816
Ammonium	NH ₄	-	-	0.003
Ammonium chloride	NH ₄ Cl	0.003	0.003	0.001
Ammonium molybdate	(NH ₄) ₂ MoO ₄	0.003	0.002	-
Anhydrous glycerin (glycerol)	C ₃ H ₈ O ₃	0.002	0.001	-
Acetic acid	CH ₃ COOH	0.001049	-	-
Azotic acid	HNO ₃	0.0015	0.001	-
Barium chloride	BaCl ₂	0.00025	0.00025	-
Boric acid	H ₃ BO ₃	0.0005	-	-
Buffer solution Ph 2		0.0005	-	-
Buffer solution Ph 4	C ₈ H ₅ KO ₄	0.0005	0.0005	-
Buffer solution Ph 7	H ₂ KO ₄ P	0.0005	0.0005	-
Buffer solution Ph 10		0.00025	0.00025	-
Cadmium acetate dihydrate	C ₄ H ₁₀ CdO ₆	-	0.0005	0.00025
Camphor	C ₁₀ H ₁₆ O	0.0001	0.0001	-
Chlorohydric acid - 32%	HCl	1,870.35	1,982.433	1,573.359
Edetic acid	C ₁₀ H ₁₆ N ₂ O ₈	-	0.0005	0.0005
Eriochrome black T	C ₂₀ H ₁₂ N ₃ O ₇ SNa	-	0.00003	0.0001
Ethensulfonic acid	C ₂ H ₆ O ₂ S	0.00264	-	-
Ethanol	C ₂ H ₆ O		0.00473	0.007
Ferric chloride	FeCl ₃	0.0001	0.00025	-
Hydrochloric acid - 32%	HCl	-	1,982.433	1,573.359
Lunar caustic	AgNO ₃	0.000017	0.000016	0.000032
Manganese chloride	MnCl	0.001	-	-
Methyl orange	C ₁₄ H ₁₄ N ₃ NaO ₃ S	0.000025	0.000025	-
Metol	C ₁₄ H ₂₀ N ₂ O ₆ S	0.0005	-	0.00075

Romp petrol Energy SA materials used		2023	2022	2021
Murexide	C ₈ H ₈ N ₆ O ₆	0.00005	0.000025	0.00005
Nessler's reagent	K ₂ Hgl ₄	0.00378	0.003	0.002
Oxalic acid	C ₂ H ₂ O ₄	0.003	0.002	0.003
Peroxide	H ₂ O ₂	0.0011	0.0011	0.001
Petroleum ether	C ₆ H ₁₄	0.001122	0.0008	-
Phenanthroline	C ₁₂ H ₈ N ₂	0.00003	-	-
Phenolphthalein	C ₂₀ H ₁₄ O ₄	0.0005	0.0005	-
Potassium chloride	KCl	0.0005	-	0.0005
Potassium chromate	K ₂ CrO ₄	0.00025	-	-
Potassium hydroxide	KOH	-	0.001	0.001
Potassium permangante	KMnO ₄	0.00000316	0.00632	-
Potassium peroxide	K ₂ O ₂	0.0011	0.0011	0.001
Pyrogallol	C ₆ H ₆ O ₃	0.0001	-	-
Soda-lye	-	-	-	-
Sodium carbonate	Na ₂ CO ₃	-	0.0005	-
Sodium chloride	NaCl	0.003	0.003	0.002
Sodium hydroxide	NaOH	418.9	442.918	0.003
Sodium metabisulfite	Na ₂ S ₂ O ₅	0.008	0.008	0.008
Sodium-potassium tartrate	KNaC ₄ H ₄ O ₆ · H ₂ O	0.001	0.001	-
Sodium silicate	Na ₂ SiO ₃	0.0013	-	0.001
Sodium sulfide	Na ₂ S	-	0.0005	-
Sodium tetraborate	Na ₂ B ₄ O ₇	0.00025	0.0005	-
Sodium thiosulfate	Na ₂ S ₂ O ₃	-	0.002	-
Starch	C ₆ H ₁₀ OS	-	-	0.001
Sulfuric acid	H ₂ SO ₄	0.00736	0.0128	0.003
Toluene	C ₆ H ₅ CH ₃	0.00779	0.00693	0.005
Universal indicator Ph 4-10		0.0014	0.0019	0.0012
Universal indicator Ph 9-13		0.0001	0.0011	0.0001
Zinc sulfate	ZnSO ₄	418.9	442.918	314.093

ENERGY

Romp petrol Energy meticulously calculates its total energy consumption by aggregating various energy sources, both renewable and non-renewable, used across its operations. This comprehensive approach encompasses the fuel consumed within the organization, as well as the electricity, heating, cooling, and steam that are both purchased for use and sold. Additionally, the calculation includes energy from, heating, cooling, and steam that is not utilized within the company's processes. The fuel consumption of company-owned vehicles also forms a crucial part of Romp petrol Energy's overall energy consumption figure, ensuring a holistic view of its energy utilization and environmental impact. This methodical approach allows Romp petrol Energy to accurately assess its energy footprint, guiding strategic decisions towards improving energy efficiency and reducing greenhouse gas emissions in alignment with sustainability goals.

In 2023, Romp petrol Energy reported a total energy consumption of 291,091.58 MWh (1,047,929.7 GJ), showing a diverse energy mix that includes combustible gas, fuel oil, electric energy, steam, diesel, and gasoline. This marked an increase in energy usage compared to the previous years, with 258,189.72 MWh recorded in 2022 and 265,149.4 MWh in 2021.

Energy intensity per employee also saw changes over the years. In 2023, energy intensity was calculated at 1,915.07 MWh (6,894.27 GJ) per number of employees, showing an increase from 1,676.56 MWh (6,035.61 GJ) in 2022 and 1,721.75 MWh (6,198.29 GJ) in 2021. This metric provides insight into the efficiency of energy use relative to the workforce size, indicating a higher energy demand per employee in 2023.

In 2023, Romp petrol Energy (RPE) engaged TÜV Rheinland, a third-party auditor, to conduct an energy efficiency audit, culminating in a strategic approach towards greenhouse gas (GHG) emission reduction. This comprehensive strategy outlines a series of measures aimed at enhancing energy efficiency and reducing GHG emissions across short-term, medium-term, and long-term horizons:

Short-term measures (up to 1 year)

- Upgrading the lighting system to LED lamps.
- Replacement and rehabilitation of steam separators.
- Improvement of steam and condensate line insulation.
- Refurbishment of two heat exchanger batteries on the condensate recovery circuit.
- Completion of the cogeneration plant project.

Medium-term measures (1-3 years)

- Installation of soft starters for pumps to reduce energy consumption on startup.
- Replacement of pump-motor assemblies with more energy-efficient models.
- Continuation of replacing older lighting systems with LEDs.
- Addressing and eliminating mass losses from the water-steam system.

Long-term measures (over 3 years)

- Reconfiguration of electrical distribution through internal interconnections to optimize power usage.
- Compensation of power factors at low voltage to improve efficiency.
- Further replacement of old lighting systems with LED technology for long-term energy savings.

Energy consumption within the organization

(MWh)	2023	2022	2021
Combustible gas	100,624.7583		
Fuel oil	27,975.3517		
Electricity	12,279.72		
Steam	150,023.05	n/a	n/a
Diesel	86.85		
Gasoline	101.85		
Total (MWh)	291,091.58	258,189.72	265,149.40

WATER

Romp petrol Energy demonstrates a comprehensive approach to water management, prioritizing efficiency, compliance with environmental standards, and preparedness for operational contingencies, all while managing the environmental impact of its water use and disposal practices.

Romp petrol Energy secures its water supply through two primary sources: the Water State Company (RAJA) for fresh water and Romp petrol Rafinare SA (RR) for raw water, which is processed into demi water for various uses within the organization. RAJA-supplied fresh water is monitored via a certified debit-meter, ensuring accurate daily internal readings and monthly checks by RAJA. The raw water supplied by RR undergoes a chemical process at the Chemical Plant to become demi water, fulfilling the needs of Romp petrol Rafinare for steam production, RPE's boilers, and the district heating system for residential buildings in Navodari City. This process is meticulously measured at every stage through debit-meters.

In case of system failure, RPE has a contingency plan that allows the two water sources to bypass one another, with an emergency reserve sufficient for 6 hours of normal operations. The organization has identified that any disruption in water supply could lead to increased production costs for demi water.

Firefighting water is sourced from RAJA, RR's raw/surface water, or an old cooling tower storage, ensuring multiple redundancies for emergency situations. Water disposal at RPE involves handling domestic, technological, and rainwater. Domestic wastewater is managed via pumps into Romp petrol Rafinare's sewage system, leading to a treatment plant. Technological wastewater, arising from various operational activities, is treated in 400 m³ pits before being discharged into the Black Sea Midia Harbor basin.

Rainwater from the demi-water plant and external zones undergoes treatment before discharge, while other rainwater seeps into the ground or is collected by the drainage system. The effluent from RAJA's fresh water supply and RPE's operational processes are treated to meet specific pH levels and checked for water quality parameters by Romp petrol Quality Control (RQC) before discharge into the Black Sea lagoon, adhering to NTPA 001 / 2002 standards as per RPE's Integrated Environmental Permit.

Romp petrol Energy has implemented various water reduction measures to minimize freshwater withdrawal and consumption within its operations. These measures are part of a broader commitment to environmental stewardship and sustainable water management practices. The organization employs a comprehensive approach to monitor and reduce water use, aiming to decrease the environmental impact of its activities and conserve this vital resource:

- **Maintenance plan for fresh water supply system:** a robust maintenance plan is in place to regularly monitor and address any leaks in the fresh water supply system. This proactive approach helps in significantly reducing water loss and conserving freshwater resources.
- **Daily energy and water consumption report:** the organization generates a daily report to monitor water consumption closely. This allows for the immediate identification of any unusual increases in water use, prompting quick investigation and remediation.
- **Key Performance Indicators (KPIs) for water consumption:** Romp petrol Energy has established specific KPIs related to water consumption. These KPIs serve as benchmarks for water use efficiency and guide the company in implementing effective water-saving measures.
- **In-house and external water treatment plant monitoring:** the water treatment facilities are monitored internally and also subjected to monthly inspections by relevant authorities. This ensures the treatment processes operate efficiently and within environmental compliance standards.
- **Groundwater monitoring:** groundwater quality is assessed every six months by an authorized external laboratory and quarterly by the company's internal laboratory, in accordance with the environmental monitoring plan. Samples are collected from nine designated wells. No deviation from the referential values, were identified in 2023, indicating the effectiveness of the company's groundwater protection measures.

Romp petrol Energy diligently monitors several indicators in its discharged water, including pH, total suspended solids, chemical oxygen demand, ammonium (NH₄), phenols, and substances extractable with petroleum ether (SEEP). Monitoring frequencies vary, ranging from daily to semi-annually, depending on the specific parameter.

The company is committed to transparently reporting on water emissions and utilizing targets to track progress in water management. Romp petrol Energy ensures that communities and authorities are informed about activities that may significantly impact the quality of discharged water, such as turnarounds, overhauls, and technical incidents. This open communication contributes to building trust and ensuring collaborative efforts towards environmental protection.

Through these measures, Romp petrol Energy has successfully avoided any instances of hydrocarbon discharge to surface water and maintained its discharged water quality within the regulatory limits.

Water withdrawal	2021	2022	2023
Technological freshwater (th. liters)			
from Romp petrol Rafinare coming from Danube River via Saligny and Carasu water stations, or Taşaul Lake	2,267	2,503	2,389
Household freshwater (th. liters)			
from Danube River via Galeşu water station	5.6	28	42
Returned condensate RRC (th. liters)	-	-	207
Potable water (th. liters)	-	-	0.005
Total (th. liters)	2,272.6	2,531	2,638.005

Water discharge	2021	2022	2023
Domestic wastewater (th. liters)	55.45	56	55
Technological wastewater (th. liters)	847.52	1,049	884
Demi water sent to RRC, including steam production (th. liters)	-	-	1,412.22
Total (th. liters)	902.97	1,105	2,351.22

Water consumption	2021	2022	2023
Water consumption (th. liters)	1,369.30	1,426	286.778

Water consumption is the difference between water withdrawal and discharge.

The organization's efforts to reduce, reuse, and recycle water within its reporting boundaries demonstrate its dedication to responsible water management and its role in safeguarding this shared resource for future generations.

BIODIVERSITY

Romp petrol Energy is strategically situated in the Năvodari city area, positioned on the Midia Industrial Platform, nestled between the cities of Năvodari and Corbu. The establishment's location is notably outside any natural protected regions, including those recognized for their rich biodiversity such as the Natura 2000 sites, the Danube Delta biosphere, and others.

Geographically, Năvodari city lies to the southwest at approximately 4.4 kilometers away, while the village of Corbu is around 4.3 kilometers to the north-northeast. The larger city of Constanța is located 17 kilometers to the south. Tourist attractions in Năvodari, Mamaia Sat, and Mamaia commence from a mere 4 kilometers southward.

Romp petrol Energy shares its southern boundary with Rompetrol Rafinare, with petrochemical and refinery operations, highlighting the industrial character of the area.

Despite its industrial setting, Rompetrol Energy is proximate to several Natura 2000 Sites, underlining the importance of ecological mindfulness in its operations. It is approximately 300 meters from the Special Protection Area ROSPA 0060 Tasaul-Corbu Lakes, 1.35 kilometers from ROSPA0076 Black Sea, and about 5 kilometers from the Danube Delta's biodiversity hotspot.

The total area of the Rompetrol Energy site spans 182,690 square meters, with allocations as follows: buildings cover 67,753 m², utility networks span 4,471 m², access ways make up 83,448 m², and green fields account for 27,016 m². These green spaces serve not only aesthetic and recreational purposes but also act as a protective curtain, enhancing the site's ecological aspect.

Despite its industrial nature, the site harbors a variety of green areas and is home to synanthropic fauna species such as Corvus corone cornix, Corvus frugilehus, Pica

pica, Columba livia domestica, and Passer domesticus. These species thrive in the anthropogenic habitats provided by the arranged green spaces and the ruderal flora typical of such environments.

Located on a technological platform, the Rompetrol Energy site is currently not designated as a protected area and does not include habitats requiring restoration. This setting underscores the balance between industrial development and environmental conservation, ensuring the company's operations coexist harmoniously with the surrounding ecosystem.

EMISSIONS

Romp petrol Energy diligently monitors and reports its greenhouse gas (GHG) emissions as part of its commitment to environmental sustainability and regulatory compliance. These figures reflect Rompetrol Energy's ongoing monitoring and reporting of its direct greenhouse gas emissions. The data also highlights a year-on-year evolution of its overall and individual emission categories, underscoring the need for continued efforts in emissions reduction and environmental sustainability within the company's operations.

Romp petrol Energy employs advanced monitoring techniques to ensure its operations meet environmental standards and regulations. For gas emissions tracking, the company utilizes Emitem software, a sophisticated tool designed for precise emission analysis. Monthly readings for heavy fuel oil are conducted following thorough analyses by an accredited laboratory, ensuring accuracy and reliability. Additionally, gas chromatography is employed for daily readings, offering timely insights into gas composition and emissions.

To assess air quality, Rompetrol Energy relies on monthly evaluations performed by an accredited laboratory. These assessments are meticulously compiled and reported to the Environmental Authority, ensuring transparency and regulatory compliance. Throughout the reporting period, no deviations from established norms have been detected, underscoring the company's commitment to maintaining high environmental standards.

Scope 1	2021	2022	2023
Direct emissions from units (tCO₂e)			
Combustion of fuels in furnaces, boilers. No biogenic CO ₂ release	125,407	143,718.29	150,821.08
Mobile emissions (tCO₂e)*			
company vehicles	6.16	50.28	55.35
Total (tCO₂e)	125,413.16	143,768.57	150,876.43

Default emission factors for stationary combustion in the energy industries – 2006 IPCC Guidelines for National Greenhouse Gas Inventories – VOLUME 2 ENERGY, CHAPTER 3 MOBILE COMBUSTION

Scope 2	2021	2022	2023
Electricity			
Midia Green Energy		1,338.547	2,978
Hydroelectrică	8,973.396	1,774.264	9,302
Total (tCO₂e)	2,226.99	1,872.35	5.66

CO ₂ and CH ₄ emissions	2021	2022	2023
Boiler emission by equity share	79,196.82	90,542.523	95,278.603
Mobile emission by equity share	3.8775	31.68	55.35
Romp petrol Energy by equity share	79,200.718	90,574.2	95,278.603
Total (tCH₄)	0.000248	0.000904	0.00146

Air emissions	2021	2022	2023
SO ₂	132.46	222.61	103.74
NO _x	125.55	187.08	172.85
CO	24.06	26.93	24.19
PM	4.21	20.14	5.83

The rigorous monitoring of air quality is further reported on a monthly and annual basis to the environmental authorities. These reports demonstrate Rompetrol Energy's adherence to the stipulations of applicable legislation and its integrated environmental permit.

Romp petrol Energy closely monitors and reports its greenhouse gas (GHG) emissions intensity as a measure of its environmental impact relative to its workforce. This metric provides insight into the company's efficiency in managing emissions in relation to its employee count. In 2023, the GHG emissions intensity stood at 992.60 metric tons of CO₂ equivalent per employee, indicating a progressive increase when compared to previous years. In 2022, the emissions intensity was recorded at 945.720 metric tons of CO₂ per employee, while in 2021, it was lower, at 828.832 metric tons of CO₂ equivalent per employee. This trend underscores the evolving challenge Rompetrol Energy faces in managing its GHG emissions intensity as it strives towards sustainability and reduced environmental impact.

There were no emissions of ozone-depleting substances (ODS) generated by Rompetrol Energy operations during the reporting period.

WASTE

Romp petrol Energy is committed to responsible waste management and reduction, aligning with environmental protection laws and internal guidelines. The company has established ambitious targets within its waste reduction plan to decrease the generation of various types of waste by 2025, with specific reduction goals ranging from 2% to 50% for different waste categories including wood, toner, plastic, packaging materials, rubber, electronic devices, metals, glass, oil, filters, and general waste.

This waste management strategy underscores the division of responsibility for managing waste generated by work activities. It clearly states that the waste producer, whether the Beneficiary for waste arising from its activities or the Contractor and its Subcontractors for waste related strictly to the works performed, holds the responsibility for waste management. This approach ensures health protection and environmental conservation in compliance with applicable waste management laws.

Target	Waste
10%	wood waste
5%	toner waste
2%	plastic waste
2%	plastic packaging waste
10%	paper and cardboard packaging waste
5%	metal packaging waste
5%	wood packaging waste
2%	rubber waste
2%	electrical and electronic waste
2%	steel and iron waste
2%	glass waste
5%	oil waste
5%	filters waste
2%	impregnated packaging waste
50%	general waste
5%	chemical reactives waste

The plan outlines specific practices for managing various types of waste:

- **Municipal waste** is collected in categorized containers and entrusted to authorized operators.
- **Inert and non-hazardous industrial waste** is temporarily stored at designated sites for collection and processing by authorized firms.
- **All the waste** owned by Rompetrol Energy is recovered and eliminated with authorized operators.
- **Hazardous waste** is segregated, packaged, labeled, and temporary stored appropriately before being handled by authorized operators for safe disposal or recovery.

The policy strictly prohibits the improper temporary storage or dumping of waste on-site and mandates adherence to legal waste management obligations. Additionally, in maintenance operations, replaced obsolete equipment must be properly handed over for recycling or disposal, with the necessary documentation completed.

Romp petrol Energy places a high emphasis on preventing accidental pollution. Contractors are required to be equipped with biodegradable materials for immediate pollution response. Any accidental pollution will lead to work cessation and prompt decontamination efforts.

Lastly, Rompetrol Energy ensures its waste management standards are communicated and upheld by all Contractors and Subcontractors through contractual clauses and Health Safety and Environmental Protection Conventions, reflecting its dedication to environmental stewardship and regulatory compliance.

Within Rompetrol Energy, waste generation stems from key operational activities categorized under CAEN codes 3530, 3600, and 3513, which include steam distribution, water treatment and distribution, and electric energy distribution, respectively. The management of waste on the Rompetrol Energy site incorporates a systematic approach that ensures efficient handling from the point of generation to the final disposal or recycling phase.

The site is well-equipped with euro containers and specially designated outdoor areas complemented by concrete platforms. These setups are strategically positioned to align with the generation points, offering adequate temporary storage for waste until it can be collected. To streamline the waste segregation process, the containers and collection areas are clearly labeled with colors and inscriptions denoting the specific waste category they are intended for, facilitating a well-organized waste management system.

The disposal and recycling of the generated waste are entrusted to several authorized companies, ensuring compliance with environmental standards and regulations. For general waste, Rompetrol Energy collaborates with Polaris Mediu SRL, while hazardous materials and recyclable waste are managed through agreements with Greentech Servicii Ecologice SRL, 3R Green SRL, and Ecolect SRL. Metal waste disposal is handled by Resort Metal SRL, REMAT CONSTANTA COLLECT SRL, and Vlad MAR SRL. Electrical waste management is carried out in partnership with Recolamp SRL, and for wooden waste, the company engages REMAT CONSTANTA COLLECT SRL. Additionally, Recolamp SRL and Greentech Servicii Ecologice SRL are responsible for the recovery of hazardous waste, demonstrating Rompetrol Energy's commitment to responsible and sustainable waste management practices.

Waste management		Tons	Status
08 03 17	Toners	0.002	Disposal
10 01 01	Bottom ash, slag and boiler dust - excluding boiler dust mentioned in 10 01 04	1.940	Disposal
15 01 01	Packaging, Paper and cardboard	0.29	Recycled
15 01 02	Plastic packaging	0.138	Recycled
15 01 03	Wood packaging	10	Recycled
15 01 04	Metallic packaging	0.007	Recycled
15 01 07	Glass packaging	0.224	Recycled
15 01 10	Packaging containing residues of or contaminated by hazardous substances	0.010	Disposal
16 02 14	Discarded equipment other than those mentioned in 16 02 09 to 16 02 13	0.360	Disposal
16 06 05	Other batteries and accumulators	7.34	Disposal
17 04 05	Iron and steel	34.72	Recycled
17 04 07	Mixed metals	53.2	Recycled
17 04 11	Cables other than those mentioned in 17 04 10	10.78	Recycled
17 06 04	Mineral wool	0.481	Recycled
17 06 05	Construction materials containing asbestos	0.240	Disposal
19 12 04	Plastic and rubber	0.111	Recycled
20 01 01	Paper and cardboard	0.38	Recycled
20 01 21	Fluorescent tubes and other mercury-containing waste	0.107	Disposal
20 03 01	General waste	72.64	Disposal

Waste management	2021	2022	2023
Hazardous waste (t)	1.619	121.298	0.359
Non-hazardous waste (t)	3,970.352	230.116	192.611
Total waste generated (t)	3,971.971	351.414	192.97
Waste diverted from disposal - R12 (t)	3,886.466	127.803	110.331
Waste directed to disposal - D5 (t)	113,19	223.61	82.639
Total waste generated (t)	3,999.656	127.803	82.639



ROMINSERV SRL

Rominserv rigorously adheres to the ISO14001 environmental management standard, with its certification regularly renewed to ensure its environmental impact assessments remain current and comprehensive, especially when changes in the company’s activities occur.

The company’s Environmental Management Plan sets ambitious objectives, aiming for “Zero” environmental impact incidents, the advancement of its Waste Reduction Action Plan, and the ongoing enhancement of its environmental performance. Key to these goals is the effective management of expired or scrapped inventory in deposits and the implementation of selective waste collection to streamline specific waste treatments.

Operating on the Rompetrol Rafinare Petromidia Platform, a SEVESO site governed by Law 59/2016, Rominserv has instituted a robust framework to prevent any accidental environmental releases. This framework includes a comprehensive list of hazardous substances, risk assessments, emergency response planning (Procedure RIV-QHS-PR-C08-0018-R5), and pollution prevention strategies, supplemented by regular drills and exercises to ensure preparedness.

Understanding the importance of environmental stewardship, Rominserv is committed to raising awareness among its employees and subcontractors regarding waste reduction and the necessity of selective waste collection. As part of its commitment, Rominserv mandates subcontractor compliance with environmental protections, reflecting a comprehensive approach that encompasses everything from hazardous substances management to energy conservation and water management. Thus, the company insists that

its subcontractors adhere strictly to all environmental protection stipulations outlined in their contracts and the Health, Safety, and Environment (HSE) Convention.

A key aspect of Rominserv’s environmental strategy is its focus on energy efficiency, as evidenced by its compliance with ISO 50001 standards. Through detailed energy analyses, the company identifies significant opportunities for reducing consumption across electricity, gas, and diesel usage. Rominserv’s target is to lower its energy intensity index, factoring in energy performance in the design and procurement of new facilities and equipment to comply with emission standards. The company aims to reduce its energy intensity index by at least 0.5% compared to the reference established between 2015-2019.

To promote efficient energy use by customers, Rominserv maintains 100% monitoring of energy consumption within its work points.

Water usage at Rominserv is regulated through utility supply contracts with Rompetrol Rafinare, ensuring efficient water management and wastewater disposal at both the Petromidia and Vega work points. Although Rominserv itself does not hold Water Management Permits, it diligently manages wastewater discharge, sourcing drinking water from reliable suppliers to maintain health and safety standards.

Waste management at Rominserv aligns with strict legal provisions, underscored by a robust waste prevention plan. The plan outlines specific objectives for reducing waste generation across various categories, from wood and toner to plastics and metals. This strategy emphasizes the segregation of waste, ensuring that each type is appropriately stored and managed until it can be recovered or disposed of by authorized entities. The company’s approach reflects a commitment to minimizing waste stockpiles and avoiding environmental pollution or health risks.

The company exclusively purchases recyclable packaging for its market products, focusing on materials like paper and wood that can be efficiently processed and reused. This choice reflects a broader commitment to minimizing waste and promoting a circular economy within its supply chain. Also, Rominserv has entered into a recovery service contract that mandates the recovery of at least 60% of the total volume of packaging it introduces to the market. This contract ensures that a significant portion of used packaging is collected, processed, and recycled, reducing the environmental impact and contributing to the sustainability of resources.

In 2023, Rominserv undertook significant environmental and safety initiatives in line with its commitment to minimizing its ecological footprint and enhancing safety measures during its operations. Among these, the demolition of the Old Hydrogen Units (161-FH I/II/III) at the Petromidia Refinery was a noteworthy project. These units, constructed over four decades ago, were outdated in terms of capacity and efficiency. The project was approached with utmost care to eliminate risks to personnel, nearby structures, and the environment, adhering strictly to principles of preventive action and safe operational methods.

Environmental and safety considerations:

- **Soil protection:** throughout the demolition process, rigorous measures were implemented to prevent soil contamination. This included immediate cleanup of any spills, using biodegradable materials for quick intervention, and restoration of the land to its original condition upon project completion.
- **Air protection:** to mitigate dust and particulate matter, demolition activities were carried out using machinery only, without manual labor on site. Work surfaces were dampened, especially under

GRI

- GRI 301-1
- GRI 302-1
- GRI 302-3
- GRI 302-4
- GRI 303-1 - 303-5
- GRI 305-1
- GRI 305-2
- GRI 305-4
- GRI 306-2 - 306-5
- GRI 11.1.2
- GRI 11.1.4
- GRI 11.1.5
- GRI 11.1.6
- GRI 11.1.8
- GRI 11.5.3 - 11.5.6
- GRI 11.6.2 - 11.6.6
- GRI 11.8.2
- GRI 11.15.4

SASB

- EM-MD-110a.1
- EM-MD-110a.2
- EM-MD-120a.1
- EM-MD-120a.2
- EM-MD-160a.1
- EM-SV-110a.1
- EM-SV-110a.2
- EM-SV-160a.2

IPEICA

- CCE-4 C1, C2, A3
- CCE-6 C1, C2, A2, A5
- ENV-1 C1, A10
- ENV-3 C1, C2
- ENV-4 C1, C2, A1
- ENV-5 C1, C2, A1, A3
- ENV-6 C1-C4
- ENV-7 C1-C3, A1, A2, A4
- ENV-8 A1-A3

conditions of high temperatures and low humidity, to control dust emissions.

- **Waste management:** all waste produced during demolition was managed strictly in compliance with legal regulations. The principles of waste collection, temporary storage and recycling/recovery through authorized operators have been diligently followed. All the waste resulting from the decommissioning of the Hydrogen Factory was: metal waste – 281.200 tons, stainless steel – 8.340 tons, mineral wool – 7.240 tons, electric cables – 2.680 tons, engines – 5.160 tons, 22.320 tons of concrete were broken and reused in the Refinery. All waste was were handed to Rompetrol Rafinare

The primary objectives of this project included adherence to environmental protection and workplace safety laws, as well as making space available for the construction of a new Dewaxing Installation. The dismantling of the Old Hydrogen Units involved the careful removal of metal structures, equipment, and piping, ensuring no fire hazards during the initial cuttings and using mechanical means for sections potentially containing liquid hydrocarbons.

The project was not just a physical demolition but also a strategic move towards compliance with environmental and safety standards, demonstrating Rominserv’s proactive approach to operational excellence and environmental stewardship.

Rominserv’s initiatives in 2023 reflect a strong commitment to environmental sustainability and community welfare. No incidents of accidental pollution or grievances from local communities were reported, indicating the effectiveness of the implemented safety and environmental protection measures.

MATERIALS

In 2023, Rominserv reported the usage of various gases essential for its operations, reflecting a tailored approach to resource utilization across different years. These materials, critical for welding, cutting, and other specialized applications, underscore Rominserv’s commitment to maintaining operational efficiency and adaptability in meeting the needs of its various projects and services. The year-over-year changes in consumption reflect the company’s responsive approach to project demands and its strategic resource planning efforts.

Materials used	2023	2022	2021	2020
Acetylene (t)	0.266	0.596	0.321	0.754
Oxygen (t)	0.551	0.420	0.561	0.27
Nitrogen (t)	0.38	-	-	-

ENERGY

In 2023, the organization witnessed various trends in energy consumption across different categories, reflecting its operational dynamics and energy management efforts. The energy intensity, representing the ratio of total energy consumption (including fuel, steam, and gas) to turnover, showed a decrease in 2023. This decrease signifies an improvement in energy efficiency relative to the organization’s economic output. Moreover, a notable 32% reduction in energy consumption was achieved in 2023 compared to 2022, underscoring the organization’s effective energy conservation measures and the successful implementation of strategies aimed at reducing overall energy usage.

Energy consumption within the organization	2023	2022	2021	2020
Electricity (MWh)	663	639	833.498	866.880
Steam + hot water (MWh)	998	1,014.62	30,550	31,575
Natural gas (MWh)	0.209	0.2519	0.200	0.183
Vehicles - Scope 1 (tCO ₂ e), of which:	313.98	279.24	310	-
Gasoline (liters MWh)	87.671 824.107	n/a	n/a	n/a
Diesel (liters MWh)	32.624 306.665			

Energy Intensity	2023	2022	2021	2020
Energy intensity	0.000652578	0.000678081	0.000926017	0.000425663

WATER

In 2023, Rominserv’s water usage and management were governed by utility supply contracts and water management authorizations in collaboration with Rompetrol Rafinare for the Petromidia and Vega work points.

Water for Rominserv’s internal processes is supplied under the frameworks of water management authorization

numbers 147/2023 for Rompetrol Rafinare, Petromidia refinery and 31/2023 for Rompetrol Rafinare, Vega refinery, alongside utility supply contracts PEM–RIS no.505/2003 and Vega-RIS no. 06/2011.

Rominserv does not have direct obligations under these water management authorizations, emphasizing its role in utilizing shared

Water withdrawal	2023	2022	2021
Freshwater - RRC (th. liters)	7.271	8.659	9.875
La Fântâna (th. liters)	7.275	5.054	1.000
Mineral water (th. liters)	3.838	2.254	0.133
Total (th. liters)	18.385	15.967	11.009

Water discharge	2023	2022	2021
Total (th. liters)	7.271	8.659	9.875

Water consumption	2023	2022	2021
Total (th. liters)	11.114	7.308	1.134

resources efficiently. The primary source of drinking water for Rompetrol Rafinare comes from the regional R.A.J.A. system, delivered through a DN 250 mm connection pipe from the main Palas Constanta line.

Rominserv directs its wastewater into the sewerage system managed by Rompetrol Rafinare, ensuring that the disposal of wastewater is conducted responsibly and in alignment with environmental standards.

EMISSIONS

In 2023, Rominserv disclosed its greenhouse gas emissions under Scope 1 as totaling 314.38 tons of CO2 equivalent. The primary contributors to these emissions were from steam and hot water production and the organization’s vehicle fleet. Additionally, a small portion of emissions came from gas used for heating. Scope 2 emissions, which represent indirect GHG emissions from purchased electricity and other energy sources, were reported as zero for the years 2021 through 2023, indicating no significant indirect emissions from these sources.

The emissions intensity of Rominserv, which measures the emissions in relation to its fiscal value, showed a variation over the years, with a notable decrease in 2023. This change signals Rominserv’s ongoing commitment to improving its environmental footprint by effectively managing and aiming to reduce its GHG emissions in relation to its business operations.

Scope 1	2020	2021	2022	2023
Car fleet (t)	313.98	279.24	310	238
Gas for heating (t)	0.40	0.14	0.60	0.10
Total (tCO2e)	314.38	279.38	310.60	238.10

Source of the emission factors: IPCC 2006 Guideline

Scope 2	2020	2021	2022	2023
Steam (tCO2e)	0.224	0	192	172
Total (tCO2e)	0.224	0	192	172

Source of the emission factors: IPCC 2006 Guideline

Emissions Intensity	2020	2021	2022	2023
Scope 1+2/t fiscal value (tCO2e)	0.00064497555	0.00061458929	0.002147	0.000945

WASTE

In an effort to manage waste more effectively and align with the principles of the circular economy, Rominserv has undertaken initiatives and projects aimed at reducing or eliminating specific waste streams. These efforts have led to a total waste generation of 105.42 tons, categorized and managed according to specific waste codes as outlined in Decision 2014/955/EU. All waste generated is temporarily stored selectively, categorized by waste type in appropriately labeled containers, awaiting either treatment for recycling or disposal.

Waste management	2023	2022	2021	2020
Waste generated (t)	105.42	130.74	231.03	128.76
Waste diverted from disposal (t)	7.16	32.10	132.10	10.44
Waste directed to disposal (t)	98.26	100.24	87.99	120

Waste code and description	Generated	Recycled	Disposed
12 01 01 Metal scrap (t)	2.68	2.68	0
14 06 03 Solvents (t)	0.04	0.04	0
15 01 01 Paper and cardboard (t)	1.26	1.26	0
15 01 02 PET (t)	0.08	0.24	0
15 01 03 Wood, damaged pallets (t)	0.46	0.46	0
15 02 02 Absorbents, polishing materials (t)	0.34	0.34	0
16 02 14 DEEE	1.72	1.72	0
20 01 01 Paper and cardboard (t)	1.84	1.84	0
20 03 01 Mixed municipal waste (t)	98.26	0.00	98.26
Total (t)	105.42	7.32	98.26

ROMPETROL WELL SERVICES SA

At present, Rompetrol Well Services has not yet established a procedure for assessing risks related to climate change, which means no specific risks or opportunities tied to the energy transition have been pinpointed.

Nonetheless, an exploration into the potential adoption of renewable energy sources, particularly solar and photovoltaic panels, is underway. This exploration takes into account the legal constraints and feasibility for medium to long-term implementation across suitable locations.

The company pledges to address climate-related risks effectively through the enforcement of its QHSE policy, aligning with its strategic goals. This includes diligent monitoring of environmental factors influencing climate change to mitigate adverse impacts.

To ensure environmental compliance and reduce emissions, Rompetrol Well Services mandates all contractors adhere to Health, Safety, Environment, and Energy standards. This includes fulfilling legislative requirements and utilizing equipment that meets specified emissions criteria for various greenhouse gases and pollutants.

The company also implements a robust intervention program designed to prevent and address environmental incidents. This program includes procedures for spill prevention, scheduled spill prevention exercises, the availability of spill neutralization substances on-site, the mandatory use of personal protective equipment to mitigate injury risks or occupational diseases, and the adherence to safety protocols such as ensuring the technical equipment is securely attached to the earthing belt. These measures underscore the company’s dedication to environmental safety and compliance.

Our strategy to prevent unintended environmental releases includes:

- Adhering strictly to operational procedures during the start-up and shutdown of facilities, reducing the chance of accidental spills.
- Conducting regular drills to enhance spill response readiness, thus reinforcing our capacity to manage potential incidents effectively.
- Stocking spill-neutralizing agents readily available for immediate use, minimizing environmental impacts in case of incidents.
- Ensuring the provision of appropriate personal protective equipment (PPE) for all employees, reducing the risk of occupational hazards and environmental incidents.
- Connecting all relevant technical apparatus to grounding systems to prevent static discharge, thereby reducing ignition risks.

For waste management, Rompetrol Well Services employs a structured approach, including the use of clearly labeled containers for distinct waste types at each operational site. Monthly waste generation is documented, with annual summaries submitted to relevant environmental authorities via the Integrated environmental system managed by the National Agency for Environmental Protection.

Waste disposal is carried out responsibly, with authorized service providers engaged for regular collection and transport. Facilities are equipped with euro containers and other appropriate temporary storage solutions, strategically placed to efficiently collect and temporarily store waste generated between collection intervals.

Water supply and disposal contracts are in place with local utilities across our operational bases, ensuring responsible consumption and disposal practices. These arrangements cover drinking water supply and the treatment of household and meteorological water, with a focus on sustainability and compliance with local regulations.

Rompetrol Well Services ensures that all environmental issues, including permit acquisitions, relationships with authorities, and the implementation of corrective measures post-inspections, are promptly communicated to the management. This is achieved through weekly management meetings, monthly reports to Group Management, quarterly updates in the Risk Register, and annual analyses within the Integrated Management System. Moreover, the company aligns its operations with the KMG International Sustainability approach, allocating necessary resources to implement the group’s sustainability strategy effectively.

To manage environmental changes within the organization, Rompetrol Well Services employs a comprehensive metric system. This system encompasses various environmental aspects, including water usage, fuel consumption, power, wastewater quality, and waste management. These metrics are regularly reported within the Integrated Management System, enabling the management to stay informed and make well-informed decisions. Yearly, Rompetrol Well Services sets specific environmental objectives aimed at enhancing its impact on climate change, demonstrating its commitment to environmental stewardship and the pursuit of sustainability.

Throughout the reporting period, we have successfully avoided significant spills and did not receive any grievances from the local community, reflecting our commitment to environmental stewardship and community relations.

MATERIALS

Rompetrol Well Services (RWS) monitors and manages its raw material usage meticulously, with a particular focus on materials that significantly impact CO2 emissions. The primary raw material in this context is cement, a critical component in our operations. It’s important to note that RWS does not utilize recycled materials in our processes

Materials used	2023	2022	2021	2020
Total (t)	3,158.52	3,545.73	3,465.07	2,757.07

- GRI**
 GRI 301-1
 GRI 302-1
 GRI 302-3
 GRI 302-4
 GRI 303-1 - 303-5
 GRI 305-1
 GRI 305-2
 GRI 305-4
 GRI 306-3
 GRI 11.1.2
 GRI 11.1.4
 GRI 11.1.5
 GRI 11.1.6
 GRI 11.1.8
 GRI 11.5.3 - 11.5.6
 GRI 11.6.2 - 11.6.6
 GRI 11.8.2
 GRI 11.15.4
IPIECA
 CCE-1 C4
 CCE-2 C1
 CCE-3 C1
 CCE-4 C1-C4, A3
 CCE-6 C1, A2
 ENV-1 C1, C2
 ENV-6 C1-C4
 ENV-7 C2, C3

ENERGY

Romp petrol Well Services (RWS) has a focused approach towards managing its energy consumption, aiming to optimize and reduce its environmental impact. The company's energy usage encompasses fuel, electricity, natural gas, and water, reflecting its commitment to sustainability and efficient energy use.

Over the recent years, RWS has demonstrated fluctuations in fuel consumption, with efforts to reduce usage evident in the latest year. The company has also made strides in electricity consumption, achieving a reduction in CO2 emissions through the implementation of energy-saving measures.

Natural gas consumption at RWS shows a targeted approach towards energy efficiency, with a decrease in usage and

associated CO2 emissions. This indicates the company's commitment to reducing greenhouse gas emissions and contributing to environmental protection.

RWS's commitment to managing energy consumption extends beyond its operational boundaries, encompassing third-party transport services to ensure a comprehensive approach to sustainability.

The production of raw materials, particularly cement, significantly contributes to RWS's overall CO2 emissions. In 2023, cement acquisition amounted to 2,869 tons, leading to emissions of 2,524.7 tons CO2e.

RWS closely monitors energy intensity in relation to net turnover, with 2023 showcasing a commitment to reducing energy consumption across different domains:

Energy consumption within the organization	2023	2022	2021	2020
Fuels (liters / MWh), of which:	865,941 / 8,688.282	678,855 / 6,811.184	615,675 / 6,177.277	624,451 / 6,265.33
Diesel for heat production (liters)	6,242	11,205	8,119	4,046
Diesel for mobility (liters)	857,771	666,039	605,686	616,960
Gasoline for mobility (liters / MWh)	1,928	1,611	1,870	3,444
Electricity (MWh / tCO ₂ e)	254 / 21.21	286 / 62.10	274 / 59.44	268 / 58.28
Natural gas (MWh / tCO ₂ e)	1,311 / 235.97	1,468 / 286.12	1,818 / 326.36	1,621 / 286.12
Water (m ³)	3,418	2,986	2,659	3,555

Energy consumption outside the organization	2023	2022	2021	2020
Total consumption (liters)	127,300	121,803	108,203	71,000
Emission factor (kgCO ₂ e/km)	2.7	2.7	2.7	2.7
Emissions (kgCO ₂ e)	343,790	328,869	292,148	191,700
Emissions (kgCO₂e)	343.8	328.9	292.1	191.7

Energy consumption reduction	2023/2022	2022/2021	2021/2020
Electricity (MWh)	+12.60%	+4.29%	+6.50%
Natural gas (MWh)	-12.06%	-21.30%	-9.91%
Fuel for transport (liters)	+21.60%	+9.76%	+8.35%

- **Electricity consumption** saw a 12.60% decrease compared to 2022, emphasizing efficiency improvements and a shift towards more sustainable practices.
- **Natural gas consumption** decreased by 12.06% from 2022, reflecting the organization's efforts to lower its reliance on gas for heating and operational processes.
- **Fuel consumption for transport**, however, saw a 21.6% increase from 2022, underscoring the challenges and opportunities in optimizing logistics and reducing emissions from transportation.

These figures illustrate RWS's ongoing journey towards sustainability, balancing operational needs with environmental responsibilities. Through meticulous tracking, analysis, and strategic planning, RWS is making strides in reducing its energy consumption and minimizing its carbon footprint, aligning with broader sustainability goals and regulatory requirements.

Cement production	2023	2022	2021	2020
Raw materials - cement (t)	2,869	3,285	3,208	2,386
Emission factor (kgCO ₂ e/km)	880	880	880	880
Emissions (tCO₂e)	2,525	2,891	2,823	2,099

Cement transportation	2023	2022	2021	2020
Cement transport (t)	91,808	100,640	102,656	76,352
Emission factor (kgCO ₂ e/km)	2.7	2.7	2.7	2.7
Emissions (tCO₂e)	247.88	271.73	277.17	206.15

Energy Intensity	2023	2022	2021	2020
Net turnover (RON)	72,532,686	52,749,359	44,597,156	47,667,818
Electricity (MWh)	254	286	274	268
Natural gas (MWh)	1,310	1,468	1,818	1,621
Fuel transport (MWh)	8,688.282	6,811.184	6,177.277	6,265.33
Electricity intensity	0.0000035019	0.0000054219	0.0000061439	0.0000056222
Natural gas intensity	0.000018061	0.000027830	0.000040765	0.000034006
Transport intensity	0.0001198	0.00012912	0.00013851	0.00013144

WATER

Romp petrol Well Services (RWS) efficiently manages water resources across its seven working points throughout the country, including operational and non-operational bases, ensuring responsible consumption and adherence to environmental standards.

In Ploiești, RWS has a contract with Apa Nova Ploiești for the supply of drinking and household water. Wastewater from this base is responsibly managed by discharging it into the city's sewage system.

The Campina base enjoys a similar arrangement to Hidro Prahova, which supplies drinking and household water. Here too, wastewater is treated and discharged into the local sewage system, demonstrating RWS's commitment to environmental protection.

At Videle, the base's water needs, , are met through a contract with Apa-Serv Videle. The

base benefits from an independent water source, utilizing an unmetered drilled well.

Timisoara's operations are supported by Aqua Tim, focusing on sewage services. Water usage is closely monitored via a metered well, ensuring accurate billing and sustainable use.

The Moinești and Medias bases, water needs are met through contracts with CRAB Bacau and Apa Tarnavei

In Govora, Apavil Valcea provides water services, with the base employing concrete septic tanks for sewage management, underscoring RWS's dedication to environmental stewardship.

Across all bases, RWS has established a group contract with "La Fantana" for drinking water, ensuring that clean and safe water is accessible to all its operations.

Water management	2023	2022	2021	2020
Water withdrawal (th. liters), of which:	22.133	21.04	22.36	21.87
Surface water (th. liters)	18.69	18.03	19.68	18.30
Domestic water (th. liters)	3.44	3.01	2.68	3.57
Water discharged (th. liters)	22.104	21.001	22.340	21.86
Water consumption (th. liters)	0.029	0.039	0.02	0.02

EMISSIONS

Overall, RWS's data underscores a clear trajectory towards minimizing its carbon footprint, aligning with global sustainability targets and contributing to the broader fight against climate change. The GHG emissions intensity in 2023 reflected a more efficient operational model, with a ratio of total emissions to net sales significantly lower than previous years. This indicates a stride towards not only increasing operational efficiency but also reducing the environmental impact per unit of output.

RWS achieved a commendable 27.46% reduction in GHG emissions from 2022 to 2023, reversing the previous year's increase. This trend showcases the effectiveness of RWS's strategies in mitigating its GHG emissions across all scopes

Scope 1	2020	2021	2022	2023
Total Scope 1 (tCO₂e)	1,970.76	1,987.94	1,438.55	2,738.84

Scope 2	2020	2021	2022	2023
Total Scope 2 (tCO₂e)	58.28	59.32	62.10	21.21

Scope 3	2020	2021	2022	2023
Total Scope 3 (tCO₂e)	2,597.98	3,386.92	3,491.40	2,871.15

Emissions Intensity	2020	2021	2022	2023
Scope 1+2+3/Net sales	0.00009707	0.00012185	0.00010703	0.000254276

Reduction of energy consumption	2021	2022	2023
Variation from previous year	+9.31%	-13.85%	-27.46%

WASTE

RWS boasts a comprehensive waste management system designed to efficiently handle the waste generated from its operations. Equipped with Euro containers, specially designated outdoor areas, and concrete platforms strategically placed near waste generation points, RWS ensures a streamlined process for waste temporary storage and collection. These facilities feature temporary storage capacities tailored to accommodate the volume of waste produced in the intervals between collections. To facilitate sorting and recycling efforts, containers are color-coded and marked according to the specific type of waste they are meant to contain, with collection areas and platforms clearly labeled to match.

Waste management at RWS extends beyond mere collection and disposal. From the moment waste is generated to its final disposal or recovery, the process is meticulously monitored and documented. Each department within RWS is responsible for identifying and recording the types of waste it produces, a practice that is integral to the company's environmental management efforts. These records are incorporated into a comprehensive list of environmental aspects specific to each department, ensuring that waste is not only categorized accurately but also managed in accordance with its unique handling requirements. Temporary storage locations are designated for each waste type, facilitating its eventual recovery or disposal. This

systematic approach to waste management is captured in the annual waste management plan, which is subject to rigorous scrutiny through internal audits and both internal and external inspections.

To bolster its waste management capabilities, RWS has forged partnerships with authorized waste collection and recovery / disposal companies. These collaborations ensure that the waste generated by RWS's operations is managed responsibly, with a focus on recovery and disposal practices that align with environmental standards and regulations. Through these measures, RWS demonstrates its commitment to environmental stewardship and the principles of sustainable waste management.

Waste code and description	Waste management in 2023				Waste management in 2022				Waste management in 2021			
	Generated	Recycled	Disposed	Stock	Generated	Recycled	Disposed	Stock	Generated	Recycled	Disposed	Stock
07 02 99 Other unspecified waste - rubber (t)	32.304	0.000	32.304	0	32.304	0.000	32.304	0	-	-	-	-
08 03 17 Printer toner	-	-	-	-	0.030	0.030	0	0	-	-	-	-
10 11 13 Fiber glass (t)	-	-	-	-	-	-	-	-	-	-	-	-
13 02 05 Unchlorinated mineral oil (t)	1.650	0.790	0	0.860	0.850	0.850	0	0	-	-	-	-
15 01 02 Plastic packaging (t)	8.104	8.104	0	0	10.398	10.398	0	0	8.02	8.02	0	0
	PET (t)	0.070	0.070	0	0	0.196	0.196	0	0	0.14	0.14	0
15 01 03 Wood packaging (t)	3.609	3.609	0	0	-	-	-	-	-	-	-	-
15 01 11 Metal packaging (t)	-	-	-	-	0.540	0.540	0	0	-	-	-	-
15 02 03 Air filters (t)	0.080	0.080	0	0	-	-	-	-	-	-	-	-
16 01 03 Used tires (t)	-	-	-	-	0.002	0	0.002	0	3.46	3.46	0	0
16 01 07 Oil filters (t)	0.150	0	0.150	0	0.260	0.260	0	0	-	-	-	-
16 03 05 Organic waste with hazardous substances (t)	-	-	-	-	0.840	0.840	0	0	-	-	-	-
17 04 02 Aluminium (t)	4.920	4.920	0	0	-	-	-	-	-	-	-	-
	Iron and steel filings and shavings (t)	-	-	-	-	-	-	-	0.40	0.40	-	-
20 01 01 Paper and cardboard (t)	8.585	8.585	0	0	0.360	0.360	0	0	0.63	0.63	0	0
	Paper and cardboard packaging (t)	0.339	0.339	0	0	-	-	-	0.16	0.16	0	0
20 01 21 Fluorescent tubes	-	-	-	-	0.015	0.015	0	0	-	-	-	-
20 01 36 Electric and electronic equipment	-	-	-	-	-	-	-	-	1.30	1.30	-	-
20 03 01 Mixed municipal waste (t)	32.304	0	32.304	0	31.460	0	31.460	0	25.31	0	25.31	0
Total (t)	59.811	26.497	32.454	0.86	61.251	29.789	31.462	0	72.652	47.339	25.31	0

ROMPETROL QUALITY CONTROL SRL

RQC diligently adheres to all relevant legal requirements in its domain of activity, ensuring a comprehensive approach to risk management, including those related to climate change. The organization systematically assesses climate-related risks and opportunities on a quarterly basis, integrating these considerations into its broader risk management strategy.

The QHSE Coordinator is tasked with defining climate-related targets for the Technical Department, aligning these goals with overall management objectives. These climate-related concerns are regularly discussed during management meetings, allowing for the tracking of progress against the Objectives matrix. This matrix, which sets annual targets for all departments, is reviewed biannually to ensure responsiveness to evolving climate-related challenges.

Environmental issues are promptly communicated to management through various channels:

- Immediate email notification upon issue identification
- Weekly updates during management meetings
- Monthly reports to Group Management
- Quarterly updates in the Risks Register for both Group and Local Management
- Annual analysis within the Integrated Management System

RQC maintains strict compliance with emergency preparedness requirements through the documentation, approval, implementation, and regular updating of critical plans and documents. These include lists of hazardous substances, pollution prevention and response plans, fire safety and intervention strategies, internal emergency protocols, earthquake preparedness guidelines, evacuation procedures, civil protection notification systems, and comprehensive emergency response procedures.

Water supply for RQC is secured through utility contracts with Rompetrol Rafinare, supporting the operational needs of the Petromidia and Vega refineries. This water, used in internal processes, is then safely discharged into the Rompetrol Rafinare-managed sewer system. Drinking water is sourced from certified vendors, ensuring quality and safety.

To prevent accidental environmental releases, RQC employs a multifaceted strategy, including a dedicated accidental pollution prevention plan and a rapid emergency response framework. Regular drills, conducted semi-annually, train staff to manage accidental releases effectively, ensuring readiness and capability to address potential environmental impacts swiftly. Throughout the reporting period, RQC successfully avoided any spills or community grievances.

Indoor air quality is closely monitored, particularly for pollutants emitted within laboratory settings, through a dedicated Environmental Factors/ Chemical and Physical Noxes Testing Program. Regular internal audits and inspections ensure ongoing compliance and environmental stewardship.

Semi-annual monitoring of discharged water encompasses a range of indicators, including pH levels, suspended solids, SESO, chemical and biochemical oxygen demands, and anionic surfactants, ensuring discharged water meets environmental standards. The wastewater from RQC is released into the sewerage system owned by Rompetrol Refinery.

Waste management at RQC complies with legal standards, with waste sorted by type and stored in designated areas to prevent environmental contamination.. The generated waste are handed over to specialized companies for recovery/disposal. Through partnerships with 'Polaris Mediu SRL' and 'SC United Waste Solutions SRL' for general waste and 'Greentech Servicii Ecologice SRL', 'SC Indeco Group Company' and 'Chemical Company' for specialized waste, RQC aims to reduce waste generation by 1% compared to the previous year, demonstrating its commitment to environmental sustainability and responsible waste management.

MATERIALS

In 2023, a diverse array of substances was utilized by the organization, indicating a complex and varied usage of materials across operations. The substances ranged widely in quantity, from just a few grams to several kilos, showcasing the specialized nature of the processes involved.

These detailed inventories for both years reflect the organization's commitment to maintaining precise records of materials used, essential for environmental management and compliance with regulatory standards. Given the nature of its operations, the company does not use recycled materials in its processes.

- GRI**
 GRI 301-1
 GRI 302-1
 GRI 302-3
 GRI 303-1
 GRI 303-3 - 303-5
 GRI 305-1
 GRI 305-2
 GRI 306-3
SASB
 EM-MD-110a.1
 EM-MD-160a.1
IEPECA
 CCE-1 C1, C3
 CCE-4 C1, C2
 CCE-6 C1, C2
 ENV-1 C1, C2
 ENV-2 A1
 ENV-6 C1-C4
 ENV-7 C2, C3

RQC SRL materials used	2023	2022
1-Butanol	0.017	
2-Ethylphenylhydrazine hydrochloride	-	0.00002
Acetone	0.204	0.028
Amino acid reagent	0.007	0.002
Ammonia 25% solution	-	0.022
Ammoniacal nitrogen reagents (TNT)	-	0.0005
Ammonium acetate	0.000154	0.000433
Ammonium chloride	0.00186	0.0014
Ammonium ferric alum	-	0.0008
Ammonium heptamolybdate	0.003195	0.002
Benzyl alcohol	0.04	0.0475
Biphenyl sodium	0.001	-
Biokit LZK555 set	-	0.001
Bismuth nitrate	-	0.0001
Boric acid	0.00237	0.00045
Bromocresol green	0.0000022	0.000005
Bromothymol blue	0.000011	-
Cadmium acetate	0.00182	0.00275
Cadmium sulfate	0.00001	0.001
Calcium chloride	0.000041	0.001
Chlorobenzene	-	0.001
Coulometric Karl Fischer reagent	-	0.021
Chromotopic acid C ₁₀ H ₆ O ₈ S ₂	0.000025	-
Cyclohexane	0.056	0.035
DEHA 1 (glycine)	0.007996	0.01005
DEHA 2	0.0033	0.0042
Dichloromethane	0.006	0.0375
Dissolved oxygen reagent	-	0.00243
Dithizone C ₁₃ H ₁₂ N ₄ S	0.0000093	0.0000005
EDTA	0.0006939	0.000029

RQC SRL materials used	2023	2022
Eriochrome Black T	0.0000293	0.0000305
Ethanol	-	0.186
Ethanolamine	-	0.0001
Ethyl alcohol	0.05	-
Ethyl ether	0.00075	0.00005
Flow Injection Analysis (FIA)	0.00004	0.001
Formaldehyde	0.000502	0.00025
Glacial acetic acid	0.073	0.036
Hexane	0.01	0.0035
Hydranal coulomat	0.0569875	-
Hydranal-composite 5	0.011	0.007
Hydrochloric acid	0.0045	0.03783
Isooctane (2,2,4-trimethylpentane)	0.403113	0.43575
Isopropyl alcohol	0.47022	0.419
LCK345 phenol cuvette test	0.00002	0.00244
Mercury thiocyanate	0.000035	0.002001
Mercury (II) sulfate	0.0001	0.00004
Methanol	-	0.049
Methyl Red	-	0.000006
Methylated spirit	0.064	-
Monopotassium phosphate	0.00023	0.001
Nessler reagent	0.003038	0.00275
N-heptane	0.275	0.208
N-hydrocarbons	-	0.001
N-hexadecane	0.002	-
Nitraver 5	0.00015	0.00025
Nitric acid	0.025	0.0175
Ortho-xylene	0.216	0.201
Oxalate of N	0.00001	0.00003
Oxalic acid dihydrate	0.001706	0.0014

RQC SRL materials used	2023	2022
Perchloric acid	0.001138	0.000002
Petroleum ether	0.2983	0.3076
Phenolphthalein	0.00001565	0.000023
Potassium bichromate	0.0002859	0.0001935
Potassium bromide	0.003	0.003
Potassium chromate	0.00004	-
Potassium hydroxide	0.0355	0.021
Potassium iodide	0.00139	0.004666
Potassium permanganate	0.000025	0.0000186
Potassium-sodium tartrate	0.00166	0.00152
Reagent 2 sulphides	0.0003	-
Silver nitrate	0.000060303	0.1001185
Sodium acetate	0.00205	0.00001
Sodium azide	0.000055	
Sodium biphenyl		0.003
Sodium borohydride		0.00005
Sodium hydroxide	0.040299	-
Sodium nitroprusside	0.00001597	0.000306
Sodium oxalate	0.0011764	0.000019
Sodium pyrosulphite	0.0025	0.005
Sodium sulfate anhydrous	0.00548	0.00132
Sodium thiosulfate	0.003372	0.00224
Sulfide 1	-	0.001
Sulfuric acid	0.0215	0.24
Tetrahydrofuran	0.003	0.005
Toluene	0.209	-
Xylene	0.264	0.222
Zinc	-	0.000008
Zinc acetate	0.001144	0.000126
Zinc oxide	0.002	0.001

ENERGY

In 2023, the organization's energy consumption encompassed a diverse mix of electricity, natural gas, and fuel for vehicles, indicating a comprehensive approach to meeting its energy needs.

Comparing the year 2023 with 2022, there was a noted decrease in natural gas consumption, from 636 MWh in 2022 to 618.803 MWh in 2023, marking a 2.7% reduction. This decrease in natural gas usage demonstrates the organization's efforts towards energy conservation and efficiency improvement. Despite this decrease, the overall energy profile underscores the organization's ongoing efforts to balance operational demands with environmental considerations, including the reduction of energy consumption where possible.

Energy consumption within the organization	2023	2022
Gasoline (liters MWh)	32,121 286.3219	23,524
Diesel (liters MWh)	15,546 164.7876	10,051
Electricity (MWh)	287.565	267
Natural gas (MWh)	618.803	636

WATER

In 2023, Rompetrol Quality Control (RQC) utilized water for its operational needs, sourcing it through utility supply contracts with Rompetrol Refinery for the PEM and Vega working points. The organization's water usage encompasses both plain and sparkling water supplied by distributors, in addition to the domestic water used in internal processes.

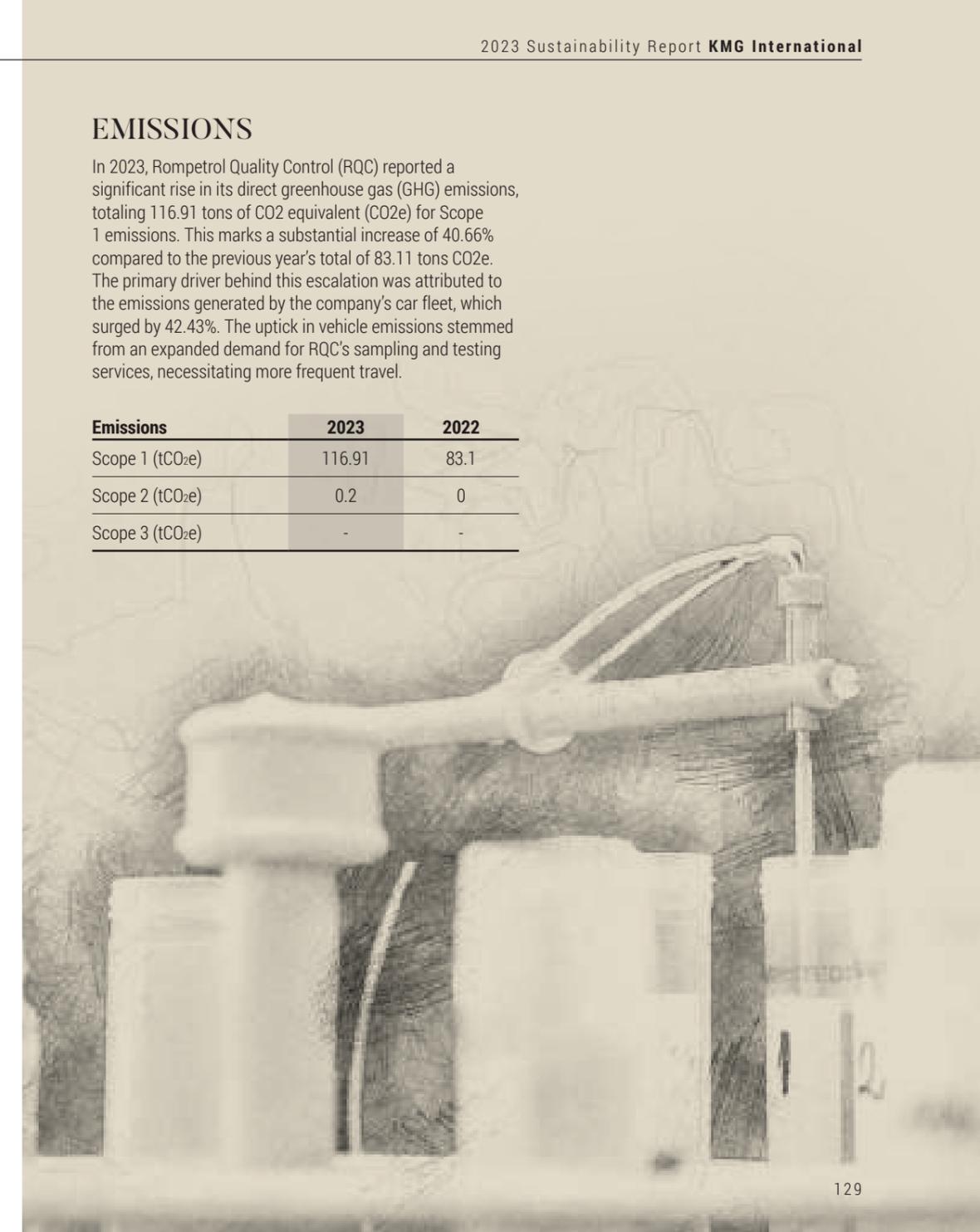
Water discharge management is a crucial aspect of RQC's environmental responsibilities, with all wastewater being discharged into the sewerage system managed by Rompetrol. In 2023, the total volume of water discharged matched the volume of domestic water used, amounting to 12.933 ML, demonstrating a comprehensive approach to managing water discharge-related impacts and ensuring that the wastewater discharge processes are aligned with environmental standards.

Water management	2023	2022
Water withdrawal (th. liters), of which:	12.978193	11.99784
Still & sparkling water	0.045193	0.046484
Domestic water	12.933	11.951
Water discharged (th. liters)	12.933	11.951
Water consumption (th. liters)	0.0455193	0.046484

EMISSIONS

In 2023, Rompetrol Quality Control (RQC) reported a significant rise in its direct greenhouse gas (GHG) emissions, totaling 116.91 tons of CO2 equivalent (CO2e) for Scope 1 emissions. This marks a substantial increase of 40.66% compared to the previous year's total of 83.11 tons CO2e. The primary driver behind this escalation was attributed to the emissions generated by the company's car fleet, which surged by 42.43%. The uptick in vehicle emissions stemmed from an expanded demand for RQC's sampling and testing services, necessitating more frequent travel.

Emissions	2023	2022
Scope 1 (tCO ₂ e)	116.91	83.1
Scope 2 (tCO ₂ e)	0.2	0
Scope 3 (tCO ₂ e)	-	-



WASTE

At Rompetrol Quality Control, waste management and reduction are crucial aspects of our environmental stewardship efforts. Our facilities are equipped with euro containers and specially designed areas, including indoor spaces and concrete platforms, strategically located near waste generation points. These containers, which have a temporary storage capacity that matches the interval between two collections, are clearly labeled according to the type of waste they collect, ensuring efficient waste segregation and management.

Every department within RQC is responsible for identifying the types of waste generated from their operations and documenting them in a detailed list of environmental aspects. Depending on the category, waste is temporarily stored in allocated areas designed for either disposal or recovery. Our comprehensive approach to waste management extends from the initial generation of waste through to its final recovery or disposal, with contracts

established with specialized companies including Polaris Mediu SRL and United Waste Solutions SRL for general waste, and Greentech Servicii Ecologice SRL, SC Indeco Group Company and Chemical Company for other types of waste.

In adherence to legal requirements and our internal waste management and reduction plans, all waste categories are managed by environmentally authorized companies. Our efforts focus on minimizing waste-related impacts through strict compliance with legal provisions and the application of internal procedures.

Waste generated	2023	2022
Used oil (t)	0.21	0.2
Packaging containing residues or are contaminated with substances dangerously (t)	1.087	0.375
Absorbents, filter material, protective clothing contaminated with dangerous substances (t)	0.0062	0.0522
Inorganics laboratory chemicals constantly expired from dangerous substances (t)	0	0.127
Organic laboratory chemicals constantly expired from dangerous substances (t)	0	0.097
Total hazardous waste (t)	13,032	0.851
Plastic packaging (t)	0.573	2.6
Paper & cardboard (t)	3.19	2.58
Paper & cardboard packaging (t)	0.885	0.580
Glass (t)	0.033	0.03
Iron and steel (t)	0.88	-
Discarded equipment other than those mentioned in 16 02 09 to 16 02 13 (t)	1.52	-
Mixed municipal waste (t)	35.84	35.18
Total non-hazardous waste (t)	42.92	40.94

Waste diverted from disposal	2023	2022
Used oil (t)	0	0
Packaging containing residues or are contaminated with substances dangerously (t)	0	0
Absorbents, filter material, protective clothing contaminated with dangerous substances (t)	0	0
Inorganics laboratory chemicals constantly expired from dangerous substances (t)	0	0
Organic laboratory chemicals constantly expired from dangerous substances (t)	0	0
Total hazardous waste (t)	0	0
Plastic packaging (t)	0.65	2.6
Paper & cardboard (t)	7.62	2.58
Paper & cardboard packaging (t)	2	0.580
Glass (t)	0.103	0.03
Iron and steel (t)	0.88	-
Discarded equipment other than those mentioned in 16 02 09 to 16 02 13 (t)	0	-
Mixed municipal waste (t)	0	-
Total non-hazardous waste (t)	11.25	5.76

Waste directed to disposal	2023	2022
Used oil (t)	0.38	0.2
Packaging containing residues or are contaminated with substances dangerously (t)	1.228	0.375
Absorbents, filter material, protective clothing contaminated with dangerous substances (t)	0.032	0
Inorganics laboratory chemicals constantly expired from dangerous substances (t)	0	0
Organic laboratory chemicals constantly expired from dangerous substances (t)	0.097	0
Total hazardous waste (t)	1.737	0.575
Plastic packaging (t)	0	0
Paper & cardboard (t)	0	0
Paper & cardboard packaging (t)	0	0
Glass (t)	0	0
Iron and steel (t)	0	-
Discarded equipment other than those mentioned in 16 02 09 to 16 02 13 (t)	1.52	-
Mixed municipal waste (t)	35.84	35.18
Total non-hazardous waste (t)	37.36	35.18

MIDIA MARINE TERMINAL SRL

Petromidia Refinery operates under stringent regulatory standards as a SEVESO upper-tier site, adhering to Law 59/2016 which enforces the SEVESO Directive for managing major accident hazards involving dangerous chemicals. This compliance extends to the operation of the offshore Midia marine terminal, including the entire oil supply and storage infrastructure for the Rompetrol Midia Marine Terminal (MMT), mandating strict adherence to the outlined legislative requirements.

To effectively manage and mitigate potential risks associated with these operations, the company has established a comprehensive framework of preventive measures and emergency response plans. This framework encompasses a detailed inventory of hazardous substances, safety reports, internal emergency plans, pollution prevention strategies, fire safety protocols, evacuation procedures, and a host of other contingency plans covering a wide range of potential risks, from earthquakes to hazardous weather conditions. This ensures a prepared and responsive stance against any adverse incidents.

- List of Dangerous Substances: a detailed inventory of all hazardous chemicals stored or used on site, to understand and manage the associated risks.
- Safety Report-Rompetrol Rafinare: a comprehensive document that assesses the potential impact of the refinery's operations on the safety of employees, the environment, and the surrounding community.
- Internal Emergency Plan-Rompetrol Rafinare: outlines the procedures and actions to be taken in case of an internal emergency, ensuring a coordinated and effective response.
- Accidental Pollution Prevention and Control Plan: strategies and measures to prevent and mitigate the effects of accidental releases of hazardous substances.

- Fire Prevention and Extinction Intervention Plan-Rompetrol Rafinare: detailed procedures and measures to prevent, control, and extinguish fires within the facility.
- Evacuation Plan-Rompetrol Rafinare: a protocol for safely evacuating personnel in the event of an emergency, ensuring their well-being and safety.
- Civil Protection Notification and Alarm Plan-Rompetrol Rafinare: systems and procedures for alerting employees and nearby communities about emergencies and providing instructions on how to respond.
- Earthquake Defense Plan-Rompetrol Rafinare: preparedness and response strategies specifically designed to address the risks posed by seismic events.
- Plan for the Management of Emergencies Caused by Floods and Hazardous Weather Events-Rompetrol Rafinare: preparedness measures and response actions for natural disasters such as floods and severe weather conditions.
- Action Plan to Prevent and Combat Snowfall, Frost, Landslides, and Other Hazardous Weather Phenomena Specific to the Cold Season-Rompetrol Rafinare: guidelines and procedures to address the challenges posed by winter weather conditions and ensure operational continuity.
- "Emergency Preparedness and Response Capacity" work procedure: a framework for establishing and maintaining the refinery's readiness to respond to emergencies, including the allocation of resources and responsibilities.
- Training, skills development, and emergency response exercises: continuous training programs and drills to enhance the skills and preparedness of the refinery's workforce in dealing with potential emergencies.

Furthermore, the organization employs a systematic process, "The environmental aspects and risk factors," for identifying and evaluating the environmental impacts of its operations, particularly in ecologically sensitive areas. This procedure allows for the prioritization of actions needed to minimize our environmental footprint effectively, using specific criteria and metrics to assess and monitor our efforts.

Proactive measures are in place to avert accidental releases into the environment, underscored by dedicated plans for accidental pollution prevention and tailored emergency response strategies. This vigilance has resulted in a track record free from significant spills or community grievances during the reported period.

In terms of water management, MMT adheres to the Water Management Permit no. 40/2021, ensuring responsible water use within its facilities and the proper handling of wastewater. The terminal's administrative water supply is sourced from RAJA SA's potable water network, with no technological water usage or wastewater discharge into sewer systems. Instead, wastewater is responsibly managed through septic systems and treated at the Rompetrol Rafinare – Petromidia Refinery's treatment plant before safe release into the Black Sea.

Pollutant levels in discharge water are closely monitored in compliance with our water management permit, ensuring that our operations maintain a low environmental impact. Additionally, our operational protocols include stringent measures to prevent accidental marine pollution, exemplified by the use of anti-pollution barriers during ship loading and unloading operations.

Waste management at MMT is systematic and responsible, with all departments identifying, segregating, and documenting waste according to its type and ensuring its proper disposal or recovery through authorized service providers.

- GRI**
 GRI 301-1
 GRI 302-1
 GRI 302-3
 GRI 303-1
 GRI 303-3 - 303-5
 GRI 305-1
 GRI 305-2
 GRI 306-3
SASB
 EM-MD-110a.1
 EM-MD-160a.1
IPECA
 CCE-1 C1, C3
 CCE-4 C1, C2
 CCE-6 C1, C2
 ENV-1 C1, C2
 ENV-2 A1
 ENV-6 C1-C4
 ENV-7 C2, C3

Our Environmental Management Plan underscores our commitment to environmental stewardship, emphasizing zero environmental impact incidents, continuous improvement of environmental performance, compliance with environmental permits, and the fostering of waste prevention and reduction culture among our employees. Through these comprehensive measures, MMT not only meets but aims to exceed regulatory requirements, demonstrating our dedication to environmental responsibility and sustainable operation.

ENERGY

In 2023, the organization reported a decrease in energy consumption to 596.097 MWh of electricity. Fuel consumption included 12,987 liters of gasoline and 571,824 liters of diesel, alongside 6,502 liters of propane for heating. This adjustment in energy sources reflects a focused attempt at improving energy efficiency across operations.

The energy intensity for 2023, a metric that measures the energy efficiency of the organization's operations, was noted at 0.0001033. This figure is based on the total energy consumption in relation to the volume of cargo handled at the organization's facilities.

Overall, the year 2023 reflected a 3.85% decrease in energy consumption compared to 2022, building on the 8.5% reduction achieved from 2021 to 2022. This progression underscores the organization's continuous efforts to refine its energy management practices, with a particular focus on enhancing efficiency and reducing its environmental footprint.

Energy consumption within the organization	2023	2022
Gasoline (liters MWh)	12,987 115.5042	13,589
Diesel (liters MWh)	571,824 6,061.3344	513,890
Electricity (MWh)	596,097	670,133
Propane (liters MWh)	6,502 68.5961	12,372

1 L natural gas = 0.01055 MWh; 1 L gasoline = 0.0089 MWh; 1 L diesel = 0.0106 MWh

Energy Intensity	2023	2022	2021
Energy used (MWh)	596.097	670.133	727.120
Feedstock handled* (t)	5,770,170	6,237,076	5,260,416
Energy intensity	0.0001033	0.0001074	0.000138225

Total tons feedstock handled/unloaded through SPM/Berth 9



WATER

At the Midia Marine Terminal, water management adheres to the stipulations of Water Permit no. 40/2021, ensuring practices meet the required standards over its three-year validity. The administrative headquarters receives its water supply from the port's drinking water distribution network, operated by RAJA SA, catering to drinking, hygiene, and domestic needs. Notably, the terminal's operations do not incorporate water into their technological processes, nor do they produce wastewater for discharge. Instead, wastewater is collected in a septic tank, then emptied and treated at Rompetrol Rafinare's Final Waste Water Treatment Plant.

In terms of water discharge management, the terminal conducts rigorous monitoring of specific pollutants as mandated by the water management permit. Analytical results have consistently complied with permit conditions, indicating no exceedances in pollutant levels.

Water withdrawal	2022	2023
Freshwater RAJA (th. liters)	2.074	2.051
Freshwater RRC (th. liters)	-	0.26
La Fântâna (th. liters)	0.038477	0.0475
Mineral water (th. liters)	-	0.0057
Total (th. liters)	2.112477	2.3642

Water discharge	2022	2023
Municipal sewerage (th. liters)	0.076	0.174

Water consumption	2022	2023
Withdrawal - discharge (th. liters)	2.036477	2.1872

EMISSIONS

In 2023, the organization experienced an increase in direct greenhouse gas (GHG) emissions due to its operational activities, which include vehicles, machinery, and vessels, totaling 1762.58 tons of CO2 equivalent. This was an upward shift from the previous year's 1,438.55

tons. However, there was a positive development in reducing indirect GHG emissions from electricity consumption, dropping to 103.98 tons of CO2 equivalent from 147.39 tons in 2022. This suggests strides towards using energy more efficiently or adopting cleaner energy sources.

The GHG emissions intensity, a metric indicating the emissions per ton of material handled, also saw changes. In 2023, with a higher emissions total but a lower volume of material processed, the emissions intensity rose slightly.

Scope 1	2022	2023
Vehicles, machinery, vessels (tCO ₂ e)	1,438.55	1,762.58
Total Scope 1 (tCO₂e)	1,438.55	1,762.58

Scope 2	2022	2023
Electricity (tCO ₂ e)	147.39	103.98
Total Scope 2 (tCO₂e)	147.39	103.98

Scope 2	2022	2023
Electricity (tCO ₂ e)	147.39	103.98
Total Scope 2 (tCO₂e)	147.39	103.98

Emissions Intensity	2023	2022
Scope 1+2 (tCO ₂ e)	1,866.56	1,585.94
Feedstock handled* (t)	5,770,170	6,237,076
Energy intensity	0.0002925	0.000254276

Total tons feedstock handled/unloaded through SPM/Berth 9

WASTE

In 2023, the company maintained its commitment to waste management, identifying and monitoring waste streams from their generation to final disposal or recovery. Notably, the waste generated increased to 13.93 tons, with a significant portion being hazardous waste (8.52 t) due to activities like used oil and slam disposal. The total non-hazardous waste amounted to 5.41 t, including items such as plastic packaging, paper, cardboard, and household waste.

This represents a shift from 2022, where the total waste was 9.8388 t, with hazardous waste constituting 4.4808 t and non-hazardous waste 5.358 t. The increase in hazardous waste in 2023 underscores the need for stringent management and disposal practices to mitigate environmental impacts.

The company's approach to waste management is grounded in legal compliance and internal policies that prioritize waste prevention, selective collection of recyclable waste, and identification of alternative waste valorization methods. Waste is managed to minimize environmental impact, with all categories of waste being disposed of or recycled by authorized entities.

Waste diversion efforts saw a decrease in 2023, with 0.22 t of waste recycled compared to 0.358 t in 2022. This indicates a potential area for improvement in recycling initiatives and waste reduction measures. The total waste directed to disposal also increased in 2023 to 13.71275 t, highlighting the ongoing challenge of managing waste effectively in a way that is both environmentally responsible and compliant with regulatory standards.

Waste generated	2023	2022
Used oil	3.562	1.3
Plastic packaging waste	0.12053	0.058
Paper and cardboard	0.16887	0.3
Municipal waste	5.004	5
Bilge water	2.7	2.85
Splam	2.26	0.33
Cloths soaked in oil products	0.00075	0.0008
Plastic (standard safety helmet)	0.12	-
Total hazardous waste (t)	8.52	4.4808
Total non-hazardous waste (t)	5.41	5.358
Total waste generated (t)	13.93	9.8388

Waste directed to disposal	2023	2022
Total hazardous waste	8.52275	4.4808
Total non-hazardous waste	5.19	5
Total waste disposed (t)	13.71275	4.8388

ROMPETROL HQ

GRI	GRI 305-1	GRI 305-7
GRI 302-1	GRI 305-2	GRI 306-1 - 306-5
GRI 303-3 - 303-5	GRI 305-6	

KMG Rompetrol, KMG Rompetrol Services Center and KMG Rompetrol Development operate in the Rompetrol HQ building, which holds LEED GOLD certification and has recently benefited from both interior and exterior improvements focused on sustainability. The design, quality of materials, furniture, lighting, and energy-efficient solutions were all given careful consideration to ensure functionality and energy efficiency.

In line with sustainable waste management practices, a selective waste collection system has been implemented throughout the building. Containers for plastic, paper, and municipal waste are conveniently located on each floor, ensuring easy access for employees while promoting responsible waste disposal habits. This system is part of a broader strategy to minimize waste generation and its environmental impact.

To further bolster waste management efforts, the building Administrator has entered into agreements with authorized waste collection and transportation companies. These partnerships ensure that waste generated within the facility is collected efficiently and directed towards appropriate valorization or disposal channels, in compliance with environmental regulations. Additionally, a specific arrangement with a company specializing in the valorization of electrical and electronic equipment waste underlines the comprehensive approach to waste management at the HQ.

Waste traceability is another critical aspect of the building's waste management strategy. Detailed records are maintained, documenting the type of waste (hazardous or non-hazardous), its classification code, the companies responsible for waste collection and transportation, and the waste's final destination (whether for recovery or disposal). This level of documentation is crucial for ensuring accountability and transparency in waste management practices. Starting with the year 2023, according to the legal requirements entered into force in January, the record of waste is reported to the competent authority for environmental protection, more precisely the data and information are made available to EPA Bucharest electronically, in the system provided by NEPA.

To support these operational practices, KMG Rompetrol has developed, and routinely updates, an organizational Plan for the prevention and reduction of waste generation. This plan underscores the commitment to minimizing waste at its source and adhering to all relevant legal requirements related to waste management.

ENERGY

In 2023, the organization witnessed slight fluctuations in energy consumption across different scopes compared to the previous year, 2022. These changes reflect both efforts to manage energy use more efficiently and the impact of external factors such as weather conditions.

The organization's electricity consumption experienced a minor decrease, marking a reduction of less than 1.5%. Contrary to the reduction in electricity, there was a notable increase in energy consumption for the heating and cooling system, primarily due to the natural gas usage. This spike was largely attributed to extreme weather conditions, with 2023 being reported as the hottest year since 1900 in Romania. This unusual heat led to prolonged use of cooling systems, subsequently driving up the energy consumption.

Energy consumption related to the car fleet also saw adjustments. Gasoline consumption changed marginally; however, diesel usage witnessed a significant reduction in 2023, contributing to an overall reduction in car fleet energy consumption by less than 15%.

Energy consumption within the organization		2023	2022
Scope 1: car fleet	Gasoline (liters MWh)	30,808 274.19	30,625 290.9375
	Diesel (liters MWh)	70,176 743.87	90,433 4,420.2443
Scope 1: heating & cooling	Natural gas (MWh)	2,293.4434	1,524.11
	Diesel (liters MWh)	390 4.13	3076 150.3507
Scope 2	Electricity (MWh)	1,176.35021	1,194

WATER

In 2023, the organization experienced an increase in water usage, with the total water withdrawal reaching 4.41034 million liters (ML), up from 3.38541 ML in 2022. This increase was primarily due to a higher amount of water drawn from the public network, rising from 3.331 ML in 2022 to 4.37044 ML in 2023. Conversely, the consumption of potable water supplied by "La Fantana" slightly decreased during the same period.

The total water discharged into the public network in 2023 matched the increased withdrawal amount, indicating a higher overall water usage. Despite this increase in withdrawal and discharge, water consumption at the organization's headquarters saw a decrease.

Water withdrawal	2022	2023
Potable water - La Fântâna (th. liters)	0.05441	0.0399
Municipal network water (th. liters)	3.331	4.37044
Total (th. liters)	3.38541	4.41034

Water discharge	2022	2023
Municipal sewerage (th. liters)	3.331	4.37044

Water consumption	2022	2023
Withdrawal - discharge (th. liters)	0.05441	0.0399

EMISSIONS

In 2023, there was a noticeable shift in CO2 emissions across different scopes within the organization. Total Scope 1 emissions saw a 10% increase from the previous year, rising to 662.64 tons of CO2e, compared to 630.75 tons in 2022. This increase was primarily observed in the heating and cooling system emissions, which can be attributed to the extended use of natural gas, particularly for cooling during the exceptionally hot summer months, marking 2023 as the hottest year since records began in 1900. Conversely, emissions from the organization's car fleet decreased from 314.63 tons in 2022 to 248.55 tons in 2023, reflecting a reduction in fleet-related emissions.

The organization also witnessed a significant change in Scope 2 emissions, with a 28 % increase in 2023. This increase was solely due to electricity usage, with the entirety of Scope 2 emissions in 2023 stemming from electricity consumption. The rise in Scope 2 emissions can be attributed to the application of different emission factors. For 2023, the calculation was based on emission factors provided by the electricity supply companies' energy labels for 2022, as the 2023 figures were not yet available. In contrast, the 2022 emissions were calculated using a national-level emission factor.

Scope 1	2022	2023
Heating and cooling (tCO ₂ e)	316.12	414.093
Car fleet (tCO ₂ e)	314.63	248.55
Total Scope 1 (tCO₂e)	630.75	662.64

Scope 2	2022	2023
Electricity (tCO ₂ e)	259.34	360.20
Total Scope 2 (tCO₂e)	259.34	360.20

Air emissions	2022	2023
SO _x (t)	0.001	0.0038
NO _x (t)	0.1119	0.4402
PM (t)	0.001028	0.0038

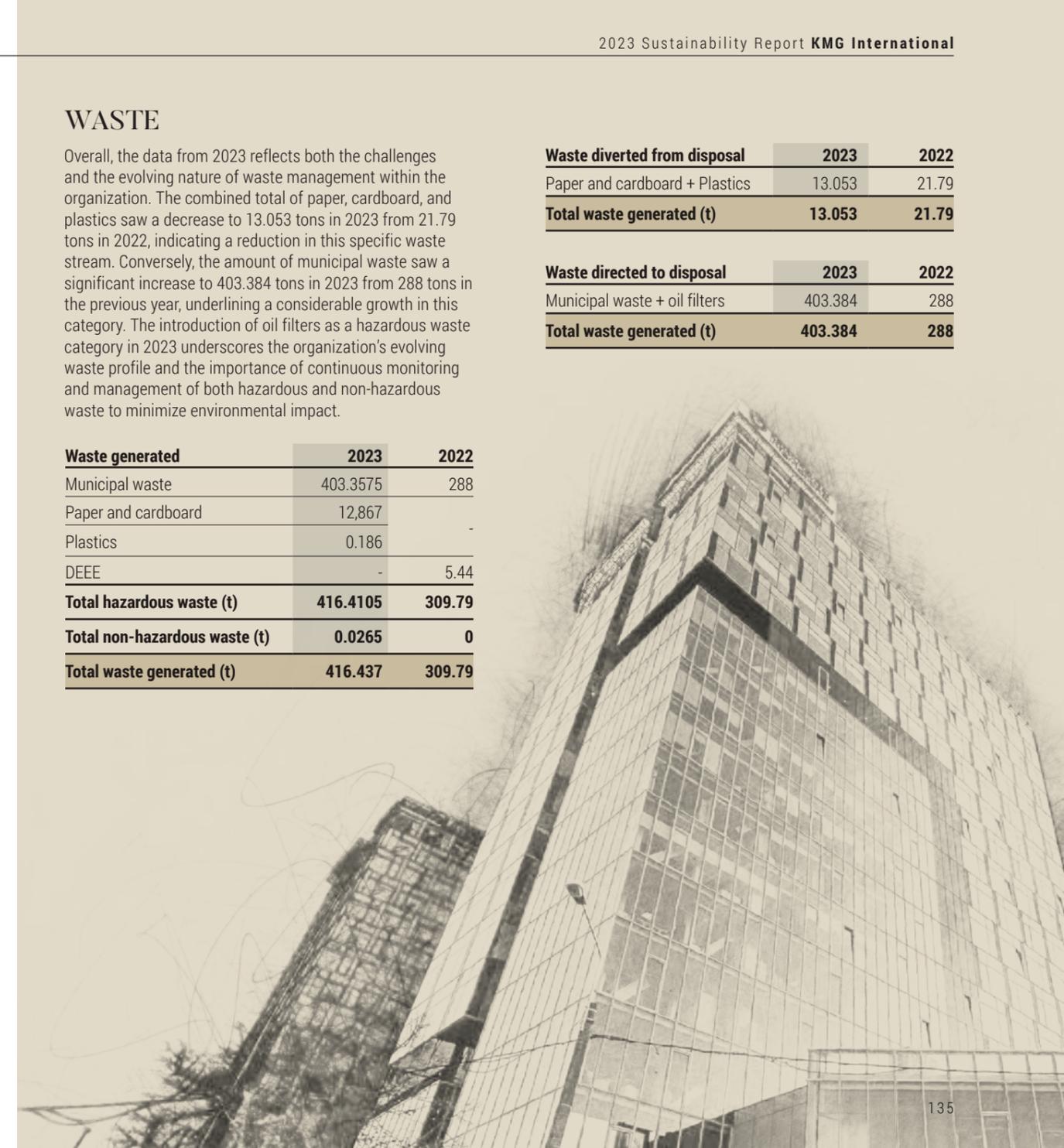
WASTE

Overall, the data from 2023 reflects both the challenges and the evolving nature of waste management within the organization. The combined total of paper, cardboard, and plastics saw a decrease to 13.053 tons in 2023 from 21.79 tons in 2022, indicating a reduction in this specific waste stream. Conversely, the amount of municipal waste saw a significant increase to 403.384 tons in 2023 from 288 tons in the previous year, underlining a considerable growth in this category. The introduction of oil filters as a hazardous waste category in 2023 underscores the organization's evolving waste profile and the importance of continuous monitoring and management of both hazardous and non-hazardous waste to minimize environmental impact.

Waste generated	2023	2022
Municipal waste	403.3575	288
Paper and cardboard	12,867	-
Plastics	0.186	-
DEEE	-	5.44
Total hazardous waste (t)	416.4105	309.79
Total non-hazardous waste (t)	0.0265	0
Total waste generated (t)	416.437	309.79

Waste diverted from disposal	2023	2022
Paper and cardboard + Plastics	13.053	21.79
Total waste generated (t)	13.053	21.79

Waste directed to disposal	2023	2022
Municipal waste + oil filters	403.384	288
Total waste generated (t)	403.384	288



KMG International values its people by taking actions and strategic measures for fostering a strong diverse community of professionals in a long run, approaching the workforce in its organization with responsibility and commitment. Aware, engaged and with a people centred philosophy, the Human Resources strategy is conceived as a long-distance journey with an ongoing commitment to mutual cultural respect, inclusiveness, diversity, equity, ethics, health and safety, wellbeing, transparency, Human Rights and Sustainable Development Goals (SDGs).

In 2023, KMG International Group registered an average of 5,358 employees, relatively similar to 2022, in different countries. 5 generations of specialists are working together in over 200 different job types, sharing knowledge and expertise among each other, building bridges between different nationalities and cultures.

The Human Resources strategy of the Group in 2023 centered around our targets, which are designed to reflect the social performance across the entire value chain, including refining operations, retail, and services.

ELEMENTS *of* DIVERSITY

- Introduction
- Social Targets
- Workforce Structure
- Remuneration, Compensation, Benefits
- Collective Bargaining and Labor Practices
- Training and Skill Development
- People's Health and Well-being
- Workforce Engagement



CHAPTER 6

P

People



PEOPLE: *the* HEART *of* TRANSFORMATION *and* GROWTH

Rompetrol's commitment to people-centric sustainability goes beyond immediate operational needs, focusing on long-term impacts and contributions to the industry and communities we serve. In the new transition context, Rompetrol faces the dual challenge of navigating traditional business segments and exploring new, sustainable energy solutions. The labor market's evolution presents an ongoing challenge, emphasizing the importance of attracting young talent to the energy sector and managing a diverse workforce that spans five active generations. This diversity is our strength, pushing us to rethink our leadership model and embrace a community-centric approach to ensure competitiveness and sustainability. By digitizing operations where possible and engaging directly with our employees to foster a sense of belonging, we've turned obstacles into stepping stones towards a more inclusive, dynamic, and resilient organizational culture.

Our Human Resources strategy, guided by the "Together We Grow People" platform, reflects a deep-seated belief in the symbiotic growth of individuals and the organization. Our strategy is built upon four foundational pillars: Education & Growth, the People of Rompetrol Community, Working Environment & Culture, and Employees Health & Wellbeing. These pillars are instrumental in creating an optimal framework that encourages our employees to form interest-based communities, collaborate effectively, and enjoy the fruits of their labor.

Rompetrol is more than a workplace—it's a community where everyone, from top management to our trainees, contributes to our collective legacy and the sustainable future of energy. By focusing on our role as a "good school" for professional development, rethinking our leadership model to include leaders at all levels, and fostering a culture where knowledge transfer is a shared responsibility, Rompetrol is setting new standards for sustainability in the energy sector.

As we look ahead, we remain committed to adapting and thriving in the face of regulatory changes, with our people at the forefront of our sustainability journey. Our dedication to fostering a supportive, inclusive, and enriching workplace is unwavering, as we continue to set new benchmarks for sustainability in the energy sector.

SETTING *the* COURSE *for* SUSTAINABLE GROWTH: OUR ESG TARGETS

Recognizing the intrinsic link between our people and our planet, we continue to foster a culture of inclusivity, diversity, transparency, equal treatment, and comprehensive well-being, alongside active workforce engagement.

Building on our foundational efforts, we have meticulously defined a set of ESG targets that span the short, medium, and long term. These targets are carefully designed to steer us towards achieving not just sustainable growth but also creating substantial social value across our operations.

Our objectives are systematically outlined in a detailed matrix that presents baseline sustainability metrics for the present reporting cycle. This matrix also delineates our interim goals and our ambitious commitments for 2050, ensuring a comprehensive reflection of our social performance throughout our entire value chain, from refining operations to retail and service provisions. Through this strategic approach, Rompetrol aims to not only meet but exceed expectations, setting new benchmarks in sustainability within the energy sector.



Rompetrol Rafinare SA	2022*	2023	2025	2030	2035	2040	2045	2050
Average training hours per year per employee	39.85	28.85	31	33	36	40	42	45
Percentage of total employees covered by collective bargaining agreements	100%	100%	100%	100%	100%	100%	100%	100%
Percentage of total employees with labor contract	100%	100%	100%	100%	100%	100%	100%	100%
Share of women at management level (mid & top management positions)	27%	28%	30%	33%	33%	33%	33%	33%
Ratios of standard level wage compared to local minimum wage	>100%	>100%	>100%	>100%	>100%	>100%	>100%	>100%
Percentage of employees receiving regular performance and career development reviews	>98%	94.60%	>98%	>98%	>98%	>98%	100%	100%

Rompetrol Downstream SRL, Rompetrol Gas SRL	2022*	2023	2025	2030	2035	2040	2045	2050
Average training hours per year per employee	6.28	11.82	9	10	11	12	13	14
Number of employees that received one or multiple training sessions	43%	74%	60%	65%	70%	75%	80%	85%
Percentage of total employees covered by collective bargaining agreements	100%	100%	100%	100%	100%	100%	100%	100%
Percentage of total employees with labor contract	100%	100%	100%	100%	100%	100%	100%	100%
Share of women at management level (mid & top management positions)	32%	36%	32%	33%	33%	34%	35%	36%
Ratios of standard level wage compared to local minimum wage	100%	>100%	100%	100%	100%	100%	100%	100%
Percentage of employees receiving regular performance and career development reviews	>96%	99.40%	>97%	>97%	>98%	>99%	100%	100%

Rompetrol Well Services SA	2022*	2023	2025	2030	2035	2040	2045	2050
Average training hours per year per employee	9.13	20.95	15	20	20	20	20	20
Percentage of total employees covered by collective bargaining agreements	100%	100%	100%	100%	100%	100%	100%	100%
Percentage of total employees with labor contract	100%	100%	100%	100%	100%	100%	100%	100%
Share of women at management level (mid & top management positions)	23%	21%	30%	33%	33%	33%	33%	33%
Ratios of standard level wage compared to local minimum wage	>100%	>100%	>100%	>100%	>100%	>100%	>100%	>100%
Percentage of employees receiving regular performance and career development reviews	>98%	98.7%	>98%	>98%	>98%	>98%	100%	100%

Rominserv SRL	2022*	2023	2025	2030	2035	2040	2045	2050
Average training hours per year per employee	9.01	12.53	15	20	20	20	20	20
Percentage of total employees covered by collective bargaining agreements	100%	100%	100%	100%	100%	100%	100%	100%
Percentage of total employees with labor contract	100%	100%	100%	100%	100%	100%	100%	100%
Share of women at management level (mid & top management positions)	15%	13%	30%	33%	33%	33%	33%	33%
Ratios of standard level wage compared to local minimum wage	>100%	>100%	>100%	>100%	>100%	>100%	>100%	>100%
Percentage of employees receiving regular performance and career development reviews	>98%	95.6%	>98%	>98%	>98%	>98%	100%	100%

Rompetrol Bulgaria EAD	2022*	2023	2025	2030	2035	2040	2045	2050
Average training hours per year per employee	5.8	4.1	4.7	5.1	5.9	6.8	7.6	8.1
Number of employees that received one or multiple training sessions	65%	49%	55%	60%	70%	80%	90%	95%
Percentage of total employees receiving regular performance and career development reviews	86.15%	90.6%	>98%	>99%	100%	100%	100%	100%
Percentage of total employees with labor contract	100%	100%	100%	100%	100%	100%	100%	100%
Share of women at management level (mid & top management positions)	25%	22%	25%	33%	33%	33%	33%	33%
Ratios of standard level wage compared to local minimum wage	100%	100%	100%	100%	100%	100%	100%	100%

Rompetrol Georgia LTD	2022*	2023	2025	2030	2035	2040	2045	2050
Average training hours per year per employee	2.29	4.23	3.4	4	4.7	5.4	6.1	6.7
Number of employees that received one or multiple training sessions	17%	94%	25%	30%	35%	40%	45%	50%
Percentage of total employees receiving regular performance and career development reviews	97%	86.8%	>98%	>99%	100%	100%	100%	100%
Percentage of total employees with labor contract	100%	100%	100%	100%	100%	100%	100%	100%
Share of women at management level (mid & top management positions)	45%	40%	41%	42%	43%	44%	45%	46%

Rompetrol Moldova LTD	2022*	2023	2025	2030	2035	2040	2045	2050
Average training hours per year per employee	6.95	5.51	5.6	5.7	5.7	5.8	5.9	6
Number of employees that received one or multiple training sessions	77%	63%	64%	65%	66%	67%	68%	69%
Percentage of total employees receiving regular performance and career development reviews	99.66%	92.1%	98%	99%	100%	100%	100%	100%
Percentage of total employees with labor contract	100%	100%	100%	100%	100%	100%	100%	100%
Share of women at management level (mid & top management positions)	50%	46%	47%	48%	49%	50%	51%	52%
Ratios of standard level wage compared to local minimum wage	100%	100%	100%	100%	100%	100%	100%	100%

EMPOWERING OUR WORKFORCE: POLICIES for a SUSTAINABLE and INCLUSIVE FUTURE

Rompetrol's workplace policies are designed to foster a culture of inclusivity, growth, and sustainability within the organization. These policies are pivotal in guiding the company's interactions with its employees, ensuring a safe, respectful, and productive work environment. They encompass a wide range of areas, including but not limited to health and safety, diversity and inclusion, professional development, and work-life balance.

Health and Safety

Rompetrol prioritizes the health and safety of its employees above all else. This is reflected in comprehensive health and safety protocols, rigorous training programs, and regular audits to ensure compliance with international standards. More information on this aspect can be found in the Safety chapter of this report.

Diversity and Inclusion

Rompetrol is committed to promoting diversity and ensuring inclusion across all levels of the organization. This policy aims to create a workplace where everyone feels valued and empowered.

Professional Development

Rompetrol invests in the growth and development of its employees through continuous learning opportunities, leadership programs, and career advancement initiatives.

Work-Life Balance

Recognizing the importance of a healthy work-life balance, Rompetrol offers flexible working arrangements, parental leave, and various wellness programs to support the overall well-being of its employees.

POTENTIAL IMPACTS and RELEVANCE

Positive impacts

- Enhanced employee satisfaction and retention, leading to a more stable and committed workforce.
- Improved safety records and reduced workplace accidents, ensuring operational efficiency and reducing costs associated with injuries and lost time.
- A diverse and inclusive workforce that drives innovation and creativity, contributing to better problem-solving and decision-making.
- Increased attractiveness as an employer, enabling Rompetrol to attract and retain top talent in a competitive labor market.

Negative impacts

- The potential financial cost of implementing and maintaining comprehensive workplace policies, including training, development programs, and health and safety measures.
- The challenge of effectively managing a diverse workforce and ensuring inclusive practices are genuinely embedded in the company culture.

The relevance of comprehensive workplace policies to Rompetrol cannot be overstated. They are integral to our sustainability and growth strategy. As the energy sector evolves, attracting and retaining a skilled and motivated workforce is critical to navigating the transition to new energy sources and maintaining a competitive edge. Moreover, our success hinges on our ability to innovate, adapt, and operate responsibly. Our workplace policies are integral to building the organizational resilience, agility, and culture of innovation needed to thrive in this changing landscape.

OUR VISION and FUTURE ACTIONS

Rompetrol is committed to fostering a workplace that not only meets the current needs of our employees and the industry but is also poised to adapt and thrive amidst the evolving landscapes of energy, technology, and societal expectations.

Expanding diversity and inclusion initiatives

Rompetrol is committed to expanding its diversity and inclusion initiatives, aiming to cover a broader spectrum of diversity and embed inclusive practices deeper into our organizational culture. We understand the value of diverse perspectives in driving innovation and business success and are dedicated to creating an environment where every employee feels valued and empowered.

Continuous investment in employee development

We will continue to invest in the development of our employees, updating and improving our educational and growth initiatives to prepare our workforce for the future of energy and digital transformations. This includes adapting to legislative changes and ensuring that our policies not only comply with current standards but also set new benchmarks for excellence in the industry.

Promoting environmental responsibility and employee engagement

Our policies will increasingly emphasize sustainability and environmental stewardship, encouraging employees to actively contribute to our sustainability goals. Deepening employee engagement through transparent communication, involvement in decision-making, and recognizing achievements are key components of our strategy to foster a culture of continuous improvement and innovation.

Adapting to changing workforce expectations

Innovating work-life balance offerings is crucial to meet the changing expectations of the workforce, particularly concerning flexibility and remote working opportunities. Rompetrol aims to provide a supportive and adaptable work environment that reflects the priorities and needs of our employees.

CRAFTING a DIVERSE FOUNDATION: OUR WORKFORCE STRUCTURE

GRI GRI 2-7
GRI 2-8
GRI 202-2
GRI 401-1
GRI 401-3
GRI 405-1
GRI 406-1
GRI 11.10.2

GRI 11.10.4
GRI 11.11.2
GRI 11.11.3
GRI 11.11.7
GRI 11.14.3
IPIECA
SOC-5 A4, C1, C2
SOC-6 A1
SOC-15 C3, A1, A2, A4

HEADCOUNT STATUS and EVOLUTIONS

In 2023, Rompetrol continued to demonstrate resilience and growth within its workforce, reflecting our commitment to sustainability, community engagement, and the strategic expansion of our operations. During the reporting period, we saw a slight increase in our total headcount, affirming our dedication to creating job opportunities and investing in the development of our team.

As of December 2023, the total headcount across the Group reached 5,358 employees, with 66.05% based in Romania, our most significant operational base. This represents a modest increase from the previous year, primarily attributed to the recruitment programs dedicated to young professionals and also the continued expansion of our retail network and operational enhancements.

In Romania, the heart of our operations, we welcomed 148 new members to the Rompetrol family, increasing the headcount to 3,539. This increase in headcount in Romania is the direct result of our initiatives for learning, integration and transfer of knowledge to the new generation of professionals (Traineeship programs and the Rompetrol School) and the increase in the number of specialists in the new directions of development (renewable energy, etc.) and work safety.

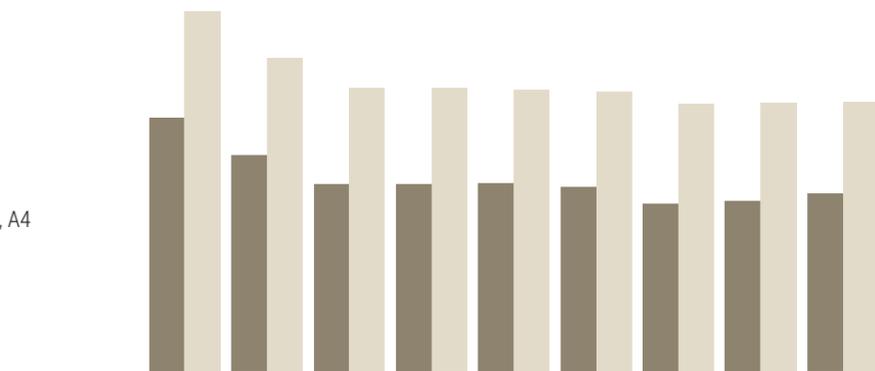
The distribution of our workforce across other regions has seen varied trends, with Moldova, Bulgaria, and Georgia reflecting a stable to slightly decreasing pattern in headcount. Specifically, Georgia experienced a reduction in its workforce,

aligning with operational adjustments and strategic realignments in the region. Conversely, Moldova and Bulgaria have maintained a steady number of employees, indicative of our sustained operations and market presence in these areas.

Rompetrol is committed to fair and equitable employment practices, as evidenced by our approach to contract types and employment conditions. The Group ensures that every employee, irrespective of whether they are on full-time or part-time contracts, benefits from the same internal policies and support systems. Significantly, our workforce is entirely comprised of employees under labour contracts, reinforcing our commitment to fair employment practices. In 2023, 86.8% of our employees are engaged on full-time contracts, a testament to our commitment to providing stable and secure employment.

Our part-time workforce, predominantly based in Romania, continues to play a crucial role in our operational flexibility and responsiveness to market demands. The gender distribution within our part-time employees reflects our dedication to diversity and inclusion, with a balanced representation of male and female employees. This diversity enriches our corporate culture and enhances our collective capacity to address the challenges and opportunities of the energy sector.

The evolution of our workforce over the years showcases Rompetrol's steady commitment to growth, sustainability, and the well-being of our employees.



Country	2015	2016	2017	2018	2019	2020	2021	2022	2023
Romania	5,035	4,293	3,724	3,727	3,752	3,676	3,351	3,391	3,539
Group total	7,139	6,224	5,628	5,619	5,595	5,557	5,322	5,335	5,358

Evolution of headcount

Country	2015	2016	2017	2018	2019	2020	2021	2022	2023
Romania	5,035	4,293	3,724	3,727	3,752	3,676	3,351	3,391	3,539
Georgia	706	774	792	787	762	776	802	774	658
Moldova	604	708	790	941	931	967	1,043	1,047	1,027
France	367	-	-	-	-	-	-	-	-
Kazakhstan	200	328	196	33	27	20	15	15	25
Bulgaria	65	66	74	79	76	78	79	78	78
Libya	52	10	10	7	3	3	2	2	2
Spain	44	-	-	-	-	-	-	-	-
Switzerland	28	26	26	29	29	28	21	21	22
Ukraine	21	3	-	-	-	-	-	-	-
Singapore	8	6	6	5	5	-	-	-	-
Netherlands	6	6	6	6	5	4	4	3	3
Turkey	4	4	5	5	5	5	5	4	4
GROUP TOTAL	7,139	6,224	5,628	5,619	5,595	5,557	5,322	5,335	5,358

* Average number for the year

Breakdown of employees by employment type and gender

Country	Permanent employment			Temporary employment		
	Female	Male	2023	Female	Male	2023
Bulgaria	24	54	78	-	-	-
Georgia	43	611	654	-	4	4
Kazakhstan	8	17	25	-	-	-
Libya	-	2	2	-	-	-
Moldova	357	670	1,027	-	-	-
Netherlands	1	2	3	-	-	-
Romania	1,040	2,216	3,255	99	184	284
Switzerland	10	13	22	-	-	-
Turkey	-	4	4	-	-	-
GROUP TOTAL	1,482	3,588	5,070	99	188	287

Entity (Romania)	Permanent			Temporary		
	Female	Male	2023	Female	Male	2023
Byron Shipping SRL	4	6	10	-	-	-
Fondul de investiții în energie kazah-român SA	2	2	4	3	7	10
KMG Rompetrol Development SRL	3	4	7	-	-	-
KMG Rompetrol SRL	116	110	226	6	4	10
KMG Rompetrol Services Center SRL	177	51	228	6	3	10
Midia Marine Terminal SRL	46	183	229	3	5	9
Oilfield Exploration Business Solutions SA	3	7	10	-	-	-
Rominserv SRL	90	438	528	10	20	30
Romoil SA	2	7	9	-	-	-
Rompetrol Downstream SRL	138	290	-	10	10	-
Rompetrol Energy SA	28	103	131	8	24	32
Rompetrol Gas SRL	11	82	94	1	1	2
Rompetrol Logistics SRL	3	1	4	-	-	-
Rompetrol Petrochemicals SRL	3	-	3	0	-	0
Rompetrol Quality Control SRL	139	38	177	29	5	34
Rompetrol Rafinare SA	258	785	1,043	19	99	117
Rompetrol Well Services SA	19	109	127	4	7	11
ROMANIA TOTAL	1,040	2,216	3,255	99	184	284

* Average number for the year

Breakdown of employees by gender

Gender	Full Time			Part Time		
	Female	Male	2023	Female	Male	2023
Female	24	53	76	1	1	2
Male	43	614	657	-	1	1
Female	7	15	21	1	2	3
Male	-	2	2	-	-	-
Female	148	277	424	209	393	602
Male	1	2	3	-	-	-
Female	1,096	2,347	3,442	43	53	96
Male	10	13	22	-	-	-
Female	-	4	4	-	-	-
GROUP TOTAL	1,328	3,326	4,653	254	451	705

Gender	Full Time			Part Time		
	Female	Male	2023	Female	Male	2023
Female	3	6	9	1	-	1
Male	-	1	1	5	8	13
Female	3	3	6	-	1	1
Male	117	114	231	4	0	4
Female	182	54	237	1	-	1
Male	47	189	236	2	-	2
Female	1	-	1	2	7	9
Male	99	456	554	2	2	4
Female	1	-	1	1	7	-
Male	146	300	446	2	-	2
Female	31	125	157	4	2	6
Male	11	81	92	1	2	3
Female	2	-	2	1	1	2
Male	-	-	-	3	-	3
Female	162	30	192	6	13	19
Male	270	875	1,144	7	9	16
Female	20	115	135	2	1	3
GROUP TOTAL	1,096	2,347	3,442	43	53	96

DIVERSITY *and* INCLUSION

At Rompetrol, our commitment to fostering a respectful and inclusive workplace remains unwavering. We believe in creating an environment free from discrimination, violence, and intimidation, where every individual is valued and respected regardless of gender, race, color, age, national origin, religion, disability, sexual orientation, marital status, or any other characteristic protected by law. Our dedication to diversity and equal opportunity is not just about compliance; it's about tapping into a broader talent pool, encouraging innovation, and building a more dynamic and resilient organization.

Embracing diversity in the workforce can lead to increased innovation, creativity, and productivity. By tapping into a wider range of perspectives and talents, businesses can develop more innovative products and services, ultimately driving economic growth.

Inclusive practices foster a sense of belonging and respect among individuals from diverse backgrounds. This can strengthen social cohesion, reduce discrimination and social exclusion, and contribute to a more harmonious and inclusive society.

Companies that prioritize diversity and inclusion often attract a more diverse pool of talent. Employees are more likely to stay with organizations where they feel valued and respected, reducing turnover costs and improving overall workforce stability.

Despite efforts to promote diversity and inclusion, discrimination and bias can still persist in workplaces and society at large. This can lead to unequal treatment, limited opportunities, and systemic barriers for marginalized groups, undermining their human rights and perpetuating social inequalities.

Our Group aims to not be involved with negative impacts through its activities or business relationships regarding diversity and inclusion. In this respect we evaluate the organization's own practices and policies related to diversity and inclusion. This includes diversity, inclusion and belonging policy, hiring, promotion, training, and retention practices, as well as the composition of leadership and decision-making bodies. Also, we examine the organization's relationships with suppliers,

contractors, and other business partners. Assess whether these entities uphold similar standards of diversity and inclusion.

We aim to implement more diversity training programs and revising policies and procedures as to provide transparency and accountability while also demonstrating a commitment to fostering a more inclusive and equitable environment.

KMG International Group is committed to ensuring that all our employees feel completely safe when reporting any diversity and inclusion issues and did not identify any negative impact regarding the HR indicators that we are referring to. No one should ever worry about facing any form of retaliation, intimidation, harassment, or negative consequences for bringing forward concerns in alignment with Diversity, Inclusion and Belonging Policy.

Actions taken to manage the topic and related impacts of diversity and inclusion include implementing comprehensive diversity and inclusion policies and training programs to educate employees on the importance of creating an inclusive workplace environment. Also, establishing clear channels for reporting discrimination, harassment, or bias incidents, and ensuring prompt and thorough investigation of such reports.

We address the possibility of negative impacts through responding promptly to reports of discrimination, harassment, or bias by initiating investigations and taking appropriate disciplinary action against perpetrators. Offering counseling or mediation to affected individuals to address the emotional and psychological impacts of discrimination or bias.

Promoting diversity and inclusion through recruitment and retention efforts aimed at attracting and retaining diverse talent from various backgrounds. Establishing mentorship, traineeship, and internship programs to support the professional development and advancement of also underrepresented groups within the organization. Celebrating diversity through events, initiatives, and recognition programs that highlight the contributions of diverse employees and foster a sense of belonging. Engaging with external stakeholders, including community organizations and industry partners, to share best practices and collaborate on diversity and inclusion initiatives that benefit the broader community.

By systematically tracking the effectiveness of actions taken regarding diversity and inclusion and incorporating

lessons learned into operational policies and procedures, our organizations can drive meaningful change and create a more inclusive and equitable workplace environment for all employees.

Our Group tracking the effectiveness of actions taken regarding diversity and inclusion, analyzing demographic data related to recruitment, retention, promotions, and employee engagement to identify trends and disparities. We intend to organize focus groups composed of diverse stakeholders to provide ongoing input and feedback on diversity and inclusion initiatives.

We are setting specific, measurable goals related to diversity and inclusion, such as increasing representation of underrepresented groups in the workforce or achieving higher scores on employee satisfaction surveys. We analyse the benchmarks based on industry standards, best practices, and organizational priorities and incorporating lessons learned into the development of operational policies and procedures, including recruitment practices, performance management systems, and employee training programs.

Engagement with stakeholders informs the development, implementation, and evaluation of diversity and inclusion initiatives by providing valuable insights, fostering collaboration, and ensuring alignment with the needs and expectations of diverse groups. This iterative process of engagement and feedback enables organizations to continuously improve their efforts and create more inclusive and equitable environments for all stakeholders involved.

In order to collect feedback from internal stakeholders, which helps to outline and report HR indicators, our Group annually runs different types of surveys (Engagement Survey, Support Function Survey). The results of these surveys, correlated with the one-to-one meetings, feedback forms submitted) help us to identify the strong areas and points for improvement on different levels. Based on these results, both specific intervention actions and structured plans are outlined.

The engagement survey is conducted annually, and the results are analyzed compared to previous years. The results of the survey are presented both to the top management and then are cascaded to the middle management of each entity, the managers then communicating to the subordinate teams.

Since the beginning of 2023, the HR Center of Excellence (CoE) within the KMG International Group has developed and begun

implementing a Diversity, Inclusion, and Belonging (DIB) policy, in alignment with the Group's strategy. This policy aims to create a work environment that is diverse, inclusive, and supportive for all employees. It reflects our commitment to diversity, inclusion, and belonging across the Group, recognizing these values as essential for fostering employee engagement, driving innovation, achieving business success, and nurturing a collaborative culture.

Furthermore, in July 2023, 15 of the largest entities within the KMG International Group endorsed the Romanian Diversity Charter. By signing this charter, our Group commits to adhering to the successful diversity models found in other European countries, embracing a set of general principles aimed at promoting diversity, non-discrimination, inclusion, and equal opportunities in the workplace, on a voluntary basis.

We actively support various forms of diversity through several internal programs designed to foster a culture of diversity, inclusion, and belonging. One such initiative is the **Internal Guide for Mothers**, which recognizes the pivotal role of mothers within our society, offers them support with administrative matters, and details the benefits they are entitled to.

Additionally, the **Cultural Integration Workshop** is another significant program aimed at promoting diversity and inclusion in the workplace. This ongoing initiative is tailored for all new expatriate employees, with the goal of enhancing cultural understanding and equipping them with tools for effective communication across cultural divides. This ensures that our team members can work together efficiently and respectfully, contributing to a culture of collaboration.

In our commitment to fostering a respectful and inclusive workplace, we also provide paid leave for employees to celebrate religious holidays specific to their nationalities, further underlining our dedication to diversity and inclusion.

Anti-discrimination provisions are included in the Group's collective bargaining agreements and also in the internal regulations in force. As such, no discrimination incidents were reported in 2023. However, an employee filed a single complaint of religious discrimination with the National Council for Combating Discrimination. The company's representatives have contested the allegation, and the case is currently awaiting a court's examination of the facts and the issuance of a decision.

Age diversity

Rompetrol values the contributions of professionals across all working-age groups. Recognizing the longstanding challenge of a diminishing number of professionals in the energy sector, we understand the importance of experience. Our recruitment job announcements are free of discrimination as we are open to hire candidates of all ages, including 45+. Excluding age discrimination, underscores our commitment to leveraging the wealth of knowledge and expertise across generations. We balance this by actively engaging with educational institutions to attract young talent, providing them with hands-on learning opportunities through our extensive internship program, now a proud tradition of over two decades.

Also, we openly promote our vacancies to all candidates regardless of their age or gender and, especially in gas stations, also regardless of their work experience, as the Group provides them with the necessary trainings for the job.

Breakdown of employees by age group

Country	<30	30 - 50	>50	Total
Bulgaria	5	52	21	78
Georgia	172	299	188	658
Kazakhstan	4	19	1	25
Libya	1	1	-	2
Moldova	204	560	263	1,027
Netherlands	-	3	-	3
Romania	454	1,642	1,443	3,539
Switzerland	0	17	5	22
Turkey	0	4	-	4
GROUP TOTAL	840	2,597	1,920	5,358

Entity (Romania)	<30	30 - 50	>50	Total
Byron Shipping SRL	0 0%	3 33%	7 68%	10 100%
Fondul de investiții în energie kazah-român SA	0 0%	14 100%	0 0%	14 100%
KMG Rompetrol Development SRL	0 0%	5 76%	2 24%	7 100%
KMG Rompetrol SRL	34 14%	175 74%	27 11%	235 100%
KMG Rompetrol Services Center SRL	18 8%	165 69%	54 23%	237 100%
Midia Marine Terminal SRL	42 18%	94 40%	102 43%	238 100%
Oilfield Exploration Business Solutions SA	0 0%	3 30%	7 70%	10 100%
Rominerv SRL	69 12%	244 44%	245 44%	558 100%
Romoil SA	0 0%	4 45%	5 55%	9 100%
Rompetrol Downstream SRL	47 10%	300 67%	101 23%	448 100%
Rompetrol Energy SA	15 9%	60 37%	89 55%	163 100%
Rompetrol Gas SRL	8 8%	48 50%	40 42%	95 100%
Rompetrol Logistics SRL	0 0%	1 25%	3 75%	4 100%
Rompetrol Petrochemicals SRL	0 0%	3 100%	0 0%	3 100%
Rompetrol Quality Control SRL	38 18%	79 37%	94 45%	211 100%
Rompetrol Rafinare SA	175 15%	386 33%	599 52%	1,160 100%
Rompetrol Well Services SA	10 7%	60 43%	69 50%	138 100%
ROMANIA TOTAL	454 13%	1,642 46%	1,443 41%	3,539 100%

Gender diversity

In an industry historically dominated by men, Rompetrol is actively working to bridge the gender gap. Gender equality is a cornerstone of a peaceful, prosperous, and sustainable world, and we are committed to reducing gender inequality across all levels of our organization. Our efforts have led to a gradual increase in the percentage of female employees, reflecting our dedication to fostering a more balanced and equitable workplace.

In 2023, Rompetrol continued its commitment to ensuring fair and equitable compensation across all its operations, with a particular focus on addressing the gender pay gap. This is a crucial aspect of our sustainability and social responsibility efforts, reflecting our dedication to fostering an inclusive and equitable workplace.

The ratio of the base salary and remuneration of women to men within our Romanian entities highlights both the progress we have made and the challenges we still face in achieving gender pay equality. These figures underscore the importance of ongoing efforts to ensure equal pay for equal work across all levels of our organization. While some entities within Rompetrol have made significant strides towards this goal, others continue to work towards closing the gender pay gap.

The diversity in these ratios across our entities underscores the complex nature of addressing pay equity, influenced by various factors including the types of jobs, the industry sector, and historical inequalities. Rompetrol is committed to continuous improvement in this area, with the aim of not only meeting but exceeding legal and ethical standards for gender pay equity.

Breakdown of employees by gender

Country	Female	Male	2023
Bulgaria	24 ^{31%}	54 ^{69%}	78 ^{100%}
Georgia	43 ^{7%}	615 ^{93%}	658 ^{100%}
Kazakhstan	8 ^{32%}	17 ^{68%}	25 ^{100%}
Libya	-	2 ^{100%}	2 ^{100%}
Moldova	357 ^{35%}	670 ^{65%}	1,027 ^{100%}
Netherlands	1 ^{33%}	2 ^{67%}	3 ^{100%}
Romania	1,139 ^{32%}	2,400 ^{68%}	3,539 ^{100%}
Switzerland	10 ^{43%}	13 ^{57%}	22 ^{100%}
Turkey	-	4 ^{100%}	4 ^{100%}
GROUP TOTAL	1,582 ^{30%}	3,776 ^{70%}	5,358 ^{100%}

** Average number for the year*

Entity (Romania)	Female	Male	2023
Byron Shipping SRL	4 ^{40%}	6 ^{60%}	10 ^{100%}
Fondul de investiții în energie kazah-român SA	5 ^{36%}	9 ^{64%}	14 ^{100%}
KMG Rompetrol Development SRL	3 ^{45%}	4 ^{55%}	7 ^{100%}
KMG Rompetrol SRL	121 ^{51%}	114 ^{49%}	235 ^{100%}
KMG Rompetrol Services Center SRL	183 ^{77%}	54 ^{23%}	237 ^{100%}
Midia Marine Terminal SRL	49 ^{21%}	189 ^{79%}	238 ^{100%}
Oilfield Exploration Business Solutions SA	3 ^{30%}	7 ^{70%}	10 ^{100%}
Rominserv SRL	100 ^{18%}	458 ^{82%}	558 ^{100%}
Romoil SA	2 ^{23%}	7 ^{77%}	9 ^{100%}
Rompetrol Downstream SRL	148 ^{33%}	300 ^{67%}	448 ^{100%}
Rompetrol Energy SA	36 ^{22%}	127 ^{78%}	163 ^{100%}
Rompetrol Gas SRL	12 ^{13%}	83 ^{87%}	95 ^{100%}
Rompetrol Logistics SRL	3 ^{75%}	1 ^{25%}	4 ^{100%}
Rompetrol Petrochemicals SRL	3 ^{100%}	-	3 ^{100%}
Rompetrol Quality Control SRL	168 ^{80%}	43 ^{20%}	211 ^{100%}
Rompetrol Rafinare SA	277 ^{24%}	884 ^{76%}	1,160 ^{100%}
Rompetrol Well Services SA	22 ^{16%}	116 ^{84%}	138 ^{100%}
GROUP TOTAL	1,139 ^{32%}	2,400 ^{68%}	3,539 ^{100%}

** Average number for the year*

Diversity across nationalities

Our workforce is as diverse as our operations, with employees of 17 different nationalities, including Georgian, Moldovan, Kazakh, and Bulgarian, among others. This diversity enriches our corporate culture, bringing a wide range of perspectives and ideas that drive innovation and enhance our competitiveness on the global stage.

In our ongoing effort to align with sustainable practices and contribute positively to the communities where we operate, Rompetrol places a significant emphasis on hiring senior management from the local communities. This approach not only supports local development but also enhances our operations with valuable insights and expertise rooted in the local context.

In 2023, Rompetrol demonstrated its commitment to this principle across various regions. In the Netherlands, the senior management team remained consistent throughout the year, reflecting a stable leadership structure in this region.

In Kazakhstan, a similar pattern was observed, with positions in senior management consistently held throughout the year, indicating a stable leadership presence that contributes to our strategic goals in the region.

Romania, as a key operational hub for Rompetrol, showed a dynamic engagement with the local community through its senior management hiring practices. Throughout 2023, the total number of senior management positions held by individuals from the local community fluctuated slightly, with a total of 8 positions across the year. This included a significant proportion of Romanian nationals, who held 3 positions, demonstrating Rompetrol’s strong commitment to supporting and leveraging local talent.

This strategy of engaging local talent not only fosters a sense of community and belonging within our operations but also aligns with our sustainability goals by ensuring that we are responsive to local needs and perspectives. By prioritizing the hiring of senior management from the local communities, Rompetrol continues to build a resilient and sustainable business model that is deeply connected to its operational contexts.

Moreover, during the reporting period, we continued our commitment to fostering a global perspective within our workforce, leveraging the unique skills and experiences that international employees bring to our operations. Across our global footprint, the proportion of international employees in our total workforce stands at 2.19%,

Number and percentage of employees by nationality

Nationality	Count	Share
Dutch	1	0%
Bulgarian	78	1%
Estonian	1	0%
Serbian	1	0%
Georgian	648	12%
German	4	0%
Italian	3	0%
Kazakh	114	2%
Latvian	1	0%
Libyan	2	0%
Moldavian	1,025	19%
Greek	1	0%
Romanian	3,462	65%
Russian	6	0%
Swiss	1	0%
Turkish	4	0%
French	1	0%
Ukrainian	4	0%
GROUP TOTAL	5,358	100%

reflecting our strategic approach to integrating diverse talents and perspectives to enhance our operational excellence and innovation. By integrating international employees across our operations, we enhance our ability to navigate the complexities of the global energy market, while contributing to the development of the local communities and economies where we operate.

Numbers	NLD	BGR	EST	SRB	GEO	DEU	ITA	KAZ	LVA	LBY	MDA	GRC	ROU	RUS	CHE	TUR	FRA	UKR	Total
Bulgaria	-	77	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-	78
Georgia	-	-	-	-	648	-	-	9	-	-	-	-	-	1	-	-	-	0	658
Kazakhstan	-	-	-	-	-	-	-	25	-	-	-	-	-	-	-	-	-	-	25
Libya	-	-	-	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	2
Moldova	-	-	-	-	-	1	-	2	-	-	1,022	-	-	1	-	-	-	-	1,027
Netherlands	1	-	-	-	-	-	-	-	-	-	-	-	1	1	-	-	-	-	3
Romania	-	-	-	-	-	2	-	70	-	-	3	1	3,460	1	-	0	-	2	3,539
Singapore	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Switzerland	-	1	1	1	-	2	3	7	1	-	-	-	1	2	1	-	1	2	22
Turkey	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	4
GROUP TOTAL	1	78	1	1	648	4	3	114	1	2	1,025	1	3,462	6	1	4	1	4	5,358

Percentages	NLD	BGR	EST	SRB	GEO	DEU	ITA	KAZ	LVA	LBY	MDA	GRC	ROU	RUS	CHE	TUR	FRA	UKR	Total
Bulgaria	-	98%	-	-	-	-	-	2%	-	-	-	-	-	-	-	-	-	-	1.5%
Georgia	-	-	-	-	99%	-	-	1%	-	-	-	-	-	-	-	-	-	6%	12%
Kazakhstan	-	-	-	-	-	-	-	100%	-	-	-	-	-	-	-	-	-	-	0.5%
Libya	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	-	-	-	0.0%
Moldova	-	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	-	-	19%
Netherlands	33%	-	-	-	-	-	-	-	-	-	-	-	33%	33%	-	-	-	-	0.1%
Romania	-	-	-	-	-	-	-	2%	-	-	-	-	98%	-	-	-	-	47%	66%
Singapore	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Switzerland	-	3%	4%	4%	-	7%	14%	33%	4%	-	-	-	4%	9%	5%	-	2%	47%	0.4%
Turkey	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100%	-	-	0.1%
GROUP TOTAL	0%	1%	0%	0%	12%	0%	0%	2%	0%	0%	19%	0%	65%	0%	0%	0%	0%	0%	100%

Diversity of governance bodies

In our governance structures, Rompetrol prioritizes diversity and inclusivity, understanding that varied perspectives contribute significantly to the strength and adaptability of our leadership. In 2023, we continued to focus on enhancing the composition of our governance bodies by gender, age category, nationality, and region, aiming to reflect the diverse nature of our operations and the communities we serve.

Across the Group, our governance bodies comprised 51 individuals, with a gender distribution of 8% female and 92% male. This indicates a predominantly male governance structure, highlighting an area for potential improvement in gender diversity. Age-wise, the majority of our governance members fell into the 30-50 age category (82%), with 18% over 50 years, showing a mature and experienced leadership team. From a nationality perspective, the composition was predominantly Kazakh (53%), followed by Romanian (41%), showcasing the international nature of our operations.

Specifically, in Romania, the governance body consisted of 37 individuals, with an 11% female and 89% male distribution, mirroring the Group's gender disparity. The age distribution in Romania leaned heavily towards the 30-50 age category (84%), with a smaller representation of those over 50 years (16%). Nationality within Romanian governance bodies was more diverse, with a notable majority being Romanian (51%), followed by Kazakh (43%), and a small percentage of Ukrainian (3%).

- Rompetrol Rafinare SA had the highest female representation among the entities at 29%, indicating a move towards greater gender balance within this segment of our operations.
- Fondul de Investiții în Energie Kazah-Roman S.A. and Rompetrol Well Services S.A. also showed a positive trend towards diversity with 20% female representation, alongside a notable age and nationality diversity.

Share of expats in total workforce

Country	Count	Share
Bulgaria	2	1.91%
Georgia	10	1.48%
Kazakhstan	-	-
Libya	-	-
Moldova	4	0.42%
Netherlands	2	66.67%
Romania	79	2.22%
Switzerland	21	94.80%
Turkey	-	-
GROUP TOTAL	118	2.19%

Entity (Romania)	Count	Share
Byron Shipping SRL	-	-
Fondul de investiții în energie kazah-român SA	5	34.55%
KMG Rompetrol Development SRL	-	-
KMG Rompetrol SRL	53	22.58%
KMG Rompetrol Services Center SRL	4	1.48%
Midia Marine Terminal SRL	-	-
Oilfield Exploration Business Solutions SA	-	-
Rominserv SRL	16	2.78%
Romoil SA	-	-
Rompetrol Downstream SRL	0	0.04%
Rompetrol Energy SA	-	-
Rompetrol Gas SRL	-	-
Rompetrol Logistics SRL	-	-
Rompetrol Petrochemicals SRL	-	-
Rompetrol Quality Control SRL	1	0.47%
Rompetrol Rafinare SA	1	0.05%
Rompetrol Well Services SA	-	-
ROMANIA TOTAL	79	2.22%

Note - The calculation methodology used is average Headcount for the entire period (Year 2023); international employees are those employees with a nationality other than the local national of the target countries or regions.



While the data from 2023 demonstrates Rompetrol's commitment to building a diverse and experienced leadership team, it also highlights areas for growth, particularly in enhancing gender diversity within our governance structures. We will continue to seek opportunities to broaden the diversity of our governance bodies, ensuring they more accurately reflect the diversity of our workforce and the global communities we serve.

The percentage was calculated as ratio between average gross salary for women and average gross salary for men (negative values means average gross salary for women are below men's average gross salary with % calculated). The calculation was made at country level and, for Romania, at entity level.

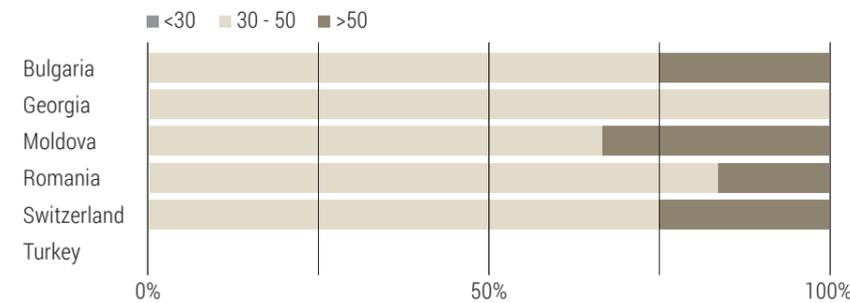
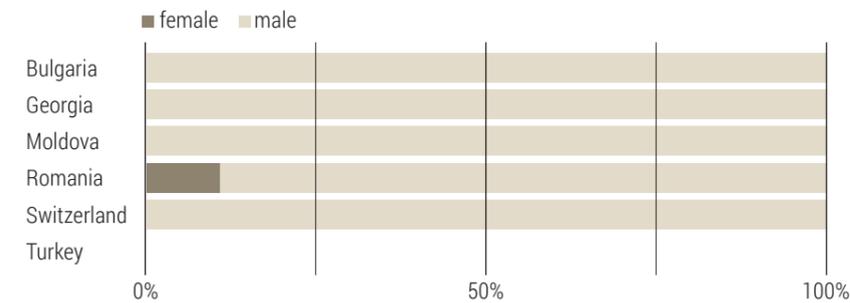
The figures are reported considering only full-time employees during the period under review. They should be correlated with the number and percentage of employees, as well as with the types of jobs available in each country. For example, in Georgia and Moldova, average gross salaries for women are higher due to the fact that most employees are men hired in the gas station network, with minimum wage.

Count of nationalities / Entity (Romania)	NLD	BGR	EST	SRB	GEO	DEU	ITA	KAZ	LVA	LBY	MDA	GRC	ROU	RUS	CHE	TUR	FRA	UKR	Total
Byron Shipping SRL	-	-	-	-	-	-	-	-	-	-	-	-	10	-	-	-	-	-	10
Fondul de investiții în energie kazah-român SA	-	-	-	-	-	1	-	4	-	-	-	-	9	-	-	-	-	-	14
KMG Rompetrol Development SRL	-	-	-	-	-	-	-	-	-	-	-	-	7	-	-	-	-	-	7
KMG Rompetrol SRL	-	-	-	-	-	1	-	49	-	-	1	1	182	0	-	0	-	1	235
KMG Rompetrol Services Center SRL	-	-	-	-	-	-	-	1	-	-	2	-	234	1	-	-	-	-	237
Midia Marine Terminal SRL	-	-	-	-	-	-	-	-	-	-	-	-	238	-	-	-	-	-	238
Oilfield Exploration Business Solutions SA	-	-	-	-	-	-	-	-	-	-	-	-	10	-	-	-	-	-	10
Rominserv SRL	-	-	-	-	-	-	-	16	-	-	-	-	542	-	-	-	-	-	558
Romoil SA	-	-	-	-	-	-	-	-	-	-	-	-	9	-	-	-	-	-	9
Rompetrol Downstream SRL	-	-	-	-	-	-	-	0	-	-	-	-	448	-	-	-	-	-	448
Rompetrol Energy SA	-	-	-	-	-	-	-	-	-	-	-	-	163	-	-	-	-	-	163
Rompetrol Gas SRL	-	-	-	-	-	-	-	-	-	-	-	-	95	-	-	-	-	-	95
Rompetrol Logistics SRL	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	-	4
Rompetrol Petrochemicals SRL	-	-	-	-	-	-	-	-	-	-	-	-	3	-	-	-	-	-	3
Rompetrol Quality Control SRL	-	-	-	-	-	-	-	-	-	-	-	-	210	-	-	-	-	1	211
Rompetrol Rafinare SA	-	-	-	-	-	-	-	1	-	-	-	-	1,160	-	-	-	-	-	1,160
Rompetrol Well Services SA	-	-	-	-	-	-	-	-	-	-	-	-	138	-	-	-	-	-	138
ROMANIA TOTAL	-	-	-	-	-	2	-	70	-	-	3	1	3,460	1	-	0	-	2	3,539

Share of nationalities / Entity (Romania)	NLD	BGR	EST	SRB	GEO	DEU	ITA	KAZ	LVA	LBY	MDA	GRC	ROU	RUS	CHE	TUR	FRA	UKR	Total
Byron Shipping SRL	-	-	-	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	100%
Fondul de investiții în energie kazah-român SA	-	-	-	-	-	7%	-	27%	-	-	-	-	65%	-	-	-	-	-	100%
KMG Rompetrol Development SRL	-	-	-	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	100%
KMG Rompetrol SRL	-	-	-	-	-	-	-	21%	-	-	-	-	77%	-	-	-	-	-	100%
KMG Rompetrol Services Center SRL	-	-	-	-	-	-	-	-	-	-	1%	-	99%	-	-	-	-	-	100%
Midia Marine Terminal SRL	-	-	-	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	100%
Oilfield Exploration Business Solutions SA	-	-	-	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	100%
Rominserv SRL	-	-	-	-	-	-	-	3%	-	-	-	-	97%	-	-	-	-	-	100%
Romoil SA	-	-	-	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	100%
Rompetrol Downstream SRL	-	-	-	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	100%
Rompetrol Energy SA	-	-	-	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	100%
Rompetrol Gas SRL	-	-	-	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	100%
Rompetrol Logistics SRL	-	-	-	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	100%
Rompetrol Petrochemicals SRL	-	-	-	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	100%
Rompetrol Quality Control SRL	-	-	-	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	100%
Rompetrol Rafinare SA	-	-	-	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	100%
Rompetrol Well Services SA	-	-	-	-	-	-	-	-	-	-	-	-	100%	-	-	-	-	-	100%
ROMANIA TOTAL	-	2%	-	-	-	-	98%	-	-	-	-	-	100%						

Composition of governance bodies

Country	Gender		Age Group			Nationality							Total
	Female	Male	<30	30 - 50	>50	Australian	German	Kazakh	Romanian	Ukrainian	Bulgarian	Russian	
Bulgaria	0	4	0	3	1	0	0	4	0	0	0	0	4
Georgia	0	3	0	3	0	0	0	3	0	0	0	0	3
Moldova	0	3	0	2	1	0	0	1	2	0	0	0	3
Romania	4	33	0	31	6	0	1	16	19	1	0	0	37
Switzerland	0	4	0	3	1	1	0	3	0	0	0	0	4
Turkey	0	0	0	0	0	0	0	0	0	0	0	0	0
GROUP TOTAL	4	47	0	42	9	1	1	27	21	1	0	0	51



Entity (Romania)	Gender		Age Group			Nationality							Total
	Female	Male	<30	30 - 50	>50	Australian	German	Kazakh	Romanian	Ukrainian	Bulgarian	Russian	
Fondul de investiții în energie kazah-român SA	1 20%	4 80%	0 0%	5 100%	0 0%	0 0%	0 0%	3 60%	2 40%	0 0%	0 0%	0 0%	5 100%
KMG Rompetrol Services Center SRL	0 0%	3 100%	0 0%	2 67%	1 33%	0 0%	0 0%	2 67%	1 33%	0 0%	0 0%	0 0%	3 100%
Midia Marine Terminal SRL	0 0%	3 100%	0 0%	2 67%	1 33%	0 0%	0 0%	1 33%	2 67%	0 0%	0 0%	0 0%	3 100%
Rominserv SRL	0 0%	5 100%	0 0%	5 100%	0 0%	0 0%	0 0%	4 80%	1 20%	0 0%	0 0%	0 0%	5 100%
Romoil SA	0 0%	3 100%	0 0%	2 67%	1 33%	0 0%	0 0%	1 33%	2 67%	0 0%	0 0%	0 0%	3 100%
Rompetrol Downstream SRL	0 0%	1 100%	0 0%	1 100%	0 0%	0 0%	0 0%	1 100%	0 0%	0 0%	0 0%	0 0%	1 100%
Rompetrol Energy SA	0 0%	5 100%	0 0%	3 60%	2 40%	0 0%	1 20%	1 20%	3 60%	0 0%	0 0%	0 0%	5 100%
Rompetrol Rafinare SA	2 29%	5 71%	0 0%	7 100%	0 0%	0 0%	0 0%	2 29%	4 57%	1 14%	0 0%	0 0%	7 100%
Rompetrol Well Services SA	1 20%	4 80%	0 0%	4 80%	1 20%	0 0%	0 0%	1 20%	4 80%	0 0%	0 0%	0 0%	5 100%
GROUP TOTAL	4 11%	33 89%	0 0%	31 84%	6 16%	0 0%	1 3%	16 43%	19 51%	1 3%	0 0%	0 0%	37 100%

Share of locals in senior management positions

Numbers	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2023
Netherlands	1												
Kazakh	1	1	1	1	1	1	1	1	1	1	1	1	1
Romania	7	7	9	8	8	8	8	7	7	7	8	7	8
Kazakh	4	4	5	4	4	4	4	3	3	3	4	4	4
Romanian	3	3	3	3	3	3	3	3	3	3	3	2	3
Ukrainian	0	0	1	1	1	1	1	1	1	1	1	1	1

Percentages	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2023
Netherlands	100%												
Kazakh	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Romania	100%												
Kazakh	57%	57%	56%	50%	50%	50%	50%	43%	43%	43%	50%	57%	50.55%
Romanian	43%	43%	33%	38%	38%	38%	38%	43%	43%	43%	38%	29%	38.46%
Ukrainian	0%	0%	11%	13%	13%	13%	13%	14%	14%	14%	13%	14%	10.99%

The analysis was made at country level. Senior Management includes Group Chief Executive Officer, Chief Officers and Advisors to Group Chief Executive Officer.
 Note: All the Group Chief Executive Officers, Chief Officers and Advisors to Group Chief Executive Officer from the Romanian region are employees of KMG Rompetrol SRL.

Ratio of base salary and remuneration of women to men

Country	2023	2022	2021	2020	2019	2018
Bulgaria	-10%	-17%	-20%	-21%	-22%	-27%
Georgia	222%	212%	236%	245%	285%	280%
Kazakhstan	-43%	-51%	-14%	1%	8%	6%
Libya	n/a	n/a	n/a	n/a	n/a	n/a
Moldova	-9%	11%	6%	8%	0%	-67%
Netherlands	-90%	-95%	-87%	-86%	-76%	-74%
Romania	1.87%	-1%	0%	4%	5%	2%
Singapore	n/a	n/a	n/a	n/a	-78%	n/a
Switzerland	-38%	-20%	-16%	-21%	-35%	-42%
Turkey	n/a	n/a	n/a	n/a	n/a	n/a

Entity (Romania)	2023
Byron Shipping SRL	-40%
Fondul de investiții în energie kazah-român SA	243%
KMG Rompetrol Development SRL	-12%
KMG Rompetrol SRL	-37%
KMG Rompetrol Services Center SRL	-16%
Midia Marine Terminal SRL	-15%
Oilfield Exploration Business Solutions SA	128%
Rominserv SRL	-9%
Romoil SA	83%
Rompetrol Downstream SRL	10%
Rompetrol Energy SA	-17%
Rompetrol Gas SRL	24%
Rompetrol Logistics SRL	31%
Rompetrol Petrochemicals SRL	-
Rompetrol Quality Control SRL	-3%
Rompetrol Rafinare SA	9%
Rompetrol Well Services SA	31%

Breakdown of employee categories by gender and age group

Category	Female			Female Total	Male			Male Total	Grand Total
	<30	30 - 50	>50		<30	30 - 50	>50		
Top management	0	19	5	24	0	49	14	63	87
Middle management	4	118	40	163	7	170	64	241	404
Staff	268	702	425	1,395	560	1,539	1,373	3,472	4,867
GROUP TOTAL	273	839	470	1,582	568	1,758	1,451	3,776	5,358

PROMOTIONS and NEW HIRES

In the dynamic landscape of the global energy sector, Rompetrol recognizes the importance of nurturing talent and promoting from within as key drivers of organizational growth and sustainability. Our 2023 Sustainability Report highlights our dedication to creating opportunities for advancement, recognizing achievements, and infusing our teams with fresh perspectives through strategic new hires.

Our approach is twofold: we focus on identifying and elevating existing talent within our ranks, ensuring that our employees' hard work, dedication, and potential are acknowledged and rewarded with opportunities for career advancement. Concurrently, we are committed to attracting new talent that aligns with our values of innovation, sustainability, and excellence, further enriching our diverse workforce.

Promotions

The year 2023 has seen a concerted effort to balance our gender representation, with a total of 73 female employees being promoted within the Group, signaling a positive shift towards gender parity. On the other side, male promotions numbered at 100, bringing the total number of promotions to 173 across the Group.

Age diversity is also a focal point in our promotion strategy. The majority of promotions were within the 30-50 years age group, reflecting our commitment to nurturing the careers of experienced professionals while also recognizing the contributions of our more seasoned employees.

On the front of nationality, Rompetrol demonstrates a rich tapestry of cultural backgrounds, with significant promotions among Romanian nationals, followed by other nationalities, reflecting our global footprint and the diverse perspectives that strengthen our corporate decision-making processes.

In Romania, we have echoed this commitment to diversity and inclusion, with 61 female promotions and 88 male promotions totaling 149 in 2023. Our dedication to nurturing talent is also evident in the age distribution of promotions, with a strong representation in the 30-50 years age group and a respectful acknowledgment of the over 50 years category.

Furthermore, Rompetrol's promotion of employees across various nationalities within Romania underscores our inclusive approach, recognizing and leveraging the unique contributions of a diverse workforce.

New hires

During the reporting period, Rompetrol welcomed a total of 1,005 new employees, with a notable distribution across age groups and a balanced gender representation. Young professionals under 30 years of age made up a significant 46% of new hires, exemplifying our investment in the future by attracting emerging talent eager to innovate and grow within the energy sector. The 30-50 years age group, representing seasoned professionals, constituted 44% of new hires, bringing a wealth of experience and industry knowledge to our company. The over 50 years age category accounted for 9%, highlighting our respect for the profound insights and leadership that come with extensive career experience.

Gender diversity in new hires was improved, with men making up 68% and women 32% of the total number of new employees, indicating an increased attention and awareness towards addressing historical gender imbalances in the energy industry, considered for many years a man's sector.

This enhanced trend was particularly pronounced in Moldova, where a remarkable 46% of new hires were female, and in Romania, where female constituted 31% of the new workforce, reinforcing the general movement of attracting more females.

In Romania, our largest operational base, we saw a total of 385 new hires, with 31% being female and 69% male. The commitment to nurturing young professionals was mirrored here, with those under 30 years old making up 54% of the total new hires, underscoring our focus on integrating fresh graduates and young talent into our teams.

The diversity of nationalities within our new hires reflects Rompetrol's global footprint and the value we place on multicultural perspectives in driving innovation and business success. With new team members hailing from various countries, we not only enhance our cultural richness but also strengthen our ability to operate effectively in a global market.

As we look to the future, Rompetrol's dedication to building a diverse and skilled workforce remains a key priority, underpinning our strategic vision and reinforcing our role as a leading player in the energy sector. As Rompetrol continues to grow and evolve, so does our commitment to empowering our employees through opportunities for advancement and the continuous infusion of new, diverse talent into our organization. Through intentional recruitment and promotion practices, we are shaping a robust workforce that is well-equipped to meet the challenges of tomorrow and contribute to sustainable energy solutions worldwide.



Promoted employees by gender, age group and nationality

Country	Gender		Age Group			Nationality						Total
	Female	Male	<30	30 - 50	>50	Bulgarian	Georgian	Kazakh	Moldovan	Romanian	Ukrainian	
Bulgaria	2	10	-	12	-	10	-	2	-	-	-	12
Georgia	-	9	-	9	-	-	5	4	-	-	-	9
Moldova	31	7	-	38	-	-	-	1	37	-	-	38
Romania	39	72	43	56	12	-	-	10	-	100	1	111
Switzerland	1	2	-	3	-	-	-	2	-	-	1	3
GROUP TOTAL	73	100	43	118	12	10	5	19	37	100	2	173

Entity (Romania)	Gender		Age Group			Nationality						Total
	Female	Male	<30	30 - 50	>50	Bulgarian	Georgian	Kazakh	Moldovan	Romanian	Ukrainian	
KMG Rompetrol SRL	9	13	3	17	2	-	-	10	-	11	1	22
KMG Rompetrol Services Center SRL	6	2	2	6	-	-	-	-	-	8	-	8
Midia Marine Terminal SRL	1	4	2	3	-	-	-	-	-	5	-	5
Rominserv SRL	6	7	5	5	3	-	-	-	-	13	-	13
Rompetrol Downstream SRL	5	2	2	5	-	-	-	-	-	7	-	7
Rompetrol Energy SA	1	7	7	1	-	-	-	-	-	8	-	8
Rompetrol Quality Control SRL	3	1	-	4	-	-	-	-	-	4	-	4
Rompetrol Rafinare SA	8	24	17	11	4	-	-	-	-	32	-	32
Rompetrol Well Services SA	-	12	5	4	3	-	-	-	-	12	-	12
GROUP TOTAL	39	72	43	56	12	-	-	-	-	100	1	111

New hires by gender and age group

Age Group	Gender		Age Group				Total
	Female	Male	<30	30 - 50	>50	Total	
<30	155	311	466				466
30 - 50	147	298	445				445
>50	16	78	94				94
TOTAL	318	687	1,005				1,005

Entity (Romania)	Gender		Age Group			Total
	Female	Male	<30	30 - 50	>50	
KMG Rompetrol SRL	19	49	37	30	1	68
KMG Rompetrol Services Center SRL	14	5	5	14	-	19
Midia Marine Terminal SRL	9	20	15	13	1	29
Rominserv SRL	10	45	39	14	2	55
Rompetrol Downstream SRL	24	20	15	29	-	44
Rompetrol Energy SA	5	12	11	6	-	17
Rompetrol Gas SRL	1	4	1	3	1	5
Rompetrol Quality Control SRL	11	3	11	3	-	14
Rompetrol Rafinare SA	24	88	67	43	2	112
Rompetrol Well Services SA	4	18	7	13	2	22
GROUP TOTAL	121	264	208	168	9	385

EMPLOYEE TURNOVER and RETENTION

In the fast-paced and competitive energy industry, managing employee turnover and fostering retention are critical to maintaining a stable and experienced workforce. Rompetrol's approach to these challenges is rooted in a deep understanding of the factors that drive employee satisfaction and engagement.

Employee Turnover

Employee turnover is a natural part of the employment cycle, reflecting both the opportunities for career progression outside the company and the internal shifts within the organization. Rompetrol carefully monitors turnover rates to glean insights into the workforce's health and identify areas for improvement in our employment practices.

Our turnover analysis covers a range of metrics, including voluntary and involuntary departures, retirements, and internal transfers. By examining these patterns, we aim to understand the underlying reasons for departures and take proactive steps to address them. This includes exit interviews that provide departing employees with a platform to share their experiences and feedback, which Rompetrol uses to enhance the work environment and organizational policies.

In the reporting period, Rompetrol experienced a total employee turnover of 876 individuals. This figure represents a diverse group in terms of age, with 313 under 30 years old, 374 between 30-50, and 189 over 50, indicating that turnover affected all age demographics within the company. When it comes to gender, of those who left, 274 were female, and 602 were male, reflecting a higher turnover rate among male employees.

Regionally, the turnover rates varied, with Georgia experiencing the highest rate at 36%, followed by Moldova at 40%, and Romania at a significantly lower rate of 6%. This variance underscores the different

market conditions and employment dynamics in each operational region.

In Romania specifically, the turnover consisted of 42 individuals under 30, 77 from the 30-50 age bracket, and 92 over 50, totaling 211 departures. The breakdown by gender in Romania shows that 79 female employees and 132 male employees left the company during the reporting period.

Analyzing turnover by age category provides further insight. For instance, in Georgia, a significant portion of turnover occurred among those under 30 (62%), which could indicate a trend of young professionals seeking new opportunities or career changes. Conversely, in Moldova, the turnover rate was more evenly distributed across age categories, with the highest turnover (80%) observed in the under 30 age group, possibly reflecting the mobility of the younger workforce.

Rompetrol's turnover by gender shows that in some regions, such as Georgia and Moldova, a higher percentage of turnover was observed among women (19% and 50%, respectively) compared to men. This data is crucial for informing our gender-specific retention strategies and ensuring that Rompetrol remains an attractive employer for all genders.

Turnover by region further highlights the importance of tailoring retention strategies to the specific context of each location. For instance, the relatively high turnover rate in Switzerland (27%) suggests that there may be unique challenges to employee retention in this market that Rompetrol is committed to addressing.

At Rompetrol, we are proactive in responding to the insights gained from our turnover analysis. We continue to refine our retention strategies, which include competitive remuneration, comprehensive benefits, professional development opportunities, and a supportive work environment that values each employee's contribution.

Our goal is to not only retain the talent we have but to ensure that Rompetrol remains a preferred employer for current and future generations of energy professionals. As we move forward, we will keep focusing on understanding and addressing the needs of our diverse workforce to reduce turnover rates and build a resilient and committed team.

Employee Retention

Conversely, employee retention is a testament to Rompetrol's ability to create a supportive and fulfilling workplace. Our retention strategies are multifaceted, encompassing competitive compensation packages, comprehensive benefits, opportunities for professional development, and a focus on work-life balance.

Rompetrol invests in continuous learning and development programs, recognizing that career advancement opportunities are key to keeping our team members engaged and motivated. We also prioritize creating a culture of recognition, where employees feel valued for their contributions and are encouraged to innovate and take ownership of their work.

Our commitment to employee well-being extends beyond the office, with initiatives that promote health, community involvement, and personal growth. Rompetrol's approach to retention is holistic, ensuring that our employees' professional and personal needs are met, fostering a strong sense of loyalty and belonging.

In 2023, Rompetrol upheld its policy of granting parental leave in accordance with local laws and company regulations. A total of 120 employees across the Group were entitled to parental leave, with 58 females and 62 males availing themselves of this benefit. In Romania alone, 87 employees, consisting of 30 females and 57 males, were entitled to parental leave.

Of those entitled, 62 employees took parental leave, with women comprising the majority (54 females) of this group. This demonstrates Rompetrol's support for maternity and paternity rights and the company's understanding of the importance of time off for new parents.

The return-to-work post-parental leave is a crucial transition for employees. In 2023, 48 employees, including 41 females and 7 males, returned to work after their parental leave ended, indicating a strong return rate and Rompetrol's commitment to providing a supportive environment for returning parents.

Employees who left by gender and age group

Country	Gender		Age Group			Total
	Female	Male	<30	30 - 50	>50	
Bulgaria	5	8	-	11	2	13
Georgia	8	226	107	92	35	234
Kazakhstan	1	2	-	3	-	3
Moldova	178	231	164	186	59	409
Romania	79	132	42	77	92	211
Switzerland	3	3	-	5	1	5
GROUP TOTAL	274	602	313	374	189	876

Entity (Romania)	Gender		Age Group			Total
	Female	Male	<30	30 - 50	>50	
KMG Rompetrol SRL	7	20	5	18	4	27
KMG Rompetrol Development SRL	-	1	-	1	-	1
KMG Rompetrol Services Center SRL	11	3	4	5	5	14
Midia Marine Terminal SRL	4	8	3	3	6	12
Rominserv SRL	6	23	2	13	14	29
Rompetrol Downstream SRL	12	14	11	12	3	26
Rompetrol Energy SA	3	5	-	3	5	8
Rompetrol Gas SRL	-	1	-	-	1	1
Rompetrol Quality Control SRL	9	2	3	2	6	11
Rompetrol Rafinare SA	23	46	12	15	42	69
Rompetrol Well Services SA	4	9	2	5	6	13
ROMANIA TOTAL	79	132	42	77	92	211

Retention of employees after returning from parental leave is a key focus for Rompetrol. The retention rate (calculated for 2022 taking into consideration the number of employees who worked more than 1 year after return to work) for those who took parental leave was 81% for the entire Group, highlighting Rompetrol's successful integration of employees back into the workplace.

Notably, the retention rate for females was 85%, and for males, it was 50%, reflecting the effectiveness of our policies in retaining female staff post-parental leave. In Romania, the retention rate was even higher, with 87% for females and 67% for males. This indicates that the majority of employees who returned to work after parental leave continued their employment with Rompetrol for more than a year.

Employee turnover by gender and age group

Country	Gender		Age Group			Total
	Female	Male	<30	30 - 50	>50	
Bulgaria	21%	15%	-	21%	10%	17%
Georgia	19%	37%	62%	31%	19%	36%
Kazakhstan	13%	12%	-	16%	-	12%
Moldova	50%	34%	80%	33%	22%	40%
Romania	7%	6%	9%	5%	6%	6%
Switzerland	31%	24%	-	30%	19%	27%

Entity (Romania)	Gender		Age Group			Total
	Female	Male	<30	30 - 50	>50	
KMG Rompetrol SRL	6%	18%	15%	10%	15%	11%
KMG Rompetrol Development SRL	-	25%	-	20%	-	14%
KMG Rompetrol Services Center SRL	6%	6%	22%	3%	9%	6%
Midia Marine Terminal SRL	8%	4%	7%	3%	6%	5%
Rominserv SRL	6%	5%	3%	5%	6%	5%
Rompetrol Downstream SRL	8%	5%	23%	4%	3%	6%
Rompetrol Energy SA	8%	4%	-	5%	6%	5%
Rompetrol Gas SRL	-	1%	-	-	3%	1%
Rompetrol Quality Control SRL	5%	5%	8%	3%	6%	5%
Rompetrol Rafinare SA	30%	5%	7%	4%	7%	6%
Rompetrol Well Services SA	18%	8%	20%	8%	9%	9%

In the coming years, Rompetrol will continue to refine our turnover and retention strategies to align with evolving workforce expectations and industry best practices. By maintaining a pulse on our employees' satisfaction and engagement levels, we can swiftly adapt to the changing landscape and sustain our reputation as an employer of choice in the energy sector.

Through diligent analysis, empathetic leadership, and responsive policymaking, Rompetrol aims to maintain a stable and thriving workforce that will propel us forward in our mission to deliver sustainable energy solutions and drive innovation in the industry.

Employees entitled to parental leave

Country	Female	Male	Total
Bulgaria	4	-	4
Georgia	1	-	1
Kazakhstan	2	1	3
Libya	-	-	-
Moldova	21	3	24
Netherlands	-	-	-
Romania	30	57	87
Singapore	-	-	-
Switzerland	-	1	1
Turkey	-	-	-
GROUP TOTAL	58	62	120

Employees who took parental leave

Country	Female	Male	Total
Bulgaria	4	-	4
Georgia	1	-	1
Kazakhstan	1	-	1
Libya	-	-	-
Moldova	21	3	24
Netherlands	-	-	-
Romania	27	4	31
Singapore	-	-	-
Switzerland	-	1	1
Turkey	-	-	-
GROUP TOTAL	54	8	62

Employees who returned to work in 2023

Country	Female	Male	Total
Bulgaria	3	-	3
Georgia	1	-	1
Kazakhstan	-	-	-
Libya	-	-	-
Moldova	2	2	4
Netherlands	-	-	-
Romania	35	4	39
Singapore	-	-	-
Switzerland	-	1	1
Turkey	-	-	-
GROUP TOTAL	41	7	48

Entity (Romania)	Female	Male	Total
KMG Rompetrol SRL	3	11	14
KMG Rompetrol Development SRL	-	-	-
KMG Rompetrol Services Center SRL	3	-	3
Midia Marine Terminal SRL	4	9	13
Rominserv SRL	5	6	11
Rompetrol Downstream SRL	5	7	12
Rompetrol Energy SA	-	3	3
Rompetrol Gas SRL	2	3	5
Rompetrol Quality Control SRL	2	1	3
Rompetrol Rafinare SA	6	15	21
Rompetrol Well Services SA	-	2	2
ROMANIA TOTAL	30	57	87

Entity (Romania)	Female	Male	Total
KMG Rompetrol SRL	2	-	2
KMG Rompetrol Development SRL	-	-	-
KMG Rompetrol Services Center SRL	3	-	3
Midia Marine Terminal SRL	3	-	3
Rominserv SRL	4	-	4
Rompetrol Downstream SRL	6	-	6
Rompetrol Energy SA	-	-	-
Rompetrol Gas SRL	1	-	1
Rompetrol Quality Control SRL	2	-	2
Rompetrol Rafinare SA	6	4	10
Rompetrol Well Services SA	-	-	-
ROMANIA TOTAL	27	4	31

Entity (Romania)	Female	Male	Total
KMG Rompetrol SRL	6	1	7
KMG Rompetrol Development SRL	-	-	-
KMG Rompetrol Services Center SRL	7	-	7
Midia Marine Terminal SRL	1	-	1
Rominserv SRL	1	-	1
Rompetrol Downstream SRL	7	-	7
Rompetrol Energy SA	-	-	-
Rompetrol Gas SRL	-	-	-
Rompetrol Quality Control SRL	6	-	6
Rompetrol Rafinare SA	6	3	9
Rompetrol Well Services SA	1	-	1
ROMANIA TOTAL	35	4	39

Employees who returned to work in 2022

Country	Female	Male	Total
Bulgaria	1	-	1
Georgia	2	-	2
Kazakhstan	-	-	-
Libya	-	-	-
Moldova	5	1	6
Netherlands	-	-	-
Romania	31	3	34
Singapore	-	-	-
Switzerland	-	-	-
Turkey	-	-	-
GROUP TOTAL	39	4	43

Entity (Romania)	Female	Male	Total
KMG Rompetrol SRL	10	-	10
KMG Rompetrol Development SRL	-	-	-
KMG Rompetrol Services Center SRL	5	-	5
Midia Marine Terminal SRL	-	-	-
Rominserv SRL	2	1	3
Rompetrol Downstream SRL	5	1	6
Rompetrol Energy SA	-	-	-
Rompetrol Gas SRL	-	1	1
Rompetrol Quality Control SRL	3	-	3
Rompetrol Rafinare SA	6	-	6
Rompetrol Well Services SA	-	-	-
ROMANIA TOTAL	31	3	34

Employees who returned to work after parental leave and were still employed 12 months after returning to work

Country	Female	Male	Total
Bulgaria	1	-	1
Georgia	2	-	2
Kazakhstan	-	-	-
Libya	-	-	-
Moldova	3	-	3
Netherlands	-	-	-
Romania	27	2	29
Singapore	-	-	-
Switzerland	-	-	-
Turkey	-	-	-
GROUP TOTAL	33	2	35

Entity (Romania)	Female	Male	Total
KMG Rompetrol SRL	9	-	9
KMG Rompetrol Development SRL	-	-	-
KMG Rompetrol Services Center SRL	3	-	3
Midia Marine Terminal SRL	-	-	-
Rominserv SRL	2	-	2
Rompetrol Downstream SRL	4	1	5
Rompetrol Energy SA	-	-	-
Rompetrol Gas SRL	-	1	1
Rompetrol Quality Control SRL	3	-	3
Rompetrol Rafinare SA	6	-	6
Rompetrol Well Services SA	-	-	-
ROMANIA TOTAL	27	2	29

Turnover of employees who took parental leave (for 2022, based on employees who were still employed 12 months later)

Country	Female	Male	Total
Bulgaria	100%	-	100%
Georgia	100%	-	100%
Kazakhstan	-	-	-
Libya	-	-	-
Moldova	60%	-	50%
Netherlands	-	-	-
Romania	87%	67%	85%
Singapore	-	-	-
Switzerland	-	-	-
Turkey	-	-	-
GROUP TOTAL	85%	50%	81%

Entity (Romania)	Female	Male	Total
KMG Rompetrol SRL	80%	100%	83%
KMG Rompetrol Development SRL	-	-	-
KMG Rompetrol Services Center SRL	60%	-	60%
Midia Marine Terminal SRL	-	-	-
Rominserv SRL	90%	-	90%
Rompetrol Downstream SRL	-	100%	100%
Rompetrol Energy SA	-	-	-
Rompetrol Gas SRL	-	100%	100%
Rompetrol Quality Control SRL	100%	-	100%
Rompetrol Rafinare SA	67%	-	67%
Rompetrol Well Services SA	-	-	-
ROMANIA TOTAL	87%	67%	85%

REWARDS of DEDICATION and COMMITMENT: REMUNERATION, COMPENSATION and BENEFITS

GRI
GRI 2-19
GRI 2-20
GRI 2-21
GRI 201-3
GRI 202-1
GRI 401-2
GRI 405-2
GRI 11.10.3
GRI 11.11.6
IPECA
SOC-5 A2

REMUNERATION and BENEFITS

The Group's remuneration policy is meticulously crafted to establish a thorough framework for determining and revising compensation elements. This policy serves as a vital instrument for line management to guarantee uniform application regarding pay adjustments and related decisions. It also ensures internal fairness and remains competitive within the external job market.

Our aim is to offer one of the most attractive compensation and benefits packages within the industries and markets we serve. To achieve this, we engage in external benchmarking through annual salary surveys conducted in collaboration with top consulting firms. These surveys gauge market shifts relative to the previous year. Additionally, our annual salary benchmarking analysis across all subsidiaries is instrumental in upholding internal equity—ensuring equitable compensation for similar roles and their impact on the business.

The Appointment and Remuneration Committee, formed by the Board of Directors at KMG International N.V., plays a pivotal advisory role to the Board and the Management Council (Sole Shareholder) on remuneration policies, employment terms, overall compensation, and performance benchmarks for the senior management. This committee also orchestrates and oversees the execution of compensation plans, while also supporting the rollout of remuneration policies and strategies at the Group level. Nonetheless, the final decisions on remuneration policies and strategies for the Group are made by the KMG International N.V. Board of Directors.

Our compensation program is designed to promote employee performance by appropriately rewarding their achievements and contributions. We strive to position our global pay scale at or above market median across all employee levels. Compensation packages

typically consist of a base salary and variable pay, which are tied to the performance of both the individual employee and management, as well as the overall business outcomes.

Variable pay bonuses are varied and can include performance bonuses, bonus schemes for roles in production, operations, sales, projects, and bonuses specified in Collective Labor Agreements. We ensure that all employees, whether full-time or part-time, have access to an identical benefits package. Depending on personal circumstances, our employees may be eligible for a variety of financial and non-financial benefits, such as:

- Health, life, illness, and disability insurance
- Medical care subscriptions
- Humanitarian aid - for significant damages further to calamities
- Pregnancy and postpartum support and allowances
- Retirement planning and management services and allowances
- Rest and relaxation allowances/tickets
- Transportation and commuting reimbursement
- Relocation assistance and allowances
- Significant life events support and allowances (marriage, childbirth, illness, bereavement)
- Kindergarten allowances
- Work from home
- Flexible schedule
- Short Friday schedule
- Paid time off
- Gifts for employees' children on Christmas and International Children's Day
- Discounts for company products or other third-party suppliers.

For our senior executive team, we commit to providing an equally competitive compensation and benefits package that is reflective of the diverse and dynamic markets we operate

in. Beyond salary, we believe a comprehensive benefits package holds significant value for our senior executives.

In our remuneration strategy, we recognize that a holistic approach to performance measurement is essential. To ensure a comprehensive evaluation of both executive and employee performance, our framework integrates a balance of financial and non-financial metrics. Thus, our performance objectives encompass both financial aspects, such as cost management within budgetary constraints, and non-financial factors, which include but are not limited to:

- **Customer satisfaction:** we assess our executives and employees based on their ability to meet and exceed customer expectations, understanding that customer satisfaction is a key driver of our business success.
- **Market presence:** we consider the impact of our team's efforts on enhancing our brand and expanding our market reach, reflecting the importance of growth and competitive positioning.
- **Process improvement:** the efficiency and effectiveness of our internal processes are crucial. We evaluate how well our team identifies areas for improvement and implements changes that increase operational excellence.
- **Personal development:** recognizing the value of continuous learning, we set objectives that encourage our employees to acquire new skills and knowledge, contributing to their professional growth and the company's innovation capacity.

By incorporating non-financial objectives into our compensation strategy, we affirm our commitment to a sustainable business model that values customer satisfaction, market growth, internal process optimization, and the ongoing development of our employees.

To align rewards with performance, we employ a balanced scorecard approach. This method utilizes Key Performance Indicators (KPIs) drawn from both financial and non-financial perspectives. Depending on the specific role and its unique demands, we may place greater emphasis on one perspective over the other. By doing so, we ensure that our remuneration packages reflect the

Number of employees hired with minimum wage/month, by gender

Country	Gender	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Minimum wage by law (local currency)	Minimum wage by law (equivalent)
Romania	Female	-	-	-	-	-	-	-	-	-	-	-	-	RON 3,300	USD 734.02
	Male	6	6	5	5	5	5	5	5	5	5	5	5		
Moldova	Female	-	-	-	-	-	-	-	-	-	-	-	-	MDL 4,000	USD 228.79
	Male	1	1	1	1	1	1	1	1	1	1	1	1		
Georgia	Female	-	-	-	-	-	-	-	-	-	-	-	-	n/a	n/a
	Male	-	-	-	-	-	-	-	-	-	-	-	-		
Kazakhstan	Female	-	-	-	-	-	-	-	-	-	-	-	-	KZT 70,000	USD 154.00
	Male	-	-	-	-	-	-	-	-	-	-	-	-		
Bulgaria	Female	-	-	-	-	-	-	-	-	-	-	-	-	BGN 780	USD 433.33
	Male	-	-	-	-	-	-	-	-	-	-	-	-		
Switzerland	Female	-	-	-	-	-	-	-	-	-	-	-	-	n/a	n/a
	Male	-	-	-	-	-	-	-	-	-	-	-	-		
Libya	Female	-	-	-	-	-	-	-	-	-	-	-	-	LYD 1,000	USD 208.33
	Male	-	-	-	-	-	-	-	-	-	-	-	-		
Netherlands	Female	-	-	-	-	-	-	-	-	-	-	-	-	EUR 1,842	USD 2,034.97
	Male	-	-	-	-	-	-	-	-	-	-	-	-		
Turkey	Female	-	-	-	-	-	-	-	-	-	-	-	-	TRY 13,415	USD 455.68
	Male	2	2	2	2	2	2	3	3	3	3	3	3		

Note: the figures are reported as Headcount, considering only full-time employees from the analyzed period. The analysis was made at country level. There are 2 countries where there is no minimum wage established by law: Georgia and Switzerland.

Number of employees hired with minimum wage/month, by gender

Entity (Romania)	Gender	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Byron Shipping SRL	Female	-	-	-	-	-	-	-	-	-	-	-	-
	Male	-	-	-	-	-	-	-	-	-	-	-	-
KMG Rompetrol SRL	Female	-	-	-	-	-	-	-	-	-	-	-	-
	Male	-	-	-	-	-	-	-	-	-	-	-	-
KMG Rompetrol Services Center SRL	Female	-	-	-	-	-	-	-	-	-	-	-	-
	Male	-	-	-	-	-	-	-	-	-	-	-	-
Midia Marine Terminal SRL	Female	-	-	-	-	-	-	-	-	-	-	-	-
	Male	-	-	-	-	-	-	-	-	-	-	-	-
Rominserv SRL	Female	-	-	-	-	-	-	-	-	-	-	-	-
	Male	-	-	-	-	-	-	-	-	-	-	-	-
Rompetro Downstream SRL, Romoil SA	Female	-	-	-	-	-	-	-	-	-	-	-	-
	Male	-	-	-	-	-	-	-	-	-	-	-	-
Rompetro Gas SRL	Female	-	-	-	-	-	-	-	-	-	-	-	-
	Male	-	-	-	-	-	-	-	-	-	-	-	-
Rompetro Logistics SRL	Female	-	-	-	-	-	-	-	-	-	-	-	-
	Male	-	-	-	-	-	-	-	-	-	-	-	-
Rompetro Petrochemicals SRL	Female	-	-	-	-	-	-	-	-	-	-	-	-
	Male	-	-	-	-	-	-	-	-	-	-	-	-
Rompetro Quality Control SRL	Female	-	-	-	-	-	-	-	-	-	-	-	-
	Male	-	-	-	-	-	-	-	-	-	-	-	-
Rompetro Rafinare SA	Female	-	-	-	-	-	-	-	-	-	-	-	-
	Male	-	-	-	-	-	-	-	-	-	-	-	-
Oilfield Exploration Business Solutions SA	Female	-	-	-	-	-	-	-	-	-	-	-	-
	Male	5	5	5	5	5	5	5	5	5	5	5	5
Rompetro Well Services SA	Female	-	-	-	-	-	-	-	-	-	-	-	-
	Male	-	-	-	-	-	-	-	-	-	-	-	-
Rompetro Development SRL	Female	-	-	-	-	-	-	-	-	-	-	-	-
	Male	1	1	-	-	-	-	-	-	-	-	-	-
Rompetro Energy SA	Female	-	-	-	-	-	-	-	-	-	-	-	-
	Male	-	-	-	-	-	-	-	-	-	-	-	-
Fondul de investiții în energie kazah-român SA	Female	-	-	-	-	-	-	-	-	-	-	-	-
	Male	-	-	-	-	-	-	-	-	-	-	-	-

diverse contributions of our workforce and the multifaceted nature of our business objectives.

The performance bonus is an integral part of our remuneration package. It is contingent upon the achievement of predefined targets and is designed to foster a culture of high performance and increased activity effectiveness. This bonus system serves as a motivational tool, encouraging our team members to strive for excellence in their respective roles.

The annual total compensation ratio is influenced by factors such as the organization's size, revenue, employee count, the sector, and the diversity of core activities among the subsidiaries. When calculating annual total compensation, we consider elements like the base salary, various allowances, bonuses, rest and relaxation tickets, and meal vouchers, subject to the remuneration policy and data availability.

In our ongoing commitment to fairness and transparency within our workforce, we closely monitor the compensation levels across all our locations, ensuring adherence to the legal standards and our corporate ethos. Rompetrol strictly adheres to the minimum wage laws set forth by the countries in which we operate.

DEFINED BENEFIT PLAN OBLIGATIONS and OTHER RETIREMENT PLANS

Rompetro complies with Romania's statutory requirements for employer contributions towards employee benefit plans. As per the local legislation, the Group makes mandatory contributions on a monthly basis to a benefit plan for all employees. These contributions account for a designated percentage of the total compensation package and are directed toward health, pension, and social insurances.

International Pension Plan

The International Pension Plan, a defined contribution plan, is provided by the employer and targets specific employees within the Group – mainly those in managerial roles or with executive functions. The plan has the flexibility to be extended to other levels of employees and collaborators,

Pillar 1 contributions

Entity (Romania)	USD
Byron Shipping SRL	158,514
Fondul de investiții în energie kazah-român SA	94,319
KMG Rompetrol Development SRL	70,418
KMG Rompetrol SRL	6,529,823
KMG Rompetrol Services Center SRL	2,499,028
Midia Marine Terminal SRL	2,764,570
Oilfield Exploration Business Solutions SA	19,832
Rominserv SRL	6,227,644
Romoil SA	25,190
Rompetro Downstream SRL	4,410,849
Rompetro Energy SA	1,649,556
Rompetro Gas SRL	918,733
Rompetro Logistics SRL	12,747
Rompetro Petrochemicals SRL	3,597
Rompetro Quality Control SRL	1,883,445
Rompetro Rafinare SA	12,766,023
Rompetro Well Services SA	1,115,520
ROMANIA TOTAL	41,149,808

Note: Social security contributions (CAS) are calculated as 25% of gross income, payable by the employee, but retained at the source.

contingent on the economic, financial, and fiscal conditions of each entity, and subject to the approval of each entity's governing body.

The company commits to a predefined contribution level into the individual savings accounts of each plan member. This level is expressed as a percentage of the member's monthly gross base salary and varies depending on their position within the company. While not obligatory, members have the option to augment these contributions with additional amounts from their monthly base salary.

These savings are then invested according to the members' individual investment decisions, and over time, the value of each account will fluctuate based on the input amounts and the investment's performance. Upon the termination of employment or retirement, members are entitled to receive the entirety of their individual retirement account's value in a lump sum.

Additional Health Benefits

In addition to the pension plans, the Group provides all employees with access to preventive medical services and life and health insurance. This commitment to employee health and well-being is part of our overarching strategy to ensure a holistic approach to employee benefits.



EMPOWERING UNITY: COLLECTIVE BARGAINING *and* LABOR PRACTICES

GRI
GRI 2-30 GRI 11.7.2
GRI 402-1 GRI 11.10.5
GRI 407-1 GRI 11.12.2
GRI 408-1 GRI 11.13.2
GRI 409-1

At Rompetrol, we are committed to maintaining an open and constructive dialogue with all social partners, trade unions and elected employee representatives. This dialogue is crucial for achieving and sustaining social stability within our workforce.

COLLECTIVE BARGAINING AGREEMENTS

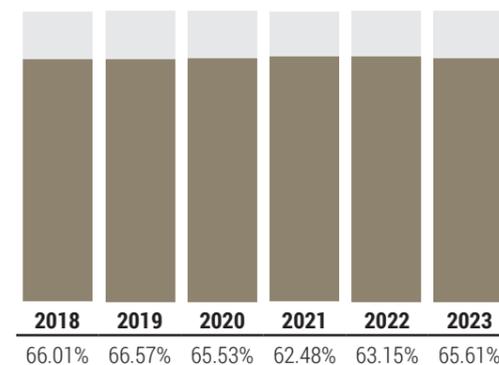
Across the Group, 65.61% of our employees are covered by collective bargaining agreements. This reflects our commitment to secure work conditions and equality of opportunity and treatment through negotiation and agreement with our social dialogue partners.

In Romania, where we have a significant presence, the coverage is extensive, with 99.33% of employees under collective bargaining agreements. This exceptionally high percentage underscores our dedication to fostering a collaborative work environment where employees' voices are heard, and their rights are protected.

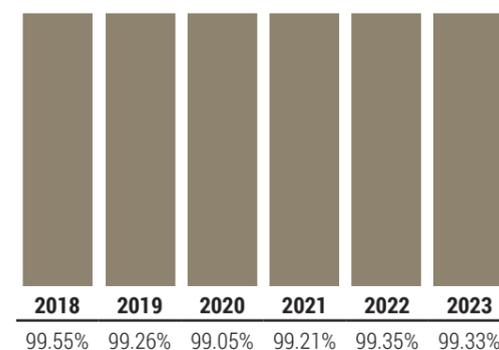
At Group level, 34.39% of our employees are not members of any trade union. For our employees in regions or legal entities not covered by collective bargaining agreements, we still provide a work environment that is governed by the prevailing labor regulations. These employees benefit from fair working conditions and terms of employment that are in line with industry standards and legal requirements. For example, in Bulgaria, Georgia, Kazakhstan, and Turkey, among others, we abide by labor laws and market standards to determine employment conditions.

During the reporting period, we did not identify any operations in which the right to exercise freedom of association and collective bargaining was violated or at significant risk.

Group level coverage of CBAs



Romania coverage of CBAs



Coverage of collective bargaining agreements

Country	Entity	CBAs	Headcount
Bulgaria	Rompetrol Bulgaria EAD	no	78
Georgia	Rompetrol Georgia LTD	no	658
Kazakhstan	KMG Rompetrol SRL representative office	no	23
	Rominserv SRL branch	no	2
Libya	Rompetrol Libya	no	2
Moldova	Rompetrol Moldova SA	no	1,027
	Byron Shipping SRL	yes	10
	Fondul de investiții în energie kazah-român SA	no	14
	KMG Rompetrol Development SRL	yes	7
	KMG Rompetrol SRL	yes	235
	KMG Rompetrol Services Center SRL	yes	237
	Midia Marine Terminal SRL	yes	238
	Oilfield Exploration Business Solutions SA	no	10
	Rominserv SRL	yes	558
	Romoil SA	yes	9
	Rompetrol Downstream SRL	yes	448
	Rompetrol Energy SA	yes	163
	Rompetrol Gas SRL	yes	95
	Rompetrol Logistics SRL	yes	4
Rompetrol Petrochemicals SRL	yes	3	
Rompetrol Quality Control SRL	yes	211	
Rompetrol Rafinare SA	yes	1,160	
Rompetrol Well Services SA	yes	138	
Netherlands	KMG International NV	no	3
Switzerland	KMG Trading AG	no	22
Turkey	TRG Petrol Ticaret AŞ	no	4

Union members in Romania

Entity (Romania)	1	2	3	4	5	6	Total Employees
Byron Shipping SRL	-	8	-	-	-	-	10
Fondul de investiții în energie kazah-român SA	-	-	-	-	-	-	14
KMG Rompetrol Development SRL	-	-	-	-	-	-	7
KMG Rompetrol SRL	-	-	-	-	-	-	235
KMG Rompetrol Services Center SRL	-	140	-	1	-	2	237
Midia Marine Terminal SRL	-	54	-	2	-	138	238
Oilfield Exploration Business Solutions SA	-	-	-	-	-	-	10
Rominserv SRL	-	352	-	19	-	41	558
Romoil SA	-	-	-	-	-	-	9
Rompetrol Downstream SRL	-	-	161	1	-	-	448
Rompetrol Energy SA	114	7	-	-	-	1	163
Rompetrol Gas SRL	-	66	-	-	-	1	95
Rompetrol Logistics SRL	-	-	-	1	-	-	4
Rompetrol Petrochemicals SRL	-	-	-	-	-	-	3
Rompetrol Quality Control SRL	-	120	-	7	-	34	211
Rompetrol Rafinare SA	-	604	-	24	-	222	1,160
Rompetrol Well Services SA	-	-	-	-	123	-	138
ROMANIA TOTAL	114	1,350	161	55	123	439	3,539

1. "Energeticianul" Free Union
2. "Petrochimistul" Free Union
3. Rompetrol Downstream Free Union
4. Vega Free Union
5. "Petros" Free Union
6. Midia-Năvodari Industrial Platform Workers' Union

MINIMUM NOTICE PERIOD

At Rompetrol, we adhere strictly to the local labor laws in each region of our operations, particularly regarding the notice periods provided to employees .

In Romania, we observe a minimum notice period of 20 working days. For other locations such as Moldova, Bulgaria, and Georgia, the mandated notice period extends to 30 days. In Switzerland, the notice period varies depending on the employee's tenure: for those with less than one year of service, a 2-month notice period is standard, starting from the end of the current month. For employees with over a year of service, the notice period increases to a minimum of 3 months, also effective from month's end.

For our entities where collective bargaining agreements are in place, these agreements include specific provisions pertaining to notice periods. In such cases, the notice periods align with or exceed the statutory minimums to ensure employees are given ample time to prepare for upcoming changes.

Furthermore, our collective bargaining agreements stipulate the need for consultation with unions or elected employees' representatives before making any decisions or operational changes that might impact our employees. This process ensures that social dialogue partners are provided with all necessary information well in advance, allowing them to participate effectively in the decision-making process and safeguard the interests of our workforce.

OTHER LABOR PRACTICES

We respect all minimum age laws in the countries where we operate. In 2023, the Group did not resort to, and will never resort in any way, to hiring children or putting them in working relations with KMG International. This also applies to all Group suppliers.

Furthermore, throughout the reporting period, KMG International did not resort to and does not condone the use of forced or compulsory labor within any of the entities and in any relations with the Group, including all of our suppliers.

CULTIVATING EXPERTISE and GROWTH: TRAINING and SKILL DEVELOPMENT

GRI
GRI 2-18
GRI 404-1 - 404-3
GRI 11.7.3
GRI 11.10.6
GRI 11.10.7
GRI 11.11.4

IPIECA
GOV-1 A5
SHS-2 A1
SOC-7 A2, C1, C2
SOC-15 A3

At KMG International, we recognize that the cornerstone of our continued success and industry leadership is unequivocally linked to the expertise and growth of our employees. From onboarding new recruits to empowering seasoned professionals, our training and skill development strategies are tailored to meet the dynamic challenges of our industry and the unique aspirations of our team members.

TRAININGS

Training and education in our industry play a crucial role in shaping the economic, environmental, and social landscape. We offer significant benefits in terms of economic growth, job creation, and skill development. Training and development in this industry needs a strategic approach that includes sustainable practices, diversification of economic activities, and stringent adherence to human rights and environmental standards.

Training programs enhance the skills of the workforce, leading to higher employment rates and better job security in the oil and gas sector. Training programs improve the skill set of individuals, leading to higher employability and career advancement opportunities. Skilled workers can improve operational efficiency and productivity, contributing to economic growth and higher revenues for companies and governments. Investment in training can stimulate local economies through the development of related industries and services, such as training centers and educational institutions.

Investment in training could lead to technological innovations that make industry safer and more efficient, with reduced environmental impacts.

Actions taken to manage the positive and negative training and development related impacts are conducting thorough risk assessments, implementing robust compliance protocols, providing regular training on ethical conduct, and integrating sustainability principles into decision-making processes.

Addressing actual negative impacts includes clear procedures for reporting incidents, conducting thorough investigations, taking appropriate disciplinary actions when necessary, and collaborating with stakeholders to remediate any harm caused, also minimizing further negative consequences.

Managing the positive impact involve setting ambitious sustainability goals, investing in community development initiatives, fostering transparent communication with stakeholders, and continuously monitoring and evaluating the organization's social, environmental, and economic performance.

In 2023, we invested significantly in the professional growth of our employees, with an average of 16.69 training hours recorded per employee across the Group. This figure translates

Employee training

Group level	2023	2022	2021
Average hours of training per female employee	11.13	7.55	4.06
Average hours of training per male employee	19.02	15.74	7.7
Average hours of training per manager	18.95	10.63	6.11
Average hours of training per execution employee	16.46	13.66	6.74
AVERAGE PER EMPLOYEE	16.69	13.41	6.68

Group level	2023	2022	2021
Total training hours for female employees	17,600	11,382	5,788
Total training hours for male employees	71,823	59,752	23,539
Total training hours for managers	9,293	4,679	2,786
Total training hours for execution employees	80,130	66,455	26,542
TOTAL HOURS OF TRAINING	89,423	71,133	29,327

	Group	RO	MD	GE	BG	Rep. Off.	Group minus RO
Average hours of training per female employees	11.13	14.79	0.80	5.80	0.99	2.37	1.72
Average hours of training per male employee	19.02	26.50	8.02	4.13	5.53	0.51	5.98
Average hours of training per manager	18.95	18.91	28.87	17.60	15.98	16.00	19.19
Average hours of training per execution employee	16.46	23.24	5.05	3.76	2.29	0.37	4.37
AVERAGE PER EMPLOYEE	16.69	22.73	5.51	4.23	4.12	1.07	4.94

Entity	Training hours	Employees	Avg. per female employee	Avg. per male employee	Avg. per manager	Avg. per execution employee	Avg. per employee
Byron Shipping SRL	9	9	0.75	1	1	0.89	0.90
Fondul de investiții în energie kazah-român SA	33	3	-	3.77	2.43	2.00	2.40
Rompetrol Development SRL	10	3	2.67	0.55	2.34	0.62	1.50
KMG Rompetrol SRL	5,467	736	19.04	27.65	21.43	26.23	23.22
KMG Rompetrol Services Center SRL	3,826	597	17.81	10.48	31.37	14.05	16.13
Midia Marine Terminal SRL	3,009	226	11.71	12.89	33.28	11.90	12.64
Oilfield Exploration Business Solutions SA	2	1	0.50	-	-	0.15	0.15
Rominserv SRL	6,988	812	5.34	14.10	6.03	13.17	12.53
Romoil SA	154	8	4.75	21.07	-	17.38	17.38
Rompetrol Downstream SRL	4,998	775	12.88	10.31	21.00	9.89	11.16
Rompetrol Energy SA	15,556	273	17.17	117.51	38.02	101.40	95.53
Rompetrol Gas SRL	1,420	99	3.31	16.62	16.81	14.88	14.94
Rompetrol Quality Control SRL	2,597	242	10.79	18.38	37.11	11.67	12.33
Rompetrol Rafinare SA	33,478	988	19.82	31.68	9.85	30.24	28.85
Rompetrol Well Services SA	2,886	214	12.63	22.55	41.69	18.52	20.95
ROMANIA TOTAL	80,431	4,986	161	55	123	439	3,539

to a total of 89,423 training hours for our workforce of 5,358 individuals as of December 31, 2023.

As an average, the number of training hours per total headcount was 16.69 which represents 24% improvement versus last year. Specifically, managers engaged in an average of 18.95 hours of training, while execution-level employees completed an average of 16.46 hours. These sessions ranged from Health & Safety protocols and first aid to Personal, Management, and Business skills development, with a continued focus on technical and professional training.

In Romania, our training initiatives reached 4,986 participants, with 2,474 employees engaging in one or more training courses. Notably, Rompetrol Rafinare and Rompetrol Energy accounted for nearly half of the total training hours, emphasizing our dedication to nurturing future capabilities within these entities. The distribution per entity showed our focus on Rompetrol Rafinare and our investment in ensuring future capabilities for Rompetrol Energy. These 2 entities cumulated approximately 49,000 training hours – around 50% of total training hours.

Moreover, we are dedicated to providing comprehensive education for employees on ethical principles, guidelines, and standards that dictate their conduct in the workplace. Topics such as the code of business conduct, anti-money laundering measures, and principles of anti-bribery and anti-corruption are integral components of employee training from the onset of their employment, forming part of their integration process.

Our commitment to ethics training extends beyond initial sessions, with regular updates and refresher courses ensuring alignment with evolving laws, industry norms, internal protocols, and societal expectations. To foster open communication and transparency, we offer a whistleblower channel for employees, customers, and other stakeholders to confidentially report any concerns they may have.

We are tracking the effectiveness of training and development actions by setting specific, measurable goals related to the desired outcomes of the training, also through performance evaluations process to assess skill improvements and behavioral changes among employees,

feedback forms administered to participants to assess their satisfaction with the training content, delivery, and applicability to their roles, observation and feedback from supervisors or mentors regarding the application of newly acquired knowledge or skills in the workplace.

From each training program, we extract key insights and takeaways from the training feedback form process, including successes, challenges, and areas for improvement, identify best practices and strategies that have proven effective in enhancing training outcomes.

The engagement with our internal stakeholders informs the development, implementation, and evaluation of training and development actions by providing valuable insights, fostering collaboration, and ensuring alignment with the needs and expectations of those involved. This iterative process of engagement and feedback enables the organization to continuously improve its efforts and enhance the effectiveness of its training and development initiatives.

PERFORMANCE REVIEW

Our goal is to provide a clear path for career development and progression, to ensure that our employees have a clear vision of where they want their career to go and how they can get there. To facilitate this objective, each of our employees participate in an annual performance review. This is their opportunity to share their goals and desires with their leaders, but also hear constructive feedback on how they can improve and reach their goals.

All Group employees receive regular performance reviews. The performance appraisal process is approached differently depending on each employee category: top management (1.45%), middle management (8.23%) and non-management (90.32%).

In 2023, 100% of our employees were eligible to participate in this annual review. All locations, all genders and all levels of management got this opportunity, and we look forward to continuing this in the future.

Following performance assessments, customized development programs are designed and implemented. During 2023, our development programs covered both professional and personal development, addressing issues like leadership, communication, personal branding, etc.

For the managerial positions within the Group there are various practices in place to assess performance and progress. These include the evaluation of competencies, practical leadership trainings and refresher sessions where participants can evaluate themselves on practicing and improving the skills acquired through on-the-job training.

For example, the Practical Leadership Training, which is held online, is followed by a Refresher session a month after the initial training, which allows participants to assess themselves on their acquired skills and share experience and examples on how they had improved the respective skill in real life practice.

Regarding performance assessment of the highest governance body in overseeing the management of the organization's impacts on the economy, environment, and people, KMG International has yet to develop a dedicated internal policy. The Group will focus on developing such a procedure and commits itself to implement it across the Group in the upcoming period.

Performance Review	Female	Male	Total
Top management	23	53	76
Middle management	181	251	432
Non-management	1,360	3,380	4,740
GROUP TOTAL	1,564	3,684	5,248

SKILL-DEVELOPMENT *and* TRANSITION ASSISTANCE PROGRAMS

At Rompetrol, we emphasize the importance of continuous training and development for our employees, ensuring they stay abreast of the latest updates in their respective fields of expertise. We offer a range of opportunities for employees to enhance their competencies and skills relevant to their roles within the company:

- **Core competencies:** we have established a set of competencies for each managerial level based on the SHL Universal Framework, with relevant courses and providers identified for each competency.
- **Professional certifications:** employees have the opportunity to pursue certifications such as PMP, CIPD, CIPS, CIMA, ACCA, etc., which are pertinent to their respective domains.
- **Technical courses:** we provide domain-specific technical courses tailored to the needs of each area within the company.

We utilize top e-learning platforms to facilitate learning opportunities. In 2023, employees continued to have access to two digital learning platforms offering unlimited access to over 18,000 high-quality courses covering business, creative, and technology topics, taught by industry experts.

Talent pool by gender and age group

	Female	Male	25 - 34	35 - 44	45 - 54	>55
GROUP TOTAL	44%	56%	15%	54%	24%	7%

In 2023, priority was given to regulatory requirements, with specialized personnel attending reauthorization trainings covering health and safety, electrical courses, transport safety, waste management, and other essential areas. Also, we initiated a transformation towards a QHSE culture, investing in health and safety trainings and building internal expertise. This included NEBOSH certification training for personnel from different entities within the Petromidia platform, first aid training, and defensive driving courses for various vehicle types. This focus on health and safety trainings will also continue in 2024.

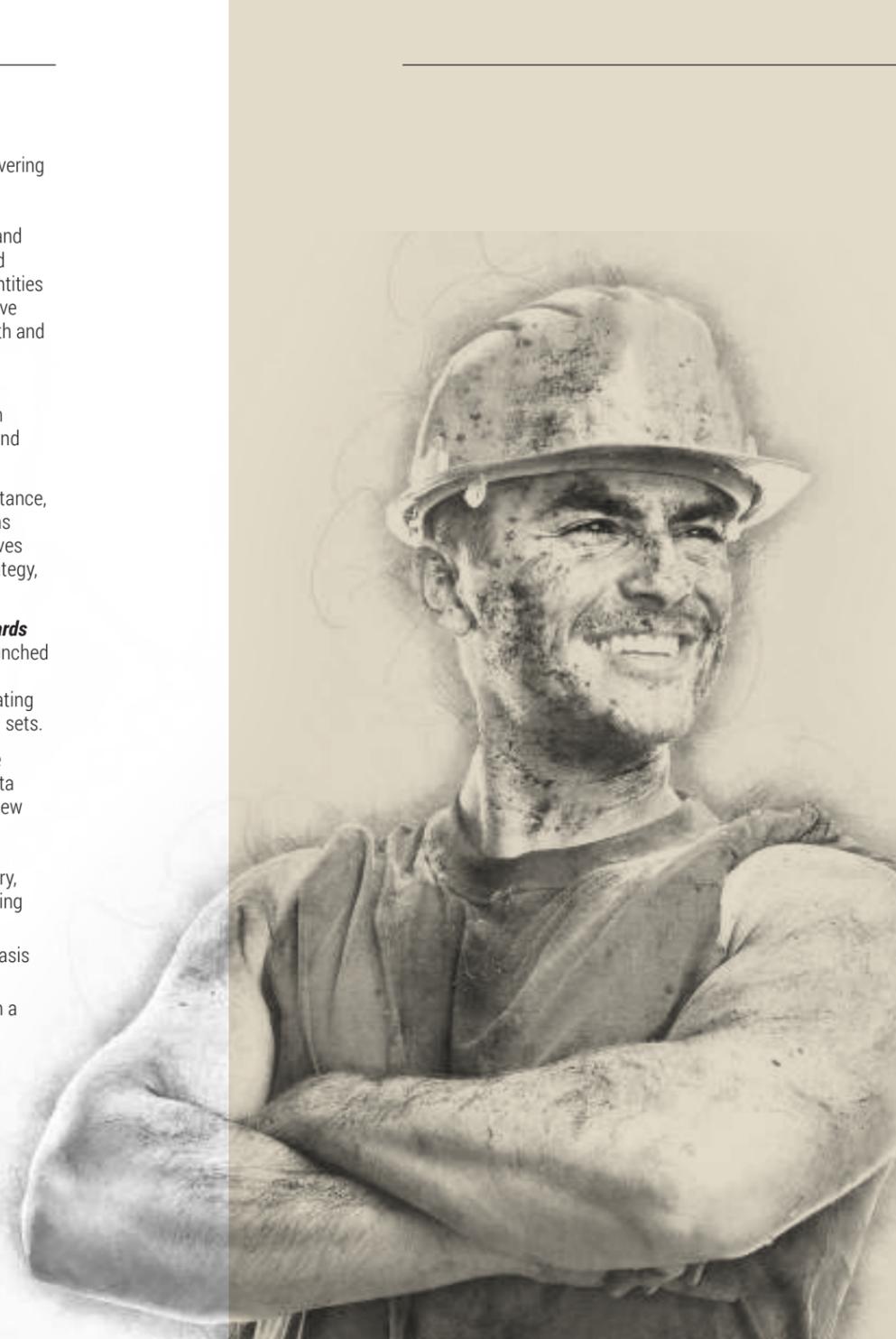
Our future plans involve the implementation of a Learning Management System that will enable us to develop custom learning content, define learning paths for different roles, and provide access to a broader audience.

In the realm of employee development and transition assistance, Rompetrol has set a precedent with its pioneering programs aimed at upskilling and reskilling employees. These initiatives are a cornerstone of the company's Human Resources strategy, aptly named "Together We Grow People".

Among these, the "**Rompetrol School - The First Step Towards the Refining Profession**" emerges as a flagship project, launched in early 2022 at the Petromidia refinery in Navodari. This initiative exemplifies the company's commitment to facilitating knowledge transfer across generations and enhancing skill sets.

The primary goal of the Rompetrol School project is to make a significant contribution to the local community in Constanta County. It focuses on empowering individuals looking for a new career path by providing them with opportunities for skilling, reskilling, and upskilling. This endeavor aims to ensure that participants can secure stable employment within the country, leveraging the comprehensive theoretical and practical training offered.

- **Target location:** Constanta County, with a strong emphasis on benefiting the local community.
- **Target group for 2023:** 50 trainees seeking to embark on a new career journey.



- **Training format:** the program consists of two sessions, one in spring and another in autumn, each lasting four months. During this period, participants are employed by Rompetrol Rafinare, receiving full employment benefits while undergoing rigorous theoretical and practical training.

The training curriculum is designed to be comprehensive, blending theoretical knowledge with practical skills. Specialists from Rompetrol Rafinare guide trainees through the nuances of refinery equipment and technological processes. Post-graduation, participants spend 6-12 months within the company, further refining their skills under the mentorship of experienced professionals. The focus is on qualifications in Chemical Operations and Compressor Operations, reflecting the industry's current needs.

Over 30 dedicated Rompetrol mentors, who are experts in their fields, play a crucial role in the trainees' development. They provide invaluable knowledge, motivate trainees, and facilitate access to additional resources. The program's success is evident, with a 100% employment rate among participants in 2023, highlighting its effectiveness in preparing skilled professionals for the workforce, particularly in Constanta County.

In addition to the Rompetrol School, the company continued its "**Refinery Fundamentals & Economics**" program in 2023. This series of instructive sessions, led by senior experts, offers insights into the operations and economics of the Petromidia Refinery. Updated to align with the evolving economic landscape, the program is conducted in both Romanian and English. It covers the operational and economic aspects that make Petromidia a leading refinery, with 34 employees benefiting from the program in 2023.

Launched in 2022, after receiving approval from senior management, the **Talent Development Program** aims to build a robust leadership bench. The program began by identifying key positions within the Group and the high-performing employees who could potentially fill these roles as successors. In 2023, the program gained high priority, focusing on evaluating leadership skills through psychometric questionnaires. This assessment was

followed by individual feedback meetings to highlight each talent's strengths.

To support the development of these identified talents, whether part of the succession plan or not, a personalized development path was created. This path is aligned with the KMG International Group competencies model and leverages a well-known learning platform for online training aimed at enhancing individual competencies. Throughout 2023, members of the internal talent pool were given opportunities to participate in various workshops and business conferences, facilitated by both Romanian and international trainers, demonstrating the senior management's commitment to investing in future leaders and talent retention.

The Talent Development Program showcases a diverse talent pool in terms of age and gender, highlighting the company's inclusive approach to leadership development. The distribution of the talent pool by age category reveals a broad spectrum of participants, ensuring a rich mix of experience and perspectives within the leadership bench. This diversity is crucial for fostering innovative leadership and ensuring the company's adaptability to changing business landscapes.

In line with its commitment to providing international work experiences, Rompetrol welcomed five students from Kazakhstan's Safi Utebayev University of Oil and Gas for a one-month technical practice at the Petromidia Refinery in 2023. **The International Traineeship Program** thus allowed trainees to apply their theoretical knowledge in a practical, real-world setting, guided by dedicated mentors. The program not only contributes to the professional development of the students but also strengthens the company's commitment to workforce diversity and international collaboration.

The Retail Academy program is another testament to Rompetrol's dedication to continuous employee development. Aimed at the Retail employees within the Group and those working at gas stations, the program delivered 103 training sessions to approximately 1,600 employees. These sessions are designed to elevate the skill level and service quality, demonstrating Rompetrol's investment in its workforce across all levels of the organization.

NURTURING WELLNESS: PEOPLE'S HEALTH *and* WELL-BEING

We take care of our people, and we consider their health a priority. We take special measures to ensure their health and well-being, across all our operations, in line with the legal provisions imposed by national and local authorities.

Our comprehensive Health and Protection Plan ensures the well-being of our employees and their families through various avenues:

- **Medical subscriptions:** encompassing outpatient and prevention services, ensuring access to essential medical care.
- **Life insurance:** providing coverage for death, disability, and critical illnesses, offering financial protection for employees
- **Health insurance:** covering hospitalization and surgical procedures, ensuring access to quality healthcare when needed.

Family members of employees are also eligible for medical subscriptions, under the same conditions as employees themselves.

In times of need, employees can access hospitalization services and surgeries with a high level of comfort and the involvement of top medical professionals, either through private clinics or private reserves within the state system. Costs associated with hospitalization and surgeries are reimbursed by the insurer based on invoices or through the insurer network for access to private clinics, with services covered under the corporate plan being free of charge for all employees.

Our health insurance complements life insurance by providing options for hospitalization and surgeries in state hospitals, with the insurer offering daily indemnity payments.

The medical supplier and the health insurer constantly monitor the health state of employees and report it in order for the organization to take appropriate measures to keep our employees healthy. Each need is carefully analyzed and considered for inclusion in the employees' benefits package.

In last quarter of 2023, we took all the necessary measures to prevent the effects of the seasonal flu spread, offering our employees the opportunity to benefit from free flu vaccine in our on-site medical offices.

In addition to our existing pay and benefits system, we have developed the Well Station platform, inspired by our company's profile, particularly our gas stations, as a symbol of energy and vitality. Well Station serves as a hub for employee well-being, offering resources and support across three key pillars:

- Emotional and Social Well-being
- Physical Well-being
- Financial Well-being

Under these pillars, we have implemented a range of programs such as family and care events, stress management and mindfulness sessions, hobby and cultural activities, themed workshops, health education and prevention initiatives, nutrition and hydration programs, financial coaching and education, and financial contributions for extraordinary life circumstances. In 2023, we expanded and diversified these initiatives to further support the well-being of our employees. For example, recognizing the crucial significance of mental and emotional well-being alongside physical health, and understanding that the guidance of a specialist can contribute to achieving an

GRI
GRI 403-1 - 403-3
GRI 403-6
IPECA
SHS-2 C1, C2, A3

optimal balance between personal and professional life, we have initiated a psychological counseling program for all Rompetrol employees at City Gate and Petromidia premises.

Furthermore, alongside reporting high-consequence work-related injuries as mandated, we also provide information on work-related injuries resulting in lost-workday cases, average lost days per case, total lost workdays, and absentee rates, ensuring transparency and accountability in our commitment to employee well-being and safety.

Region	Female	Male	2023
Romania	0.47%	0.27%	0.34%
Near-abroad	3.52%	2.13%	2.49%
Group level	1.35%	0.95%	1.07%

Absenteeism rates

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
2.43%	3.10%	2.41%	2.54%	1.97%	2.38%	2.75%	2.91%	2.59%	1.07%

Entity (Romania)	Female	Male	Total
Byron Shipping SRL	0.21%	0.00%	0.08%
Fondul de investiții în energie kazah-român SA	0.00%	0.00%	0.00%
KMG Rompetrol Development SRL	0.05%	0.09%	0.07%
KMG Rompetrol SRL	0.16%	0.04%	0.10%
KMG Rompetrol Services Center SRL	0.18%	0.06%	0.16%
Midia Marine Terminal SRL	1.23%	0.20%	0.44%
Oilfield Exploration Business Solutions SA	0.65%	0.00%	0.19%
Rominserv SRL	0.91%	0.34%	0.45%
Rompetrol Downstream SRL & Romoil SA	0.54%	0.24%	0.35%
Rompetrol Energy SA	0.28%	0.10%	0.14%
Rompetrol Gas SRL	0.60%	0.36%	0.39%
Rompetrol Logistics SRL	0.08%	0.00%	0.06%
Rompetrol Petrochemicals SRL	1.89%	0.00%	1.89%
Rompetrol Quality Control SRL	0.47%	0.17%	0.42%
Rompetrol Rafinare SA	0.49%	0.32%	0.36%
Rompetrol Well Services SA	0.08%	0.29%	0.25%

FOSTERING COLLABORATION: WORKFORCE ENGAGEMENT

GRI
GRI 403-6
GRI 11.9.7
IPECA
SHS-2 C1
SHS-6 A3, A4, C1-C3

In 2023, Rompetrol continued to prioritize employee engagement, focusing on wellbeing, work-life balance, and professional development, under the guiding principle of our Human Resources Strategy – Together We Grow People.

Our dedication to creating an environment where every employee feels valued and integral to our success has led to the development and implementation of various programs aimed at fostering a supportive and fulfilling workplace.

Our engagement initiatives are structured around four key pillars within our platform, ensuring a holistic approach to employee development and satisfaction:

- **Education & Growth:** we support professional and leadership development through internships, dual education, mentoring, knowledge transfer, and enhanced learning opportunities.
- **Rompetrol People Community:** initiatives like "Easter Bunny", "Secret Santa", and "Back to School" foster connections within the Rompetrol community, enhancing employee relationships.
- **Working Environment & Culture:** activities aimed at bringing positive changes to our organizational culture contribute to creating a healthy work environment.
- **Employee Health & Wellbeing:** we promote a healthy lifestyle through sports activities, financial education programs, and wellbeing workshops, emphasizing the importance of a balanced life.

Adapting working methods

In 2023, Rompetrol continued to implement the hybrid working model, acknowledging that while staff concerns have diminished, they still necessitate attention and further

action. Specific staff engagement actions, tailored to the unique context of the hybrid work model, include the adoption of work from home and hybrid working arrangements, online development actions, and recurrent team gatherings via digital platforms such as Teams. Workshops on various topics further contribute to the continuous development and engagement of the workforce. Special sessions and content were developed to support this new work model, facilitating effective collaboration even when work and home spaces overlap.

Feedback and continuous improvement

Recognizing the importance of employee engagement, satisfaction, and commitment as pivotal components of organizational success, Rompetrol has committed to conducting regular engagement surveys. This annual initiative encompasses all employees across the Group's entities, aiming to foster a transparent and responsive organizational culture. These surveys, accessible to all employees and maintaining anonymity, help us identify areas for improvement and enhance our service delivery.

The survey encompasses a series of questions that employees are invited to rate and comment on, providing them the opportunity to express their views on various topics openly. Additionally, open-ended questions encourage employees to offer suggestions for enhancing the workplace, ensuring a comprehensive understanding of their needs and aspirations.

The insights gathered from the survey enable Rompetrol to identify specific areas of improvement and inform the decision-making process of HR and organizational leaders. By analyzing data across demographic dimensions such as gender, age, generation, and tenure within the company, the organization can discern trends and patterns that inform targeted initiatives. This strategic approach allows us to address the nuanced needs of our diverse workforce effectively.

In response to the feedback and insights garnered from the engagement survey and continuous dialogue with business stakeholders, Rompetrol has implemented several measures to address employee concerns. Regular meetings between the HR department and business stakeholders facilitate an exchange of concerns and recommendations, reinforcing the company's commitment to maintaining a stable and secure work environment for its employees.

In addition, exit interviews conducted by a third-party company provide valuable insights from employees leaving the Group, enabling us to address any underlying issues and improve retention strategies.

Initiatives designed to foster meaningful interactions

One of our key initiatives is the organization of periodic **HR Coffee Talks**, physical meetings with colleagues, and workshops. These gatherings are crafted as informal and open forums where employees can freely share their thoughts and perspectives on a variety of topics. By creating a space that encourages open dialogue, we aim to foster a sense of belonging and inclusivity within our team, ensuring that every voice is heard and valued.

To further enhance communication, we host **Rompetrol Business Talks** – online meetings where top management shares strategic directions and projects. These sessions feature a live chat and a Questions & Answers segment, allowing employees to interact directly with leaders and seek clarifications on various topics.

Our engagement strategy also includes dedicated **business events** that facilitate interactions between management and employees. Events like Oilman's Day, successful Turnaround events, and big projects alignment meetings (e.g., Decarbonization and Cogen projects) provide platforms for discussing strategic initiatives and operational achievements.

Additionally, we organize **non-business-related events** such as celebrations for children, the Sports Academy, and Run & Care initiatives. These less formal gatherings offer opportunities for one-to-one interactions, fostering a community spirit and encouraging direct discussions and the exchange of ideas between management and employees.

A testament to our commitment to fostering strong internal relations and providing unique experiences is the **“One Day in a Gas Station”** annual event. Since 2013, this internal initiative has allowed colleagues to switch roles for a day, working at one of the Rompetrol gas stations in Bucharest, Constanța, or Ploiești. In 2023, more than 70 colleagues participated in the event, gaining valuable insights and experiences that further strengthen the bonds within our organization.

Diverse internal communication channels

Understanding the diverse communication needs of our workforce, we utilize several internal communication channels to reach all employees, including those without a company email address. Managed by our Internal Communication & Events team, these channels include:

- **Intranet (online):** a digital platform for sharing news, updates, and resources.
- **Viva Engage:** hosting several active communities set by geographic location to facilitate localized interactions.
- **Radio Vox Pem:** broadcasting within Petromidia Refinery, offering tailored content for our refinery employees.
- **Printed Monthly Internal Magazine:** available in both print and online formats, bilingual, and distributed across Romania and the headquarters of our near abroad operations.
- **Newsletters and Survey Forms:** accessible via QR codes, these tools allow for easy dissemination of information and collection of feedback.

New engagement programs for well-being and encouraging a healthy lifestyle

Recognizing the evolving needs of our workforce, we introduced several new engagement programs focused on employee wellbeing. These included initiatives like wellbeing

activities and workshops, work-life balance programs, flexible scheduling, and a work-from-home model. These programs are designed to support our employees in achieving a harmonious balance between their professional responsibilities and personal life, ensuring their mental and physical health is a priority.

To encourage a healthy lifestyle among our employees, we organize sports activities like squash, rollerblading, and cycling. These activities provide opportunities for colleagues to connect, inspire each other, and maintain a healthy work-life balance.

External recognition of our professionals

Rompetrol goes beyond acknowledging the achievements of our team members internally; we actively seek to promote their accomplishments on a larger stage. By nominating our top professionals for awards in competitions organized by national stakeholders, professional associations, and mass-media publications, we contribute to their personal and professional growth. This strategy not only showcases the exceptional talent within Rompetrol but also solidifies our status in the professional community as an employer that nurtures and celebrates excellence.

Fostering a vibrant community on social media

In our pursuit of fostering a vibrant and supportive community, we have extended our efforts to social media platforms like LinkedIn, Facebook, and Instagram Careers. A unique initiative, **“Fuel People Passions”**, is dedicated to highlighting our colleagues’ passions and hobbies through a monthly feature. This initiative delves into the unique stories and interests of our team members, offering them the spotlight they deserve. By promoting these posts, we create a connection not just within our internal community but also with external audiences, showcasing the individuality and diversity within our teams.

Community engagement and personal growth

Our commitment to community engagement and personal growth is evident in our annual Traineeship programs, development workshops, and educational partnerships, such as our collaboration with Lazar Edeleanu Technical High Schools in Navodari and Ploiesti. These initiatives not only contribute to

the professional development of our employees but also foster a sense of purpose and achievement.

Through our Summer Traineeship Programs, we introduced a unique and impactful initiative for our university student interns: the Community Challenge. This initiative not only offers practical experience but also instills a sense of social responsibility, encouraging our interns to contribute positively to the communities around Constanța, Prahova, and Bucharest.

In the latest iteration of our Summer Traineeship Programs, we were proud to have 118 interns, guided by 14 business mentors, engaged in 14 social projects that addressed real needs within the local communities. These projects covered a range of important themes, including the integration of vulnerable groups into society, promoting healthy lifestyles among young people, and addressing the critical issue of blood donor shortages in their communities. By promoting these themes on internal platforms and social media, we aimed to raise awareness, foster a culture of giving back, and encourage involvement from our broader employee base.

A standout initiative from our 2023 program was a focused **blood donation campaign in Bucharest**, conceived and executed by one of our intern teams. This campaign aimed to raise awareness about the benefits of blood donation, with objectives centered on informing the public, increasing donor participation, and addressing health-related concerns. Through this campaign, our interns demonstrated their commitment to community health and the importance of civic engagement.

Another exemplary project under our “Together We Grow” Traineeship Program was a **blood donation campaign in Ploiești**. Continuing our tradition of the Community Challenge, the Ploiești trainees set out to inform the public, enhance donor participation, and tackle health-related issues within their local community. Their efforts culminated in a successful blood donation drive, involving 15 donors. To extend their impact, the team distributed informative brochures within the refinery and leveraged social media platforms to spread their message further.



ELEMENTS *of* DIVERSITY

The Foundation of Our Sustainable Future
Safety Performance Targets
KMG International QHSE Framework
Romp petrol Raffinare SA
Romp petrol Downstream SRL, Romp petrol Gas SRL
Rominserv SRL, Romp petrol Energy SA
Romp petrol Well Services SA
Romp petrol Quality Control SRL
Midia Marine Terminal SRL

CHAPTER 7

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Safety



The FOUNDATION of OUR SUSTAINABLE FUTURE

Safety is the foundation of our operations, driving us toward a future where every employee returns home safely, every community thrives in health, and the environment prospers. Our approach to sustainability is holistic, recognizing that true progress is only achieved when we prioritize the health, safety, and well-being of our people, alongside our environmental stewardship and resource management.

As we navigate through the challenges and opportunities of our industry, our focus on workplace safety remains paramount—not just as a means to safeguard our employees but as a critical component of our responsibility towards our communities, the environment, and all stakeholders, including our partners, suppliers, and customers.

The scope of our safety initiatives stretches across all operational dimensions, emphasizing both occupational safety, which prioritizes the individual, and process safety, which concentrates on the integrity of our operational practices and infrastructures.

Our approach to safety and wellbeing is intrinsically connected to recognizing and valuing the diverse needs, perspectives, and contributions of our workforce. Understanding that diversity is not just about numbers but about fostering an inclusive culture, our safety initiatives are tailored to meet the varied requirements of our global team, thereby ensuring a workplace that is safe, respectful, and empowering for everyone.

The concept of diversity extends to how we conceive and implement safety protocols, acknowledging that a one-size-fits-all approach is not sufficient. By incorporating diverse viewpoints and expertise into our safety practices, we can address a broader spectrum of risks and challenges, leading to more innovative and effective solutions. This involves active listening and engagement with employees at all levels, encouraging them to share their insights and experiences, which can lead to more nuanced and culturally aware safety measures.

Moreover, our commitment to diversity and inclusion significantly contributes to a safer workplace by promoting a culture of openness and trust. Employees who feel valued and respected are more likely to report safety concerns and incidents, participate in safety training, and take proactive steps to mitigate risks. This open communication is crucial for identifying potential hazards before they escalate into incidents, thereby enhancing the overall safety of our operations.

By prioritizing safety in every aspect of our operations, we're not just adhering to best practices; we're setting new benchmarks for excellence in sustainability. This comprehensive safety culture is vital for ensuring the responsible and sustainable development of our products and services, aiming for a future where excellence in safety is a cornerstone of better living for everyone connected with Rompetrol.



PERFORMANCE TARGETS

To achieve and uphold the highest standards of safety across all operations, Rompetrol sets forth ambitious and comprehensive safety performance targets, designed to foster a culture of safety that permeates every level of our organization.

Our approach is systematic and dynamic, ensuring that our safety practices evolve in line with technological advancements, regulatory changes, and the continuous pursuit of operational excellence. The safety performance targets outlined in the 2023 Rompetrol Sustainability Report reflect our unwavering dedication to creating a zero-harm workplace. By achieving these targets, we not only ensure the safety and wellbeing of our workforce but also contribute to the sustainable development of the communities in which we operate.

SAFETY PERFORMANCE INDICATORS

To measure our progress and maintain transparency with our stakeholders, we have adopted key performance indicators, including the Lost-Time Incident Rate (LTIR) and the Total Recordable Incident Rate (TRIR). These indicators are essential for tracking our performance against international standards and benchmarks.

Our goal is to achieve a zero LTIR across all corporate entities by 2025. This ambitious target reflects our commitment to eliminating work-related injuries that result in time away from work. Similarly, we aim to stabilize the TRIR below 1.00 across all operations. This target underscores our dedication to reducing the total number of work-related injury cases.

SAFETY TRAINING ENHANCEMENT

Recognizing the critical role of continuous learning and development in fostering a safe working environment, we have set targets to increase the average number of Occupational Health and Safety (OHS) training hours per employee per year. This approach safeguards our employees and also contributes to operational efficiency and sustainability.

We believe that achieving our safety objectives requires active engagement and collaboration with employees, contractors, and stakeholders. Through regular consultations, safety campaigns, and feedback mechanisms, we foster a culture of safety that values everyone's contribution to maintaining a safe and healthy working environment.

Lost-Time Incident Rate (LTIR)	*2022	2023	2025	2030	2035	2040	2050
KMG International NV corporate entities	0	0	0	0	0	0	0
Rompetrol Rafinare SA	1	1	0.8	0.56	0.4	0.35	0.2
Rompetrol Downstream SRL	1.28	0.19	0	0	0	0	0
Rompetrol Gas SRL	0	0	0	0	0	0	0
Rominserv SRL	0	0	0	0	0	0	0
Rompetrol Energy SA	0	0	0	0	0	0	0
Rompetrol Well Services SA	0	0	0	0	0	0	0
Rompetrol Quality Control SRL	0	0	0	0	0	0	0
Midia Marine Terminal SRL	0	0	0	0	0	0	0

* base year for the measurements

Total Recordable Incident Rate (TRIR)	*2022	2023	2025	2030	2035	2040	2050
KMG International NV corporate entities	0	0	0	0	0	0	0
Rompetrol Rafinare SA	1		stabilize below 1				
Rompetrol Downstream SRL	1.28	0.19	0	0	0	0	0
Rompetrol Gas SRL	0	0	0	0	0	0	0
Rominserv SRL	0	0	0	0	0	0	0
Rompetrol Energy SA	0	0	0	0	0	0	0
Rompetrol Well Services SA	0	0	0	0	0	0	0
Rompetrol Quality Control SRL	0	0	0	0	0	0	0
Midia Marine Terminal SRL	0	0	0	0	0	0	0

* base year for the measurements

Worker training on QHS**	*2022	2023	2025	2030	2035	2040	2050
Rompetrol Rafinare SA	132	134	+1%	+1%	+2%	+3%	+4%
Rompetrol Downstream SRL	36	+2%	+3%	+4%	+5%	+6%	+7%
Rompetrol Gas SRL	46	+2%	+3%	+4%	+5%	+6%	+7%
Rominserv SRL	32	+15%	+20%	+25%	+30%	+35%	+40%
Rompetrol Energy SA	19	+2%	+3%	+5%	+6%	+8%	+10%
Rompetrol Well Services SA	24	+4.16%	+5%	+10%	+15%	+20%	+25%
Rompetrol Quality Control SRL	40	+1%	+1%	+2%	+2%	+3%	+3%
Midia Marine Terminal SRL	54	+1%	+1%	+2%	+2%	+3%	+3%

* base year for the measurements

** average number of training hours/employee/year and increase from base year

KMG INTERNATIONAL QHSE FRAMEWORK

The primary function of the QHSE department is to ensure the effective management and control of hazards and mitigate workplace risks through the utilization of various tools such as trainings, inspections, audits, and investigations of incidents. Additionally, it encompasses the responsibility of adhering to regulatory standards, establishing, and maintaining a robust safety management system.

OUR APPROACH

KMG International Group has adopted a thorough Risk Assessment process that addresses both occupational and process safety. This detailed procedure involves the identification of hazards, the assessment of risks quantitatively, and the application of necessary control measures. An integrated QHSE management system, certified in compliance with ISO 9001, ISO 14001, and ISO 45001 standards, supports this methodology. This system is composed of nine specific elements that span the entire range of QHSE subjects and expertise. Every member of KMG International's workforce, including those in operational roles, non-operational roles, and internships, is covered by this system.

The Group's internal policies related to occupational health and safety encompass all operational activities and form the basis for both preventative and reactive strategies to ensure safe, secure, and sustainable operations.

GRI
GRI 403-1
GRI 403-3 - 403-10
GRI 11.9.2
GRI 11.9.4 - 11.9.11

SASB
EM-RM-320a.1
EM-RM-320a.2
EM-RM-540a.4
EM-SV-320a.1
EM-SV-320a.2
EN-EP-320a.1
EN-EP-320a.2

IPIECA
SHS-1 C1, C2, C3, A1
SHS-3 C1-C4, A2-A4
SHS-7 C2, A1

To proactively monitor and educate our workforce on QHSE rules and best practices, the Group has initiated two significant safety surveillance programs:

- The Behavior Based Surveillance (BBS) program, which focuses on monitoring behaviors and enabling employees to report unsafe acts or conditions.
- The Hazard Observations Cards (HOC) program, aimed at the early detection of potential hazards and the precise delineation of mitigation strategies.

Our strategy to minimize the risk of low-frequency, high-impact catastrophic events includes ensuring the effective management of risks in high-hazard areas through targeted inspections, audits, safety case/incident assessments, and the identification of any control system failures, thereby safeguarding workers, the public, and the environment.

In line with law no. 319/2006, health & safety committees operate across the Group's entities, comprising management, labor representatives, employees, and union representatives. These committees, which convene regularly, aim to ensure complete legal compliance and foster the inclusion of all viewpoints in enhancing health and safety at KMG International.

The Group also conducts regular QHSE trainings, totaling more than 300,000 safety training hours in the reporting period, emphasizing the continuous education of our entire workforce on QHSE topics.

For occupational health requirements, KMG International partners with a professional health services provider and operates an onsite medical facility at the KMG HQ, along with additional medical facilities at the Petromidia and Vega sites. Both Petromidia and Vega are designated as SEVESO sites, a classification that signifies adherence to stringent regulations for

the management of industrial operations posing significant chemical hazard risks. Rompetrol's commitment to environmental safety and compliance with SEVESO directives reflects its dedication to responsible environmental management and the well-being of the communities it operates in. By implementing comprehensive safety and environmental protocols, Rompetrol aims to not only meet regulatory standards but also to exceed them, ensuring the protection of both the environment and human health.

Due to the strict regulatory compliance required, SEVESO sites typically implement robust safety systems and rigorous environmental management practices. These measures often result in improved overall environmental performance, characterized by reduced emissions and lesser waste generation. Prioritization is given to the use of eco-friendly technologies and procedures that lead to more efficient resource use and a smaller carbon footprint. Such practices not only mitigate the risk of hazardous incidents but also promote sustainability and environmental stewardship.

Despite stringent safety measures, the potential negative impacts of accidents can be significant, ranging from soil and water contamination to air pollution. Such incidents could harm ecosystems and human health, underscoring the critical importance of effective risk management. Accidental pollution remains a risk, and managing this risk effectively is paramount.

To limit the effects of any potential accidents, immediate actions are taken, especially within SEVESO entities. These actions include isolation and cleanup efforts, waste management, and environmental restoration. Additional measures encompass informing stakeholders, monitoring environmental indicators, and adhering to existing laws. These practices are applied across all units, not just SEVESO entities, to minimize the impact of accidental pollution.

QHSE MANAGEMENT RESPONSIBILITY

QHSE Management is integral to the line management of all entities within KMG International. All employees are tasked with actively fostering a positive health and safety culture and are responsible for voicing QHSE concerns, hazards, and issues while acknowledging positive QHSE behaviors. Senior operational managers are accountable for the organization and documentation of Management Review Meetings, held biannually as a minimum, to underscore their commitment to safety and to promote employee involvement in the QHSE management system.

Effective communication is pivotal, ensuring all employees across the Group are well-informed of the QHSE objectives, policies, action plans, standards, and systems, thereby facilitating the appropriate implementation, performance monitoring, and feedback provision.

KMG International is dedicated to the moral obligations of advancing and safeguarding the health, safety, and well-being of everyone associated with our activities, promoting an all-encompassing understanding of QHSE management principles and responsibilities across all organizational levels.

SAFETY INDICATORS

In 2023, KMG International focused intensively on monitoring and improving its safety performance across all operations. The year concluded with varying degrees of success in safety metrics, indicating areas of strength and opportunities for further enhancement of our safety culture and practices.

Lost-Time Incident Rate (LTIR)

The Lost-Time Incident Rate (LTIR) experienced a significant increase to 0.82 in 2023, up from 0.26 in 2022. This marked rise, excluding the previous reporting period influenced by a major incident at the Petromidia platform, illustrates a deviation from the more stable LTIRs recorded in prior years, which were 0.46 in 2021 and 0.25 in 2020.

Significant incidents in 2023

Several notable incidents contributed to the year's LTIR, highlighting critical areas for safety improvements:

- **MMT, January 14th – Fatality (FTL):** A logistics operator was tragically crushed between rail tankers' buffers and the pusher unit during train loading, leading to a fatal outcome.
- **Vega Refinery, January 23rd – Days Away From Work Case (DAFWC):** A utilities operator suffered a wrist fracture due to slipping and falling while performing inspection/cleaning work at the thermal plant.
- **Vega Refinery, March 24th – DAFWC:** An operator experienced chemical burns due to a strong reaction while transferring hydrogen peroxide improperly.
- **GSS, March 29th – DAFWC:** A security guard was injured by a gate struck by a non-stopping locomotive, resulting in a foot fracture.
- **Petromidia Refinery, May 13th – Two Fatalities (FTL):** Two employees were intoxicated with nitrogen during an unauthorized intervention in a confined space.
- **Petromidia Refinery, May 17th – DAFWC:** An operator sustained burns from contact with a steam pipe.
- **Rominserv, November 5th – DAFWC:** An electrician fell into a rainwater drainage ditch, resulting in an ankle trauma.
- **MMT, December 26th – DAFWC:** A chemist operator suffered a knee trauma after falling on the stairs.

The incidents recorded in 2023 serve as a stark reminder of the continuous and rigorous effort required to safeguard the well-being of all employees. Each incident, whether resulting in injury or, tragically, in loss of life, provides invaluable lessons on the necessity of enhancing safety measures, conducting thorough risk assessments, and ensuring strict adherence to operational protocols.

KMG International remains committed to reducing its LTIR by addressing the identified safety challenges, improving training and awareness, enhancing safety culture, and implementing targeted interventions to prevent future incidents.

Severity Rate (SR)

2023 saw the introduction of a new reactive indicator, the Severity Rate (SR), which tracks the severity of accidents through the number of lost workdays. In its inaugural year of monitoring, the Group reported an SR value of 21, correlating with 149 lost workdays due to workplace accidents. This metric provides valuable insights into the impact of accidents on operations and employee well-being, highlighting the importance of enhancing accident prevention and response strategies.

Fatalities and injuries

The reporting period sadly witnessed three fatalities, marking a significant area of concern that requires immediate and targeted action. Additionally, there were seven injuries and six first aid cases. No occupational diseases were reported in 2023, in contrast to the 20 reported in 2022, 13 in 2021, and 5 in 2020. Non-occupational illnesses numbered 37, with the majority being non-serious and not requiring medical leave. This variance in health-related incidents year over year calls for continuous monitoring and health management to safeguard employee health and safety effectively.

Non-conformities and incident reporting

Out of 5,692 non-conformities identified during the reporting period, 5,315 were resolved, maintaining the 2022 closure rate of 93%. The year also saw an increase in Near Miss incidents, with 27 reported compared to 14 in 2022, and material damages incidents rose to 28 from 8 in the previous year. These figures emphasize the critical role of incident reporting and response mechanisms in preventing accidents and minimizing their potential impact.

Safety audits and trainings

In 2023, QHSE KPIs were marked by active engagement and safety training initiatives, as reflected in the following totals:

- **Behavior-Based Safety (BBS) Work:** A total of 3,987 reports were made, indicating our employees' proactive participation in identifying and reporting safety-related observations during work-related activities.

- **BBS Drive:** For driving-related observations, there were 2,237 reports demonstrating a strong adherence to safety practices in vehicular operations.
- **Health, Safety, and Environment (HSE) Training Hours:** We invested substantially in training, delivering 302,325 hours of HSE training to our workforce.
- **Lost Workdays:** Unfortunately, the year also saw 149 lost workdays due to DAFWC incidents, a number that will drive future improvements in our safety protocols.

To make sure all QHSE standards in place guarantee the health and safety of KMG International employees, suppliers and all other stakeholders involved in its operations, the Group constantly performs internal and external safety audits and inspections, both planned and impromptu, in order to identify both weak points and improvement opportunities. Audit frequency considers the entity risk ranking. Subsequently, specific statistics and reports are drawn with various frequencies (weekly/monthly/quarterly/half-yearly/annual/upon request), in order to meet internal requirements and compliance obligations.

Performance reviews are also conducted during the yearly management reviews with the active involvement of the management teams and within the KMG International Group established Safety Committee chaired by the Group CEO. To further support this process, the Group introduced monthly QHSE Staff Meetings where topics like year-to-date active and reactive indicators, specific programs, action plans and projects are scrutinized.

During the reporting period, we continued to investigate incidents and health and safety concerns in line with our internal policies, seeking timely completion of non-fatal investigations. In addition to the safety procedures and processes implemented at the Group level and across all business units, KMG International places special emphasis on health and safety training. Thus, over 1,500 emergency and fire drills were conducted in 2023 alone, marking a slight increase from the previous reporting period.

There were 1,418 inspections (covering safety and process safety, environmental protection) carried out by authorities during the reporting period, resulting in penalties totaling USD 89,760 for certain non-compliances within the Group's operations.

In 2024, we will continue to focus on increasing workplace safety by conducting all the necessary training programs to enhance awareness of the importance of operating in a safe working environment. We will also maintain vigilant monitoring of the safety performance of all the Group's subsidiaries.

Worked hours and safety performance

The Group recorded 11,031,819 work hours across all divisions and entities, similar to the previous year's figures. However, safety performance indicators showed a decline compared to the prior year:

- Fatal Incident Rate (FIR) significantly increased to 27.19 in 2023 from 0.00 in 2022
- Lost Time Injury Rate (LTIR) rose to 0.82 in 2023 from 0.26 in 2022
- Total Recordable Incident Rate (TRIR) increased to 0.91 in 2023 from 0.35 in 2022

Despite our stringent safety protocols, we recorded 149 lost workdays due to Days Away From Work Cases (DAFWC), which denote incidents where employees were unable to attend work due to work-related injuries or illnesses.

The year 2023 presented challenges and learning opportunities, reflected in our safety performance metrics. The unfortunate rise in LTIR, alongside the reporting of three fatalities, underscores the need for intensified safety measures and vigilance. Despite these setbacks, the resolution of 93% of non-conformities and the active management of over 11 million work hours illustrate our unwavering commitment to safety.

During the same period, we have meticulously tracked the safety performance of our contractors, understanding that their safety is integral to our operations. The year's data yielded mixed results but provided valuable insights for future safety initiatives.

There were zero fatalities among our contractors; the FIR also remained at 0.00, which means there were no fatal accidents per 100 million work hours. The number of recordable injuries reported among contractors was 5. At a rate of 0.59, the TRIR highlights the need for a thorough evaluation of injury trends and the current effectiveness of our safety measures.

Contractors traveled an extensive 23,177,495 kilometers and worked a total of 8,455,202 hours in 2023, showcasing the vast extent of our operations, and there were no MVCs reported, a positive outcome for our vehicular safety management.

As we proceed, we recognize the areas where we have made significant strides and those that require further attention. Rompetrol's approach, characterized by rigorous monitoring, incident investigation, and active employee participation, continues to evolve. Our focus on both preventative measures and reactive indicators, such as the newly monitored Severity Rate (SR), highlights our adaptive and comprehensive approach to safety management.



2023 Overall Safety Indicators

Division	Entity	Worked hours	Incidents						
			FTL	FAC	MTC	RWDC	DAFWC	LTI	TRI
Trading & Supply Chain	KMG Trading AG (fmr. Vector Energy)	42,179	0	0	0	0	0	0	0
	Rompetrol Turkey	8,112	0	0	0	0	0	0	0
	Mldia Marine Terminal	411,465	1	1	0	0	1	2	2
	Byron Shipping	18,912	0	0	0	0	0	0	0
Retail & Marketing	Rompetrol Downstream	789,893	0	1	0	0	0	0	0
	Rompetrol Bulgaria	137,107	0	0	0	0	0	0	0
	Rompetrol Georgia	1,718,652	0	0	0	0	0	0	0
	Rompetrol Moldova	1,608,826	0	0	0	0	0	0	0
Production	Rompetrol Gas	171,889	0	0	0	0	0	0	0
	Petromidia Refinery	1,690,609	2	2	0	0	1	3	3
Upstream	Vega Refinery	339,488	0	0	0	0	2	2	2
	Rompetrol Well Services	241,910	0	0	0	0	0	0	0
Industrial Services	Oilfield Exploration Business Solutions	36,230	0	0	0	0	0	0	0
	Rominerv	999,671	0	1	0	0	1	1	1
Non-core	Rompetrol Energy	283,969	0	0	0	1	0	0	1
	KMG Rompetrol	873,607	0	0	0	0	0	0	0
	Global Security System	1,322,065	0	1	0	0	1	1	1
	Rompetrol Quality Control	337,235	0	0	0	0	0	0	0
GROUP TOTAL		11,031,819	3	6	0	1	6	9	10

WH = worked hours
 FTL= Fatality
 FAC = First Aid Case
 MTC = Medical Treatment Case
 DAFWC = Days Away from Work case
 RWDC = Restricted Work Days Case
 LTI = Lost Time Injury
 TRI = Total Recordable Injury/Illness
 MVC = Motor Vehicle Crash

Formulas:
 LTI = FTL + DAFWC
 TRI = FTL + MTC + RWDC + DAFWC

2023 Overall Safety Indicators

Division	Entity	Proactive Safety Indicators					Reactive Safety Indicators						Safety Rates		
		Nonconformity issued	Nonconformity closed	QHSE Training Hours	Fire/Emergency drill	QHSE audits/ inspections	Property damage	Occupational illnesses	Non occupational illness/fatalities	Near Miss	Authority inspections	Authority penalties (USD)	Fatal Incident Rate (FIR)	Loss Time Injury Frequency (LTIF)	Total Recordable Injury rate (TRIR)
Trading & Supply Chain	KMG Trading (fmr. Vector Energy)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Rompetrol Turkey	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Mldia Marine Terminal	134	133	234	36	185	0	0	4	3	2	0	243.03	4.86	4.86
	Byron Shipping	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Rompetrol Downstream	770	703	6,908	74	2,069	2	0	2	3	1,258	58,910	0	0	0
Retail & Marketing	Rompetrol Bulgaria	34	34	45	24	763	4	0	0	1	26	0	0	0	0
	Rompetrol Georgia	10	10	633	7	221	8	0	1	7	49	225	0	0	0
	Rompetrol Moldova	293	266	4,255	1,032	148	7	0	1	1	0	0	0	0	0
	Rompetrol Gas	17	17	136	15	3	0	0	0	0	15	0	0	0	0
Production	Petromidia Refinery	923	754	1,302	77	318	7	0	22	8	35	12,268	118.30	1.77	1.77
	Vega Refinery	248	238	794	27	117	0	0	1	0	3	2918	0	5.89	5.89
Upstream	Rompetrol Well Services	1,740	1,740	384	3	51	0	0	0	0	0	0	0	0	0
	Oilfield Exploration Business Solutions	0	0	52	0	4	0	0	0	0	0	0	0	0	0
Industrial Services	Rominerv	989	925	2,760	3	1,128	0	0	0	1	2	530	0	1	1
	Rompetrol Energy	476	438	823	78	349	0	0	0	3	8	0	0	0	3.52
Non-core	KMG Rompetrol	0	0	3,660	1	0	0	0	0	0	0	0	0	0	0
	Global Security System	0	0	6,200	154	12	0	0	1	0	0	0	0	0.76	0.76
	Rompetrol QQuality Control	58	57	1,489	44	18	0	0	5	0	7	0	0	0	0
GROUP TOTAL		5,692	5,315	29,675	1,575	5,386	28	0	37	27	1,418	89,760	27.19	0.82	0.91

HOC (Hazard Observation Card) = Potential Incident: An unsafe practice or hazardous situation that could result in an incident if not corrected (incident did not occur)
 QHSE Safety audits = Any audit/ inspection performed by KMG International QHSE department, second party, third party, KMG International (top and middle management), etc.

FIR = Fatal Incident Rate – The number of work related fatal incidents X 100.000.000 (100 million)/ total number of worked hours
 LTIF = Lost Time Incident Rate – The number of all lost time injuries (fatalities + days away from work cases) X 1.000.000/ total number of worked hours
 TRIR = Total Recordable Injuries Rate – Total rate of total recordable injuries (Fatalities + Days away from work cases + Restricted work days cases + Medical treatment cases) X 1.000.000/ total number of worked hour

2023 Motor Vehicle Safety Indicators

Division	Entity	Motor Vehicle Crash (MVC)				Total MVC	Km driven	Accident Rate (MVCR)
		Light	Serious	Major	Catastrophic			
Trading & Supply Chain	KMG Trading (fmr. Vector Energy)	0	0	0	0	0	144	0
	Rompetrol Turkey	0	0	0	0	0	144	0
	Mldia Marine Terminal	0	0	0	0	0	306,846	0
	Byron Shipping	0	0	0	0	0	117,224	0
Retail & Marketing	Rompetrol Downstream	3	0	0	0	3	2,648,890	0
	Rompetrol Bulgaria	0	0	0	0	0	894,298	0
	Rompetrol Georgia	2	1	0	0	3	417,068	0
	Rompetrol Moldova	0	0	0	0	0	1,310,045	0
	Rompetrol Gas	1	0	0	0	1	45,960	0
Production	Petromidia Refinery	2	0	0	0	2	833,805	0
	Vega Refinery	0	0	0	0	0	56,719	0
Upstream	Rompetrol Well Services	0	0	0	0	0	2,025,821	0
	Oilfield Exploration Business Solutions	0	0	0	0	0	4	0
Industrial Services	Rominerv	0	0	0	0	0	1,307,369	0
	Rompetrol Energy	0	0	0	0	0	305,939	0
Non-core	KMG Rompetrol	0	0	0	0	0	2,385,000	0
	Global Security System	0	0	0	0	0	517,000	0
	Rompetrol QQuality Control	0	0	0	0	0	405,223	0
GROUP TOTAL		8	1	0	0	9	13,577,499	0.00

Light = Any minor car accident not falling into another category
 Serious = Any KMG International entities vehicle that cannot be driven from the scene by own resources (towing, platforms etc.)
 Major = Any car accident involving injuries to any KMG International entities personnel
 Catastrophic = Any car accident involving loss of life (fatality) of any KMG International entities personnel

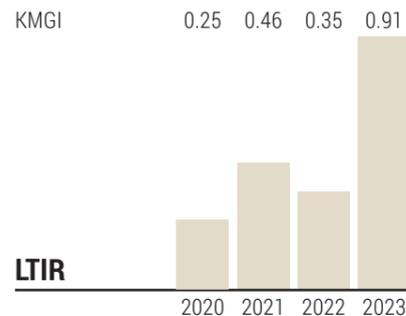
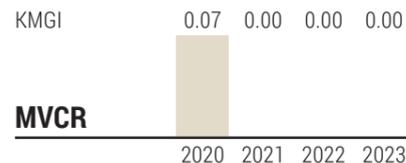
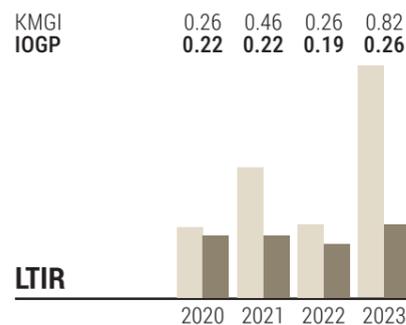
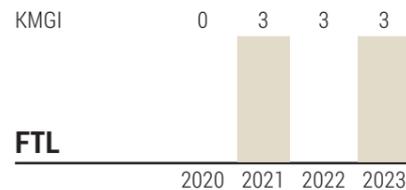


2023 HSE Index

Block / Division / Entity	HSE Index Actual	Worked hours	Kilometers driven	Safety Incidents (numbers)				Safety Incidents (rates)			
				FTL	TRI	MVC (M+C)	MVC Total	FIR	TRIR	MVCR	LTIF/LTIR
OPERATIONAL BLOCK	0.22	6,937,132	6,631,143	3	7	0	9	43	1.01	0.00	1.01
Trading & Supply Chain Division	1.05	480,668	424,358	1	2	0	0	208	4.16	0.00	4.16
KMG Trading AG (fmr. Vector Energy)	0.00	42,179	144	0	0	0	0	0	0.00	0.00	0.00
TRG Petrol Ticaret AŞ (Turkey)	0.00	8,112	144	0	0	0	0	0	0.00	0.00	0.00
Midia Marine Terminal SRL	1.23	411,465	306,846	1	2	0	0	243	4.86	0.00	4.86
Byron Shipping SA	0.00	18,912	117,224	0	0	0	0	0	0.00	0.00	0.00
Retail & Marketing Division	0.00	4,426,367	5,316,261	0	0	0	7	0	0.00	0.00	0.00
Rompetro Downstream	0.00	789,893	2,648,890	0	0	0	3	0	0.00	0.00	0.00
Rompetro Bulgaria	0.00	137,107	894,298	0	0	0	0	0	0.00	0.00	0.00
Rompetro Georgia	0.00	1,718,652	417,068	0	0	0	3	0	0.00	0.00	0.00
Rompetro Moldova	0.00	1,608,826	1,310,045	0	0	0	0	0	0.00	0.00	0.00
Rompetro Gas	0.00	171,889	45,960	0	0	0	1	0	0.00	0.00	0.00
Production Division	0.50	2,030,097	890,524	2	5	0	2	99	2.46	0.00	2.46
Petromidia Refinery	0.60	1,690,609	833,805	2	3	0	2	118	1.77	0.00	1.77
Vega Refinery	0.02	339,488	56,719	0	2	0	0	0	5.89	0.00	5.89
INDUSTRIAL SERVICES BLOCK	0.00	1,561,780	3,639,133	0	2	0	0	0	1.28	0.00	0.64
Upstream Division	0.00	273,097	2,025,825	0	0	0	0	0	0.00	0.00	0.00
Rompetro Well Services	0.00	236,867	2,025,821	0	0	0	0	0	0.00	0.00	0.00
Oilfield Exploration Business Solutions	0.00	36,230	4	0	0	0	0	0	0.00	0.00	0.00
Industrial Services Division	0.00	1,283,640	1,613,308	0	2	0	0	0	1.56	0.00	0.78
Rominerv	0.00	999,671	1,307,369	0	1	0	0	0	1.00	0.00	1.00
Rompetro Energy	0.01	283,969	305,939	0	1	0	0	0	3.52	0.00	0.00
CORPORATE SUPPORT BLOCK	0.00	2,532,907	3,307,223	0	1	0	0	0	0.39	0.00	0.39
KMG Rompetrol	0.00	873,607	2,385,000	0	0	0	0	0	0.00	0.00	0.00
Global Security System	0.00	1,322,065	517,000	0	1	0	0	0	0.76	0.00	0.76
Rompetro QQuality Control	0.00	337,235	405,223	0	0	0	0	0	0.00	0.00	0.00
GROUP TOTAL	0.14	11,031,819	13,577,499	3	10	0	9	27	0.91	0.00	0.82

HSE Index= 50%FIR+30%TRIR+20% MVCR

Comparative view



GRI
GRI 403-1 - 403-10
GRI 11.8.3
GRI 11.9.2 - 11.9.11
GRI 11.15.4

SASB
EM-RM-320a.1
EM-RM-320a.2

IPIECA
SHS-3 C1

**ROMPETROL
RAFINARE SA**

At Rompetrol Rafinare, we believe in an integrated approach to OHS that engages every level of our organization, fostering a workplace where safety is not just a priority, but a collective value we all share and contribute to daily.

APPROACH to SAFETY

Safety is a cornerstone of operations at Rompetrol Rafinare, where meticulous attention is dedicated to upholding the stringent standards of our integrated health and safety management system. This, commitment is detailed through a robust collection of approximately 111 legal documents at Petromidia and 81 at Vega refinery, encompassing Directives, Laws, Orders, Ordinances, Government Decrees, Standards, and Procedures, all currently in force and providing the structure for our thorough internal risk assessment procedures.

Our proactive stance on safety is demonstrated by the detailed prevention and protection plan we have established and review annually, coupled with a dedicated Occupational Health and Safety (OHS) management program. To further bolster our safety measures, an internal inspection program is conducted for rented facilities and spaces, complemented by a stringent chemical and noxious substances program.

We extend our protective reach to all workers on the Petromidia and Vega platforms, ensuring that they are all comprehensively covered by the Group's OHS management system. During the reporting period, this coverage included 239 contractors directly related to Petromidia operations and 140 for Vega, each receiving the benefits of the system on a monthly basis.

In our ongoing commitment to transparency and accountability, we report on process safety events across our operations, adhering to industry standards for classification and reporting. During the reporting period, we recorded a total of 1 incident classified as Tier 1 (MHC incident) within the realm of industrial safety, with no Tier 2 incidents occurring. Nevertheless, our open lines of communication and our safety initiatives were so effective that we received no grievances related to safety issues from the local communities engaged with Rompetrol Rafinare.

HAZARD IDENTIFICATION and RISK ASSESSMENT

The heart of our approach lies in our "Identification and assessment of occupational safety and health risk factors" procedure. This internal protocol establishes a methodology to manage risks affecting occupational safety and health, aligning with relevant legislative standards. It is a rigorous three-step process involving the identification of risk factors, ranking these factors according to the potential severity of consequences, and identifying and prioritizing preventive measures.

A detailed analysis is a prerequisite for any risk assessment according to our procedures. It incorporates descriptions of technological processes, work operations, job descriptions, dialogue with employees, reports on

environmental factors, and a review of safety norms and instructions. This comprehensive approach ensures a full understanding of the workplace from a safety perspective.

Our multistage process for identifying and assessing risks includes defining system boundaries, identifying potential hazards, estimating risks, and then assessing and making decisions on risk reduction. These assessments are dynamic and are reviewed when technological changes occur, after any incidents, upon the discovery of new risks, or before special operations commence.

In our continued effort to refine our risk assessment, we leverage MERP (Management of Enterprise Risk Procedure), a tailored application that systematizes our evaluation and mitigation of risks, thereby fortifying our commitment to a safe and healthy work environment for our employees.

Reflecting on our performance in 2023, the Petromidia and Vega refineries reported property damages, occupational and non-occupational illnesses, near-miss incidents, and underwent numerous authority inspections which resulted in penalties. These figures, as well as those of the broader KMG International entity, are not merely statistics but are instrumental in guiding our ongoing dedication to safety and continuous improvement in our HSE practices.

Entity	Property damage	Occupational illnesses	Non-occupational illnesses/fatalities	Near-miss	Authority inspections	Authority penalties (USD)
Petromidia Refinery	7	0	22	8	35	12,268
Vega Refinery	0	0	1	0	16	17,827
GROUP TOTAL	28	0	37	27	1,418	89,760

WORKER ENGAGEMENT and COMMUNICATION on OCCUPATIONAL HEALTH and SAFETY

Worker engagement and communication are essential components of our robust Occupational Health and Safety (OHS) management at KMG International. Adhering to law no. 319/2006, our health and safety committees are active across all operations and business units, reflecting a comprehensive representation that includes management, labor administration, employees, and union representatives. This diverse assembly works in unison to ensure adherence to applicable legislation and to incorporate diverse perspectives into our continuous health and safety improvement efforts.

Within our Petromidia and Vega refineries, the composition of the OHS committees is structured to ensure varied and relevant representation.

These committees function in accordance with internal directives on the establishment and operation of OHS committees. Regular meetings are conducted, with quarterly frequency being the norm, and meticulous records are kept in

the form of minutes that are archived for future reference and compliance purposes. In 2023, both the Petromidia and Vega OHS committees convened four times to discuss critical issues such as medical activities, worker proposed OHS matters, and approval of OHS documents. These discussions and their outcomes are communicated to all employees via email and are reported to the local labor authorities.

Both refineries operate an internal prevention and protection department, with dedicated staff for OHS and emergency situations, ensuring that every potential risk is managed with a proactive stance:

- **Petromidia** - 1 OHS – Emergency Situations Coordinator, 4 OHS specialists, 2 emergency technical staff
- **Vega** – 1 OHS coordinator, 1 Emergency Situations Manager

Aside from safeguarding the physical safety of our workforce, we also regulate access and personal data protection in strict accordance with internal procedures and the General Data Protection Regulation (GDPR). This extends to all employees, contractors,

and subcontractors, ensuring compliance with personal data processing standards. For instance, non-employee access to the Petromidia Platform, especially with recording devices or data storage electronics, requires adherence to our data processing policies.

Management’s role in communicating their dedication to OHS issues is paramount, as is fostering an environment where all employees feel responsible for contributing to our culture of safety. It is imperative that every member of our team feels empowered to voice OHS concerns, report unsafe conditions, and recognize commendable safety conduct.

PROMOTION of WORKER HEALTH

In line with the “Monitoring staff health” internal procedure, we achieved a significant milestone during the reporting period: 100% of our workforce at both Petromidia and Vega refineries underwent the annual medical examination.

Our collaboration with Medlife, the Group’s external partner for work-related medical services, ensures a comprehensive range of health services for our employees:

- **Prevention and prophylaxis package:** This includes initial medical check-ups upon employment, periodic annual examinations, and evaluations at the time of job change or resumption of work post-accident, or after childcare leave, along with emergency assistance.
- **Clinical and paraclinical investigations:** Recommendations for additional investigations are provided when necessary to ensure thorough health assessments.
- **Risk assessment participation:** Medlife professionals are integral members of the team assessing professional risk factors.

- **Annual free consultations and tests:** Employees benefit from free annual consultations and tests across various medical specialties.
- **Discount programs:** Employees and their family members receive discounts for various consultations and lab tests, extending the culture of health beyond the workplace.

To prevent and mitigate occupational health and safety impacts, both Petromidia and Vega adhere to an annually reviewed prevention and protection plan, which is complemented by a Safety and Health at Work (SSM) management program. Additional measures include an internal inspection program for rented spaces and a dedicated chemical and noxious substances program.

SAFETY PERFORMANCE

Petromidia’s operations in 2023 recorded two fatalities and one day away from work case, along with seven near misses. The LTIR stood at 2.46 with 923 nonconformities issued during internal and external controls, of which 754 were resolved, marking an 80% closure rate.

In contrast, Vega had no fatalities, two days away from work cases, and reported one non-occupational illness. All 248 issued nonconformities were closed, achieving a 96% resolution rate.

In 2023, Petromidia Refinery conducted 1,302 hours of QHSE training, while Vega Refinery reported 794 hours. These training sessions are meticulously designed to enhance employee knowledge and skills in managing safety and health risks effectively. When compared to the overall KMG International group’s impressive 29,675 QHSE training hours, it’s evident that Petromidia and Vega make significant contributions to the Group’s dedication to fostering a culture of safety and continuous learning.

2023 HSE Index

Division / Entity	HSE Index Actual	Worked hours	Kilometers driven	Safety Incidents (numbers)				Safety Incidents (rates)				Non-conformity issued	Non-conformity closed	QHSE training hours	Fire/emergency drills	QHSE audits/inspections
				FTL	TRI	MVC (M+C)	MVC Total	FIR	TRIR	MVCR	LTIF/LTIR					
Petromidia Refinery	0.60	1,690,609	833,805	2	3	0	2	118	1.77	0.00	1.77	923	754	1,302	77	318
Vega Refinery	0.02	339,488	56,719	0	2	0	0	0	5.89	0.00	5.89	248	238	794	27	117
GROUP TOTAL	0.14	11,031,819	13,577,499	3	10	0	9	27	0.91	0.00	0.82	5,692	5,315	29,675	1,575	5,386

Emergency preparedness is another pillar of our safety strategy. Petromidia held 77 fire and emergency drills, and Vega conducted 27 drills throughout the year. These drills play a crucial role in ensuring that our teams are well-prepared to respond effectively to any emergency, thereby minimizing potential risks to health and safety.

QHSE audits and inspections are essential for maintaining high safety standards. In 2023, Petromidia underwent 318 QHSE audits/inspections, and Vega had 117. These rigorous evaluations ensure that both refineries adhere to established safety protocols and identify areas for improvement.

Addressing nonconformities is pivotal in our quest for safety excellence. Petromidia reported 923 nonconformities issued, with 754 closed, reflecting an assertive approach towards rectifying identified gaps. Vega reported 248 nonconformities, with all 238 addressed, showcasing high efficiency in managing and resolving safety and health issues.

OHS TRAINING

At Rompetrol Rafinare, our approach to Occupational Health and Safety training is systematic and comprehensive, aimed at ensuring all employees, contractors, and subcontractors possess the knowledge and skills to operate safely and effectively within our facilities. Our internal OHS Training procedure outlines the types of training, their frequency, responsible roles for execution, and the specific topics covered. This structured approach underscores our commitment to upholding the highest standards of workplace safety and compliance with legislation.

The annual training for all employees is conducted via the online application IKNOW, which includes thorough online testing to gauge comprehension and retention. This platform ensures accessibility and consistency in training delivery, allowing us to reach all employees with critical safety information. In 2023, Rompetrol Rafinare placed a significant emphasis on enhancing occupational health and safety (OHS) through extensive training programs at both the Petromidia refinery and the Vega refinery. At Petromidia, a total of 1,302 hours of OHS training were delivered by HSE trainers. The training covered a wide range of

critical safety topics, tailored to the specific needs and roles of the participants, from operational staff to emergency responders. Moreover, an impressive cumulative figure of approximately 134,738 HSE training hours was reported, averaging about 11 hours per worker per month.

Vega Refinery also demonstrated a strong commitment to worker safety, with approximately 17,573 hours of OHS training conducted throughout 2023. This extensive training program, similar to Petromidia, was aimed at a diverse group of personnel, ensuring that the entire workforce is well-versed in safety measures and emergency procedures.

Training provided regularly:

- **Platform access training:** Mandatory for all new hires and periodically required for all personnel, this training spans 1.5 to 2 hours and is available both physically and online. It ensures that all individuals accessing the platform are familiar with the safety protocols and emergency procedures specific to our operations.
- **On-the-job training:** Extending for 8 hours, this training provides practical, job-specific safety instruction, facilitated through IKNOW course access and subsequent online testing.

- **Periodic training:** Depending on managerial roles, training may occur monthly, quarterly, or semi-annually, ensuring ongoing safety competence among all levels of staff. This training is meticulously documented in individual training files, including the signatures of both the trainee and the instructor, affirming compliance and completion.
- **Additional training:** Tailored to address specific needs or scenarios, such as post-accident return or job changes, this 8-hour session is similarly documented, reinforcing our commitment to adaptive and responsive safety education.

Beyond standard OHS training, Rompetrol Rafinare has implemented several additional measures to promote safety and health:

- **First aid courses:** Organized for employees to ensure readiness in medical emergencies.
- **External automatic defibrillators:** Two units were installed at Petromidia, enhancing our emergency medical response capabilities.
- **Emergency simulations:** At Petromidia and Vega, 104 simulation exercises based on the Internal Emergency Plan scenarios were conducted, along with a drill for the Emergency Cell, ensuring preparedness for major accidents.

ROMPETROL DOWNSTREAM SRL ROMPETROL GAS SRL

Romp petrol Downstream and Romp petrol Gas, integral components of Romp petrol Rafinare, epitomize the commitment to maintaining and enhancing safety and health standards across all operations.

APPROACH *to* SAFETY

Embracing the ISO 45001:2018 standard from 2020, our approach to occupational health and safety (OHS) is both comprehensive and adaptive, ensuring alignment with the dynamic needs of our business environment and community. This standard provides a robust framework for identifying relevant stakeholders and tailoring our OHS management accordingly.

Our adherence to industry standards and QHSE requirements is manifested through detailed procedures and work instructions that cover a broad spectrum of activities. These include risk assessments, HSE training, medical check-ups, and first aid provision, among others. Our regulations meticulously outline how specific activities—ranging from weight handling and fuel transactions to working at heights and pump operations—should be conducted safely. Despite not participating in national or international health and safety forums, we remain vigilant and proactive in updating our practices in line with legal changes and Group policies.

Cultivating a safety culture

At the core of our OHS strategy is the cultivation of a robust safety culture, promoted through awareness campaigns to ensure comprehensive

employee understanding and engagement. Resources allocation, work patterns, effective communication, and stringent supervision levels are meticulously managed to mitigate risks and enhance safety across all operations.

Job and organizational factors

We pay close attention to environmental conditions, displays and controls, work procedures, and health and safety training to minimize their impact on worker performance and reduce the likelihood of human error.

To continuously improve our safety performance, we engage in various initiatives:

- Employee involvement in safety activities and risk assessments.
- Analysis of risks and identification of improvement opportunities.
- Implementation of Behavior-Based Safety (BBS) practices.
- Conducting HSE and operational inspections.
- Enforcement of protective equipment usage.
- Evaluation of suppliers and dealers based on health and safety standards.
- Implementation of new technologies and revision of health and safety regulations.

Employee involvement in safety activities and risk assessments is pivotal to our approach. We employ a range of initiatives, from Behavioral Based Safety (BBS) programs and operational inspections to the enforcement of protective equipment and supplier evaluations,

to drive improvements in safety performance. Our investment in new technologies and the regular revision of health and safety regulations underscore our proactive stance on safety enhancement.

In selecting contractors and suppliers, health and safety competencies are a key consideration. We require specific documentation that demonstrates their commitment to safety, including health and safety policies, risk assessments, and accident history records. Our QHSE audits and inspections extend to our supplier and contractor base to ensure compliance with our high standards.

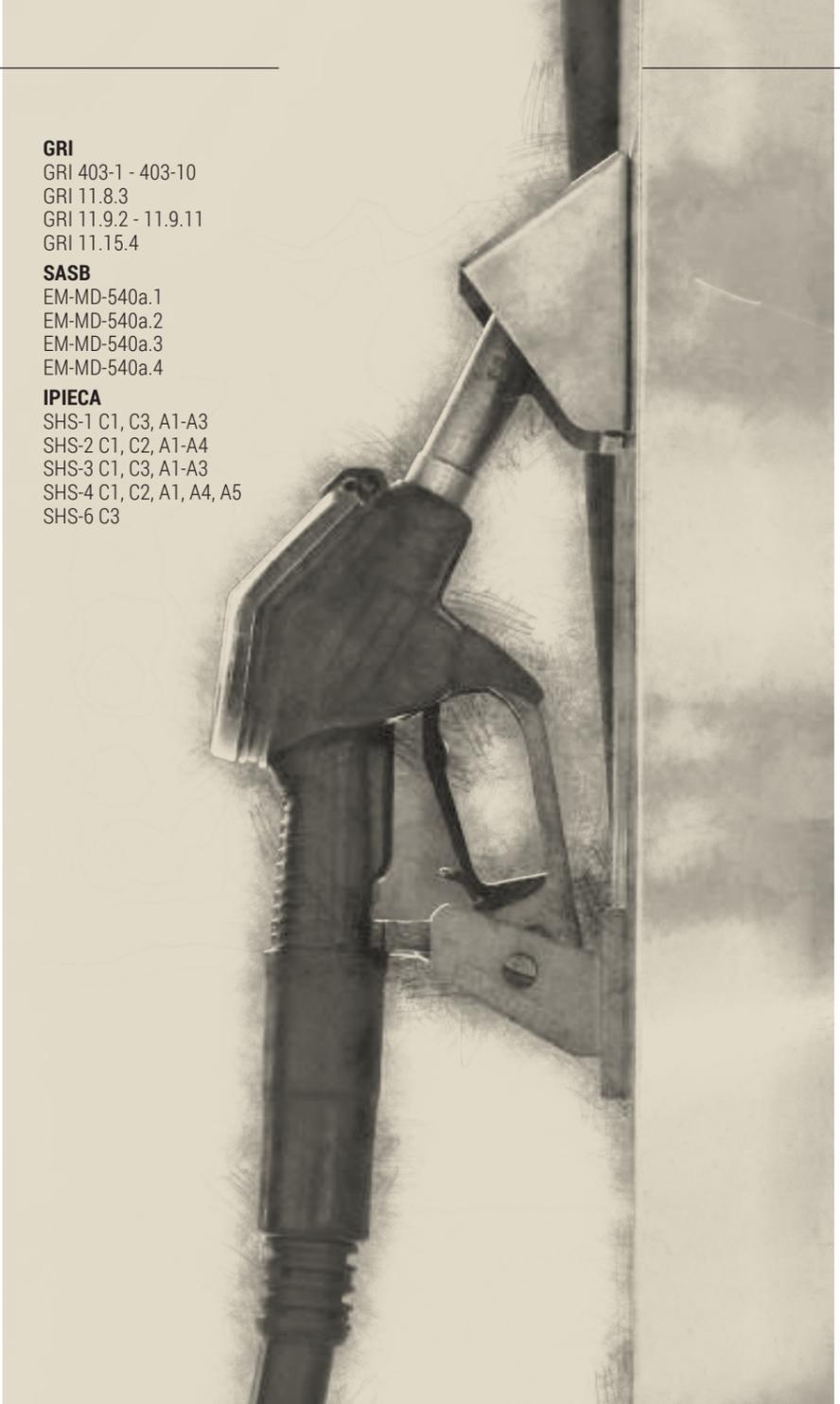
The transport of people, general goods and fuels is carried out by an external company. Agreements with this third party include specific health & safety provisions. Specific measures are taken to improve transport safety, including fire prevention exercises carried out by local fire brigades in warehouses and in some fuel distribution stations, discussions with authorities regarding the application of legal requirements, external audits on transportation safety issues or informing transport companies about potential safety transportation improvements.

Our commitment to safety extends beyond our immediate operations to include local communities and other stakeholders. Our transparency policy involves informing clients about our ISO certifications, OHS management system, and QHSE Policy, reinforcing our commitment to safety. We continually invest in new technologies, regularly revise OHS regulations, and maintain an open channel of regulatory information and global QHSE alerts to foster an environment of continuous safety improvement.

GRI
GRI 403-1 - 403-10
GRI 11.8.3
GRI 11.9.2 - 11.9.11
GRI 11.15.4

SASB
EM-MD-540a.1
EM-MD-540a.2
EM-MD-540a.3
EM-MD-540a.4

IPEICA
SHS-1 C1, C3, A1-A3
SHS-2 C1, C2, A1-A4
SHS-3 C1, C3, A1-A3
SHS-4 C1, C2, A1, A4, A5
SHS-6 C3



HAZARD IDENTIFICATION *and* RISK ASSESSMENT

Our commitment to occupational health and safety is evidenced by the meticulous identification, evaluation, and management of risks across all operational work points, leading to the formulation of a detailed Prevention and Protection Plan. This plan encapsulates both technical and organizational measures, alongside first aid requirements, ensuring a holistic safety strategy that encompasses not just our employees but extends to our suppliers and the wider community.

Our risk assessment processes are thorough, covering every role within our employee hierarchy and extending these procedures to our suppliers. This evaluation not only focuses on OHS but also examines technical and financial requirements within our tender/selection procedures. Suppliers are continuously assessed throughout their contract duration, ensuring ongoing compliance and safety alignment.

Investigations into work accidents are conducted in strict accordance with Law 319/2006 and GD 1425/2006, while our internal KMG International Group QHSE procedure provides a clear framework for addressing specific safety situations. This rigorous adherence to both local and international safety standards is complemented by regular updates and improvements in response to findings

from SEVESO inspections and other regulatory bodies.

Other types of controls are also carried out regularly by Local Labor Inspectorates, while specific assessments of gas stations' activity are carried out by authorities like the State Inspection for the Control of Boilers, Pressure Vessels and Lifting Installations (ISCIR), Local Metrology Offices, Water and Environmental Agencies, the National Research & Development Institute for Mining Safety and Protection against Explosions (INSEMEX) - 1,258 controls by local authorities at Romp petrol Downstream in 2023.

Our internal Preventive Maintenance Program is a cornerstone of our safety strategy. It mandates daily visual inspections of pipelines and piping installations by the Warehouse Manager, ensuring the integrity and safety of our infrastructure. Furthermore, all equipment undergoes regular checks by an authorized supplier, adhering to stringent safety standards. These control reports are meticulously reviewed by responsible company staff, ensuring any potential issues are identified and addressed promptly.

To integrate a culture of safety and emergency preparedness throughout our value chain and across all project lifecycles, we have implemented comprehensive management systems within both Romp petrol Downstream and Romp petrol Gas. These systems encompass:

- **Depots:** We have automated fire extinguishing systems in our warehouses, enhancing our ability to respond effectively to fire emergencies. This automation process involves collaboration with designers, obtaining project approval from the Emergency Situations Inspectorate (ISU), and ISU's verification of the implementation status. Currently, the degree of automation achieved is 90% for Romp petrol Downstream (DWS) and 100% for Romp petrol Gas.
- **Gas stations:** The automation of fire preventive systems and the provision of technical firefighting equipment, such as extinguishers at each Romp petrol gas station, ensure a high level of fire safety. This includes regular inspections and timely replacement of equipment and extinguishing systems at the end of their lifecycle, with a 100% implementation rate for DWS.

During the reporting period, our proactive engagement with regulatory bodies and the implementation of corrective actions in response to inspections underscored our commitment to safety and environmental stewardship. Despite facing challenges, including grievances from local communities regarding noise pollution and fuel claims, our resolution rate stands testament to our responsive and responsible approach to addressing

Entity	Property damage	Occupational illnesses	Non-occupational illnesses/fatalities	Near-miss	Authority inspections	Authority penalties (USD)
Romp petrol Downstream SRL	2	0	2	3	1,258	58,910
Romp petrol Bulgaria EAD	4	0	0	1	26	0
Romp petrol Georgia LTD	8	0	1	7	49	225
Romp petrol Moldova SA	7	0	1	1	0	0
Romp petrol Gas SA	0	0	0	0	15	0
GROUP TOTAL	28	0	37	27	1,418	89,760

concerns. The year also saw us navigating incidents of property damage and near misses with diligence, underscoring the effectiveness of our safety protocols and emergency response strategies.

Noteworthy advancements in safety infrastructure at our depots and gas stations have been made, particularly in the automation of fire extinguishing systems and the adoption of preventative fire systems at gas stations. These enhancements, alongside regular equipment inspections and maintenance, signify our dedication to not only maintaining but elevating safety standards.

WORKER ENGAGEMENT and COMMUNICATION on OCCUPATIONAL HEALTH and SAFETY

Our approach to worker engagement and communication on OHS is multifaceted and proactive, ensuring that every member of our workforce is equipped, informed, and involved in creating a safer working environment.

ROMPETROL DOWNSTREAM AND ROMPETROL GAS OHS COMMITTEE
General Director (President of OHS Committee)
HS Coordinator (Secretary of OHS Committee)
3 employees representing the workers on safety and health matters
3 employees representing the organization on safety and health matters
Doctor of Medicine

Employee representatives play a crucial role in our OHS framework. They actively participate in OHS Committee meetings, contribute to OHS inspections, and partake in both internal and external audits. Their input is crucial in selecting Personal Protective Equipment (PPE) and other safety-related decisions at the entity level. This collaborative approach ensures that OHS actions are inclusive and reflective of the workforce's needs and insights.

We empower our workers to report any dangerous situations, allowing us to promptly address and implement corrective and preventive measures. The outcomes of these reports, along with other key safety discussions, are documented in the regular quarterly OHS Committee meetings. These meetings are held in compliance with national legislation and our Group's internal OHS policies, facilitating a structured platform for addressing safety concerns and implementing improvements.

In addition to the OHS Committee meetings, Safety Management Meetings, Safety Committee (CSSM) sessions, and Operational Meetings at various management levels are convened. These meetings cover a wide array of topics, including health and safety budgets, projects, and requirements from local authorities, further ensuring that our OHS practices are comprehensive and aligned with external standards and internal goals.

Leading indicators for safety prevention, analyses of incidents, and lessons learned are disseminated through multiple channels, including QHSE Info Alerts, emails, and direct communications to top management. Awareness campaigns and visible safety indicators within the workplace play a vital role in reinforcing our safety culture and encouraging active worker participation in OHS activities.

Employing the Plan-Do-Check-Act (PDCA) cycle, we manage workforce participation in safety and

health with steps that include regular training sessions, hazard identification, risk assessment and control, and regular exercises for fire situations. This structured approach ensures continuous improvement and engagement in our safety processes.

To support our commitment to a healthy and safe workplace, we provide comprehensive resources such as work instructions, first aid guidelines, a risk register, periodical medical checks, and regular QHSE reports. These resources, provided by the QHSE Operational Force and local authorities, are integral to maintaining our high safety standards.

PROMOTION of WORKER HEALTH

Our approach to enhancing worker health encompasses a range of strategies, including:

- Providing appropriate Personal Protective Equipment (PPE) for all staff, ensuring their protection against potential workplace hazards.
- Adopting technologies that mitigate risks of injury and occupational disease, ensuring a safe work environment.
- Promoting an Occupational Health and Safety (OHS) culture through various platforms and mediums, including meetings with medical staff, safety awareness campaigns, QHSE Info, Safety Posters, and periodic updates via email from the QHSE and HR Departments.
- Encouraging physical exercise and general prevention measures, such as advising staff to avoid long sitting intervals and to take regular breaks.
- Implementing flexible work arrangements and work-from-home programs to support employee well-being.

- Conducting laboratory analyses to identify and mitigate workplace noxes.

Our partnership with MedLife, a private healthcare provider, ensures all employees receive comprehensive occupational health services. This includes medical check-ups for new hires and periodic evaluations for all active roles, overseen and validated by our HR and QHSE Departments.

To support healthier lifestyles among our staff, we have made considerable accommodations in our workplaces, including adequate space, appropriate seating, ventilation, heating, lighting, noise control, and access to clean drinking water and toilet facilities. We also provide changing rooms for workers to change into their PPE or uniforms. Moreover, a range of group initiatives and programs, both online and offline, are offered by our HR department to encourage health awareness and fitness among employees.

Throughout the year, Rompetrol Downstream and Rompetrol Gas together amassed a total of 961,782 worked manhours, a testament to the substantial scale of their operations. Despite the inherent risks associated with their industry, both entities demonstrated exemplary safety performance. Specifically, Rompetrol Downstream, with 789,893 worked manhours, recorded a single First Aid Case (FAC) incident and managed to maintain zero incidents across all other safety metrics. Rompetrol Gas, contributing 171,889 worked manhours, mirrored this exceptional safety record, with no incidents reported across all measured safety categories.

The 2023 HSE Index and Lost Time Injury Frequency (LTIF) rates further illustrate the success of Rompetrol Downstream and Rompetrol Gas safety management strategies. Looking ahead, the companies are focused on further enhancing their OHS practices.

2023 HSE Index

Division / Entity	HSE Index Actual	Worked hours	Kilometers driven	Incidents							Safety Incidents (numbers)				Safety Incidents (rates)				
				FTL	FAC	MTC	RWDC	DAFWC	LTI	TRI	FTL	TRI	MVC (M+C)	MVC Total	FIR	TRIR	MVCR	LTIF/LTIR	
RETAIL & MARKETING DIVISION	0.00	4,426,367	5,316,261									0	0	0	7	0	0.00	0.00	0.00
Rompetrol Downstream SRL	0.00	789,893	2,648,890	0	1	0	0	0	0	0	0	0	0	0	3	0	0.00	0.00	0.00
Rompetrol Bulgaria EAD	0.00	137,107	894,298	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
Rompetrol Georgia LTD	0.00	1,718,652	417,068	0	0	0	0	0	0	0	0	0	0	0	3	0	0.00	0.00	0.00
Rompetrol Moldova SA	0.00	1,608,826	1,310,045	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
Rompetrol Gas SA	0.00	171,889	45,960	0	0	0	0	0	0	0	0	0	0	1	0	0.00	0.00	0.00	
GROUP TOTAL	0.14	11,031,819	13,577,499	0	3	1	0	3	3	4	3	10	0	9	27	0.91	0.00	0.82	

This includes managing risks associated with working in potentially explosive atmospheres, continuing to engage employees in safety activities, and leveraging learnings from safety incidents to prevent future occurrences.

OHS TRAINING

Adhering strictly to the legal frameworks provided by GD 1425/2006-methodological norms for the application of the law on health and safety at work, Law 319/2006-health and safety at work, and Law 186/2008 (from the Republic of Moldova), both entities have implemented comprehensive OHS training and induction programs, ensuring a safety-first culture across all operational levels.

The year 2023 saw around 570 employees across Rompetrol Downstream and Rompetrol Gas participate in OHS training, tailored to their specific job roles and potential workplace risks. This training regime included updates on new risks, such as the risk of infection with biological agents like SARS-CoV-2, demonstrating a proactive approach to emerging health challenges. Training was delivered through both direct, on-site sessions and the innovative IKNOW IT application

for remote staff, ensuring wide-reaching and inclusive educational coverage. Training materials and all health & safety information are transmitted by email in all working points and monitoring is conducted via discussions with the staff during controls and via annual testing of Safety and Emergency knowledge.

Gas station and warehouse managers at Rompetrol Downstream conducted monthly OHS training sessions, focusing on specific scenarios to prepare employees for potential incidents. These ranged from fires in various locations to massive fuel leaks and earthquake-affected scenarios, underlining the diverse risks inherent in their operations. Despite Rompetrol Downstream gas stations being operated by dealers, a robust system of external prevention services and stringent contractual safety requirements ensures a unified standard of safety across all sites. Periodically, the Operations department and the QHSE department carry out checks and inspections in the fuel distribution stations. Also, there is a program in place to verify compliance with OHS requirements by Management, Operational and QHSE Departments. At the same time, there are regular controls and inspections carried out by local authorities with OHS competences.

Practical firefighting exercises are a regular feature at Rompetrol gas stations, emphasizing the critical importance of preparedness in preventing and managing fires. Moreover, transport safety is enhanced through exercises conducted by local fire brigades and continuous dialogue with local authorities and transport companies, ensuring adherence to safety regulations and the implementation of best practices. Leading indicators that focus on prevention of transport safety incidents are communicated through inspections, incident & investigation reports, information to top management, process communications.

Entity	Noncon-formity issued	Noncon-formity closed	QHSE training hours	Fire/emergency drills	QHSE audits/inspections
Rompetrol Downstream SRL	770	703	6,908	74	2,069
Rompetrol Bulgaria EAD	34	34	45	24	763
Rompetrol Georgia LTD	10	10	633	7	221
Rompetrol Moldova SA	293	266	4,255	1,032	148
Rompetrol Gas SA	17	17	136	15	3
GROUP TOTAL	5,692	5,315	29,675	1,575	5,386

In 2023, Rompetrol Downstream dedicated 6,908 hours to QHSE training and conducted 74 fire/emergency drills, while Rompetrol Gas logged 136 QHSE training hours and carried out 15 fire drills. The extensive number of QHSE audits and inspections, totaling over 2,000 for Rompetrol Downstream and 3 for Rompetrol Gas, further exemplifies the rigorous safety oversight within their operations.

Comparatively, 2022 saw Rompetrol Downstream undertaking 6,755 QHSE training hours and 75 fire drills, with Rompetrol Gas recording 72 QHSE training hours and 13 fire drills. This year-on-year consistency in safety training and emergency preparedness highlights a sustained commitment to maintaining and enhancing safety standards.

ROMINSERV SRL ROMPETROL ENERGY SA

In 2023, Rominserv and Rompetrol Energy have not only maintained their rigorous standards for safety and environmental management but have actively sought to enhance their safety performance through innovative practices and continuous improvement initiatives.

APPROACH *to* SAFETY

Throughout the reporting period, Rominserv and Rompetrol Energy have aligned their Occupational Health and Safety (OHS) operations with the rigorous standards set forth by ISO SR EN 45001/2023 and Law 319/2016. This commitment is further demonstrated through their adherence to additional international and local standards, ensuring comprehensive safety management across all facets of their operations.

Rominserv, as a pivotal “turnkey” industrial solution provider within KMG International, has achieved and maintained a suite of QHSE certifications, reinforcing its dedication to quality, environmental stewardship, occupational health and safety, and energy management:

- ISO 9001 / 2015 - Quality Management System
- ISO 14001 / 2015 - Environmental Management System
- ISO 45001 / 2023 - Occupational Health and Safety Management
- ISO 50001/ 2018 - Energy Management System
- SCC** / 201 - Contractors Management System.

Similarly, Rompetrol Energy, instrumental in the development of the cogeneration plant on the Petromidia platform, continues to uphold its certification across key ISO standards, ensuring a harmonized approach to quality management, environmental management, and occupational health and safety management:

- ISO 9001 / 2015 - Quality Management System
- ISO 14001 / 2015 - Environmental Management System
- ISO 45001 / 2023 - Occupational Health and Safety Management.

These certifications are not static achievements but are part of a dynamic process of continual improvement, evidenced by regular internal audits, follow-ups, and the engagement of external prevention and protection services. This holistic approach extends to compliance with SEVESO III directives and the meticulous assessment of firefighting systems, underscoring a proactive stance on safety and environmental protection.

Weekly monitoring of OHS performance indicators enables both companies to analyze the safety performance of equipment, employees, and contractors, leading to actionable insights that may include procedural revisions, updates to work instructions, or enhancements to the risk registry. Such rigorous analysis ensures that safety practices are not only compliant but optimized for current operational realities.

Moreover, Rominserv and Rompetrol Energy prioritize the integration of cultural and human factors into their process safety strategies. Initiatives such as the “1 Life / 1 Viata” internal communication program, QHSE inspections, and the

development of “lessons learned” systems illustrate a holistic approach that encompasses leadership, risk awareness, and employee development.

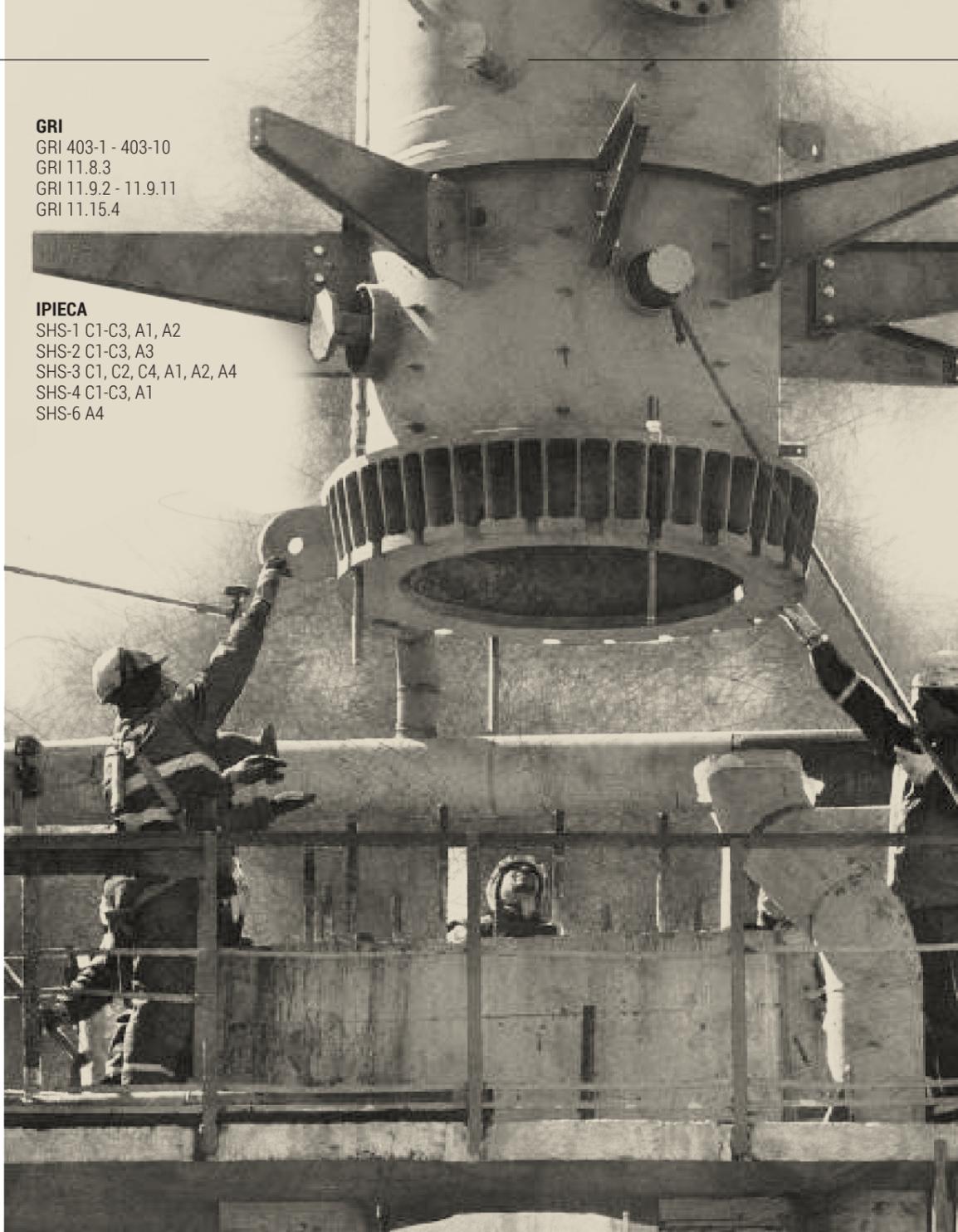
To further enhance safety performance, both entities have embarked on several key initiatives, including:

- Establishing and maintaining a fire-fighting system in accordance with national laws and standards.
- Renewing outdated fire-fighting networks to meet contemporary standards.
- Reviewing and updating the OHS internal warning system to align with HG 971 / 2006.
- Implementing state-of-the-art equipment and projects, such as the Cogen project, to mitigate environmental impact and reduce the risk of major accidents and injuries.
- Engaging employees and their representatives in safety activities and risk assessments to foster a culture of safety and accountability.
- Innovating digital tools like the Safety Audit intranet app, Hazard Observation Cards, and Behavior Base Surveys to enhance safety awareness and reporting.

In 2023, Rompetrol Energy maintained an exemplary record with no grievances reported, reflecting its robust management and operational excellence in adhering to safety and environmental standards. Rominserv, on the other hand, encountered a singular grievance since the inception of its business operations, resulting in a fine of \$530 imposed by ISU Constanta. This incident, albeit minor, has been an opportunity for reflection and further reinforcement of safety protocols and community engagement practices. Despite this, both companies successfully maintained a record free of safety incidents.

GRI
GRI 403-1 - 403-10
GRI 11.8.3
GRI 11.9.2 - 11.9.11
GRI 11.15.4

IPIECA
SHS-1 C1-C3, A1, A2
SHS-2 C1-C3, A3
SHS-3 C1, C2, C4, A1, A2, A4
SHS-4 C1-C3, A1
SHS-6 A4



HAZARD IDENTIFICATION *and* RISK ASSESSMENT

Rominserv and Rompetrol Energy takes a serious approach to hazard identification and risk management, integral to their commitment to safety and compliance. This is characterized by a meticulous process of regular updates to their risk assessment registers, reflecting a proactive stance towards operational safety for both staff and contractors.

Competency for own staff is ensured right from the recruiting phase, matching the candidates’ skills with the job description. This competency is further developed through annual training sessions, ensuring that employees’ skills remain sharp and in line with current safety standards and practices.

Contractor competency is equally stringent, established at the contract signing stage. This includes adherence to the Health, Safety, and Environment (HSE) Convention and verification of contractors’ employees’ certifications before any on-site activities commence. The assessment of contractors incorporates a quantitative approach, evaluating the safety performance based on a formula that considers incidents, accidents, nonconformities versus positive actions, relative to the hours worked.

Contractor assessment formula:

P QHSE= Input data / LEA

Input data: accidents / incidents / NC
vs. positive actions

LEA – number of working hours
performed by contractor for evaluated month per
number of working hours from evaluated month.

Risk factor assessment is a collaborative effort involving a commission that includes an Occupational Medic, ensuring that medical insights are integrated into safety considerations. This reflects a holistic view of risk management that encompasses both physical and biological factors.

The management of contractors is embedded in the “Operational Control” procedure, embracing the Plan-Do-Check-Act (PDCA) cycle. This systematic approach includes audits at the bidding stage, incorporation of HSE Conventions into service agreements, and continuous on-site monitoring of activities.

A Permit-to-Work (PTW) system is employed to identify and assess risks for each activity, particularly for those deemed hazardous or conducted under special conditions. This system is complemented by Job Safety Analysis and Risk Assessment, underscoring a detailed approach to operational safety.

The Group’s QHSE responsibility policy advocates for a ‘stop work’ practice without blame, encouraging employees to prioritize safety above all. This policy is supported by a structured incident and accident investigation procedure, ensuring thorough follow-up and learning from each incident.

Annual internal inspections and safety audits form part of an ongoing effort to maintain high safety standards, while an observation and nonconformity register tracks performance indicators for both the company and its contractors. Each job’s risk assessment informs the development of a Protection and Prevention Plan, tailored to meet legal requirements and address identified risks.

In 2023, the introduction of the Lesson Learned software and the Hazard Observation Card system marked significant advancements in capturing and sharing safety insights across the organization. These tools facilitate a culture of continuous learning and improvement, ensuring that lessons from safety incidents are integrated into future safety planning and execution.

WORKER ENGAGEMENT *and* COMMUNICATION *on* OCCUPATIONAL HEALTH *and* SAFETY

The integrated management system of Rominserv and Rompetrol Energy emphasizes worker engagement and active participation as key components in promoting a safe, healthy, and secure working environment. To this end, four innovative tools have been implemented, each designed to facilitate a comprehensive understanding of workplace behaviors, potential hazards, and opportunities for improvement in safety practices:

- **Safety audit:** An intranet app designed for conducting workplace behavior audits. This tool enables the systematic review of employee safety behaviors, identifying areas where adherence to safety protocols can be enhanced.

- **Hazard Observation Card (HOC):** Developed using Microsoft Forms, the HOC allows employees to report observed hazards or unsafe conditions immediately. This real-time reporting mechanism ensures that potential risks are communicated swiftly, allowing for prompt action to mitigate hazards.

- **Behavior-Based Survey (BBS) Work:** A platform-specific survey focused on workplace behaviors. It assesses safety practices within the work environment, gathering insights on behavioral trends that could influence overall safety.

- **BBS Drive:** Similar to BBS Work, this survey targets driving behaviors. It aims to understand and improve driving practices among employees, addressing a critical area of occupational safety.

In addition to these tools, the Occupational Health and Safety cooperation extends across a broad spectrum of employees and workplace scenarios, managed through the Occupational Safety Committee or a similar cooperative body. Organized monthly in accordance with KMG International Policy—and additionally on a quarterly basis to meet Romanian law requirements—the Safety Committee plays a pivotal role in shaping the safety culture within the organization.

Key Responsibilities of the Occupational Safety Committee:

- **Development and improvement proposals:** The committee is instrumental in proposing OHS enhancements to the employer, advocating for changes that bolster workplace safety.

- **Monitoring policy implementation:** It oversees the application of the OHS policy and internal procedures, ensuring that safety standards are consistently applied and upheld.

- **OHS training and engagement:** A crucial aspect of the committee's work is to oversee OHS training initiatives, ensuring that all employees receive the necessary education to understand and mitigate workplace hazards. Furthermore, it focuses on fostering a culture of engagement, where employees feel empowered to contribute to safety discussions and initiatives.

PROMOTION of WORKER HEALTH

The health of employees is rigorously assessed, with adherence to full GDPR compliance, ensuring privacy and data protection. Every staff member benefits from regular medical check-ups, facilitated by Medlife, the Group's designated occupational health services provider. These services range from emergency situation responses to occupational health services and additional medical check-ups covered under private insurance.

Medical facilities on the premises cater to the immediate health needs of staff, contractors, and subcontractors, illustrating the companies' readiness to handle medical emergencies. This accessibility to health services is complemented by internal communication programs that actively promote worker health management, integrating safety indicators into the corporate culture and ensuring that safety measures are communicated and understood across the board.

The Health, Safety, and Environment (HSE) Index and the Lost Time Injury Frequency (LTIR) rates for 2023 reflect the diligent efforts of Rominserv and Rompetrol Energy in maintaining a safe work environment. With no fatalities or major vehicle crash (MVC) cases reported, the adherence to defensive driving policies and behavioral-based safety (BBS) initiatives for company cars have been effective in preventing transport incidents.

Both Rominserv and Rompetrol Energy employ a set of seven safety indicators to monitor various aspects of workplace safety, from the use of Personal Protective Equipment (PPE) to compliance with safety procedures. Notably, both companies have identified the need to enhance compliance with safety procedures as a critical area for improvement, leading to the development of internal safety campaigns, including "stop work" initiatives and "safety audit" training.

The safety performance of contractors, crucial to the operations of Rominserv and Rompetrol Energy, is meticulously recorded, showcasing a commendable record of OHS adherence with no fatalities or road accidents reported in 2023. This achievement underscores the effectiveness of the Plan-Do-Check-Act philosophy in managing contractor safety, from the initial audits at the bidding stage to continuous monitoring and verification of compliance with HSE requirements.

Rominserv's Proactive Safety Measures

Rominserv, with its zero-tolerance approach to safety incidents, has identified compliance with safety procedures and rules as the area with the highest incidence rate at 78%. This has prompted the initiation of an internal safety campaign, focusing on "stop work" policies, safety audit training, and reinforcing line management's commitment to safety. Other monitored areas such as Personal Protective Equipment (PPE) usage and housekeeping of the workplace show lower incidence rates but are nonetheless important aspects of their comprehensive safety program.

For Rominserv in 2023, the work-related injury and ill health figures highlight the organization's ongoing commitment to maintaining a safe work environment, while also dealing with challenges such as non-occupational illnesses including Covid-19. Despite these challenges, Rominserv has managed to keep the numbers relatively low, demonstrating effective safety management and health oversight.

The fatality rate stood at 0, alongside a rate of 0.98 for both high-consequence work-related injuries (excluding fatalities) and recordable work-related injuries, showcasing Rominserv's success in maintaining a safe work environment. The company managed 5 non-occupational illness cases (Covid-19) exclusively among Rominserv employees, with no contractors affected.

Rompetrol Energy's Safety Strategy

Rompetrol Energy's approach to safety management involves a detailed analysis of seven safety indicators, with "comply with safety procedures / rules" identified as a significant area for improvement, accounting for 44% of safety incidents. This has led to the implementation of targeted safety campaigns aimed at enhancing compliance with established safety procedures. Additionally, Rompetrol Energy places a significant emphasis on housekeeping of the workplace, PPE usage, and tools and equipment safety, as indicated by their respective percentages.

The company maintained zero fatalities and zero days away from work cases. Days away from work case (DAFWC) stood at zero, highlighting successful prevention of serious injuries requiring extended recovery time away from work. A single restricted workday case was reported, signifying a minor

2023 HSE Index

Division / Entity	HSE Index Actual	Worked hours	Kilometers driven	Incidents								Safety Incidents (numbers)				Safety Incidents (rates)			
				FTL	FAC	MTC	RWDC	DAFWC	LTI	TRI	FTL	TRI	MVC (M+C)	MVC Total	FIR	TRIR	MVCR	LTIF/LTIR	
INDUSTRIAL SERVICES DIVISION	0.00	1,283,640	1,613,308	0	1	0	1	1	1	2	0	2	0	0	0	0	1.56	0.00	0.78
Rominserv SRL	0.00	999,671	1,307,369	0	1	0	0	1	1	1	0	1	0	0	0	0	1.00	0.00	1.00
Rompetrol Energy SA	0.01	283,969	305,939	0	0	0	1	0	0	1	0	1	0	0	0	0	3.52	0.00	0.00
GROUP TOTAL	0.14	11,031,819	13,577,499	0	3	1	0	3	3	4	3	10	0	9	27	0.91	0.00	0.82	

incident that resulted in limited duties or working hours for the affected employee but did not necessitate time away from work.

There were no medical treatment cases beyond first aid, indicating the absence of serious injuries requiring professional medical intervention. First aid cases were also non-existent, suggesting effective control of potential minor injuries. The company recorded three near misses, which, while not resulting in injury, signal opportunities for further safety improvements to prevent future incidents.

Rompetrol Energy reported no cases of work-related ill health in 2023, illustrating the company's effectiveness in managing health risks associated with the workplace.

The rate of fatalities as a result of work-related injury was 0; moreover, the rate of high-consequence work-related injuries (excluding fatalities) was 0, indicating no severe injuries occurred. Also, the rate of recordable work-related injuries stood at 3.52, emphasizing the low incidence of injuries that required documentation according to regulatory or internal criteria.

Entity	Property damage	Occupational illnesses	Non-occupational illnesses/fatalities	Near-miss	Authority inspections	Authority penalties (USD)
Rominserv SRL	0	0	0	1	2	530
Rompetrol Energy SA	0	0	0	3	8	0
GROUP TOTAL	28	0	37	27	1,418	89,760

Entity	Nonconformity issued	Nonconformity closed	QHSE training hours	Fire/emergency drills	QHSE audits/inspections
Rominserv SRL	989	925	2,760	4	1,128
Rompetrol Energy SA	476	438	823	78	349
GROUP TOTAL	5,692	5,315	29,675	1,575	5,386

Contractor Safety Performance

Both entities have reported commendable safety records for their contractors in 2023. Rompetrol Energy engaged 532 external employees, accumulating 889,257 working hours and 307,357 driven kilometers, with zero fatalities, three OHS accidents, and no road accidents. Rominserv reported engagement with 3,993 external employees, 612,330 working hours, and 832,063 driven kilometers, achieving zero fatalities, OHS accidents, and road accidents.

In 2023, Rominserv and Rompetrol Energy demonstrated notable diligence in managing property damage, occupational health issues, and environmental spills, alongside maintaining robust engagement with regulatory authority inspections. Both Rominserv and Rompetrol Energy reported no property damage incidents, underscoring effective risk management and preventive measures in place. Moreover, neither entity recorded cases of occupational illnesses and there were no reports of non-occupational illness or fatalities, reflecting the comprehensive health oversight and wellness programs.

Rominserv reported one near miss, while Rompetrol Energy noted three, highlighting a vigilant approach to identifying and addressing potential safety risks before they escalate.

No spills were reported by either entity, showcasing their commitment to environmental protection and adherence to strict environmental management practices. Rominserv underwent 2 authority inspections, resulting in a penalty of \$530, whereas Rompetrol Energy faced 8 inspections without any penalties.

OHS TRAINING

The approach to training within the Rominserv and Rompetrol Energy is systematic and comprehensive, guided by a training matrix that helps supervisors identify essential training needs for employees. This matrix, while not exhaustive, is a critical tool for ensuring that all personnel receive the necessary instruction on key topics such as Health and Safety, Emergency Situations, Environmental Protection, and SEVESO III directives. Special attention is given to company car drivers, who are required to hold a fit-for-work certificate and undergo training as per the Group’s procedure on the allocation and use of company cars.

Training is meticulously documented, with records maintained for at least three years, ensuring accountability and compliance with regulatory requirements. The integrated training procedure within the OHS management system outlines mandatory training aspects, including:

- Induction training for all new employees, contractors, and subcontractors.
- Department-specific training plans covering essential safety and environmental topics.
- A training matrix for both own staff and contractors/subcontractors to identify training needs.
- In-house specific training for various roles such as electricians and riggers.

In 2023, Rominserv invested significantly in training, with 34,027 hours allocated for the comprehensive training of its workforce, including contractors and subcontractors. Rompetrol Energy dedicated 1,582 hours to training contractors, subcontractors, rescuers, licensed issuers, and for the annual retraining of its own staff. Additionally, 822.5 hours were allocated to trainer instruction, and employees received 2,963 trainee hours.

Both entities actively engaged in identifying and addressing nonconformities, with Rominserv issuing 989 and closing 925, and Rompetrol Energy issuing 476 and closing 438. The commitment to maintaining high safety and environmental standards is further evidenced by the extensive QHSE training hours, fire/emergency drills, and audits/inspections conducted throughout the year.

- Rominserv conducted 2,760 QHSE training hours, three fire/emergency drills, and 1,128 QHSE audits/inspections.
- Rompetrol Energy carried out 823 QHSE training hours, 78 fire/emergency drills, and 349 QHSE audits/inspections.

ROMPETROL WELL SERVICES SA

APPROACH *to* SAFETY

Rompetrol Well Services has implemented a comprehensive Occupational Health and Safety (OHS) management system, meticulously designed to adhere to a wide array of legal requirements, encompassing around 27 laws, decrees, and ordinances.

This system is anchored in detailed internal risk assessment procedures, ensuring all employees benefit from a robust framework aimed at safeguarding their health and safety.

To elevate its health and safety standards, Rompetrol Well Services introduced several key initiatives during the reporting period, including:

- **Communication and reporting:** An HSE mailbox for direct reporting of safety concerns, complemented by weekly HSE reporting and management meetings, fosters a culture of openness and continuous improvement.
- **Safety audits and Behavioral-Based Safety (BBS):** These tools are crucial in identifying areas for improvement and ensuring compliance with safety protocols.
- **Internal audits:** The execution of a detailed internal audits plan for 2023 has helped in reinforcing the effectiveness of the OHS management system.
- **Incident management:** Investigations of incidents are conducted in strict accordance with Romanian law, ensuring comprehensive analysis and learning from each occurrence.
- **Risk management:** Job Safety Analysis (JSA) and risk assessments are systematically carried out for all operations, reinforcing the company’s commitment to preemptively addressing potential hazards.

GRI	SASB	
GRI 403-1 - 403-10	EM-MD-540a.1	SHS-3 C1, C3, C4,
GRI 11.8.3	IPEICA	A1, A3, A4
GRI 11.9.2 - 11.9.11	SHS-1 C1-C3, A1	SHS-4 C1, A4, A5, A7
GRI 11.15.4	SHS-2 A4	SHS-6 C3

- **Training:** A strong emphasis on mandatory and professional training ensures that employees are well-equipped with the knowledge and skills needed to perform their duties safely.

Moreover, the company has prioritized transport safety through the implementation of road safety awareness campaigns, fleet GPS monitoring, and defensive driving programs. These measures not only enhance the safety of company transport operations but also contribute to broader road safety efforts, with performance indicators regularly reviewed in management meetings.

HAZARD IDENTIFICATION *and* RISK ASSESSMENT

Rompetrol Well Services adopts a rigorous approach to hazard identification and risk management, grounded in compliance with Romanian law and a proactive organizational culture that encourages employee involvement. This system is designed to continuously assess and mitigate potential workplace hazards, ensuring the safety and well-being of all employees.

Conducted in line with national regulations, and internal regulations, risk assessments are periodically reviewed and updated to reflect any changes in processes or the identification of new risks. This ensures that the risk register remains current and comprehensive, providing a reliable basis for managing workplace hazards.

The company actively encourages employees to report potential risks, offering training sessions to equip them with the necessary knowledge and skills. Employees have the option to report risks directly or anonymously via the QHSE mailbox provided in each unit. This open communication channel is further incentivized with rewards for employees who proactively engage in identifying risks and contributing to the company’s QHSE initiatives.

In the event of an incident, Rompetrol Well Services enforces the Group QHSE responsibility policy, which emphasizes a “stop work” protocol without assigning blame to employees. This policy fosters a supportive environment where safety is prioritized, and employees feel empowered to take immediate action if they perceive any threat to their safety or that of their colleagues.

WORKER ENGAGEMENT *and* COMMUNICATION *on* OCCUPATIONAL HEALTH *and* SAFETY

Rompetrol Well Services places significant emphasis on engaging workers in the ongoing conversation and activities related to Occupational Health and Safety (OHS). This collaborative approach ensures that all employees, from staff to contractors, are not only informed but actively contribute to the safety culture within the organization.

Key strategies for worker engagement

- **Active participation in risk assessments:** Employees are directly involved in risk assessment processes, allowing them to share their insights and concerns about potential hazards in their work environment.
- **Involvement in incident investigations:** By participating in incident investigations, employees help identify root causes and contribute to developing effective measures to prevent future occurrences.
- **Safety committee:** The safety committee serves as a platform for addressing OHS issues, bringing together representatives from different levels of the organization. Through regular meetings, the committee facilitates dialogue, reviews safety practices, and recommends improvements, ensuring that OHS remains a priority.

The company extends its engagement efforts to include contractors, holding periodic meetings to discuss health and safety performance. These meetings provide an opportunity to align on safety standards, share best practices, and strengthen the commitment to safety across all operations.

PROMOTION *of* WORKER HEALTH

Rompetrol Well Services (RWS) has implemented a rigorous health and safety protocol, emphasizing mandatory medical checks for all employees, in compliance with relevant legislation. This approach is designed to ensure the health and safety of all personnel, including professional drivers who undergo additional medical evaluations. Confidentiality is paramount, with GDPR agreements in place to protect employee information, and the QHSE department is informed only about the outcomes relevant to work fitness assessments. These checks are carried out by a contracted medical practitioner in facilities conveniently located near RWS operations, with the company covering all related costs.

In 2023, RWS maintained its safety record, with no reported lost time injuries (LTI), Tier 1 and Tier 2 process safety events, or grievances from local communities. Furthermore, there were no recorded work-related accidents or occupational diseases, indicating the success of RWS’s health and safety management system.

The overall safety performance for 2023 is reflected in the total worked manhours and the absence of incidents across key safety

metrics. Rompetrol Well Services recorded 236,867 worked manhours with no fatalities, first aid cases, or any other safety incidents. Moreover, Rompetrol Well Services exemplified exceptional safety and environmental stewardship by reporting no property damage, occupational illnesses, non-occupational illness/fatalities, near misses, or spills, and undergoing no authority inspections or penalties

OHS TRAINING

Rompetrol Well Services prioritizes occupational health and safety (OHS) through comprehensive training programs in line with legal requirements, encompassing monthly legal requirements training, a structured professional training matrix, job development programs for specific roles such as forklift and professional drivers, an annual training plan, and specialized road safety training sessions.

Emphasizing road safety and covering all associated expenses, these initiatives extend to contractors, reinforcing a culture of safety across operations. In 2023, Rompetrol Well Services dedicated 384 hours to QHSE training, conducted three fire/emergency drills, and carried out 51 QHSE audits/inspections.

2023 HSE Index

Division / Entity	HSE Index Actual	Worked hours	Kilometers driven	Safety Incidents (numbers)				Safety Incidents (rates)			
				FTL	TRI	MVC (M+C)	MVC Total	FIR	TRIR	MVCR	LTIF/LTIR
UPSTREAM DIVISION	0.00	273,097	2,025,825	0	0	0	0	0	0.00	0.00	0.00
Rompetrol Well Services SA	0.00	236,867	2,025,821	0	0	0	0	0	0.00	0.00	0.00
Oilfield Exploration Business Solutions SA	0.00	36,230	4	0	0	0	0	0	0.00	0.00	0.00
GROUP TOTAL	0.14	11,031,819	13,577,499	3	10	0	9	27	0.91	0.00	0.82

Entity	Nonconformity issued	Nonconformity closed	QHSE training hours	Fire/emergency drills	QHSE audits/inspections
Rompetrol Well Services SA	1,740	1,740	384	3	51
Oilfield Exploration Business Solutions SA	0	0	52	0	4
GROUP TOTAL	5,692	5,315	29,675	1,575	5,386

ROMPETROL QUALITY CONTROL SRL

GRI

GRI 403-1 - 403-10
GRI 11.8.3
GRI 11.9.2 - 11.9.11

IPIECA

SHS-1 C1-C3
SHS-2 C1-C3, A3, A4
SHS-3 C1-C3, A1, A2
SHS-4 C1, C2, A1, A3, A7
SHS-6 C3

APPROACH *to* SAFETY

Romp petrol Quality Control rigorously adheres to a comprehensive approach to safety, underpinned by its commitment to international standards and legal compliance. By implementing the ISO 45001:2018 standard alongside certifications in ISO 9001:2015 for Quality Management and ISO 14001:2015 for Environmental Management, the company ensures a robust framework for occupational health and safety (OHS). This integrated OHS management system extends its protective reach to all employees and mandates contractors to align with the Group's QHSE policy, facilitating a consistent health and safety culture across operations.

The company's commitment to safety is further demonstrated through a suite of internal policies and procedures, including annual reviews of its Prevention and Protection plan, continuous Health and Safety inspections, and environmental testing programs for physical and chemical hazards.

Transportation safety, a critical aspect of operations, is managed through collaboration with an external provider, adherence to a defensive driving policy, and meticulous procedures for sample transport to maintain the integrity and separation of sample containers, all of which contributed to a record of no transport safety incidents during the reporting period. During the reporting period there were no incidents identified regarding transport safety.

HAZARD IDENTIFICATION *and* RISK ASSESSMENT

Romp petrol Quality Control ensures workplace safety and health through a detailed hazard identification and risk management process, guided by a team of highly trained occupational health and safety professionals. This rigorous approach to risk assessment covers every job type and work point, adhering to the stipulations of Law 319/2006, which mandates risk assessments under various conditions

including changes in work equipment, the occurrence of risk events, the emergence of new risks, and the employment of workers from groups sensitive to specific risks.

The organization's commitment to safety is further solidified through its Prevention and Protection plan, as required by Law no. 319/2006. This comprehensive plan, based on the results of thorough risk assessments, outlines a range of technical, sanitary, and organizational measures to mitigate identified risks. It undergoes revision in response to changes in working conditions, the introduction of new risks, or after an event, ensuring a proactive and responsive approach to workplace safety.

Additionally, the investigation of occupational health and safety incidents is conducted in strict compliance with Law 319/2006 and Government Ordinance 1425/2006, incorporating all amendments and updates. This structured approach to hazard identification, risk management, and incident investigation underscores Rompetrol Quality Control's dedication to maintaining a safe and healthy working environment for all employees and contractors.

WORKER ENGAGEMENT *and* COMMUNICATION *on* OCCUPATIONAL HEALTH *and* SAFETY

Romp petrol Quality Control actively fosters worker engagement in occupational health and safety (OHS), recognizing the critical role that employee involvement plays in enhancing workplace safety. By encouraging workers to report hazards and providing regular training on incidents from other workplaces, RQC aims to heighten awareness and prevent the occurrence of similar accidents.

In compliance with Law 319/2006, RQC ensures that workers and their representatives with specific safety and health responsibilities are included in OHS consultations. Workers have

elected four representatives who convey employee perspectives on OHS matters, suggest improvements for protection at the workplace, and discuss the procurement and use of work and protective equipment during the Occupational Health and Safety Committee meetings. These consultations are invaluable for identifying shortcomings and potential enhancements in working conditions.

QHSE meetings serve as a platform for discussing a wide range of OHS issues, further promoting an open dialogue between management and employees. The OHS Committee, which convenes at least quarterly and includes worker representatives and an occupational medicine doctor, plays a pivotal role in this process.

RQC commits to transparently informing its workforce about identified OSH risks within the organization. This includes communicating the risk assessments for each workstation, the established protection measures outlined in the prevention and protection plan, and the protocols for first aid, firefighting, and evacuation, thereby ensuring that all employees are well-informed and prepared.

PROMOTION *of* WORKER HEALTH

Romp petrol Quality Control emphasizes the health and safety of its workforce by implementing a comprehensive monitoring program in line with GO no. 355/2007 and its supplement, GO no. 37/2008. A partnership with Medlife ensures employees receive a broad spectrum of prevention, prophylaxis, occupational medicine services, and paraclinical investigations both at Medlife facilities and through its network, aiming at the early detection and prevention of work-related health issues.

Adhering to legal requirements, the company ensures regular medical and psychological evaluations for all employees, with the frequency dictated by current legislation. This includes re-evaluations and the issuance of new fitness certificates following any non-occupational medical incidents.

Employees are provided with necessary protective gear and are educated on its importance, reinforcing the culture of safety within the workplace. The implementation and maintenance of ventilation and air conditioning systems ensure a healthy work environment, keeping the microclimate within legal parameters.

Moreover, the company offers private medical insurance, life insurance, health insurance, and medical subscriptions, underscoring its commitment to the well-being of its employees. Staff involved in potentially hazardous tasks, such as those in the Environmental Laboratory, receive hepatitis B vaccinations.

No process safety incidents and no grievances from the local community were identified during the reporting period.

OHS TRAINING

Romp petrol Quality Control (RQC) recognizes the importance of comprehensive occupational health and safety (OHS) training as an integral part of its work culture. Training is conducted during working hours, considered part of the job, and employs a range of methods, including lectures, films, and computer-assisted learning, to ensure a deep understanding of OHS principles and risk management.

OHS Training Program's four key phases:

- **Induction training:** New hires and employees changing departments undergo at least 8 hours of general OHS training, provided by an assigned worker or authorized personnel. Induction training is performed for new employees, employees with employment contracts regardless of their form, employees transferred from one department to another; to those who came to the company as delegates; temporary workers; workers whose individual training record has been damaged/lost. This training can be online or through individual study, demonstrative instruction (plans, models, schemes, , power point presentations), and includes a knowledge assessment.
- **On-the-job training:** This 8-hour session focuses on specific OHS risks, prevention measures, and protection activities tailored to the individual's workplace or function, complementing professional training. Service providers who are contracted to carry out works on company premises are also trained at the workplace according to the requirements

of the QHSE conventions attached to their labor agreements. The duration of this training is a maximum of 30 minutes and is mandatory.

- **Periodic training:** All employees receive at least 2 hours of regular training to refresh and update their OHS knowledge, applicable across all employee categories.
- **Start-of-work training:** Specifically designed for laboratory personnel, this brief 10-minute training covers risks, dangers, and preventive measures for each worker's activities.

RQC ensures comprehensive annual OHS retraining and assessment for its entire workforce through the IKNOW online training platform, aligning with its commitment to maintaining high safety standards. This inclusive approach extends to apprentices, vocational, industrial high school students, and those in professional practice, receiving training identical in content and frequency to that of the existing staff.

Training is predominantly in Romanian but is provided in English for foreign visitors to facilitate clear understanding and compliance.

2023 HSE Index

Division / Entity	HSE Index Actual	Worked hours	Kilometers driven	Safety Incidents (numbers)				Safety Incidents (rates)			
				FTL	TRI	MVC (M+C)	MVCT	FIR	TRIR	MVCR	LTIF/LTIR
NON-CORE DIVISION	0.00	2,532,907	3,307,223	0	1	0	0	0	0.39	0.00	0.39
KMG Rompetrol SRL	0.00	873,607	2,385,000	0	0	0	0	0	0.00	0.00	0.00
Global Security System SA	0.00	1,322,065	517,000	0	1	0	0	0	0.76	0.00	0.76
Romp petrol Quality Control SRL	0.00	337,235	405,223	0	0	0	0	0	0.00	0.00	0.00
GROUP TOTAL	0.14	11,031,819	13,577,499	3	10	0	9	27	0.91	0.00	0.82

Entity	Property damage	Occupational illnesses	Non-occupational illnesses/fatalities	Near-miss	Authority inspections	Authority penalties (USD)
KMG Rompetrol SRL	0	0	0	0	0	0
Global Security System SA	0	0	1	0	0	0
Romp petrol Quality Control SRL	0	0	5	0	7	0
GROUP TOTAL	28	0	37	27	1,418	89,760

Entity	Nonconformity issued	Nonconformity closed	QHSE training hours	Fire/emergency drills	QHSE audits/inspections
KMG Rompetrol SRL	0	0	3,660	1	0
Global Security System SA	0	0	6,200	154	12
Romp petrol Quality Control SRL	58	57	1,489	44	18
GROUP TOTAL	5,692	5,315	29,675	1,575	5,386

MIDIA MARINE TERMINAL SRL

GRI		IPIECA
GRI 403-1 - 403-10	GRI 11.15.4	SHS-1 C1-C3
GRI 11.8.3		SHS-2 C1, C2
GRI 11.9.2 - 11.9.11		SHS-3 C1, C3, A1, A3, A4

SHS-4 C1, C2, A4, A5, A7
SHS-6 C3

APPROACH *to* SAFETY

Midia Marine Terminal (MMT), a critical entity within KMG International's Trading Division, adheres to a rigorous occupational health and safety management system, in line with ISO 45001 standards and the stipulations of law 319/2016. This comprehensive OHS framework envelops all MMT employees and extends to contractors through contracts enriched with specific health and safety provisions. Contractor safety performance undergoes regular evaluations against group-established safety metrics, ensuring consistent safety practices across the board.

MMT's commitment to safety is further underscored by a suite of internal policies and procedures aimed at mitigating workplace hazards. This includes the annual review of a robust Prevention and Protection plan, execution of internal inspection programs, and a chemical safety program, all under the umbrella of the Group's overarching safety policy and procedures..

HAZARD IDENTIFICATION *and* RISK ASSESSMENT

Midia Marine Terminal meticulously conducts risk assessments for each position within its organizational structure, ensuring the diligent monitoring and regular evaluation of safety indicators and performance. This rigorous process allows for the identification of potential risks related to accidents and occupational illnesses, leading to the formulation of a Prevention and Protection Plan. This plan outlines necessary technical, organizational, and first aid measures to mitigate identified risks.

In the event of a workplace accident, Midia Marine Terminal adheres to the legal requirements set forth in law no. 319/2006 and GO 1425/2006 for conducting investigations. Additionally, in line with the Group's QHSE procedures, any incident occurring within the workplace undergoes a thorough internal investigation, ensuring a comprehensive approach to risk management and accident prevention.

WORKER ENGAGEMENT *and* COMMUNICATION *on* OCCUPATIONAL HEALTH *and* SAFETY

Midia Marine Terminal emphasizes active worker engagement and communication within its comprehensive occupational health and safety (OHS) management system, incorporating innovative tools and structured processes to foster a culture of safety and health:

- **Safety audit:** An intranet app-based workplace behavior audit encourages employees to assess and improve safety practices.
- **Hazard Observation Card (HOC):** Utilizing Microsoft Forms, this tool enables staff to report observed hazards promptly.
- **Behavior Based Surveys (BBS) for Work and Driving:** These surveys gather insights on workplace behaviors and driving practices to identify areas for safety enhancements.

The engagement strategy includes periodic QHSE training sessions aimed at empowering employees to:

- Identify and assess workplace hazards.
- Implement and control risk mitigation strategies.
- Review the effectiveness of existing controls.
- Record and report safety issues.
- Support initiatives for returning to work post-incident.
- Promote a healthier workplace environment.
- Participate in regular fire safety exercises.

Established as per legal requirements, the OHS Committee plays a crucial role in integrating employee input into the QHSE framework and OHS decision-making processes. Quarterly and annual meetings allow for the presentation and discussion

of OHS matters, including worker-raised concerns, safety proposals, and the review of OHS documents, with the aim of fostering transparency and collaborative problem-solving. Workers are encouraged to report dangerous situations so that corrective and preventive action can be taken accordingly. Meeting minutes of each Committee meeting are sent out to all employees, as well as to local labor authorities.

PROMOTION *of* WORKER HEALTH

Midia Marine Terminal prioritizes the health and safety of its employees, ensuring regular health assessments in full compliance with GDPR and relevant legislation. Medical services are provided by Medlife, encompassing emergency services, occupational health assessments, and private insurance for additional medical check-ups. The facility is equipped with medical facilities for all staff, contractors, and subcontractors to address medical emergencies promptly.

The promotion of worker health is integral to internal communication strategies, with safety performance indicators reported quarterly to maintain transparency and engagement across the organization.

During the reporting period, no process safety incidents were recorded and no grievances from the local communities were identified.

Midia Marine Terminal has meticulously integrated an Occupational Health and Safety (OHS) training procedure within its management system, outlining comprehensive training requirements for all employees, including contractors and subcontractors. This system ensures that every individual working at MMT is well-trained in essential safety practices and prepared to respond to emergency situations.

A foundational step for all new hires at MMT, as well as contractors and subcontractors, is the induction training,

covering the basics of health and safety, and emergency response procedures. This initial training lays the groundwork for a safe working environment.

Tailored training plans for each department at MMT cover a wide range of topics such as Health and Safety, Emergency Situations Response, and SEVESO regulations. These plans are designed to address the specific risks and safety protocols relevant to each department's operations.

Also, leveraging the IKNOW platform, MMT conducts annual training sessions with online testing, ensuring that all employees' safety knowledge is current and comprehensive.

Both physical and online training sessions ranging from 1.5 to 2 hours are provided for gaining access to the Platform, with on-the-job training extending up to 8 hours. These sessions are crucial for familiarizing staff with the Terminal's specific safety protocols and are conducted by dedicated instructors certified in "train the trainer" courses.

Based on internal procedures, periodic training is scheduled monthly, quarterly, or once a semester, depending on one's managerial position, with additional training offered as new risks emerge, such as the risk of infection from biological agents like COVID-19.

Each training session is meticulously documented in individual training files, ensuring compliance with legislation and maintaining a record of each participant's completion and understanding of the training material.

2023 HSE Index

Division / Entity	HSE Index Actual	Worked hours	Kilometers driven	Safety Incidents (numbers)				Safety Incidents (rates)			
				FTL	TRI	MVC (M+C)	MVCT	FIR	TRIR	MVCR	LTIF/LTIR
TRADING & SUPPLY CHAIN DIVISION	1.05	480,668	424,358	1	2	0	0	208	4.16	0.00	4.16
KMG Trading AG (fmr. Vector Energy)	0.00	42,179	144	0	0	0	0	0	0.00	0.00	0.00
TRG Petrol Ticaret AŞ (Turkey)	0.00	8,112	144	0	0	0	0	0	0.00	0.00	0.00
Midia Marine Terminal SRL	1.23	411,465	306,846	1	2	0	0	243	4.86	0.00	4.86
Byron Shipping SRL	0.00	18,912	117,224	0	0	0	0	0	0.00	0.00	0.00
GROUP TOTAL	0.14	11,031,819	13,577,499	3	10	0	9	27	0.91	0.00	0.82

Entity	Property damage	Occupational illnesses	Non-occupational illnesses/fatalities	Near-miss	Authority inspections	Authority penalties (USD)
KMG Trading AG (fmr. Vector Energy)	0	0	0	0	0	0
TRG Petrol Ticaret AŞ (Turkey)	0	0	0	0	0	0
Midia Marine Terminal SRL	0	0	4	3	2	0
Byron Shipping SRL	0	0	0	0	0	0
GROUP TOTAL	28	0	37	27	1,418	89,760

Entity	Nonconformity issued	Nonconformity closed	QHSE training hours	Fire/emergency drills	QHSE audits/inspections
KMG Trading AG (fmr. Vector Energy)	0	0	0	0	0
TRG Petrol Ticaret AŞ (Turkey)	0	0	0	0	0
Midia Marine Terminal SRL	134	133	234	36	185
Byron Shipping SRL	0	0	0	0	0
GROUP TOTAL	5,692	5,315	29,675	1,575	5,386

ELEMENTS *of* DIVERSITY

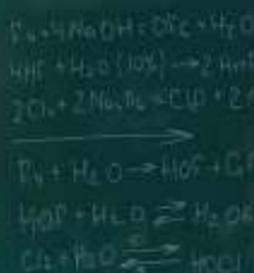
Introduction
Key projects



CHAPTER 8

C

Community



INTRODUCTION

In the pursuit of sustainable business practices, Rompetrol has put its effort to understand and positively influence the communities impacted by our operations.

Our approach encompasses policies that govern our interactions with communities, robust processes for community engagement, and responsive mechanisms for addressing and remediating negative impacts.

We recognize that effective engagement involves not only listening but also taking tangible actions to manage risks, pursue opportunities, and uphold our commitments to affected communities.

We recognize that the sustainability of our business is intricately linked to the well-being of the communities in which we operate. But, at Rompetrol, we go beyond compliance; we proactively engage and support communities in various ways, responsive to their demands and concerns in a timely and transparent manner.

Our commitment is deeply rooted in our belief that a thriving community is integral to sustainable business practices. We work closely with local partners to understand their needs and challenges, ensuring that our initiatives are not only relevant but also tailored to make a meaningful difference.

Our projects span a spectrum of focus areas, including health and wellbeing, culture and education, skill development and leadership, as well as social and environmental issues.

Thus, this chapter presents the tangible outcomes of our community-focused initiatives and the positive impact they have generated. Together, we are shaping a more sustainable, inclusive, and resilient future for all.



KEY PROJECTS

Annually, we invest in projects addressing our communities in four key areas: health, environmental protection, education and culture, the value of involvement in the last 3 years exceeding USD 5 million.

HEALTH *and* MEDICAL RELIEF

Rompetrol invests over USD 500,000 each year in health-focused projects at local level, in Prahova or Constanța, through various partnerships with schools, associations, medical facilities, and local authorities.

Năvodari medical center investment

In 2023, Rompetrol donated over USD 400,000 worth of modern medical equipment to the Multifunctional Health Center in Năvodari. The donation included advanced radiology equipment, obstetrics-gynecology ward facilities, and equipment for immunology and microbiology laboratories. This initiative, in collaboration with various partners, including Constanța County Emergency Hospital, Năvodari City Hall, Constanța County Council, benefits the 44,000 residents of Năvodari.

The Năvodari Multifunctional Health Center opened in 2020 to expand the infrastructure and quality of medical services in the Dobrogea area. The two-floor medical facility covers an area of over 800 sq. m, and offers ambulatory and emergency services, in a space that complies with all current health regulations and is equipped with high-quality equipment. The unit has an external work point of UPU Constanța that provides emergencies, medical analysis laboratory, specialized outpatient clinic for surgery, cardiology, neurology, obstetrics, gynecology, radiology, orthopedics.



SMURD Project for Equipping Medical Helicopters

Continuing our support for emergency services, Rompetrol allocated \$180,000 for state-of-the-art medical equipment for SMURD's medical helicopters. This initiative enhances on-site investigations and fosters advanced digital communication between medical centers, significantly impacting emergency response capabilities.

Rompetrol has been collaborating with SMURD since 2009, providing crucial support to emergency medical services. The equipment, including a portable ultrasound machine and analyzer provides rapid patient evaluation and essential blood analyses with immediate results, crucial for monitoring critically ill patients during transportation.

Rompetrol's investments between 2020 and 2023 exceed USD 1.5 million, showcasing dedication to national emergency system development. The previous year, the company acquired SimX, a virtual reality system for diverse emergency scenario training, benefiting healthcare professionals nationwide.

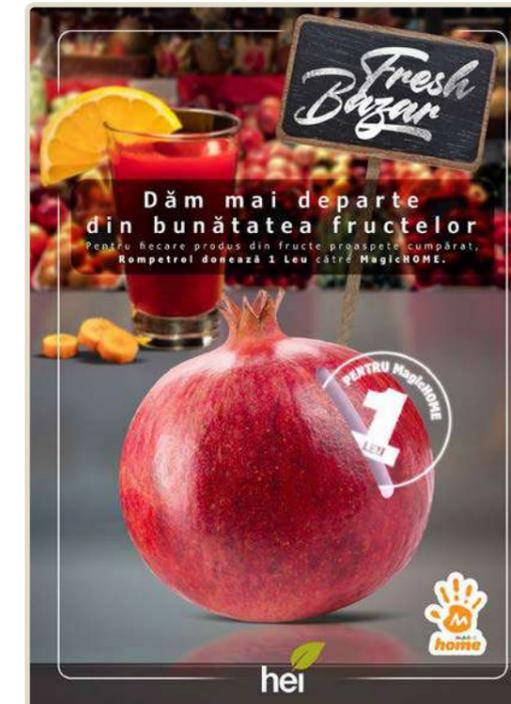


Transport Facilitation for Medical Cases

Launched in March 2020, the "Soul Driver" project, in collaboration with Magic Association, aimed to support children with oncological diagnoses during the pandemic. The success of the project extended its life course. Over three years, volunteers safely transported 17,650 children to hospitals using their own vehicles, with Rompetrol providing the fuel. The initiative covered 2,750,000 km (equivalent to circling the Earth 68 times), and engaged 365 volunteers who contributed 46,000 hours to the initiative.

Additionally, last year, Rompetrol Downstream campaign titled "Spreading the goodness of fruits" successfully generated \$20,000 in funds for the Magic Association. The initiative, which ran from May 24 to June 24, saw the collection of funds by allocating a small percentage from the purchase of each juice, smoothie, and yogurt with fresh fruits in the 166 "hei" stations.

The funds raised from the campaign play a crucial role in supporting the Magic HOME project, providing free housing and meals for children with serious diagnoses and their parents. Thanks to this collaboration, the association could offer significant support, providing 2,768 accommodations for 462 people in the 14 Magic HOME locations.



EDUCATIONAL INITIATIVES

International School Chess Championship

In partnership with the Municipality of Ploiești, Rompetrol sponsored the International School Chess Championship in 2023, promoting strategic thinking and education through chess. Over 700 children from four continents participated for free. Additionally, the Championship also facilitated an outdoor chess contest, with the participation of another 400 children from Romania.

In 2021, Rompetrol initiated the “Chess in School” project, demonstrating a longstanding commitment to sustainable community development. The project, aimed at promoting chess among youth and integrating it into school curricula, fosters analytical thinking, strategic decision-making, and concentration. Expanding significantly, the project now spans 36 counties in Romania. The collaborative effort of teachers, coordinators, parents, and children has been instrumental in its success. By 2023, the project has impacted over 60,000 children, involved 3,000 teachers, and distributed 48,000 chess manuals across rural and urban areas.



New educational opportunities for schools in Blejoi

In 2023, Rompetrol, in collaboration with Blejoi City Hall, supported new educational initiatives in local schools.

A dedicated outdoor space called “Backyard School” was created at Radu Tudoran Elementary School, covering over 300 square meters. This space, equipped with reading areas, chess boards, and manuals, aimed to enhance learning experiences for 242 students and teachers in Blejoi commune. It facilitated creative workshops, theater performances, and chess courses, even during school vacations, complementing traditional classroom learning and benefiting the entire community.

Additionally, new reading rooms with books were established in Blejoi and Ploieștiori schools. Students received textbooks and chess boards, contributing to a comprehensive learning environment. The initiative was carried out by Rompetrol Well Services, a member company of the Rompetrol Group (KMG International) headquartered in Ploiești.



Supporting education in rural areas

During the summer, our Petromidia refinery colleagues invested their time and energy into seamlessly integrating an outdoor study space at the Independența Technological High School in Constanța County. The aim was to make it more accessible for children to engage in outdoor activities and explore the world through play. Over the past three years, we dedicated our efforts to supporting education in rural areas through the Teach for Romania program, and this particular initiative was a testament to our ongoing commitment to the community.

Throughout this period, we played a pivotal role in fostering education and integrating a learning framework for children, teachers, and mentors within Rompetrol, who had previously volunteered in the classrooms of Teach for Romania teachers. Teach for Romania is a non-governmental organization active in identifying, preparing, and supporting individuals to become educators, teachers, or professors in the state education system, with a specific focus on children from vulnerable environments.



YOUTH DEVELOPMENT *and* SUPPORT *for* EXCELLENCE *in* EDUCATION

Rompetrol Internship Program

In August 2023, Rompetrol introduced a revamped training initiative, Together We Grow – Rompetrol Traineeship, catering to 100 participants keen on pursuing careers in the energy sector. The rebranded internship program, Together We Grow, seamlessly integrated all components of the previously highly successful 22-year-old internship program, creating a comprehensive experience for Trainees, Mentors, and the broader Rompetrol community.

Rompetrol companies, including Rompetrol Rafinare, Midia Marine Terminal, Rompetrol Quality Control, Rominserv, Rompetrol Well Services, and Rompetrol Energy, once again opened their doors to facilitate hands-on training. Over 70 Mentors, specialized professionals from various sectors, supported practical modules conducted at key locations such as Petromidia Năvodari and Vega Ploiesti refineries, as well as in the areas of activity of Rompetrol Well Services or Rompetrol Energy.

Beyond technical skills, the Traineeship program emphasized soft skills development through the "Leaders Explore" program. Participants engaged in honing skills like Communication, Teamwork, and Personal Branding, culminating in the design and implementation of a community project known as the Community Challenge.

The Trainees were compensated for the two-month program, concluding in September with the award of a Together We Grow - Rompetrol Traineeship graduate certification and a personal development program certificate, together with the Leaders Foundation.

In 2023, the "Together We Grow" Program received recognition as the best development program in the energy industry at the Future Energy Leaders (FEL) Awards Gala, the most significant leadership conference in Romania for young professionals. The jury acknowledged its impact, success, engagement, and innovation, highlighting the program's



commitment to developing new generations of professionals in the vital energy field.

2023 was also the year that marked the launch of the much-anticipated 1st edition of the Digital Summer - Rompetrol Traineeship Program, focusing on empowering young talents and fostering digital innovation within the organization. The initiative welcomed 18 talented trainees who, over three months, shared their expertise and experience with mentors from various departments.

KMG International (Rompetrol) has a history of supporting training initiatives, having contributed to the development of over 1,600 individuals, some of whom continue to serve as valuable employees within the member companies.



Rompetrol School - The first steps towards the refining profession

In the Rompetrol community, we actively participate in shaping the future specialists during their school years through internal programs, mentorship, and support for the education system. Over the past three years, we supported the vocational class with an electromechanical specialization at "Lazăr Edeleanu" High School in Ploiești and the Industrial Chemistry classes at both "Lazăr Edeleanu" Technological High School in Ploiești and Năvodari.

Recognizing the ongoing trend of enhancing skills in this traditional industry, we leveraged our 22-year mentoring experience to introduce a new initiative, Rompetrol School. Launched in 2022 on the Petromidia platform, the program engaged more than 30 mentors,

including operators, unit managers, and process engineers. Participants received both theoretical and practical training, guided by the expertise of mentors, positioning them as future experts in the field. Sixty individuals from diverse backgrounds chose to pursue careers in the energy sector in 2023, earning dual qualifications as Field and Compressor Plant Operators after undergoing four months of comprehensive training.

The Rompetrol School actively promotes intergenerational collaboration, facilitating continuous knowledge transfer and the development of essential skills necessary for contributing to the sustainable growth of the industry.



Partner of AutoVortex, the Romanian robotics team

For the past two years, Rompetrol has been supporting the mission of AutoVortex, the Romanian robotics team, giving young people a new perspective of personal development through robotics. The team is made up of high school students who are passionate about designing and building robots, as well as exploring the latest innovations in robotics.

In 2023, AutoVortex won first place and the special programming award in the International Robotics Championship in South Korea.

Investing in Future Makers

Rompetrol actively engages with young entrepreneurs through the Future Makers program. Supporting digital innovation and sustainability, Rompetrol collaborates with CEE early-stage startups, providing workshops, mentoring sessions, and access to resources.

Future Makers is a digital incubator dedicated to CEE early-stage startups. In 2023, the sixth edition program was divided into two areas: Open Innovation and Health & Wellbeing, bringing together a total of 60 business ideas from Romania, Serbia, Bulgaria, Hungary and Cyprus. Over 4 months, the participants in the incubator were involved in more than 20 workshops on the fundamentals of creating a business and sessions tailored to the two areas covered in the program, mentoring sessions, access to courses and work tools and a community meeting, to support them in the development of solid businesses. This initiative reflects Rompetrol's commitment to nurturing regional entrepreneurship and sustainable development.

SOCIAL IMPACT PROJECTS

Romp petrol Run and Care

In September 2023, Rompetrol hosted its tenth edition of the Rompetrol Run and Care event. Over 400 participants, including Rompetrol employees and their families, ran various distances, and the company converted the total distance of 3,000 kilometers into liters of fuel, which were donated to the M.A.M.E Association, aiding their mission of providing support, counseling, and recovery for sick children and those with limited financial means.

Expanding on the event's purpose, Rompetrol also pledged to plant as many trees as event participants, to increase forested areas and promote clean air.

In 2023, Rompetrol marked a decade of its Run & Care event, having raised over 120,000 euros and benefiting organizations such as Hospice Casa Speranței, M.A.M.E Association, Edulier, Magic Association, Hope and Homes for Children, Agent Green, the Dravet Association and other Rare Epilepsy Association, and many others.



Assisted Living Facilities in Lazu

Romp petrol played a significant role in enhancing the well-being of individuals with disabilities in Lazu, Constanța county, by successfully rehabilitating assisted living facilities there. With a strong commitment to supporting vulnerable communities, we prioritize such initiatives as part of our community support projects. In particular, Constanța is a key focus area for Rompetrol due to our concentrated operations, including the Petromidia refinery, where we consistently invest in social, health, and educational projects.

The project's objectives encompassed the renovation and equipping of assisted living facilities in alignment with current standards, aiming to create a safer and more comfortable environment for the beneficiaries.

Civil Society Gala

For 21 years, we served as the primary partner for the Civil Society Gala, an annual event that honors outstanding initiatives and community projects by non-governmental organizations, grassroots groups, and individuals. Its 2023 edition, themed "Good for Tomorrow," spotlighted the engagement of young individuals in civil society activities, celebrating their ongoing efforts that contribute to shaping a more promising future for the following generations.

A total of 238 civic initiatives were entered into the competition, comprising 182 projects, 23 programs, and 33 social campaigns implemented between 2021 and 2022. Recognizing the importance of involving young people in society, this Gala underscored their capacity to generate innovative solutions tailored to contemporary challenges.

ENVIRONMENTAL STEWARDSHIP

Tree planting

On 2023 Sustainability Day, Rompetrol employees planted 10,000 trees in Sibiu County. This afforestation initiative, covering 2.4 hectares, not only aligns with European regulations on greenhouse gas management but also contributes to local ecosystem resilience against climate change impacts. The effort was part of the "Seeding good deeds in Romania" program. Through the same initiative, Rompetrol has planted approximately 60,000 trees over the past three years, focusing on Prahova, Constanta, and Ilfov Counties.

Employees from Bucharest, Constanta, and Ploiesti participated in planting and volunteering activities. This initiative, integral to the Group's sustainability strategy, plays a crucial role in addressing climate change and biodiversity loss. The newly planted forests aim to protect local ecosystems from extreme weather events caused by climate change, contributing to a sustainable and climate-resilient future for the region.

Planting activities are carried out in accordance with the national forestry legislation and include soil analysis, technical afforestation projects, tree planting, forest additions and care until the young forest reaches maturity.

Romp petrol's partnership with EcoAssist Association since 2011 has supported extensive afforestation efforts. Over the past 13 years, the Association planted over 3 million trees on 760 hectares with the help of 50,000 volunteers.

Youth Park - Corbu

We have invested in the construction of a recreational park named in the commune of Corbu, Constanta County. Designed on an area of 3000sqm, the park is dedicated to the entire community and offers a diverse range of facilities for all citizens, contributing to their well-being- with playgrounds for children and urban fitness furniture.

Every aspect of the park, including the vibrant playgrounds and urban furniture, has been carefully designed and implemented to fully comply with the current standards of quality and safety.



CULTURE

“George Enescu” International Festival and Competition

For 14 years, Rompetrol has been a steadfast supporter of the George Enescu International Festival and Contest, bringing exceptional classical music to audiences across the country and internationally.

The rich program featured over 3,500 world-renowned artists and the participation of more than 40 orchestras from 16 different countries. It showcased premieres and offered educational concerts dedicated to children, making classical music accessible to all.

From August 27th to September 24th, events unfolded in 12 cities nationwide, encompassing musical performances, recitals, film screenings, exhibitions, and an augmented reality-based artistic installation. As part of our commitment to enhancing the festival experience, we introduced a classical music playlist at our gas stations and on the Rompetrol Go mobile app, allowing enthusiasts to download and enjoy it for free.

This event not only allows us to rediscover Enescu's musical contributions but also fosters a sense of pride in Romania's cultural influence. The Festival serves as a platform to bring together diverse nationalities, genres, ages, and religions through the universal language of classical music.



Kazakh Film Festival

Exploring the diversity of Kazakh culture, Rompetrol sponsored the Cultural Days of the Republic of Kazakhstan, hosting events in Cluj-Napoca from November 3rd to 5th. The Kazakh Film Festival, painting exhibition, and film screenings provided to the public contributed to cultural exchange, offering a unique opportunity for the community to discover and appreciate Kazakh traditions.

The Festival featured a series of unique artistic and cultural events including Alua Tebenova's painting exhibition “Threads of Time: Traditional Hats of Central Asia”, the historic film “A story of the life of Mustafa Shokai” (a politician of the first quarter of the 20th century who united the peoples of Central Asia under a single Turkic flag), the film projection of “The Diamond Sword” (an account of the times after the fall of the majestic and powerful Golden Horde), and “The Golden Throne” (a cinematic masterpiece about the story of the young Kazakh state's confrontation with external enemies and the return of lost cities).



ELEMENTS *of* DIVERSITY

Market Performance Overview
Sustainable Suppliers
Procurement and Supply Chain Operations
Product Sustainability
Customer Satisfaction and Privacy
Legal Actions

CHAPTER 9

M

Marketplace

8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



MARKET PERFORMANCE OVERVIEW

At KMG International, we are committed to managing our supply chain operations with the highest standards of proficiency, transparency, and integrity. We adhere strictly to our corporate policies and guidelines, ensuring full compliance with all relevant laws and regulations.

ROMPETROL RAFINARE SA

In 2023, Rompetrol Rafinare faced a decrease in turnover by 15% below the budgeted projections, primarily due to lower international oil product prices and reduced sales volumes. Costs of goods sold were also 16% below budget, influenced by volatile oil and natural gas markets and a 7% reduction in processed raw materials compared to budget expectations.

Financial expenditures exceeded budget by 112% due to increased loans and debts. The company registered financial incomes of RON 458 million, largely from revaluing investments in subsidiaries, adopting a new accounting policy that shifted from cost method to fair value method. Net exchange rate differences were favorable, reflecting the appreciation of the national currency against the USD.

The company was subject to a government-regulated solidarity contribution, estimating a payment of RON 141 million for 2023. This is reflected in the "Profit tax" line, which also includes a deferred income tax revenue of RON 130 million. Additionally, a solidarity contribution of RON 2.1 million for 2022 was recognized following a tax rectification.

International sales constituted about 33% of total sales, a decrease from the previous year's 35%, with a focus on enhancing domestic market sales to ensure national energy needs and achieve better refining margins. External sales from finished products amounted to Lei 5.67 billion, 30% less than

the previous year, due to lower international market prices and reduced sold volumes.

Production costs fell by 21% compared to 2022, driven by lower market prices for oil and natural gas, and decreased production and sales volumes. The estimated market share for 2023 was about 25% through retail distribution. Liquidity improved, with the current liquidity indicator rising from 0.44 in 2022 to 0.57 in 2023, reflecting efforts to maintain the capacity to cover current liabilities with current assets.

Refining market performance

In 2023, Petromidia refinery primarily processed Kazakh crude oils like KEBCO and CPC. The total throughput for the refinery was 5.012 million tons, which marked a 5% reduction from the previous year and a 12% drop compared with that provided in the Income and Expenditure Budget, i.e. 670,498 tons less than budgeted. This decrease was largely due to a technical incident on June 21, 2023, that led to the shutdown of the Mild Hydrocracking unit (MHC). The repairs were managed by Rominserv with assistance from regional subcontractors. As a result of this incident, the refinery's capacity utilization dropped to 78.2%.

Despite these challenges, Petromidia refinery still reported strong operational performance in 2023, achieving a white finished products yield of 84.1% by weight and keeping technological losses at 0.66%. Additionally, it set new production records for RON 98 gasoline and special diesel grades such as Diesel 55, EFIX Diesel, and Super Diesel Euro 5.

Meanwhile, Vega refinery, the only domestic producer of bitumen and hexane, slightly increased its total throughput in 2023 to 374,327 tons, up by 0.38% from 372,920 tons in 2022. Its refining capacity utilization also rose by 0.43% compared to the previous year. Vega's performance metrics for 2023

included a technological loss of 0.58%, energy consumption of 2.33 GJ/t, and mechanical availability at 98.50%.

ROMPETROL WELL SERVICES SA

In 2023, the upstream oil and gas market faced challenges with continued low investment and activity levels, reflecting broader industry trends. Despite these conditions, Rompetrol Well Services (RWS) successfully maintained its market leadership by adapting to the dynamic market demands. The company excelled in providing a diverse array of specialized services such as cementation, stimulation, and well casing operations, tailored to meet each client's specific needs.

The purchase prices for goods and services necessary for ongoing operations followed an upward trend, with delivery times experiencing fluctuations due to the regional context. These market conditions underscored the need for flexibility and responsiveness in operations.

Amidst a competitive environment, RWS managed not only to sustain its market share for most of the services offered in Romania but also to enhance the complexity of its service offerings. With a market share reaching up to 70% in its specific service market, RWS stands out significantly in the industry.

Retail market performance

In 2023, Rompetrol Downstream significantly enhanced its position within the retail fuel market, reflecting a strategic expansion and adaptation to market conditions.

The company's total number of stations increased by 14.7%, rising from 996 in 2022 to 1,142 in 2023. Among these, CODO stations showed a 16.7% increase (from 645 to 753 stations), DODO stations grew by 7% (from 253 to 270 stations), DOEX by 21.4% (from 98 to 119 stations).

SUSTAINABLE SUPPLIERS

In our ongoing commitment to sustainability, we acknowledge the essential role that our suppliers have in helping us maintain environmentally responsible and socially sustainable operations. Collaborating with suppliers who uphold sustainability helps us manage risks and enhances our business longevity.

We expect our suppliers to meet the same stringent standards of environmental care and social responsibility that we adhere to. We have defined a Supplier Code of Conduct that outlines expected principles, such as human rights, safe working conditions, environmental protection, and ethical behavior, which all suppliers must follow.

A core expectation for our suppliers is complete compliance with all relevant national and international regulations. We require our suppliers to promote fair employment and responsibly manage environmental issues.

To ensure adherence to our standards, we thoroughly vet suppliers and subcontractors, continuously monitoring these relationships. All potential suppliers undergo a detailed screening and selection process, including audits for strategic local suppliers when necessary. Non-compliance can lead to termination of contracts.

As part of our supplier engagement, we focus on local procurement, with about 80% of our spending on local suppliers, including local multinationals, as reported by Ariba Systems for 2023. During the reporting period, 556 suppliers were prequalified, meeting our stringent criteria for human rights, environmental, and social standards, with no negative impacts reported (in 2022, there were 627 suppliers screened, while in 2021 that number was 324; the procurement function checks all vendors for any acquisition over USD 10,000).



As part of our working process (and of our Group procurement procedure), the prequalified suppliers need to answer several ESG-related questions. Our prequalification process for suppliers includes comprehensive questionnaires and assessments to ensure they adhere to our ethical principles and commit to meeting our environmental, labor, social, and human rights standards. We subject suppliers to follow-up, assessment, and monitoring activities regularly as part of our broader risk mitigation strategy. The pre-qualified status is valid for 24 months from the moment of pre-qualification and at the end of this period, the status of the vendor expires. Any potential bidder shall not be required to proceed through pre-qualification process, if its pre-qualification status is valid unless Procurement function decides so.

We also emphasize continuous improvement in our procurement practices, adhering to international standards and regularly updating our Supplier Code of Conduct to reflect the best practices and regulations (the Supplier Code of Conduct is a publicly available document, posted on our website, and formally shared with all entities entering a business partnership with KMG).

By working closely with suppliers, especially strategic local suppliers, we aim to adapt to market changes and refine our strategies and systems. Our commitment

extends to supporting small businesses, minority-owned firms, and social enterprises, enhancing community benefits through our supply chain engagements.

Our dedication to sustainability is deeply integrated into our procurement practices, adhering to global standards as outlined in our Procurement Procedure, Supplier Code of Conduct, and through our use of the Ariba system. Our Procurement Function has earned recognition for its excellence, receiving the CIPS Awarding Body's Excellence Advanced Standard-Silver Award. This accolade confirms our commitment to continuously enhancing our internal procedures, strategies, and systems.

Our commitment to ethical practices is also reflected in our internal training programs; in 2023, we conducted anti-corruption training for our procurement team and developed new anti-corruption measures with our Internal Control department.

In summary, our sustainability commitments and careful supplier management are integral to our business strategy, ensuring that we not only adhere to high standards internally but also foster these practices throughout our supply chain.

PROCUREMENT and SUPPLY CHAIN OPERATIONS

The Group's procurement and supply chain operations are integral to our commitment to sustainable business practices, overseeing a broad range of functions from contract and material management to commercial strategies, procurement systems, logistics, and indirect procurement. These operations are meticulously planned based on production scenarios, forecasts, annual delivery plans, and daily schedules. This extensive planning encompasses everything from feedstock purchasing and production optimization to volume allocations and logistics across all Group subsidiaries.

Our sourcing strategy for technical materials necessary for our operations utilizes both domestic and international suppliers. This approach ensures the continuous operation of our Refining Business Unit, which includes the Petromidia and Vega refineries and the Petrochemical plant. These facilities maintain appropriately sized inventories of raw materials to support uninterrupted operations.

The procurement of raw materials is closely aligned with international market trends and prices, often benchmarked against Brent and Ural oil prices. These prices are subject to fluctuations driven by geopolitical and economic factors, which in turn influence our raw material costs.

To guarantee a stable supply of crude oil, Rompetrol Rafinare relies exclusively on imports under firm annual contracts, with a significant contract spanning five years signed in 2021. Kazakhstan serves as the primary source of this crude oil, which is transported to Romania via the Midia Marine Terminal.

KazMunayGas Trading A.G, a key trader within the KMG International Group, is tasked with securing the necessary crude oil volumes for refinery processing and managing the import of other essential raw materials and the export of petroleum products for international sales.

Additionally, we source biocomponents such as bioethanol and biodiesel to comply with regulations requiring the inclusion of biofuels in automotive fuels sold to end consumers. Ethylene, essential for producing polyethylene (LDPE), and various chemicals used in refining processes like catalysts, additives, and water

treatment chemicals, are procured from foreign markets at prices that track global market trends.

Our logistical operations are facilitated through the Midia Marine Terminal for crude oil offloading and involve partnerships with service providers like Conpet S.A., Oil Terminal S.A., and others for the efficient handling of raw materials and petroleum products at the ports of Constanta and Midia.

In 2023, Rompetrol Rafinare successfully delivered Euro 5 fuels to the domestic market, adhering to the stringent specifications of a maximum sulfur content of 10 mg/kg. The fuels also complied with the biofuel content regulations of at least 8% by volume for gasoline and 6.5% by volume for diesel, in line with GEO 33/2023. The company plans to continue this trend into 2024, with no plans to expand the automotive fuel portfolio beyond these specifications.

Meanwhile, Vega Refinery maintained its focus on producing solvents (SE 30/60, n-Hexane, White spirit), naphtha, light and heavy liquid fuels for heating, normal road bitumen, and polymer-modified bitumen. For 2024, there are no new products anticipated to be introduced into the manufacturing program at Vega Refinery.

Petromidia Refinery

In 2023, Rompetrol Rafinare – Petromidia Refinery experienced a comprehensive year in terms of raw material processing and production, aligning closely with its budget and operational goals amidst challenges. The refinery processed a total of 5,012,485 tons of feedstock, which included 4,335,105 tons of crude oil and 677,380 tons of other raw materials, achieving 88.20% of the scheduled targets set for the 2023 budget.

The year was marked by significant operational events that impacted production levels. An unplanned shutdown of the Mild-Hydrocracker (MHC) unit due to an incident on June 21, 2023, coupled with lower availability of crude during the winter period due to conditions at the loading port, influenced the overall refinery throughput. Despite these challenges, the refinery managed a daily throughput of 13,985 tons.

The operational strategy was dynamically adjusted throughout the year to meet market demands. This included importing jet and diesel components with specific properties to satisfy domestic market requirements and sustain internal production levels. Additionally, the refinery undertook several planned technological operations in February to support ongoing activities, which involved

catalyst changes, decoking, and maintenance operations while some units operated at reduced capacity.

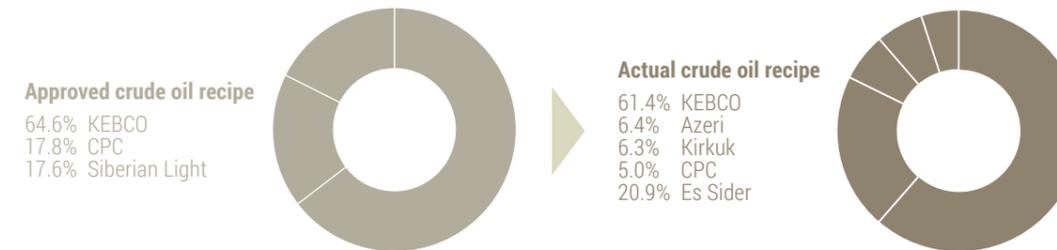
Quarterly performance varied, with the first quarter seeing a throughput above budget by 92 kt, primarily from higher crude oil processed and an import of diesel component. The second quarter faced a 6% reduction in processed crude oil due to multiple operational challenges, including a shutdown of the Naphtha Hydrotreater and delays in crude oil shipments. The third quarter throughput was notably impacted by the MHC unit's downtime, with the refinery managing reduced run rates and adjusting operations across various units to ensure continued production for the Romanian market. The fourth quarter continued to experience challenges from the MHC unit's absence, leading to lower crude processing by 320 kt compared to the budget.

Despite operational challenges, Rompetrol Rafinare maintained robust production figures, with total finished products in 2023 amounting to 4,848,254 tons. The Diesel yield reached 42.85%, contributing to an overall fuel yield of 74.12%, which included gas, Diesel, Jet, and automotive LPG fuel. Notably, the Jet fuel yield was 6.12%. A significant achievement was the reduction in Petromidia's technological loss to the lowest historical level of 0.66% since the implementation of the "Package 2010".

However, the Energy Intensity Index for the year rose to 101.3, marking an increase from the previous year. This escalation was primarily due to a lower run rate at the refinery and the extended downtime of the Mild-Hydrocracker (MHC) unit, which was shut down following an incident on June 21, 2023. The shutdown of the MHC unit notably affected the refinery's operational efficiency.

Energy consumption also saw a slight increase in 2023, reaching 3.06 GJ/ton, which was about 1.2% higher than in 2022. This increase was correlated with the reduced throughput of the refinery, impacting overall energy efficiency. Additionally, utilities costs escalated to \$20.56/mt, marking an increase of approximately 2.8% (or \$0.58/mt) compared to the previous year. This rise was also linked to the lower run rate of the refinery.

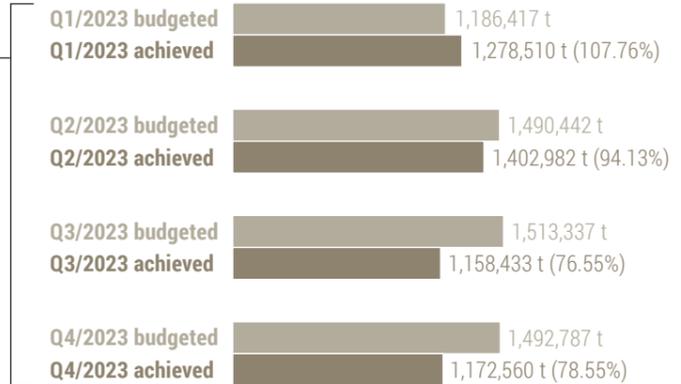
Despite these operational setbacks, the refinery maintained a high level of safety across all equipment, with a mechanical availability rate of 92.44% for the year. The operation of the refinery facilities continued to adhere to the highest performance standards, ensuring not only operational efficiency but also the fulfillment of environmental protection commitments.



For 2024, Rompetrol Rafinare aims to continue optimizing its production and operational processes, ensuring the continuous delivery of high-quality fuels while adhering to environmental standards and maintaining safety across all refinery operations. The focus will remain on maximizing production efficiency, particularly in managing raw material supplies effectively and continuing to respond proactively to market and operational demands.

In 2023, Rompetrol Rafinare experienced a decrease in crude oil acquisitions, purchasing 4,459,830 tons compared to 4,764,543 tons in 2022. These acquisitions were exclusively managed by KazMunayGas Trading A.G., the trading company of the KMG International Group. The total volume of feedstock purchased from external sources also saw a slight reduction, totaling 5,056,728 tons, down from 5,145,318 tons in the previous year.

Financially, the cost of acquiring crude oil was lower in 2023, averaging \$592 per ton, a decrease from \$669 per ton in 2022. This reduction in price correlates with the global market trends where the average Brent price in 2023 was \$83 per barrel (\$625 per ton), significantly lower than \$101 per barrel (\$767 per ton) in 2022.



Structure of physical production vs. budget

Petromidia products	Budget		Actual	
	tons	share	tons	share
Finished products	5,540,279	97.49%	4,848,254	96.72%
Gasoline	1,522,470	26.79%	1,371,199	27.36%
Diesel	2,482,422	43.68%	2,147,650	42.85%
Jet	339,434	5.97%	306,941	6.12%
Fuel oil	182,199	3.21%	164,974	3.29%
Propylene	143,343	2.52%	117,287	2.34%
LPG	271,473	4.78%	213,406	4.26%
Coke	257,450	4.53%	245,918	4.91%
Sulphur	47,036	0.83%	50,762	1.01
Other	294,451	5.18%	230,118	4.59
Total loss	142,704	2.51%	121,965	2.43
White products	85.1%		84.07%	

Vega Refinery

In 2023, Rompetrol Rafinare's Vega Refinery had a planned production schedule with a total processing capacity of 474,477 tons, almost entirely comprising raw materials from the Group (474,465 tons) with a minimal amount from external sources (12 tons). This production plan served as the foundation for the refinery's income and expenditure budget for the year.

However, the actual processing conducted at Vega Refinery in 2023 amounted to 374,327 tons, closely mirroring the composition of the planned sources with 374,313 tons from the Group and 14 tons from external sources. This level of production represents 78.89% of the planned processing for the year, a figure dictated by the availability of raw materials from the Petromidia refinery and prevailing market demands.

In 2023, Vega Refinery's processing performance was notably below the planned capacities, with the actual throughput reaching only 78.9% of the budgeted target. The detailed quarterly breakdown reveals varying levels of achievement, with the first quarter nearly meeting expectations at 98.1% of the budget, while the subsequent quarters saw a significant drop—87.9% in the second quarter, and a more pronounced decrease in the third and fourth quarters at 69.1% and 68.2%, respectively. This resulted in an overall processed quantity that was approximately 21.1% lower than anticipated, averaging 31,194 tons per month against a budgeted 39,540 tons.

Petrochemical Unit

In 2023, Rompetrol Rafinare's Petrochemicals division focused on the operation of its Polymers plants, specifically the Polypropylene (PP) and Low Density Polyethylene (LDPE) plants. The production plan outlined for the year set a target of 168,270 tons of polymers, distributed as 90,870 tons for PP and 77,400 tons for LDPE. This production schedule was integral to the formulation of the income and expenses budget for the year.

However, the actual polymer production for 2023 totaled 104,602 tons, falling short of the planned targets. The breakdown of production figures shows that the PP plant achieved 86,619 tons, which is 95% of the budgeted production, indicating a near-target performance. In contrast, the LDPE plant produced only 17,983 tons, which is just 23% of the anticipated production, highlighting a significant shortfall. This is due to the fact that the LDPE plant operated intermittently, being affected by the fluctuations of the ethylene/polyethylene market, as well as the plant's operational availability.

The LDPE plant operates 100% with imported ethylene, and the PP plant works with raw material produced and delivered internally by the Petromidia Refinery. The petrochemical division is the only producer of polypropylene and polyethylene in Romania.

SALES

In 2023, Rompetrol Rafinare saw a significant portion of its sales focused on the domestic market, accounting for 66% of total sales, which was a slight increase from the previous year. The domestic market predominantly absorbed motor fuels, with gasoline and diesel making up 80% of the total finished products sold. Notably, 76% of all motor fuels sold in 2023 were consumed domestically, with diesel representing the largest share at about 78% of total motor fuel sales across Romania.

Internationally, sales were distributed between the European Community (EC) and non-European Community areas, with intra-community deliveries comprising about 9% of the total finished products sold externally—a decrease from 15% in 2022. The main international destinations for Rompetrol Rafinare's products included Libya, Georgia, Gibraltar, Moldova, Cyprus, Tunisia, Ukraine for gasoline; Moldova, Bulgaria, Georgia, Ukraine for diesel; Moldova for jet fuel; Moldova and Turkey for petcoke; Egypt and Morocco for sulphur, and Hungary for carbon black feedstock.

The distribution of oil products domestically was primarily conducted via road, rail, and barges, while internationally, the largest share of distribution was handled by sea through Midia and Constanta ports, supplemented by road and rail. Polymers, specifically PP and PE, were also actively sold externally, with the European Union receiving about 87% of the total export sales. Key external markets for polymers included Romania (50%), Bulgaria (18%), Italy (6%), and the Republic of Serbia (5%).

Distribution of petrochemical products domestically was managed through auto and railway transport, while international distribution utilized both automotive and maritime transport via the ports of Agigea and Constanta. The primary revenue for Rompetrol Rafinare S.A. continued to be from the sale of petroleum products, especially automotive fuels, underlining the strategic importance of both domestic and international market channels for the company's overall business operations.

2023 Quantitative structure of deliveries

Petromidia products	Domestic		Export		Transfer (Vega)		Total tons
	tons	%	tons	%	tons	%	
Gasoline	383,721	31.87	820,235	68.13	-	0	1,203,957
Gasoline for chem. use	-	0	-	0	168,464	100	168,464
Petroleum	270,397	87.94	24,798	8.07	12,270	3.99	307,466
Diesel	1,725,660	80.46	419,144	19.54	-	0	2,144,803
Fuel oil	13,146	8.42	-	0	143,038	91.58	156,184
Propane propylene	-	0	-	0	117,287	100	117,287
LPG	216,915	100	-	0	-	0	216,915
Coke	152,925	62.25	92,754	37.75	-	0	245,679
Sulphur	59	0.12	51,239	99.88	-	0	51,299
Other	43,985	40.44	7,670	7.05	57,116	52.51	108,770
Total	2,806,808	59.46	1,415,840	29.99	498,175	10.55	4,720,823

Vega Refinery

In 2023, Rompetrol Rafinare detailed its distribution of oil products, showcasing a diverse array of product groups, with internal and external sales accounting for varied proportions of the total 378,051 tons delivered. Notably, the internal market absorbed 53.11% of these deliveries, while external markets took up 46.89%

In 2023, Rompetrol Rafinare expanded its global reach, distributing its refined products to a broad range of international markets. Each product category found its niche in specific regions, reflecting tailored marketing strategies and market demand dynamics:

- **Naphtha gasoline** was distributed to several European countries, including Hungary, Austria, Poland, Bulgaria, Moldova, the Netherlands, Slovakia, and the Czech Republic.
- **Hexane** saw a much wider and more diversified market span, reaching countries across Europe and Asia such as India, Turkey, Ukraine, Italy, Pakistan, Bulgaria, Bosnia, Belarus, Germany, France, Kazakhstan, Macedonia, Moldova, Poland, Serbia, Holland, Austria, Slovakia, Hungary, and Uzbekistan.
- **Ecological solvents** were primarily sold to countries within Central and Eastern Europe including Germany, Hungary, Italy, Poland, Moldova, Serbia, and Ukraine.
- **White spirit** was specifically distributed to Bulgaria, Ukraine, and Moldova.

Vega products	Domestic & Export (tons)
Naphtha gasoline	108,223
Bitumen	104,696
Heating fuels	18,019
Hexane	83,336
Heavy fuel oil	22,268
Petroleum & White spirit	5,963
Ecologic solvents	35,546
Total	378,051

Petrochemical Unit

Rompetrol Rafinare's Petrochemicals division stands as the sole producer of polypropylene (PP) and polyethylene (including LDPE and HDPE variants) in Romania, marking a significant position in the domestic petrochemical market. In 2023, the division not only produced its core products but also actively expanded its portfolio to include other high-demand petrochemicals that are not currently manufactured at its facilities. This expansion includes the distribution of high-density polyethylene (HDPE) pipe variants, linear low-density polyethylene (LLDPE), PVC, PET, and additional PP types, catering to a broad spectrum of market needs.

Rompetrol Rafinare's Petrochemicals division exhibited a balanced distribution between domestic sales and exports, with 54% of its total sales catered to the domestic Romanian market and 46% directed towards international markets. This strategic distribution underscores the company's strong foothold domestically while also highlighting its significant presence in international markets.

Bulgaria followed with 18%, while Italy and the Republic of Serbia constituted smaller but significant portions of the market at 6% and 5% respectively. This distribution pattern reflects Rompetrol Rafinare's strategic market positioning and targeted sales efforts across key European regions.

Regarding external sales, the company effectively targeted both European Union countries and third countries, with intra-communitarian deliveries making up about 87% of the total export sales. The remaining share of exports was directed towards non-EU markets, illustrating a broad and adaptable market strategy that responds to both regional and international demand.

The logistics for distributing these petrochemical products are adeptly managed to suit the needs of each market. Domestically, distribution is primarily conducted via auto and railway, ensuring efficient and timely delivery across Romania. Internationally, the distribution utilizes both automotive routes and maritime transport, leveraging the strategic ports of Agigea and Constanta to facilitate broader distribution scopes and capitalize on export opportunities.

2023 Quantitative structure of deliveries

Petrochem products	Domestic		Export		Total tons
	tons	%	tons	%	
Polypropylene (PP)	40,270	46	46,457	54	86,727
Low density polyethylene (LDPE)	13,199	63	7,703	37	20,902

PRODUCT SUSTAINABILITY

Romp petrol Rafinare (RRC), part of KMG International, adheres to rigorous industry standards to ensure the highest quality and safety of its products while minimizing environmental impact. The division conducts detailed assessments for both new and existing products to identify potential environmental and health impacts, taking measures such as product reformulation or process improvements if necessary.

RRC exclusively produces Euro 5 fuels and processes sulfurous oil. All its fuels, along with VEGA additives and LPG distributed by Rompetrol Gas and fuels delivered by Rompetrol Downstream, are certified by the Romanian Automotive Registry. These products comply with European standards such as EN 590:2017 for diesel, EN 228:2017 for gasoline, and EN 589:2008 for LPG. Bitumen products adhere to SR EN 1259:2009 and SR EN 14023:2010, ensuring compliance with GD no. 622:2004.

Safety and regulatory compliance are paramount in RRC's operations. The company maintains an internal monitoring program for fuel quality under GO nr. 80/2018 and manages safety data sheets (MSDS) that detail critical safety information including handling, storage, and emergency procedures. These MSDS are accessible

GRI
GRI 416-1
GRI 416-2
GRI 417-1

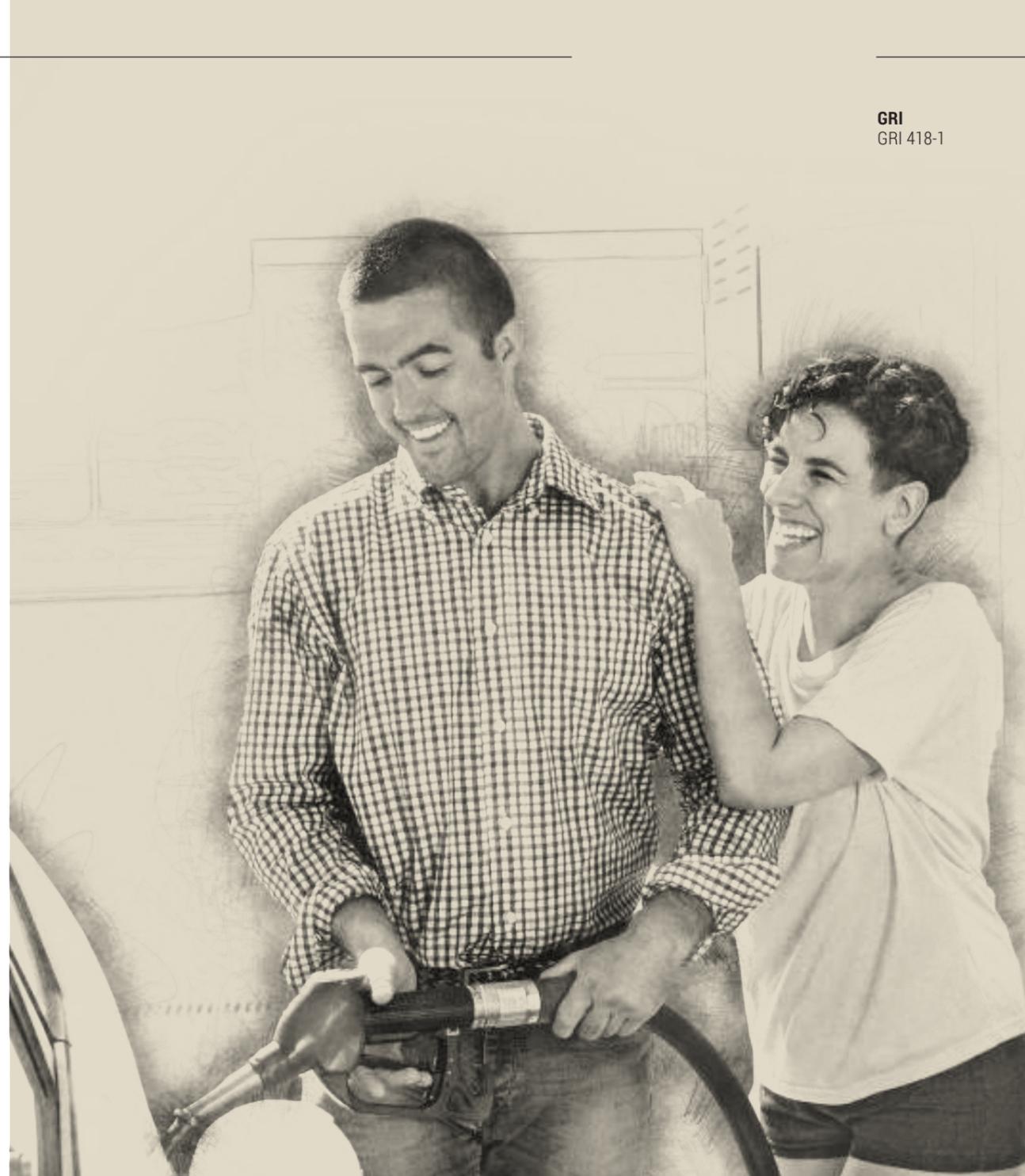
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SHS-5 C1, C3, A1, A3

on product containers and regularly updated to reflect the latest safety standards.

Romp petrol Downstream ensures the safe handling and management of chemicals through a comprehensive procedure that covers the entire life cycle of chemicals, from manufacture to disposal. This includes strict adherence to regulations for classification, labeling, packaging, and safety. The company also provides regular training for personnel on the legal and regulatory requirements and risks associated with hazardous chemicals.

For petrochemical products, specific procedures regulate storage, handling, and delivery to maintain safety and product integrity. Contracts with service providers and station operators include stipulations for quality assurance and occupational safety, with regular evaluations to ensure compliance.

Throughout the reporting period, there were no incidents of non-compliance related to the health and safety impacts of products and services, or concerning product and service information and labeling, underscoring Rompetrol Rafinare's commitment to maintaining high standards of product safety and regulatory compliance.



GRI
GRI 418-1

CUSTOMER SATISFACTION and PRIVACY

KMG International has embraced the concept of Consumer Engagement, recognizing the evolving demands of today's active customers. As part of its business development strategy, monitoring consumer engagement and satisfaction is a priority within its Marketing Research Function. This approach is foundational in shaping our customer engagement strategies, aimed at fostering meaningful interactions with our target audience.

The benefits and outcomes of this consumer engagement-driven marketing research are multifaceted:

- **Brand loyalty:** Personal engagement with consumers has fortified trust and loyalty towards the Rompetrol brand.
- **Customer retention:** The Rompetrol Go program, along with personalized station experiences and responsive customer service, has significantly boosted customer retention rates.
- **Increased customer satisfaction:** Active engagement across various channels has allowed Rompetrol to promptly address concerns, answer questions, and overall enhance customer satisfaction.
- **Word-of-mouth marketing:** Satisfied and engaged customers tend to share their positive experiences, making word-of-mouth a potent tool for attracting new customers due to the inherent trust in personal recommendations.
- **Brand advocacy:** Consumers who engage actively with the brand often turn into advocates, further amplifying Rompetrol's reach and influence.
- **Understanding customer needs:** Continuous interactions provide valuable insights into customer preferences and behaviors, which are utilized to tailor products, services, and marketing strategies more effectively.

- **Data collection and analysis:** Engagement activities, especially through the Rompetrol Go program, generate crucial data that informs customer behavior and preferences, facilitating targeted marketing efforts and more informed decision-making.
- **Market differentiation:** In the competitive oil and gas market, where products and services often resemble one another, consumer engagement distinguishes Rompetrol from its competitors.

Romp petrol's commitment to its customers is central to its operations. The company takes pride in understanding and addressing the needs, expectations, and concerns of its customers, striving to deliver an exceptional experience at every opportunity. This ongoing process of market and customer monitoring is not just a business activity but a source of achievement for Rompetrol, reflecting its dedication to customer care and satisfaction.

Romp petrol invests continuously in consumer engagement research, conducting strategic studies such as market measurement, segmentation, brand tracking, and customer satisfaction. These efforts are geared towards understanding the impact of fuel quality and the potential of retail products. Each year, KMG International gains in-depth insights into consumer engagement and satisfaction through dedicated studies in the regions where its retail operations are active.

Innovation is at the heart of Rompetrol's marketing strategy. Notably, the brand has introduced unique offerings such as the efix Diesel 55, setting it apart in the market. Additionally, the FreshBazar concept within Rompetrol shops illustrates a shift towards a more sustainable and health-conscious retail approach.

In Moldova, Rompetrol leads in fuel quality with a 90% satisfaction score, and mirrors this performance in brand awareness and penetration, with scores of 90% and 51%

respectively. The brand's approach in Moldova focuses on offering a meaningful and convenient customer experience, which has significantly enhanced its market presence.

Similarly, in Georgia, Rompetrol is a household name with 100% brand awareness among drivers. It holds a strong market position, with a customer satisfaction score of 82% and a Net Promoter Score of 73%, reflecting the brand's positive reception and strong market influence.

In 2023, Rompetrol achieved significant growth in its loyalty program, reflecting a robust year-over-year increase across all main loyalty indicators compared to 2022. In Romania, there are approximately 5.5 million drivers across the country, according to the most recent Brand Tracker from October 2023. Of these, 2.2 million are customers of Rompetrol, a figure that includes both regular customers who consistently fuel up at Rompetrol and occasional customers who also visit competitor stations in the Romanian market.

Currently, there are 933,000 members enrolled in the Rompetrol Go Program. These members have signed up and possess either a card, the mobile application, or both, which enables them to enjoy the benefits of the loyalty program.

KMG International's ongoing investment in its Customer Engagement Strategy highlights Rompetrol's commitment to delivering exemplary service, aligning with its corporate strategy while adhering to Customer Privacy & GDPR regulations. Rompetrol aims to maintain its market-leading position by continuing to innovate in marketing, prioritizing profitability and customer focus in the fuel and convenience retail sectors.

LEGAL ACTIONS

GRI
GRI 206-1

Investigation regarding the violation of competition rules in the Rep. of Moldova

In January 2021, the Competition Council of Moldova (CCM) conducted a raid on the premises of the six leading oil and gas companies in Moldova, including Rompetrol Moldova, based on allegations that these companies had colluded to set retail prices for petroleum products, including LPG. Rompetrol Moldova strongly denied these allegations, asserting that its business practices were independently determined and in accordance with its internal rules and policies.

In April 2021, the investigation team of the CCM issued a report recommending that penalties be imposed on these companies for allegedly colluding on pricing. In response, Rompetrol Moldova applied for the commitment procedure on May 14, 2021. This procedure would allow the company to adjust its business practices without admitting any wrongdoing, potentially ending the investigation without penalties. However, on July 5, 2021, the CCM rejected this application for all involved companies.

Following this, Rompetrol Moldova requested the closure of the investigation on October 13, 2021, citing significant procedural errors, including the illegal public disclosure of the Competition Report. The request was denied by the CCM on November 4, 2021. Subsequently, Rompetrol Moldova appealed this decision in court on December 3, 2021. The court session held on May 24, 2022, resulted in the rejection of Rompetrol Moldova's lawsuit, deeming it groundless. The company then filed an appeal, which was heard on October 4, 2023, and subsequently rejected. Rompetrol Moldova filed in a second appeal to the Supreme Court, in January 2024. The first hearing is scheduled for October 16, 2024.

Competition investigation in Georgia regarding fuel prices

In Georgia, the fuel market came under scrutiny by the Competition Agency (CA) following a report titled "Georgian Fuel Market Monitoring January – April 2022", published in August 2022. This led to an investigation into the import and pricing strategies of fuel in Georgia, which was particularly focused on Rompetrol's activities in the region. On May 15, 2023, the CA's draft report accused Rompetrol of violating Article 7(1)(a) of Georgia's Law on Competition. The accusation centered on Rompetrol allegedly selling fuel at lower prices through trading channels while charging higher prices in its retail sector, with the CA suggesting there was no economic rationale for this discrepancy other than collusion with competitors.

Rompetrol responded to the draft decision on June 30, 2023, offering an alternative economic explanation that highlighted the financial benefits of operating both trading and retail channels. The company also pointed out perceived inaccuracies in the CA's draft and contested the methods used to assess communications between competitors.

Despite these arguments, on August 16, 2023, the CA finalized its decision, rejecting Rompetrol's economic justifications and concluding there was an infringement of the competition law. The agency imposed a fine of 987,886 GEL (approximately \$370,000). The CA argued that Rompetrol Georgia LLC's actions from January to August 2022, which allegedly included selling less fuel in the retail market and not maximizing profits, indicated coordinated actions with competitors, which it deemed implausible in a competitive market environment.

Rompetrol filed an appeal against this decision on September 15, 2023. The response from the CA was received on December 28, 2023, and the payment of the fine is currently suspended pending court proceedings. The company is preparing an alternative economic expert opinion to challenge the CA's report, expected to be completed by the end of January 2024. As of now, no court hearings have been scheduled for this case.

Seizure of refining assets by Romanian state authorities

Rompetrol Rafinare has been engaged in a legal battle with the Romanian National Agency for Fiscal Administration (ANAF) concerning precautionary measures that were imposed in 2010. These measures were initially implemented when historical bonds issued by Rompetrol Rafinare (RRC) under Emergency Ordinance no. 118/2003 were converted into shares in September 2010, resulting in the Romanian State (Ministry of Energy) acquiring a 44.69% stake in RRC.

In response, Rompetrol Rafinare filed a complaint against ANAF seeking the release of these precautionary measures. The legal proceedings culminated in a hearing on December 6, 2021, with a favorable decision for Rompetrol Rafinare issued on December 20, 2021, which ordered the lifting of the seizure.

However, ANAF appealed this decision to the Supreme Court. The first court session was scheduled for May 25, 2023, but the decision was postponed to June 22, 2023. On that date, the Supreme Court overturned the initial ruling and referred the case back to the Constanta Court of Appeal for re-evaluation. The next hearing in this ongoing legal dispute was set for February 5, 2024 when the Court admitted again the request of the Company and ordered again fiscal authority to lift the seizure. The court decision was again appealed by the fiscal authority and the case will be finally settled by the Supreme Court.

Libya receivables case

The legal proceedings involving Oilfield Explorations Business Solutions SA (OEBS), a subsidiary of the Group, and the heirs of Dinu Patriciu have been protracted and complex, stemming from a criminal case that concluded in October 2014. Despite a previous resolution where OEBS was found liable to repay \$88 million, the Ministry of Finance initiated a second claim against both the heirs of Dinu Patriciu and OEBS for the same amount.

On May 31, 2018, the court ruled that the heirs of the late Dinu Patriciu were liable for \$58.5 million, while OEBS was excluded from this particular claim as the court determined that the Ministry of Finance had no grounds to pursue the same amount from OEBS again. However, following a hearing on May 8, 2019, the resolution was overturned on June 5, 2019, and the case was remanded back to the Bucharest court for a new judgment.

The case continued to see further appeals, with a significant hearing before the Supreme Court on February 25, 2021. The Supreme Court postponed its decision to March 18, 2021, where it ultimately rejected the appeal, sending the case back to the Bucharest Court to start over. The following hearing on December 3, 2021, led to a postponed decision that was later resolved on December 24, 2021. This decision found that the heirs of Dinu Patriciu were jointly liable with OEBS to pay the \$58.5 million plus interest dating back to January 5, 2001.

This resolution was again appealed, and on December 8, 2022, the court admitted the appeals, nullified the previous decision, and retained the case for a retrial. The next hearing was scheduled for June 20, 2024, as the legal struggle continues to determine the final liabilities in this prolonged financial dispute.

OTHERS

Rompetrol Downstream GDPR Fine

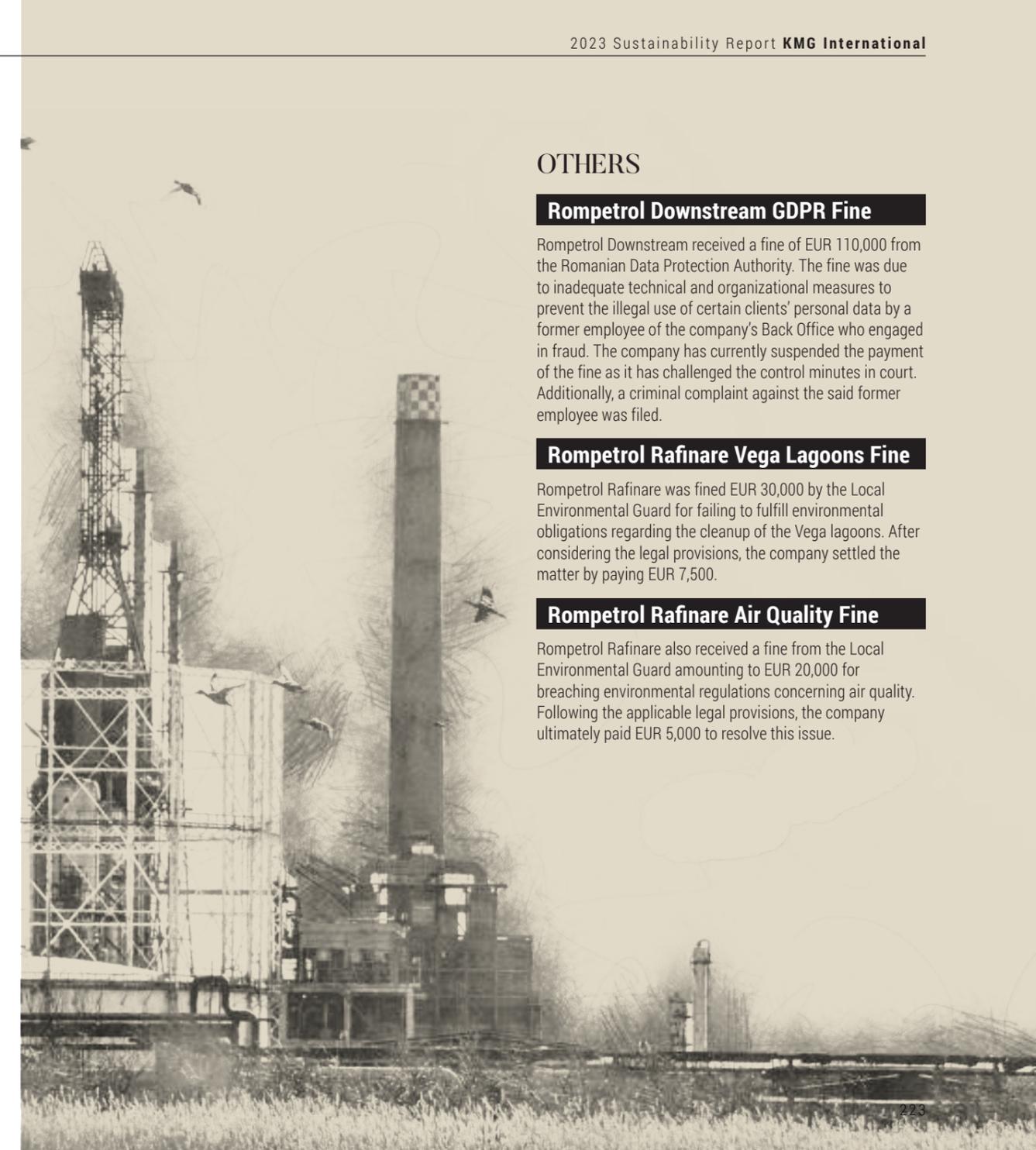
Rompetrol Downstream received a fine of EUR 110,000 from the Romanian Data Protection Authority. The fine was due to inadequate technical and organizational measures to prevent the illegal use of certain clients' personal data by a former employee of the company's Back Office who engaged in fraud. The company has currently suspended the payment of the fine as it has challenged the control minutes in court. Additionally, a criminal complaint against the said former employee was filed.

Rompetrol Rafinare Vega Lagoons Fine

Rompetrol Rafinare was fined EUR 30,000 by the Local Environmental Guard for failing to fulfill environmental obligations regarding the cleanup of the Vega lagoons. After considering the legal provisions, the company settled the matter by paying EUR 7,500.

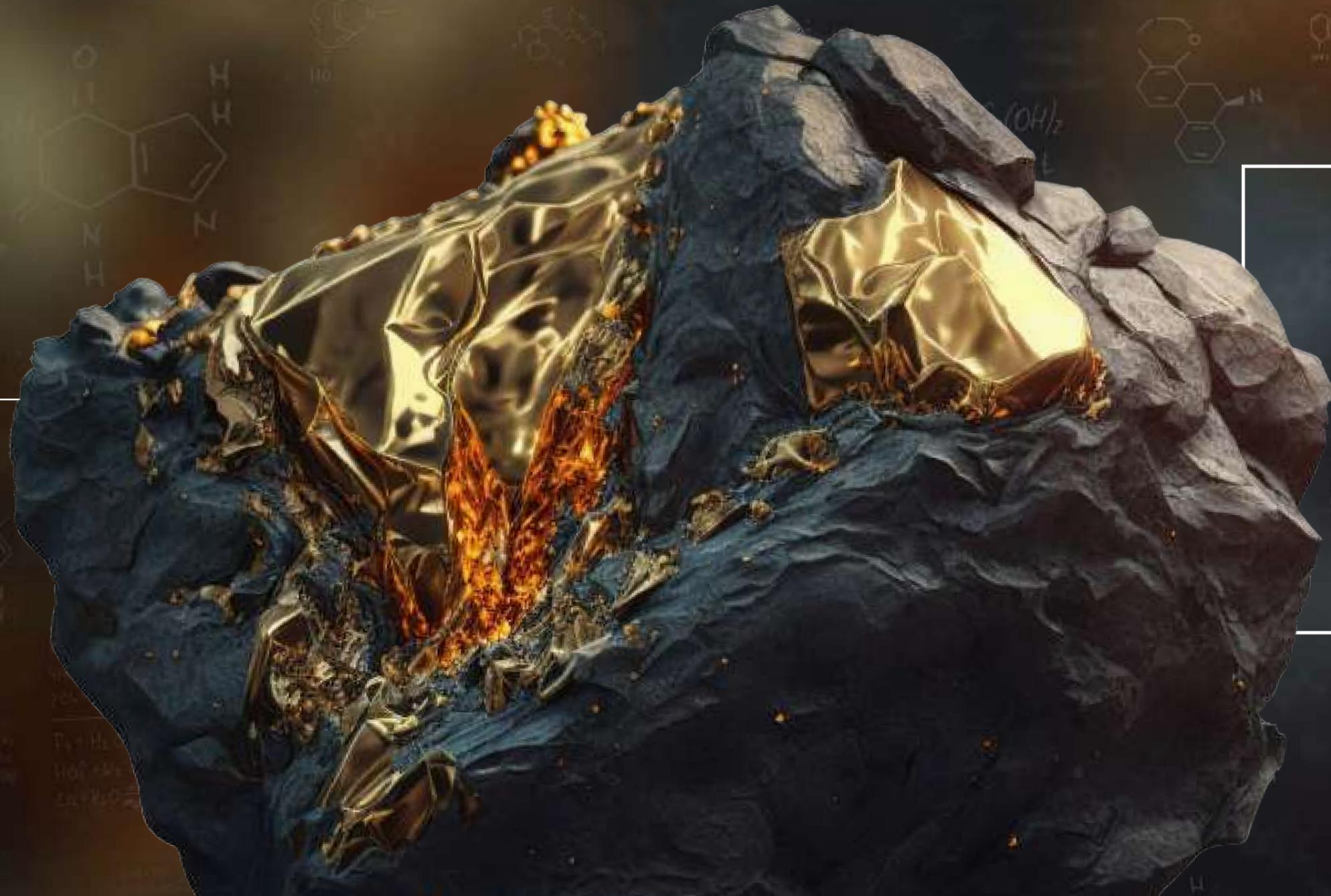
Rompetrol Rafinare Air Quality Fine

Rompetrol Rafinare also received a fine from the Local Environmental Guard amounting to EUR 20,000 for breaching environmental regulations concerning air quality. Following the applicable legal provisions, the company ultimately paid EUR 5,000 to resolve this issue.



ELEMENTS *of* DIVERSITY

Near Abroad Operations and ESG Performance
Romp petrol Georgia LTD
Romp petrol Moldova SA
Romp petrol Bulgaria EAD



CHAPTER 10

N

Near-abroad

NEAR-ABROAD OPERATIONS *and* ESG PERFORMANCE

Romp petrol’s Retail Division is a pioneering force in the energy sector, marking its legacy as the first Romanian energy company to extend its operations beyond national boundaries. Starting in 2002, Rompetrol made strategic entrances into the Bulgarian and Moldovan markets, initially focusing on wholesale distribution before branching out into the retail sector with fuel supplies from the Petromidia Refinery. By 2005, the venture expanded further into Georgia, unveiling new avenues for growth and opportunity.

Over the ensuing years, Rompetrol has experienced significant expansion, driven by innovative product diversification and a dedication to redefining the fuel station experience. These innovations, rigorously tested and rolled out in highly competitive markets, have cemented Rompetrol’s presence and continuously enhanced its market share in the regions where it operates.

Romp petrol’s expansion into the Black Sea region has played a crucial role in bolstering energy infrastructure, fostering economic growth, and meeting the energy demands locally. With its investments and unwavering commitment to quality, Rompetrol has become a trusted and integral partner in the regional energy landscape. Through strategic expansion and innovation, Rompetrol continues to reinforce its position as a key player in the regional energy market, contributing significantly to the development and sustainability of the Black Sea region’s energy sector.

REGIONAL FOOTPRINTS

Romp petrol Georgia

A leading entity in fuel distribution, Rompetrol Georgia is recognized for its premium Euro 5 fuels sourced from the Petromidia refinery. It operates 67 filling stations and two fuel depots, with notable achievements including the introduction of Efix S, a premium Euro 5 fuel, and the Fill & Go system, an innovative offering on the Georgian market since 2013. The company also engages in wholesale activities through its depots in Batumi port and the modernized Tbilisi depot, enhancing its storage capacity and operational efficiency.

As a member of the prestigious Business Association of Georgia, Rompetrol Georgia aligns itself with the standards and practices that drive progress and integrity within the Georgian business community.

Key achievements and forward looking initiatives

In 2023, Rompetrol Georgia has marked several significant milestones that underscore its strategic expansion and operational efficiency. The opening of new fuel stations broadened Rompetrol Georgia’s retail footprint, enhancing its service reach and customer accessibility.

Looking ahead, plans are underway to open between 3 to 6 new fuel stations in 2024, expanding the company’s network and presence across Georgia. Also, in a move to diversify its retail offerings, Rompetrol Georgia will inaugurate 3 shops under the “hei” brand, promising a new shopping experience to its customers.

Moreover, Rompetrol Georgia has started a pilot project for self-service at Vazi fuel station, a strategic move towards modernizing customer service and operational efficiency. Depending on the project’s success, there is a potential to open 3-5 self-service stations per year.



Romp petrol Moldova

With a robust network of 95 stations, including 76 affiliated shops, and two fuel depots, Rompetrol Moldova stands as the premier supplier of oil products in the Republic of Moldova, boasting significant market shares in both wholesale and retail segments. All fuels at its stations are exclusively imported from Petromidia, ensuring high-quality offerings. Rompetrol Moldova is particularly dominant in Chisinau, where it leads the market and serves as a significant local employer, providing over 1,000 jobs.

Romp petrol Moldova is an active member of prestigious organizations, reflecting its commitment to excellence and collaboration within the business community:

- **American Chamber of Commerce in Moldova (AmCham Moldova):** Aligning with American business standards and practices, fostering strong bilateral business relations.
- **Foreign Investors Association (FIA):** Engaging in dialogue and advocacy for a better investment climate in Moldova.
- **Romanian Investors Association (AIR):** Strengthening ties and collaboration between Romanian investors and the Moldovan business environment.

Key achievements and forward looking initiatives

Romp petrol Moldova’s commitment to excellence and community has been recognized through various awards and recognitions. As a partner of the Hospice Angelus Moldova Charity Ball (2023 edition), Rompetrol Moldova has contributed significantly to palliative care for individuals with advanced and terminal illnesses.

Romp petrol Moldova was honored at the 8th edition of the NOTORIUM Trademark Awards, winning in the category of ENERGY, FUEL, OILS. This recognition, amidst 5000 notable trademarks, highlights the brand’s prominence and trust within the national market.

Demonstrating its commitment to environmental sustainability, over 50 Rompetrol Moldova employees participated in planting more than 3000 forest seedlings in the Bocioi area, Chisinau.

Romp petrol Moldova has extended its partnership portfolio by becoming a partner of the National Off Road Championship, marking its support across four stages. Rompetrol Moldova will continue to invest in initiatives that not only enhance its market position but also contribute positively to societal and environmental well-being.

Romp petrol Bulgaria

Operating 57 fuel stations and a depot, Rompetrol Bulgaria EAD showcases a modern storage facility in Ruse by the Danube river, incorporating cutting-edge technologies for oil product management and environmental protection. The addition of a Biodiesel Blending unit within its Ruse depot underscores the company’s commitment to sustainable practices, ensuring efficient wholesale operations across Bulgaria.

As a proud member of the Bulgarian Petrol & Gas Association, RPB aligns with industry standards to foster sustainable development and competitive practices in the energy sector. Over the years, Rompetrol Bulgaria has maintained a strong market presence as the fourth-largest player on the wholesale market, showcasing resilience and strategic foresight in navigating market dynamics.

Key achievements and forward looking initiatives

2023 saw Rompetrol Bulgaria reaching unprecedented sales volumes in fuel gas stations, with a 5% increase in gasoline and diesel sales compared to 2022, and a significant uptick in LPG sales.

The company achieved a record level of average daily CODO (Company Owned Dealer Operated) sales and increased its non-fuel retail (NFR) contribution by 25%, highlighting a diversification in revenue streams.

The expansion of operations with a new depot in South-West Bulgaria has optimized logistics costs and opened new avenues for sales in a strategically important industrial region. Moreover, Rompetrol Bulgaria successfully overcame supply and logistics challenges, ensuring uninterrupted supply chains.

Looking ahead, Rompetrol Bulgaria is poised for substantial growth and development. The implementation of budgeted CAPEX projects aims to extend the product portfolio of the retail network and enhance capabilities for partnerships with international fleets providers. Plans include the addition of six more rented stations to the current CODO network, further cementing its presence and accessibility across Bulgaria.

Moreover, ambitious targets have been set to increase pump channel sales by 10% and total sales by 39%, demonstrating confidence in operational strategies and market demand. The further development of the gastro concept in transit stations underscores Rompetrol Bulgaria’s commitment to innovation, catering to the rapid growth potential in this segment.

ROMPETROL GEORGIA LTD

Romp petrol Georgia stands out as a distinguished leader in fuel distribution, renowned for offering high-quality Euro 5 fuels sourced from Petromidia Refinery. With a comprehensive network encompassing 67 filling stations and 2 strategic fuel depots, the company has solidified its position as a key player in the Georgian fuel market.

Since its market entry in 2005, Rompetrol Georgia has been at the forefront of introducing innovative fuels and services, including Efix S - a premium Euro 5 fuel, and the groundbreaking Fill & Go pay-at-the-pump system. These initiatives have not only set new standards in the local market but also underscored Rompetrol Georgia's commitment to convenience and quality.

The company's wholesale operations are significantly supported by its depots in Batumi port and Tbilisi. The Batumi depot, with a capacity of 28,500 cubic meters, and the modernized Tbilisi depot, now boasting a capacity of 10,000 tons, are pivotal in ensuring the seamless supply of products across the region.

Further demonstrating its dedication to operational excellence, Rompetrol Georgia proudly maintains ISO 9001, ISO 14001, and ISO 45001 certifications. These reflect the company's ongoing commitment to quality management, environmental stewardship, and occupational health and safety standards.

Looking ahead, Rompetrol Georgia is committed to adhering to evolving regulatory standards to enhance its infrastructure. By 2029, the company plans to equip all existing fuel stations with vapor recovery systems to minimize fuel vapor evaporation during the refilling of underground reservoirs. This requirement also extends to new fuel stations post-2025. Similarly, both existing and new oil depots are set to be outfitted with vapor recovery systems by 2029 to prevent fuel vapor loss during tanker fillings. Furthermore, the transition to modern fuel tankers equipped with vapor recovery systems by 2029 marks another step towards sustainability and environmental responsibility.

ENVIRONMENTAL PERFORMANCE

In 2023, Rompetrol Georgia demonstrated its commitment to environmental sustainability and regulatory compliance, navigating the fuel industry's inherent risks without any negative impacts. The organization was actively involved in advancing environmental protection through participation in meetings and conferences about waste management and emissions in Business Association of Georgia, emphasizing the importance of staying informed about new regulations.

A significant focus was placed on emissions control, with diligent reporting to the Ministry of Environmental Protection and Agriculture of Georgia, underscoring adherence to legal mandates. Stakeholder engagement, especially among employees and subcontractors, was prioritized, fostering a collaborative approach to environmental protection. This included comprehensive training sessions, toolbox talks, and rigorous subcontractor inspections, ensuring that environmental standards were consistently upheld across operations.

In 2023, Rompetrol Georgia's environmental responsibility and commitment to reducing its carbon footprint were reflected through its greenhouse gas (GHG) emissions reporting. The company disclosed its direct (Scope 1) GHG emissions at 63.92 total tons of CO2, highlighting its operational contributions to carbon emissions. Additionally, energy indirect (Scope 2) GHG emissions were reported at 315.5 total tons of CO2, indicating emissions from purchased electricity, heat, and steam.

The most significant contribution came from other indirect (Scope 3) GHG emissions, which amounted to 444,493.69 total tons of CO2. These emissions are usually associated with activities such as business travel, procurement, waste disposal, and the use of sold products. However, there was no information available on the GHG emissions intensity for the year, nor were there measures reported for the reduction of GHG emissions throughout 2023.

GRI

- GRI 301-1
- GRI 302-1 - 303-5
- GRI 304-1
- GRI 304-2
- GRI 304-4
- GRI 305-1 - 305-3
- GRI 306-3 - 306-5
- GRI 417-1

SASB

- EM-MD-110a.1
- EM-MD-160a.3
- EM-MD-160a.4

IPIECA

- CCE-3 C1
- CCE-4 C1
- CCE-6 C1
- ENV-1 C1, C2

Financially, Rompetrol Georgia allocated dedicated budgets for environmental initiatives, preparing for forthcoming laws aimed at enhancing environmental protections, including vapor recovery systems and air pollution reduction measures. This preparation reflects the company's proactive stance on meeting future regulatory requirements.

The company's dedication to high standards was further validated by recertifications in ISO 14001, ISO 18001, and ISO 45001, covering environmental management, health and safety management systems, and occupational health and safety systems, respectively.

Looking ahead, Rompetrol Georgia is gearing up for significant regulatory changes between 2025-2029, with the Georgian government mandating oil terminals to install equipment for precise emissions measurement and introducing laws for nationwide vapor recovery system implementation.

To address these demands and explore sustainable alternatives, Rompetrol Georgia engaged in proactive discussions about vapor recovery (VR) systems with the Business Association of Georgia (BAG). The company also sought innovative solutions by inviting subcontractors to present solar energy battery products, aiming to reduce energy consumption and lessen the environmental footprint of its products and services.

During this period, Rompetrol Georgia utilized 12,750 kg of additives, adhered to energy consumption protocols within the organization, and engaged in initiatives to reduce energy consumption and greenhouse gas emissions. The company reported no spills, grievances, or disturbances to terrestrial acreage, further exemplifying its commitment to environmental stewardship and community wellbeing.

Furthermore, Rompetrol Georgia's approach to waste management, water usage, and biodiversity protection aligns with its environmental objectives, ensuring minimal impact on natural resources and ecosystems.



In 2023, Rompetrol Georgia managed its water resources with a focus on responsible consumption and minimal impact on the environment. The company sourced a total of 0.01632 megaliters of water exclusively from surface water, provided by two main water supply companies in Georgia. This approach underscores Rompetrol Georgia's reliance on local water resources for its operational needs, with plans to expand its water sourcing strategy by obtaining an underground water license in 2024.

Despite the utilization of water as a critical resource, Rompetrol Georgia adhered to existing regulations, ensuring that its water withdrawal and discharge activities did not compromise water quality standards. The total water withdrawn matched the amount discharged, amounting to 0.01632 megaliters, indicating efficient water management practices within its operations. Notably, the company reported zero water consumption from these activities, reflecting its commitment to minimizing water usage and its impact on shared water resources.

In 2023, Rompetrol Georgia maintained a clear commitment to biodiversity preservation, ensuring that its operations did not take place in or adjacent to protected areas, areas of high biodiversity value outside protected areas, or geographic locations of protected significance.

Throughout the year, Rompetrol Georgia reported no significant impacts on biodiversity from its activities, products, or services. Moreover, there was no identification of IUCN Red List species or species from national conservation lists within areas affected by Rompetrol Georgia's operations.

In 2023, Rompetrol Georgia managed a total of 72.8 tons of waste generated from its operations. All of this waste was directed towards disposal, indicating no waste was diverted from disposal practices.

SAFETY PERFORMANCE

Rompetrol Georgia, boasting certifications in ISO 14001, ISO 18001, and ISO 45001 standards, demonstrates a commitment to quality, environmental stewardship, and occupational health and safety across its operations.

In 2023, Rompetrol Georgia implemented a comprehensive occupational health and safety management system, adhering to an updated list of legal requirements to ensure the safety of its 629 employees, including fuel station operations, fuel transportation by subcontractors, maintenance, and cleaning work. The company employs stringent hazard identification, risk assessments, and incident investigations across all work-related processes, heavily relying on the Security department and CCTV for monitoring and mitigating risks associated with fuel discharging, selling, and transportation.

Occupational health services are mandated for all employees prior to hiring, with drivers undergoing periodic health screenings to ensure their fitness for duty. Confidential medical records are maintained by HR and QHSE departments, reflecting Rompetrol's commitment to employee health and safety.

During the reporting period, the company dedicated 633 hours to health and safety training, emphasizing its commitment to equipping its workforce with the knowledge and skills needed to maintain a safe working environment. Additionally, Rompetrol Georgia conducted 7 fire and emergency drills, demonstrating its readiness to respond effectively to potential emergencies. These drills are crucial for testing and improving the emergency response procedures and ensuring employee safety in critical situations.

The promotion of worker health is further supported by pre-employment medical screening, ensuring all new hires meet health standards. Additionally, prevention and mitigation of occupational health and safety impacts are ensured through internal and external audits, as well as Safety committee meetings, showcasing a proactive approach to managing safety risks.

In 2023, Rompetrol Georgia logged an impressive 1,718,652 worked manhours without recording any incidents. The company reported no work-related injuries or ill health cases, testament to the effectiveness of its risk control measures against hazards like falls from height, ignition, and exposure to flammable or toxic atmospheres. Also, the company has achieved full closure of all reported nonconformities, with a total of 10 nonconformities issued and promptly addressed.

The entity also underwent 221 QHSE audits and inspections, a clear indication of its adherence to stringent QHSE standards and its continuous pursuit of operational excellence. Overall, Rompetrol Georgia's achievements in the realm of QHSE in 2023 highlight the entity's dedication to upholding the highest standards of safety, health, and environmental stewardship, contributing positively to the broader objectives of KMG International.

Near miss incidents, totaling seven, were attentively addressed to mitigate future risks. Additionally, a single spill incident underscored the importance of continuous improvement in operational safety and environmental protection measures. Throughout the year, Rompetrol Georgia underwent 49 authority inspections, demonstrating its commitment to compliance and transparency, resulting in minimal authority penalties of USD 225.

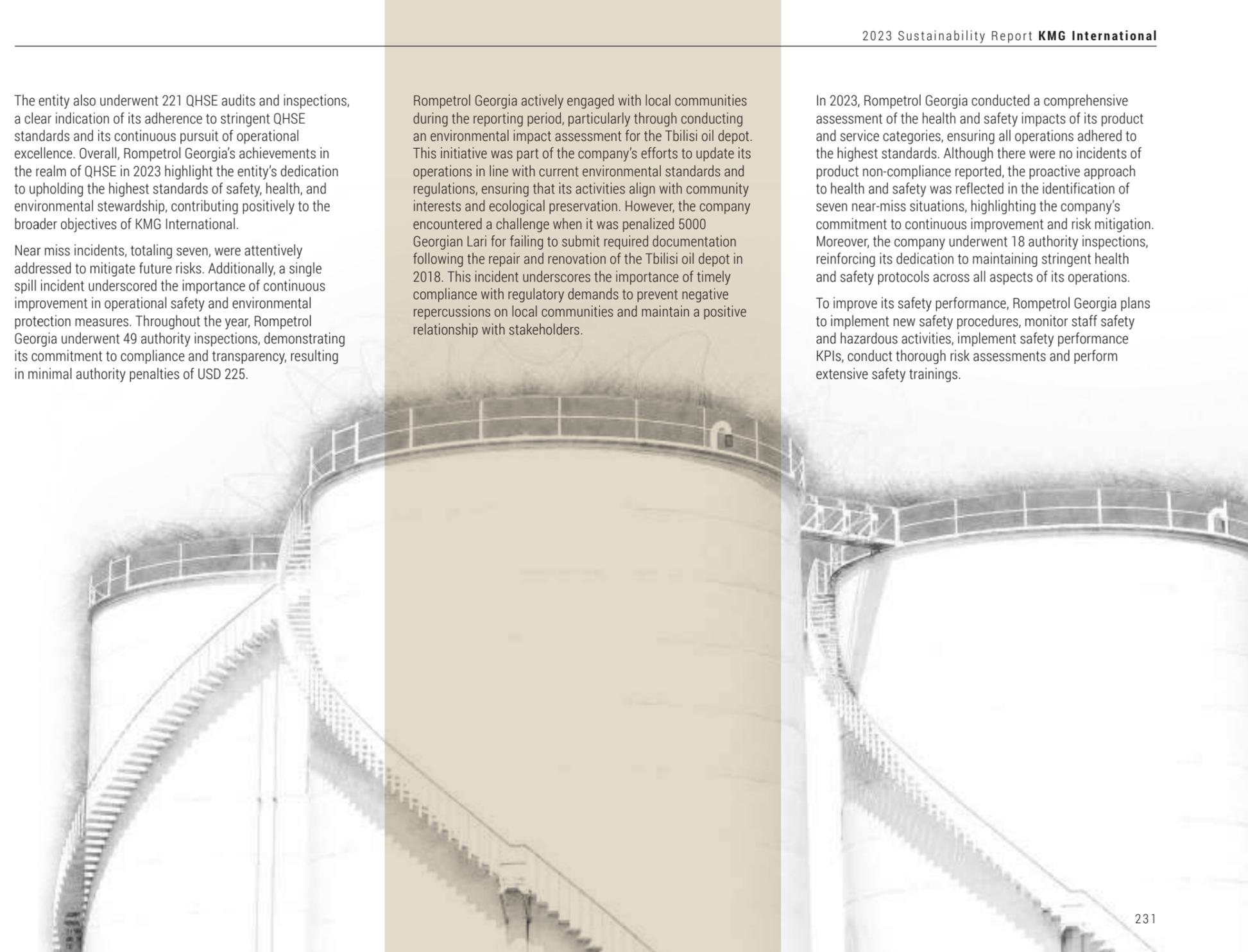
Rompetrol Georgia actively engaged with local communities during the reporting period, particularly through conducting an environmental impact assessment for the Tbilisi oil depot. This initiative was part of the company's efforts to update its operations in line with current environmental standards and regulations, ensuring that its activities align with community interests and ecological preservation. However, the company encountered a challenge when it was penalized 5000 Georgian Lari for failing to submit required documentation following the repair and renovation of the Tbilisi oil depot in 2018. This incident underscores the importance of timely compliance with regulatory demands to prevent negative repercussions on local communities and maintain a positive relationship with stakeholders.

In 2023, Rompetrol Georgia conducted a comprehensive assessment of the health and safety impacts of its product and service categories, ensuring all operations adhered to the highest standards. Although there were no incidents of product non-compliance reported, the proactive approach to health and safety was reflected in the identification of seven near-miss situations, highlighting the company's commitment to continuous improvement and risk mitigation. Moreover, the company underwent 18 authority inspections, reinforcing its dedication to maintaining stringent health and safety protocols across all aspects of its operations.

To improve its safety performance, Rompetrol Georgia plans to implement new safety procedures, monitor staff safety and hazardous activities, implement safety performance KPIs, conduct thorough risk assessments and perform extensive safety trainings.

Energy consumption within the organization		
Fuels	913,311,000,000 J	26,705 L
Gasoline	700,108,200,000 J	20,471 L
Diesel	213,202,800,000 J	6,234 L
Electricity	8,413,200,000,000 J	2,337 MWh

Division / Entity	HSE Index Actual	Worked hours	Kilometers driven	Incidents							Safety Incidents (numbers)				Safety Incidents (rates)			
				FTL	FAC	MTC	RWDC	DAFWC	LT1	TRI	FTL	TRI	MVC (M+C)	MVC Total	FIR	TRIR	MVCR	LTIF/LTIR
RETAIL & MARKETING DIVISION	0.00	4,426,367	5,316,261								0	0	0	7	0	0.00	0.00	0.00
Rompetrol Georgia LTD	0.00	1,718,652	417,068	0	0	0	0	0	0	0	0	0	0	3	0	0.00	0.00	0.00
GROUP TOTAL	0.14	11,031,819	13,577,499	0	3	1	0	3	3	4	3	10	0	9	27	0.91	0.00	0.82



ROMPETROL MOLDOVA SA

Romp petrol Moldova, a pivotal player in the country's fuel sector, operates an extensive network of 95 stations, incorporating 76 affiliated shops, alongside an oil depot in Chisinau and an LPG warehouse in Tarnova village, Donduseni. This network positions Romp petrol Moldova as the premier supplier of petroleum products nationwide, with all fuels meticulously sourced from the Petromidia Refinery.

Since its establishment in 2002, Romp petrol Moldova has significantly influenced the local market, leading in petroleum product provision and dominating the retail sector. With a workforce exceeding 1,000 employees, the company's substantial contributions, amounting to over \$733 million to Moldova's state budget over two decades, underscore its economic impact.

Romp petrol Moldova's dominance as a major fuel importer, commanding about 40% of the wholesale market share and more than 28 % in retail, reflects its central role in the local fuel market. The company's pioneering adoption of the Integrated Management System, certified since 2012 for ISO 9001:2008, ISO 14001:2009, and OHSAS 18001:2007, showcases its dedication to quality, environmental stewardship, and health and safety excellence, setting a benchmark for operational integrity within the industry.

ENVIRONMENTAL PERFORMANCE

Romp petrol Moldova upholds rigorous adherence to industry standards, underscoring its commitment to quality, environmental management, and occupational health and safety. The company has established a comprehensive Environmental Management Framework, formulated on a thorough assessment of environmental impacts arising from operational activities, delineates significant environmental aspects at each site, ensuring an annual review or adjustments in response to legislative changes or internal requirements.

- GRI**
- GRI 302-1 - 302-3
- GRI 303-1 - 303-5
- GRI 305-1 - 305-5
- GRI 306-1 - 306-3
- GRI 413-1
- GRI 413-2
- SASB**
- EM-MD-110a.1
- EM-MD-120a.1
- EM-MD-160a.1
- IPIECA**
- CCE-4 C1, C2, C4, A1-A3
- ENV-1 C1, C2, A2, A8, A10
- ENV-2 A1-A3
- ENV-5 C1
- ENV-6 C1
- ENV-7 C2, C3

The company's risk assessment framework encompasses financial, geopolitical, and environmental dimensions, with the Risk Management department at the Group level conducting regular evaluations and updates on risk mitigation measures across entities.

Environmental initiatives:

- an Environmental Strategy and Policy articulating the company's environmental commitments
- an Environmental Management Program, derived from an impact analysis of operational activities, distinguishing between significant and general environmental aspects for each location
- a strategic investment program, approved at the corporate level, dedicated to minimizing environmental footprints through operational enhancements and technological innovations.

Significant investments are directed towards environmental sustainability, including alternative energy sources (Scope 1) and transitioning to renewable energy for transport and heating, alongside efficiency improvements in transmission and distribution (Scope 2).

Management's engagement in environmental stewardship is proactive and comprehensive, encompassing the acquisition of necessary permits, fostering constructive engagements with local authorities, and executing legal compliance measures. These efforts are complemented by detailed reporting on permit requirements, compliance and reporting duties under prevailing laws, outcomes of external audits, and the progress of environmentally focused projects, ensuring transparency and accountability in Romp petrol Moldova's environmental governance.

Materials

In 2023, Romp petrol processed a substantial volume of various fuels, demonstrating a significant throughput in terms of both weight and volume. The total transited quantities for the year amounted to 428,420 tons, showcasing a diverse portfolio of fuel types handled by the company. These quantities, sourced from the PPM function (Planning & Performance Management), underscore Romp petrol's pivotal role in fuel transit and its capacity to manage a significant scale of operations. The breakdown of these figures reveals a comprehensive fuel distribution network and the efficiency of Romp petrol's operations:

- **Gasoline:** 166,395,533 liters, converted to 125,629 tons, utilizing a conversion rate of 0.755 kg/liter.
- **Diesel:** 321,943,339 liters, amounting to 272,042 tons, with a conversion factor of 0.845 kg/liter.
- **LPG (Liquefied Petroleum Gas):** 16,137,514 liters, equivalent to 9,102 tons, at a rate of 0.564 kg/liter.
- **Fuel oil:** 22,659,038 liters, translating to 21,639 tons, based on a density of 0.955 kg/liter.
- **Fuel additives (Diesel and Gasoline):** Both diesel and gasoline additives amounted to 4,250 liters each, corresponding to 4 tons per additive, with conversion rates of 0.905 kg/liter for diesel and 0.870 kg/liter for gasoline.

For comparison, the year 2022 saw a total of 382,217 tons transited, indicating a growth in the volume handled in 2023. The 2022 figures were:

- **Gasoline:** 114,843,337 liters, equivalent to 86,707 tons.
- **Diesel:** 339,094,320 liters, totaling 286,535 tons.
- **LPG:** 15,913,384 liters, or 8,975 tons.

Energy

In 2023, Romp petrol Moldova demonstrated a strategic approach to managing energy consumption within its operations, contributing to a more sustainable and efficient energy use. The organization's energy consumption details for 2023 highlight its commitment to environmental stewardship and operational excellence.

Energy consumption within the organization

Energy consumption within the organization	2023	2022
Fuels	1,267 MWh 142,332 L	1,279 MWh 143,757 L
Gasoline (vehicle fleet)	100,747 L	105,956 L
Diesel (vehicle fleet)	6,234 L	36,001 L
LPG (vehicle fleet)	790 L	1,800 L
Electricity	5,250 MWh	6,014 MWh
TOTAL	6,517 MWh	7,293 MWh

The fleet fuel consumption in 2023 included gasoline, diesel, and LPG for Romp petrol Moldova's fleet, totaling 142,332 liters, equivalent to 1,267 MWh. Additionally, electricity consumption for the year stood at 5,250 MWh, bringing the total energy consumption within the organization to 6,517 MWh. This represents a reduction from the previous year's total of 7,293 MWh, indicating an overall decrease in energy consumption by 89% compared to 2022.

Energy consumption outside the organization

Energy consumption outside the organization	2023	2022
Electricity	30,470 MWh 3,423,586 L	30,536 MWh 3,431,034 L
ENERGY INTENSITY	0.012 tE I	0.019 tE I

1 L gasoline/diesel = 8.9 KWh
Energy intensity [tE I] = energy consumption / sales

Outside the organization, the fuel track diesel consumption for 2023 amounted to 3,423,586 liters, equivalent to 30,470 MWh. This figure closely mirrors the consumption from the previous year, showcasing consistent energy use in this segment of operations.

Energy intensity and reduction efforts

Romp petrol Moldova's water management system is comprehensive and multifaceted, incorporating both modern and traditional water sourcing methods. Utilizing a dedicated network consisting of 76 stations and a storage facility, the company ensures a reliable fresh water supply from local drinking water networks. Additionally, it harnesses underground wells through 16 stations and another storage facility, expanding its water sourcing capabilities.

Romp petrol Moldova also reported on its energy intensity, calculated as the ratio of energy consumption to sales, marking a value of 0.012 tE I for 2023. This indicates a more efficient energy use relative to its business scale compared to 2022, which had an EI of 0.019 tE I.

The company's water usage encompasses a variety of operational needs, including hygiene, sanitation, fire extinguishing, and food production. Its wastewater management system effectively handles domestic and technological water, as well as rainwater, ensuring proper discharge into municipal sewer networks or designated reservoirs. Moreover, stormwater management is systematically addressed; water from platforms is channeled through gutters to hydrocarbon separators before being safely discharged.

The reduction in energy consumption and improvements in energy intensity underscore Romp petrol Moldova's proactive measures to enhance its energy efficiency. These efforts not only contribute to lower operational costs but also align with global initiatives to reduce environmental impacts associated with energy use.

To maintain environmental compliance and uphold sustainability principles, Romp petrol Moldova engages in rigorous monitoring of water and wastewater. This process, dictated by the requirements of the Ecological Inspection, involves periodic checks at stations and warehouses.

In 2023, the total water withdrawn for operational purposes amounted to 29 Mega liters, mirroring the quantity for 2022. This consistency indicates a steady demand for water within Romp petrol Moldova operational activities and an effective management strategy that meets the company's needs without significant year-over-year variation.

The water discharge process is carefully managed, with technological wastewater from platforms being guided through a system of gutters to hydrocarbon separators before being safely directed into the sewage system or stored in drainage tanks. In 2023, the volume of water discharged was 24 Mega liters, demonstrating a significant portion of the withdrawn water being treated and disposed of responsibly. This compares to the water discharge in 2022, which amounted to 29 Mega liters, indicating a year-on-year decrease in water discharge volumes.

Water consumption, defined as the difference between water withdrawal and water discharge, presents a notable variance between the two years. In 2023, water consumption was calculated at 5 Mega liters, highlighting a minimal but essential utilization of water beyond discharge processes. Conversely, in 2022, the water consumption equated to 0 Mega liters, meaning that all withdrawn water was accounted for through discharge processes, with no additional consumption noted.

Emissions

Romp petrol Moldova takes significant steps to assess and mitigate the environmental impact of its operations, emphasizing the importance of environmental stewardship in all aspects of its business. This is evident through comprehensive environmental impact studies conducted for new projects, including the development of offices, gas stations, and warehouses, ensuring a thorough understanding and management of potential environmental effects.

For each station and warehouse, Romp petrol Moldova develops inventories of pollutant emission sources, demonstrating a detailed approach to managing air quality impacts. Furthermore, the company secures Authorization for the emission of pollutants from fixed sources for every location, reinforcing its commitment to regulatory compliance and environmental protection.

To manage hazardous substances used in operations, Rompetrol Moldova creates a List of hazardous substances and outlines management procedures in internal regulations. These measures are communicated across the organization, ensuring all employees are informed and equipped to handle these substances safely and responsibly.

The company also actively engages in emergency preparedness, conducting annual evacuation and fire-extinguishing exercises at the oil warehouse. These exercises, which involve the Department of Emergency Services (DSU) and the company's volunteer fire brigade, highlight Rompetrol Moldova's dedication to ensuring the safety and readiness of its employees in emergency situations. Additionally, monthly industrial security and emergency situation training sessions are organized for all operational sites, based on an approved annual schedule, further emphasizing the company's proactive approach to safety and environmental management.

For Rompetrol Moldova in 2023, the greenhouse gas (GHG) emissions intensity, calculated as the total emissions from Scopes 1, 2, and 3 divided by sales, was 2.57 tons CO2 per ton of sales. This represents a significant efficiency improvement when compared to 2022's emissions intensity of 3.18 tons CO2 per ton of sales.

In 2023, Rompetrol Moldova reported a total of 533 tons of air emissions, comprising 16.168 tons of nitrogen oxides (NOX), 1.819 tons of sulfur oxides (SOX), and 515.433 tons of other significant air emissions. This reflects an increase compared to 2022, where total air emissions amounted to 503 tons, including 15.256 tons of NOX, 1.798 tons of SOX, and 485.946 tons of other significant emissions.

Waste

In 2023, Rompetrol Moldova adhered to its comprehensive waste management strategy as outlined in the RPM-HSE-IL-16-03-02 Working Instruction, ensuring meticulous waste handling, documentation, and disposal in alignment with environmental standards. The company generated 3,129 tons of non-hazardous waste, marking an increase from the 2,679 tons recorded in 2022. This waste is temporarily stored in designated containers across various locations until it is collected, transported, and either recycled or disposed of by authorized waste management firms.

A partnership with the municipal company "AutoSolubritate" enables Rompetrol Moldova to contribute a portion of its waste to Moldova's first recycling facility, ABS Recycling, while the remainder is sent to the

GHG emissions	2023	2022
TOTAL	1,355,230.66 tCO2	1,217,163 tCO2
Scope 1	343.13 tCO2e	343.85 tCO2e
Gasoline	231.72 tCO2e 100,747 L	243.77 tCO2e 105,986 L
Diesel	110.15 tCO2e 40,795 L	97.20 tCO2e 36,000 L
LPG	1.26 tCO2e 790 L	2.88 tCO2e 1,800 L
Scope 2	2,499 tCO2e	2,399.59 tCO2e
Electricity	5,250 MWh	6,014 MWh
Scope 3	1,352,731.66 tCO2e	1,237,311.57 tCO2e
Gasoline	382,709.73 tCO2 166,395,533 L	264,139.68 tCO2 114,843,337 L
Diesel	869,247.01 tCO2 339,094,320 L	915,554.66 tCO2 339,094,320 L
LPG	25,820.02 tCO2 16,137,514 L	25,461.41 tCO2 15,913,384 L
Fuel oil	65,711.21 tCO2 22,659,038 L	23,235.88 tCO2 8,012.371 L
Auto tanker	8,642.12 tCO2 3,200,786 L	8,518.59 tCO2 3,155,034 L
Barges	601.56 tCO2 222,800 L	745.20 tCO2 276,000 L
INTENSITY	2.57	3.18

1 L gasoline = 2.3 kgCO2e
1 MWh = 476 kgCO2e
Emissions Intensity = emissions (Scope 1+2+3) / sales

Tantareni landfill. However, specific data on the percentage of waste recycled through this process is not available. Throughout this period, there were no significant spills or grievances from the local community, underscoring Rompetrol Moldova's commitment to responsible waste management and environmental stewardship.

SAFETY PERFORMANCE

Rompetrol Moldova is a frontrunner in occupational health and safety management, holding the ISO 45001: 2018 standard since 2020. This accreditation underscores the company's comprehensive approach to identifying relevant stakeholders and managing occupational health and safety hazards, emphasizing both risks and opportunities.

In 2023, Rompetrol Moldova maintained a stellar safety record, with no events qualifying as work accidents or occupational diseases, evidenced by a HSE Index safety incident report of 0. This achievement is a testament to the rigorous hazard identification, risk assessment, and the formulation of a Prevention and Protection Plan, which delineates technical, organizational, and first aid measures. Incident investigations are meticulously carried out in line with legal requirements and an internal QHSE Group procedure.

The company extends voluntary accident insurance for all employees, further bolstered by annual medical check-ups tailored to the specific risks employees face in their roles. This proactive health management strategy ensures a robust support system for employee well-being.

Worker participation and consultation are facilitated through elected representatives who actively engage in CSSM meetings, OHS inspections, and audits, contributing to a culture of safety and compliance. Moreover, Rompetrol Moldova complies with Law 186/2008 from H&S, offering periodic HSE training and induction tailored to about 1005 workers, addressing both existing and emerging risks.

Rompetrol Moldova employs various strategies to promote worker health, from ensuring appropriate PPE is available to adopting technologies that mitigate harm and injury risks. The company fosters a culture of health and safety through diverse initiatives, including meetings with medical staff, safety awareness campaigns, and encouraging physical exercise and general prevention measures.

GRI
GRI 403-1
GRI 403-2
GRI 403-5
GRI 403-8
GRI 413-2
GRI 416-2
GRI 417-1
GRI 417-2
IPIECA
SHS-1 C2, A2, A3
SHS-2 C1, A4
SHS-3 C3

The company meticulously evaluates suppliers during the tender/selection process, assessing compliance with OHS, technical, and financial requirements, with certain OHS criteria being potentially eliminatory. Service contracts explicitly outline the responsibilities related to occupational health, safety, and emergency situations (SSM-SU) between the supplier and beneficiary.

Aligned with ISO 45001 and QHSE standards, Rompetrol Moldova has developed procedures and work instructions that cover risk assessments and HSE training. The OHS regulations, which span a wide range of safety-related topics from employee consultation to the operation of distribution pumps, underscore the organization's commitment to ensuring the safety and health of all workers. This comprehensive approach has resulted in no work-related injuries or ill health cases from 2020 to 2023, showcasing the effectiveness of the company's health and safety management system.

Rompetrol Moldova ensures the health and safety impacts of its product and service categories are thoroughly assessed, maintaining strict compliance with quality assurance requirements across all contracts and agreements with service providers. This comprehensive approach mandates that contractors and subcontractors adhere to relevant national legislation and occupational safety and health regulations, underlining the company's commitment to operational excellence and safety. Periodic evaluations and checks are conducted to uphold these standards. Reflecting the efficacy of these measures, Rompetrol Moldova reported zero

incidents of non-compliance concerning the health and safety impacts of its products and services, as confirmed by the QHSE Group Report, highlighting its successful management and commitment to safety and quality in its operations.

For the current reporting period, the HSE Index for Rompetrol Moldova remained at 0.00, reflective of no Fatalities (FIR), no Total Recordable Injuries (TRI), and no Major or Catastrophic Motor Vehicle Crashes (MVCR). This achievement is underscored by 1,995,500 worked manhours and 1,310,045 kilometers driven without any recorded safety incidents or rates of lost time injury frequency (LTIF/LTIR), showcasing the effectiveness of Rompetrol Moldova's rigorous safety protocols and commitment to the well-being of its employees and stakeholders.

In terms of nonconformity management, Rompetrol Moldova issued 293 nonconformities throughout the year, successfully closing 266 of them. The entity devoted 4,255 hours to QHSE training, highlighting its dedication to continuous improvement and employee education on quality, health, safety, and environmental matters. Moreover, Rompetrol Moldova conducted 1,032 fire or emergency drills, further reinforcing its preparedness and response capabilities. The entity underwent 148 QHSE audits and inspections, ensuring compliance with regulatory requirements and internal standards.

Regarding property damage, occupational illnesses, and other incidents, Rompetrol Moldova reported 7 instances of property damage and one near miss throughout the

year, with no spills or occupational illnesses recorded. This reflects the company's rigorous risk management and preventive measures. Notably, there were no authority inspections or penalties imposed on the entity, indicating high levels of regulatory compliance and operational excellence.

In terms of motor vehicle safety, no motor vehicle crashes (MVCs) were reported for Rompetrol Moldova, with the company achieving a zero MVC accident rate despite covering 1,310,045 kilometers driven. This exemplary performance in vehicle safety further highlights Rompetrol Moldova's effective management of transportation risks and its commitment to safeguarding the well-being of its employees and the public.

Product safety

Rompetrol Moldova adheres to stringent requirements for the information, labeling, and storage of its products, ensuring compliance with both national legislation and international standards. All fuels provided by Rompetrol Moldova come with a Safety Data Sheet, Standard Product Specification, and a Declaration of Conformity, ensuring customers are well-informed about the products' compositions and safety guidelines. The absence of non-compliance incidents concerning product and service information and labeling from 2019 to 2023, as recorded in the Claims Register, underscores Rompetrol Moldova's dedication to maintaining high standards in product safety and information transparency.

The company employs metrologized above-ground and/or underground tanks, along

with necessary equipment for product sales, including pumps and loading-unloading installations, to maintain the integrity of its products during storage.

Rompetrol Moldova also adheres to legislation for labeling reservoirs and pumps. This includes clear indications of tank numbers, stored substances, risk phrases, and maximum storage quantities. Additionally, discharge ports and fuel pumps are appropriately labeled with product type, European symbolism for product characteristics, and other relevant information. Warehouses and pipeline routes are also marked to identify the type of product being loaded, ensuring clarity and safety at all points of the supply chain.

The supply to depots involves the use of car tanks labeled according to the legal standards for dangerous substances, with unloading into designated tanks for each product type. Customer loading is facilitated through car loading ramps, adhering to best practices for safety and efficiency.

Transportation to stations is executed with legally registered car tanks for the transport of dangerous substances, with unloading underground, legally labeled tanks at each station, following the free-fall method for added safety.

Moreover, Rompetrol Moldova incorporates several features at its fuel and storage distribution stations to safeguard against soil and groundwater pollution. These measures include concrete platforms, gutters for draining oil products, and hydrocarbon separators, underlining the company's commitment to environmental stewardship.

Division / Entity	HSE Index Actual	Worked hours	Kilometers driven	Incidents							Safety Incidents (numbers)				Safety Incidents (rates)			
				FTL	FAC	MTC	RWDC	DAFWC	LTI	TRI	FTL	TRI	MVC (M+C)	MVC Total	FIR	TRIR	MVCR	LTIF/LTIR
RETAIL & MARKETING DIVISION	0.00	4,426,367	5,316,261	0	0	0	0	0	0	0	0	0	0	7	0	0.00	0.00	0.00
Rompetrol Moldova SA	0.00	1,608,826	1,310,045	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
GROUP TOTAL	0.14	11,031,819	13,577,499	0	3	1	0	3	3	4	3	10	0	9	27	0.91	0.00	0.82

ROMPETROL BULGARIA EAD

Romp petrol Bulgaria EAD has established itself as a key player in the fuel and petroleum product distribution market. With an expansive network of 57 fuel stations and a strategically located fuel depot, the company ensures the consistent supply and availability of high-quality fuels across Bulgaria. A cornerstone of its operation is the 5,800 cubic meter storage facility situated in Ruse, along the Danube river. This facility is not only pivotal for storage but also represents the company's commitment to innovation and environmental stewardship.

Utilizing cutting-edge technologies, the Ruse storage facility is designed for optimal management of oil products, underscoring Rompetrol Bulgaria's dedication to operational excellence and sustainability. A significant feature of this facility is the Biodiesel Blending unit, a testament to the company's forward-thinking approach. This installation enables the local blending of diesel with a bio component, marking a stride towards cleaner, more sustainable fuel options.

ENVIRONMENTAL PERFORMANCE

Romp petrol Bulgaria EAD, as a prominent player in the fuel distribution sector, aligns its operations with the legislative landscape shaped by Bulgaria's "Climate Change Mitigation Law". This commitment involves adapting to measures aimed at reducing the lifecycle greenhouse gas (GHG) emissions per energy unit, embodying the company's dedication to environmental stewardship.

Romp petrol Bulgaria actively engages in discussions on climate change, illustrating a comprehensive approach to managing climate-related topics and integrating them into its strategic operations. By focusing on the environmental impact of its products, the company incorporates climate-related risks and opportunities

into its risk register. This methodical approach enables the QHSE Coordinator to set specific climate-related objectives for the technical department, ensuring alignment with overall management goals.

Management's commitment to addressing climate-related issues is evident through regular meetings where the implementation of objectives and targets related to climate change is meticulously tracked. This systematized tracking is facilitated by a register that assigns yearly targets to all departments, which is subsequently reviewed and updated bi-annually. This structured approach ensures that climate considerations are woven into the fabric of the company's operational and strategic planning.

Romp petrol Bulgaria acknowledges climate-related risks associated with its product offerings, particularly the sale of fuels to agricultural clients that lack biocomponents. This highlights the organization's awareness of its product mix's environmental implications and the need to adapt to evolving market demands for more sustainable energy solutions. Additionally, the use of air conditioning units emitting over 5 tCO2e through freon usage on network premises poses another climate-related challenge, underscoring the importance of transitioning to more environmentally friendly refrigerants and cooling technologies.

Romp petrol Bulgaria employs the online platform APIS to navigate and comply with legal requirements, showcasing a proactive stance in aligning with legislative standards related to environmental protection and climate change. This digital tool enables the company to stay abreast of evolving laws and regulations, ensuring its operations remain within legal boundaries while promoting sustainability.

Guided by precise metrics established by the Ministry of Environment & Water, Rompetrol Bulgaria meticulously calculates GHG intensity. The company's annual GHG

Intensity reports, which detail the fuels sold annually, serve as a critical tool for assessing its climate impact, covering a broad spectrum of fuels and their biocomponents.

Romp petrol Bulgaria's engagement in climate-related discussions with industry peers through platforms such as the Bulgarian Petrol & Gas Association highlights a collective endeavor to meet forthcoming environmental regulations. This collaborative approach extends to adopting technologies aimed at reducing CO2 emissions across all operational scopes, from upgrading air conditioning and electrical equipment to rejuvenating the company fleet with more fuel-efficient vehicles.

Furthermore, Rompetrol Bulgaria's operational metrics for 2023 reflect an integrated approach to resource management, showcasing efforts in water usage, waste management, energy consumption, and pollutant discharge control. Energy consumption in 2023 amounted to 2,379 MWh, showing a modest reduction from the 2,494 MWh consumed in 2022. This trend demonstrates the company's efforts in improving energy efficiency across its operations. Additionally, the discharge of pollutants with sewage was marginally reduced to 0.770 tons in 2023 from 0.810 tons in 2022, further evidencing the company's commitment to reducing its environmental footprint.

Despite an expansion in site locations and an increase in station size, including significant growth in highway gas stations since 2017, the company has successfully reduced energy consumption in the past year. This achievement underscores Rompetrol Bulgaria's capacity to expand its operational footprint while simultaneously enhancing its energy efficiency and reducing its environmental impact.

Romp petrol Bulgaria is actively engaging in strategies to mitigate carbon dioxide emissions, adopting comprehensive measures across Scope 1, 2, and 3 emissions to align with global sustainability goals.

In tackling Scope 1 emissions, the company prioritizes the renewal of its air conditioning and electrical equipment

across all facilities, ensuring that only the latest, most energy-efficient models are used. This initiative not only reduces direct CO2 emissions but also transitions to refrigerants like R410A, known for their significantly lower global warming potential compared to traditional freons.

To address Scope 2 emissions, Rompetrol Bulgaria implements a policy of updating its corporate vehicle fleet every three years, opting for models that boast improved fuel efficiency. This approach directly contributes to lower CO2 emissions from the energy consumed by these vehicles, aligning with the company's commitment to reducing its indirect greenhouse gas emissions stemming from electricity and steam use.

Under Scope 3, the company focuses on reducing the carbon footprint of its products at the consumer level. It achieves this by enhancing the fuel it distributes with additional additives that boost engine efficiency and decrease emissions. This includes promoting the use of biocomponent blends in diesel and gasoline, as well as advocating for the wider use of LPG—a fuel known for its low CO2 emission profile.

Materials

Romp petrol Bulgaria's operations in 2023 reported the usage of 29,617 liters of materials by weight or volume. The company indicated no usage of recycled input materials within their operational processes for the year.

Energy

In 2023, Rompetrol Bulgaria achieved a notable efficiency in energy consumption within the organization. The total energy consumption amounted to 1,400,800.4 GJ, slightly higher than the previous year's 1,400,153 GJ. This slight increase was despite a comprehensive approach to energy management, including the addition of gasoline consumption to their metrics. The energy intensity calculation for 2023 showed a significant improvement, with a value of 0.001 GJ per unit of product compared to 0.0051 GJ per unit of product in 2022. This improvement underscores Rompetrol Bulgaria's ongoing efforts to enhance energy efficiency across its operations.

Over the years, the company has undertaken specific measures to reduce energy consumption. In 2019, it updated its company car fleet to models with lower fuel consumption, resulting in a

substantial decrease in diesel use from an annual 45,139 liters to 39,166 liters. This shift equates to a reduction of approximately 5,973 liters of diesel annually, translating to an energy savings of 2,121,523 GJ since the initiative began. Furthermore, the company reduced its electricity consumption by 111 MWh in 2023 compared to 2022, saving an additional 399.6 GJ of energy.

Water

Romp petrol Bulgaria is committed to responsible water management across its operations, adhering to strict regulatory compliance while minimizing environmental impact. The company leverages various sources of freshwater, including municipal supplies and surface and underground water, ensuring the sustainable use of these critical resources. Notably, the use of underground fresh water is restricted to non-drinking purposes to ensure the safety and quality of drinking water.

In managing wastewater, Rompetrol Bulgaria operates under strict environmental permits. Two of its sites are authorized to discharge domestic wastewater into surface water bodies, emphasizing the company's adherence to regulatory requirements and its dedication to minimizing environmental impact. This discharge process is closely monitored internally, particularly for discharges into city sewer systems, to maintain compliance with environmental standards. The company also addresses specific technical needs through the withdrawal of surface water at one of its sites, which is dedicated solely to fire safety purposes.

Through careful analysis and management of its water use, Rompetrol Bulgaria has identified that 5% of its operations occur in water-stressed or scarce areas, prompting targeted efforts to manage water use conscientiously in these regions. In response to water scarcity challenges, Rompetrol Bulgaria adopts innovative strategies, such as the use of additional water vessels to store non-potable water for operational needs, thus conserving potable water for essential uses. This approach reflects the company's dedication to preserving water resources, particularly in water-stressed areas.

The company has quantified that approximately 1% of its freshwater withdrawal and consumption occurs in water-stressed or water-scarce areas. This percentage was determined by analyzing the geographical distribution of its operations and projects relative to regions known for water

scarcity, employing a cautious approach to manage water responsibly in these areas.

For water withdrawal, the figures for 2022 and 2023 show a careful management of water resources, with 0.0169 megaliters withdrawn in 2022 and a slight decrease to 0.0155 megaliters in 2023. This indicates a conscious effort to reduce water usage over time.

Water discharge is meticulously managed, with one site equipped with a wastewater treatment plant (WWTP) that treats water before discharging it into surface water, ensuring it meets permit limits. Both sites undertake annual environmental monitoring and analyses by accredited laboratories, underscoring Rompetrol Bulgaria's commitment to transparency and environmental compliance. In 2022, the company discharged 0.01622 megaliters, slightly reduced to 0.01571 megaliters in 2023.

Water consumption at Rompetrol Bulgaria is minimal, with a slight increase from 0.00068 megaliters in 2022 to 0.00072 megaliters in 2023. This reflects the company's ongoing initiatives to optimize water use and minimize waste.

In 2022, Rompetrol Bulgaria reported a total freshwater withdrawal of 684 cubic meters, which saw a significant reduction in 2023 to 334 cubic meters. This demonstrates a focused effort to decrease water intake, aligning with sustainable water use practices. Furthermore, the total volume of freshwater consumed by the company also saw a decrease from 16,220 cubic meters in 2022 to 15,169 cubic meters in 2023, highlighting ongoing initiatives to minimize water consumption across its operations.

In 2022, the company reported that freshwater withdrawal constituted 4.2% of its total water withdrawn. This figure saw a reduction in 2023, where freshwater withdrawal accounted for only 2.2% of the total water withdrawn, indicating a focused effort to rely less on freshwater sources and possibly increase the use of alternative water sources to sustain its operations.

Moreover, Rompetrol Bulgaria is committed to returning a portion of the freshwater it withdraws back to the environment. In 2022, the company returned 2,440 cubic meters of water to the freshwater environment from a total of 16,220 cubic meters of fresh water consumed, resulting in a return percentage of 15%. This effort was enhanced in 2023, with 2,636 cubic meters of

water returned from a total of 15,169 cubic meters consumed, improving the return percentage to 17.4%.

Romp petrol Bulgaria has taken significant measures to ensure the management of its water discharges into local water environments, focusing on minimizing environmental risks and maximizing potential benefits. The company's efforts to manage discharges and engage with communities and stakeholders in relation to water management are highlighted by the following initiatives:

In 2021, Rompetrol Bulgaria demonstrated its commitment to environmental protection by installing a Waste Water Treatment (WWT) plant at one of its waste water discharging locations. The establishment of the WWT plant is a crucial step towards enhancing the quality of water discharged into local water environments, ensuring that it meets or exceeds regulatory standards.

The operation of the WWT plant is closely monitored through a permit system, which ensures compliance with environmental regulations and standards. In terms of discharge quality, there has been a notable improvement in the parameters measured:

- In 2022, the Chemical Oxygen Demand (COD) was reported at 111.7 mg O2/l, Biological Oxygen Demand (BOD) at 13.4 mg O2/l, and suspended solids at 28 mg/l.
- By 2023, these figures showed improvement with COD at 101.8 mg O2/l, BOD at 16.4 mg O2/l, and suspended solids reduced to 14 mg/l.

The company facilitates inspections from government control institutions on a regular basis, ensuring that its operations and discharge management practices are transparent and subject to oversight. These inspections serve as a platform for engagement with local communities and stakeholders, providing reassurance about the company's commitment to environmental stewardship and the mitigation of potential impacts from its discharges.

Emissions

Romp petrol Bulgaria has been proactive in monitoring and reporting its greenhouse gas (GHG) emissions across various scopes, as part of its commitment to reducing its carbon footprint. The company provides detailed figures for its direct and indirect GHG emissions and outlines its overall emissions intensity, underscoring its approach to addressing climate change impacts.

Direct GHG emissions (Scope 1)

Romp petrol Bulgaria's approach to reporting direct GHG emissions encompasses carbon dioxide (CO2), methane (CH4), and other greenhouse gases. The figures reported highlight a year-on-year variation, indicative of the company's operational dynamics and the effectiveness of its emissions reduction strategies.

- In 2022, Scope 1 GHG emissions amounted to 116.20 tons CO2e, while Scope 3 emissions were significantly higher at 652,430.79 tons CO2e.
- By 2023, there was an increase in Scope 1 emissions to 154.94 tons CO2e, whereas Scope 3 emissions saw a substantial decrease to 350,587.96 tons CO2e.

Romp petrol Bulgaria achieved a significant reduction in its Scope 1 greenhouse gas (GHG) emissions in 2023, with a decrease of 94.62 tons of CO2 equivalent (CO2e). This reduction demonstrates the company's proactive efforts in minimizing its direct environmental impact stemming from its own operations, including but not limited to, the combustion of fuels in company-owned or controlled sources and the direct emissions from its operational activities.

Indirect GHG emissions (Scope 2)

Scope 2 emissions reflect the indirect GHG emissions associated with the consumption of imported energy, separate from the company's direct operational emissions.

- The Scope 2 GHG emissions for 2022 were reported at 2,042.76 tons CO2e.
- In 2023, these emissions slightly decreased to 1,948.14 tons CO2e.

Other indirect GHG emissions (Scope 3)

Scope 3 emissions encompass other indirect emissions not covered under Scope 2, such as those resulting from the production and transportation of purchased materials, waste disposal, and the use of sold products. Scope 3 emissions for 2022 amounted to 652,430.79 tons CO2e, while in 2023, a significant reduction was observed, with emissions totaling 350,587.96 tons CO2e.

GHG emissions intensity

In addition to reporting absolute emissions figures, Rompetrol Bulgaria also provides information on its GHG emissions intensity, reflecting the amount of emissions per unit of energy used.

In 2023, the combined total of Scope 1, Scope 2, and Scope 3 GHG emissions was 352,691.04 tons CO2e. With the total units of product being 141,272,231 units for the same period, the GHG emissions intensity slightly increased to 0.00249. This increment signifies that for every unit of product in 2023, the emissions were 0.00249 tons of CO2e, providing an insight into the efficiency and environmental impact of the company's operations over time.

Waste

Romp petrol Bulgaria's approach to materials management exemplifies a commitment to environmental stewardship and regulatory compliance, particularly in handling and minimizing waste generated from their operations. By eschewing single-use plastics in line with Directive 2019/904/EU, the company underscores its dedication to sustainable practices and reducing its environmental footprint.

The company's strategy for hazardous waste management, involving meticulous planning and collaboration with licensed disposal companies, ensures that hazardous materials are handled responsibly, awaiting treatment in oil separators or after the cleaning of fuel reservoirs. This not only complies with legal requirements but also mitigates potential environmental impacts.

Moreover, the routine servicing of waste bins and the absence of waste exclusions from reporting highlight Rompetrol Bulgaria's thorough waste management process and transparency. The initiative to replace old fuel reservoirs with newer models reflects a proactive approach to preventing soil contamination, enhancing fuel quality, and ensuring fire safety—a measure that benefits both the environment and operational safety.

The absence of significant spills and community grievances during the reporting period further attests to the effectiveness of Rompetrol Bulgaria's environmental management strategies. Collaborative projects to improve local waste management infrastructure signify the company's broader commitment to sustainability and its role in fostering community engagement and environmental protection.

In 2023, Rompetrol Bulgaria saw a total waste generation of 150 tons, categorized into 96 tons of hazardous waste and 54 tons of non-hazardous waste. This indicates a shift from the previous year's figures, where the total was slightly lower at 143.64 tons, comprised of 109.64 tons of hazardous waste and 34 tons of non-hazardous waste.

The entirety of the waste generated in 2023, similar to 2022, was directed towards disposal, indicating that no waste diversion strategies, such as recycling or reuse, were implemented during this period.

SAFETY PERFORMANCE

Approach to safety

Romp petrol Bulgaria has established a comprehensive approach to safety through its Occupational Health and Safety Management system, accredited according to ISO 45001 and Law 319/2016 standards. In 2023, Rompetrol Bulgaria successfully passed a recertification audit for ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System), and ISO 45001:2018 (Occupational Health and Safety Management) without any non-conformities.

The Occupational Health and Safety (OHS) integrated system encompasses both employees and contractors, ensuring safety principles are uniformly applied. Specific requirements for contractors are detailed in the local "Working with contractors" procedure, which includes an initial OHS assessment during procurement. This assessment mandates contractors to provide certifications for ISO management systems, their HSE Policy, and information on work-related incidents from the previous year, ensuring that safety standards are consistently met.

The safety management extends to contractors' OHS performance, embedding safety principles from procurement through to the delivery of goods and services. Contracts include QHSE requirements and safety agreements, outlining obligations for

GRI
GRI 403-1 - 403-10
GRI 11.8.3
GRI 11.9.2 - 11.9.11
GRI 11.15.4
SASB
EM-MD-540a.1
EM-MD-540a.2
EM-MD-540a.3
EM-MD-540a.4
IPIECA
SHS-1 C1-C3, A1, A2
SHS-2 C1, C2, A1, A5
SHS-3 C1, C3, A1-A3
SHS-4 C1, C2, A1, A4, A5
SHS-6 C3

specific tasks. When contractors engage in high-risk activities like hot works, Rompetrol Bulgaria issues work permits and notifies the local Fire Brigade of the activities. Contractors are also required to conduct their risk assessments and share these with designated Rompetrol Bulgaria personnel, ensuring a collaborative and comprehensive approach to safety.

Safety procedures at Rompetrol Bulgaria undergo constant review and are complemented by annual internal inspections and safety audits. The organization meticulously analyzes the performance of equipment, personnel, contractors, and subcontractors, utilizing the findings to refine existing policies and procedures. An observation and nonconformity register tracks key performance indicators (KPIs) related to company and contractor performance, fostering continuous improvement.

Hazard identification & risk assessment

Romp petrol Bulgaria has meticulously updated its risk assessments across all processes, incorporating changes in legislation over the past five years and addressing new risks, including those associated with infectious diseases like COVID-19. The introduction of a new Head Office (HO) location prompted further revisions to ensure that risk controls are efficiently managed across all company sites.

The company implements a Permit to Work (PTW) system, where risks associated with each activity are identified and assessed using Job Safety Analysis and risk assessment for hazardous activities performed under specific conditions. This approach is in alignment with the Group's QHSE responsibility policy, which endorses a "stop work" procedure with no blame for employees, encouraging a proactive stance towards hazard identification and mitigation.

For contractor management, Rompetrol Bulgaria enforces safety agreements integrated with HSE requirements directly into contracts, ensuring that contractors conduct and share their risk assessments in compliance with legal standards. This collaborative

approach enhances the overall safety culture within and beyond organizational boundaries.

The company's commitment to process safety includes conducting root cause analyses for any process failures, with lessons learned communicated widely to prevent recurrence. The Protection and Prevention Plan developed post risk assessment, complies with legal mandates and covers a comprehensive response strategy, including reporting accidents to relevant authorities and implementing corrective actions.

To bolster safety performance, Rompetrol Bulgaria:

- Monitors occupational health and safety legal requirements via the "APIS" online platform, ensuring all personnel are informed of updates.
- Equips sites with state-of-the-art firefighting equipment, fire alarms, emergency masks, and extinguishers, maintaining high readiness levels.
- Installs lifelines and safety harnesses at strategic locations like truck and railway ramps in Ruse Depot.
- Engages in environmental stewardship by maintaining clear access along the Danube's south shore at Ruse Depot.
- Invites employee participation in safety assessments and initiatives, fostering a shared responsibility for workplace safety.
- Utilizes the "Global Warning card" to document incidents, promoting learning from both internal and external events.
- Conducts regular monitoring of workplace physical parameters and carries out incident investigations to identify and address potential risks.
- Employs a robust internal audit process, including work instructions, procedures, and site inspection checklists focused on safety and environmental concerns.
- Implements the Hazard Observation Card (HOC) system and Behavior Based Surveys (BBS Work & BBS Drive) on the KMG platform to gather insights on behavioral safety.
- Facilitates HSE communication through the safety committee, leveraging digital tools like Microsoft Outlook to disseminate information and decisions.

Worker engagement & communication on occupational health and safety

Romp petrol Bulgaria prioritizes worker engagement and communication in occupational health and safety (OHS), establishing a robust framework through its Safety Committee. This committee, which meets monthly in line with KMG International policy and quarterly per Bulgarian legal requirements, serves as a critical platform where employee representatives can openly discuss current and future safety risks, issues, and measures.

The Safety Committee plays a pivotal role in overseeing the implementation of OHS policies and proposing enhancements to promote health, safety, and well-being within the workplace. It is tasked with recommending organizational strategies for OHS training, work guidance, and orientation sessions, as well as participating in initiatives aimed at boosting employees' working capacity.

To foster active employee participation in OHS matters, Rompetrol Bulgaria has integrated several key tools within its management system:

- Internal audits and monthly site inspections. These processes ensure ongoing compliance with OHS standards and identify areas for improvement, fostering a culture of continuous enhancement in safety practices.
- BBS Work & BBS Drive - Behavior Based Surveys on the KMG Platform. These surveys engage employees in evaluating and improving workplace behaviors related to health and safety, encouraging proactive participation in cultivating a safe working environment.
- HOC – Hazard Observation Card. Developed in Microsoft Forms, the HOC tool enables employees to report observed hazards anonymously, facilitating immediate attention and corrective action.
- Lessons Learned and Global Warning Reports. These tools compile insights from past incidents and near-misses, offering valuable learning opportunities to prevent future occurrences. By sharing these reports, the company ensures that all employees are informed of potential risks and the measures taken to mitigate them.

Promotion of worker health

Romp petrol Bulgaria exemplifies a comprehensive approach to occupational health and safety (OHS), emphasizing the monitoring of physical work parameters, preventive medical services, and transport safety. The company adheres to legal requirements and goes beyond to ensure the health, safety, and well-being of its employees.

Romp petrol Bulgaria diligently monitors various physical parameters at the workplace, including microclimate conditions, electrical insulation resistance, zero-sequence current protection, impedance of the "Phase-protective" loop, and noise levels both at the workplace and in the surrounding environment. This rigorous monitoring ensures a safe and comfortable working environment for all employees.

The company engages an Occupational Medical Service (OMS) provider, as mandated by local regulations, to conduct preliminary and periodic medical checks. These checks aim to identify any existing health complications and monitor the overall health status of employees. Annual health status analysis reports include recommendations for further medical examinations if any conditions are detected, underlining Rompetrol Bulgaria's commitment to early detection and prevention of health issues.

Romp petrol Bulgaria guarantees access to drinking water and sanitary-hygienic supplies for all employees, alongside providing adequate bathroom facilities, changing rooms, lockers, and personal protective equipment (PPE). The company's "Defensive driving policy" and incident investigation procedures further underscore its

commitment to transport safety, ensuring that all company car drivers are adequately trained and certified.

No process safety incidents or community grievances were recorded during the reporting period, highlighting Rompetrol Bulgaria's effective management of operational risks and its positive engagement with the local community.

Beyond legal requirements, Rompetrol Bulgaria conducts frequent medical exams and offers a comprehensive package of medical investigations, emphasizing a preventive approach to health management. The company ensures that workplaces are equipped with necessary amenities to support the health and safety of employees, demonstrating a holistic approach to employee well-being.

An annual internal inspection and safety audit program facilitate the continual evaluation of the company's safety performance. The development of a Protective and Prevention plan, post-risk assessment, and the introduction of tools like the Lesson Learned software and Hazard Observation Card system in 2023, reflect Rompetrol Bulgaria's ongoing efforts to enhance workplace safety and prevent incidents.

In 2023, Rompetrol Bulgaria maintained an exemplary record in occupational health and safety (OHS), as evidenced by its safety performance indicators. The company's commitment to ensuring a safe working environment for both its employees and external contractors is highlighted through the comprehensive safety measures and protocols implemented across its operations.

Entity	Property damage	Occupational illnesses	Non-occupational illnesses/fatalities	Near-miss	Spills	Authority inspections	Authority penalties (USD)
Romp petrol Bulgaria EAD	4	0	0	1	0	26	0
GROUP TOTAL	28	0	37	27	3	1,418	89,760

Entity	Nonconformity issued	Nonconformity closed	QHSE training hours	Fire/emergency drills	QHSE audits/inspections
Romp petrol Bulgaria EAD	34	34	45	24	763
GROUP TOTAL	5,692	5,315	29,675	1,575	5,386

Contractor safety performance (2023)

Romp petrol Bulgaria engaged 122 external employees throughout the year, ensuring that all contractors adhere to the company's strict safety standards. A total of 79,061 working hours were recorded for external employees and contractors covered 153,450 kilometers, emphasizing the extensive logistical operations managed safely without any incidents.

There were no fatalities among both external employees and internal staff, underscoring the effectiveness of Rompetrol Bulgaria's safety policies. The absence of occupational health and safety accidents and road accidents further illustrates the rigorous safety and training programs in place.

Internal safety performance (2023)

Romp petrol Bulgaria reported zero work-related fatalities, days away from work cases, restricted workday cases, medical treatment cases, and first aid cases. Only one near miss was reported, indicating a high level of safety awareness and preventive action within the company.

The significant reduction in non-occupational illness cases from 120 in 2022 to 25 in 2023 reflects Rompetrol Bulgaria's effective health and safety strategies, including enhanced preventive measures and health promotion activities.

Throughout the year, Rompetrol Bulgaria reported an overall 137,107 working hours and covered 894,298 kilometers driven.

Romp petrol Bulgaria's approach to occupational health and safety in 2023 was characterized by proactive management and a continuous commitment to minimizing risks and promoting well-being among employees and contractors. The company's integrated health and safety management system, coupled with regular training, risk assessments, and health checks, played a critical role in achieving these outcomes.

OHS TRAINING

Romp petrol Bulgaria has established a comprehensive Occupational Health and Safety (OHS) management system that prioritizes the safety and well-being of both its employees and contractors. The system is integrated into the management structure and emphasizes continuous learning and adherence to safety standards.

All employees undergo both initial and periodical induction training to ensure they are up to date with the latest safety practices, regulatory requirements, and company policies. This foundational training covers a broad spectrum of OHS topics, reinforcing a culture of safety across the organization.

Romp petrol Bulgaria recognizes the importance of extending its safety culture beyond its immediate workforce. Initial training for contractors and subcontractors is mandatory, focusing on specific risks associated with their tasks and the overall safety protocols of the company. This ensures that all parties working within Rompetrol Bulgaria's operations maintain the same high standards of safety.

Personnel working at gas stations receive initial, periodical, and daily induction training. These sessions are tailored to address the unique safety challenges present in fuel retailing, including handling hazardous materials, emergency response, and customer safety. The training is designed to comply with all relevant legal requirements.

A specialized training plan is in place for employees at the Rompetrol Bulgaria head office and Depo Ruse. This includes a comprehensive curriculum covering QHSE (Quality, Health, Safety, and Environment) principles, emergency situation response (including natural disasters and COVID-19), and SEVESO directives. SEVESO assessments focus on major accident hazards, and ongoing updates to the high/low risk assessments ensure the company remains prepared for any situation.

Given the specific risks associated with electrical work, Rompetrol Bulgaria provides specialized training on electrical matters, delivered by an external consultant. This ensures that employees who work with or around electrical equipment have the knowledge and skills to do so safely, in line with legal and industry standards.

To further embed safety into every aspect of its operations, Rompetrol Bulgaria has a safety agreement with its contractors and subcontractors. This agreement outlines the safety expectations and requirements, ensuring that all parties are aligned with the company's safety culture and protocols.

In 2023, Rompetrol Bulgaria dedicated a total of 323 training hours to these efforts across various company locations.

PRODUCT SAFETY

In accordance with our commitment to product and service information and labeling standards, we ensure that Material Safety Data Sheets (MSDS) are provided by the producers of all our products. These sheets contain vital information, including product labeling details, components, Environmental Impact and Safety Assessment (EISA) impact, safe handling guidelines, disposal instructions, recommended personal protective equipment (PPE), health risks for employees, and fire safety hazards.

To maintain compliance and uphold safety standards, rigorous measures are in place. Before any product is introduced to the market, it undergoes thorough internal controls, including examination by our internal Chemical Laboratory. Additionally, we adhere to group procurement procedures for products and services sourced externally.

Furthermore, the management of packaging resulting from the use of chemicals and preparations follows established protocols. Our safety data sheets are regularly updated to align with Regulation 878/2020 requirements. To ensure ongoing compliance, audits are conducted to verify product requirements.

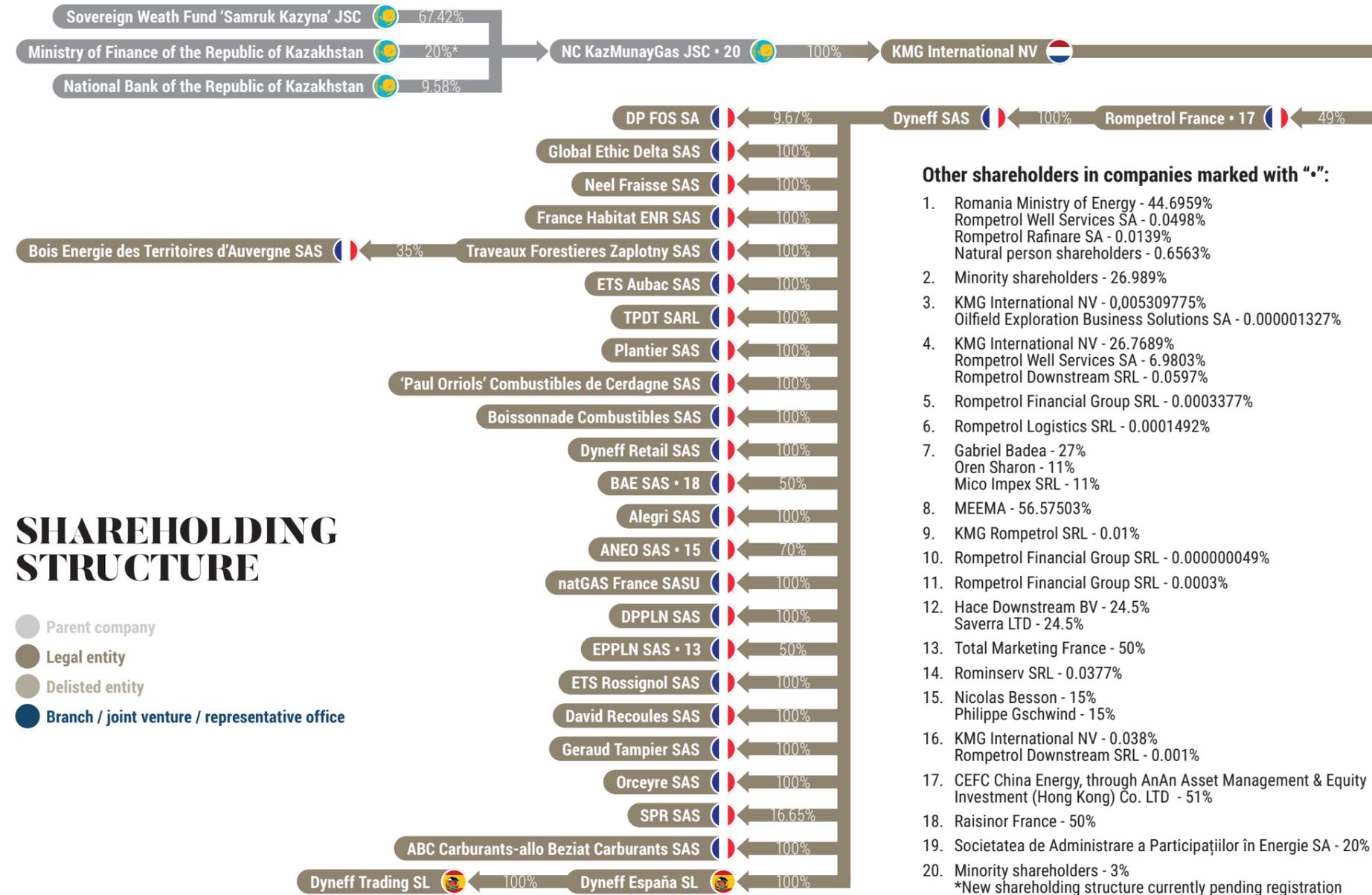
Division / Entity	HSE Index Actual	Worked hours	Kilometers driven	Incidents							Safety Incidents (numbers)				Safety Incidents (rates)			
				FTL	FAC	MTC	RWDC	DAFWC	LTI	TRI	FTL	TRI	MVC (M+C)	MVC Total	FIR	TRIR	MVCR	LTIF/LTIR
RETAIL & MARKETING DIVISION	0.00	4,426,367	5,316,261								0	0	0	7	0	0.00	0.00	0.00
Romp petrol Bulgaria EAD	0.00	137,107	894,298	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	0.00
GROUP TOTAL	0.14	11,031,819	13,577,499	0	3	1	0	3	3	4	3	10	0	9	27	0.91	0.00	0.82

ELEMENTS *of* DIVERSITY

[Shareholding Structure](#)
[Taxonomy Analysis](#)
[Independent Opinion](#)
[Standards Annex](#)
[Contacts](#)
[Glossary of Terms and Abbreviations](#)
[Stakeholder Feedback Form](#)

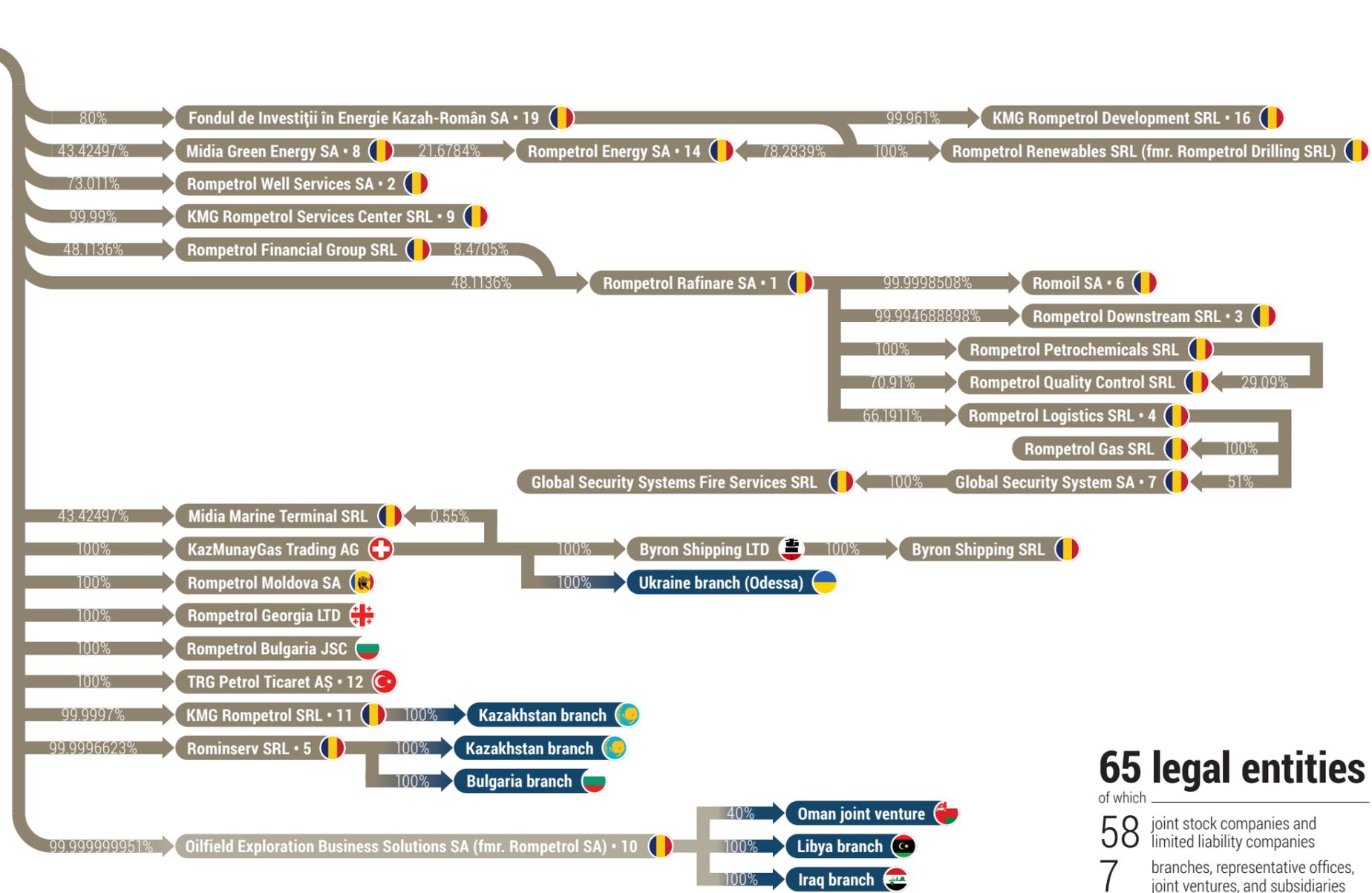


Appendix



SHAREHOLDING STRUCTURE

- Parent company
- Legal entity
- Delisted entity
- Branch / joint venture / representative office



65 legal entities

of which

- 58 joint stock companies and limited liability companies
- 7 branches, representative offices, joint ventures, and subsidiaries

TAXONOMY ANALYSIS

INTRODUCTION

The information in this section complies with the simplified reporting requirements set out in art. 8 of the EU Taxonomy Regulation and Art. 10 para. (2) of the Delegated Act on the application of Article 8 (Commission Delegated Regulation (EU) 2021/2178).

This section provides an overview of the aligned, eligible and non-eligible economic activities carried out within KMG International (hereinafter referred to as 'KMGI') during the reporting period January 1, 2023 - December 31, 2023.

The KMG International NV entities within the scope and the core activities identified for each of them are presented below:

Rompetrol Rafinare SA carries out production operations of petroleum and petrochemical products in the following units:

- **Petromidia Refinery** (gasoline, diesel, jet fuel), together with the Petrochemical Plant (HDPE, LDPE, PP)
- **Vega Refinery** (n-hexane, bitumen, solvents, heating fuels, additives)

Rompetrol Downstream SA - Part of the Rompetrol Retail business unit, carries out its retail activity in distribution points (gas stations) located throughout Romania and the 6 warehouses in Arad, Craiova, Șimleu Silvaniei, Vatra Dornei and Zărnești.

Rompetrol Well Services SA offers a wide range of specialized services for crude oil and natural gas wells, including: cementing, consolidation and packing operations, stimulation, testing, instrumentation, well casing operations.

Rominserv SRL offers industrial maintenance services, industrial project management and technical and technological development services.

Rompetrol Energy SA realizes the production and distribution of thermal energy, demineralized water and the distribution of electricity.

ARTICLE 8 REGULATION ON TAXONOMY

The Taxonomy Regulation is a key component of the European Commission's action plan to redirect capital flows towards a more sustainable economy. As Taxonomy is a classification system for sustainable economic activities, it contributes as an important step towards achieving carbon neutrality by 2050, in line with the EU's targets.

For an activity to be sustainable from a taxonomy perspective, i.e. taxonomy-aligned, it must meet the following requirements:

- The activity contributes significantly to one of the environmental objectives by meeting the assessment criteria defined for that economic activity, for example, the level of CO2 emissions for the environmental objective of climate change mitigation.
- The activity complies with the technical examination criteria for "do not significantly harm" (DNSH) defined for the economic activity.
- The activity is carried out in accordance with the minimum safeguards, which apply to all economic activities and refer mainly to human rights and social and labor standards.

In the following section, KMGI, as a non-financial enterprise, present the share of turnover, capital expenditure (CAPEX) and operational expenditure (OPEX) for the reporting period 01 January 2023 – 31 December 2023, which are associated with the eligible and taxonomy-aligned economic activities related to the first two climate objectives (climate change mitigation and climate change adaption), as well as eligible for the other four environmental objectives (sustainable use and protection of water and marine resources, pollution prevention and control, transition to a circular economy including waste prevention and recycling, protection and restoration of biodiversity and ecosystems) in accordance with Article 8 of the Taxonomy Regulation and Article 10(2) of the Delegated Act (Commission Delegated Regulation (EU) 2021/2178) and subsequent amendments.

GENERAL PRESENTATION

Article 8 (2) of the Taxonomy Regulation in conjunction with Article 10 paragraph (2) of the Delegated Act

Subsequently, we reviewed the economic activities relevant to the Taxonomy based on the activities carried out by the KMG International entities and identified those activities that are eligible in accordance with Annexes I and II of the Climate Supplementary Delegated Acts and Annexes I, II, III, IV to the Supplementary Delegated Act 2023/2486 for environmental objectives. The following section indicates for which climate/ environmental objective these activities are eligible and the results of the alignment assessment.

Rompetrol Rafinare SA

Proportion of economic activities	Total (RON)	Total (USD)	Eligible aligned activities	Eligible non-aligned activities	Non-eligible activities
Turnover	17,120,703,327	3,742,802,905	0.21	0.18	99.61
CAPEX	270,211,203	59,071,596	3.40	5.66	90.94
OPEX	670,167,518	146,507,120	9.33	4.41	86.26

Rompetrol Downstream SA

Proportion of economic activities	Total (RON)	Total (USD)	Eligible aligned activities	Eligible non-aligned activities	Non-eligible activities
Turnover	14,431,450,288	3,154,898,080	0.001	0	99.99
CAPEX	17,784,561	3,887,931	20.47	51.33	28.21
OPEX	898,555,604	196,435,652	0	5.32	94.68

Rompetrol Well Services SA

Proportion of economic activities	Total (RON)	Total (USD)	Eligible aligned activities	Eligible non-aligned activities	Non-eligible activities
Turnover	72,563,673	15,863,339	0	0	100
CAPEX	929,941	203,297	0	21.29	78.71
OPEX	31,055,392	6,789,103	0.02	9.07	90.91

Rompetrol Energy SA

Proportion of economic activities	Total (RON)	Total (USD)	Eligible aligned activities	Eligible non-aligned activities	Non-eligible activities
Turnover	306,792,785	67,068,794	3.4	0	96.6
CAPEX	123,330,457	26,961,602	100	0	0
OPEX	313,225,596	68,475,088	4.73	0	95.27

Rominserv SRL

Proportion of economic activities	Total (RON)	Total (USD)	Eligible aligned activities	Eligible non-aligned activities	Non-eligible activities
Turnover	449,831,211	98,338,808	0	0.05	99.95
CAPEX	6,162,643	1,347,232	0	0	100
OPEX	443,668,568	96,991,576	0	0.05	99.95

OUR ACTIVITIES

KMGI's activities are mainly focused on the refining, retail, marketing and trading sectors, with additional operations in the exploration and production sector and in the area of industrial oil services for third parties (well services, industrial services, drilling, etc.). At the same time, KMGI also offers management consulting and business consulting services, as a support component of the other operations.

Rompetro Rafinare SA - has over 40 years of experience in the field of petroleum products production, thus being the most important asset of the KMG International Group in Romania. The company operates the two refineries of the Group - the Petromidia refinery, in Năvodari, Constanța, alongside the only petrochemical division in the country, and the Vega Refinery, in Ploiești.

The main activity of the company is - NACE code 1920 - Manufacture of refined petroleum products - *this activity is not eligible for the Taxonomy.*

Thus, the secondary activities that contribute to the turnover were evaluated and the following activities eligible to taxonomy within Rompetro Rafinare were identified:

Climate Change Mitigation/ Climate change adaptation:

- activity 3.10. Manufacture of hydrogen
- activity 3.14. Manufacture of organic basic chemicals
- activity 4.9. Transmission and distribution of electricity
- activity 4.15. District heating/cooling distribution
- activity 4.31. Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system
- activity 5.1. Construction, extension and operation of water collection, treatment, and supply systems
- activity 5.3. Construction, extension, and operation of waste water collection and treatment

Pollution prevention and control:

- activity 2.3. Remediation of legally non-conforming landfills and abandoned or illegal waste dumps

The main and secondary activities are carried out at Rompetro Rafinare's two work sites.

Rompetro Downstream SA - Part of the Rompetro Retail business unit, Rompetro Downstream (DWS) operates according to the Integrated Management System, being certified for ISO 22000, ISO 50001, ISO 9001, ISO 14001 and ISO 45001 standards.

At the end of 2023, Rompetro Downstream will carry out its retail activity in gas stations distributed throughout Romania and the 6 fuel depots in Arad, Craiova, Simleu Silvaniei, Vatra Dornei and Zărnești.

The main activity of the company is Retail sale of automotive fuel in specialised stores according to NACE code 4730.

This activity is not eligible for Taxonomy.

The following secondary activities of Rompetro Downstream were analysed and identified to be eligible:

- activity 5.1. Construction, extension and operation of water collection, treatment and supply systems
- activity 6.14. Infrastructure for rail transport
- activity 7.1. Construction of new buildings
- activity 7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)
- activity 8.1. Data processing, hosting and related activities
- activity 8.3. Programming and broadcasting activities

These eligible activities are carried out in Rompetro Downstream distribution points (gas stations), located throughout the country, except for activities 6.14, 8.1 and 8.3 which are carried out in separate locations.

These activities are eligible for taxonomy.

Rompetro Well Services SA is a joint-stock company part of the KMG International NV Group, which was established and operates in accordance with Romanian laws, with headquarters in Ploiesti, Prahova county. Rompetro Well Services SA provides a wide range of specialized services for crude oil and natural gas wells, including: cementing, consolidation and packing operations, stimulation, testing, instrumentation, well casing operations, equipment rental.

The main activity of the company is Support activities for petroleum and natural gas extraction according to NACE code 0910. *This activity is not eligible for Taxonomy.*

The following secondary activities that complement the main activity of Rompetro Well Services have been analysed and identified as eligible are:

- activity 6.6. Freight transport services by road
- activity 7.2. Renovation of existing buildings
- activity 7.3. Installation, maintenance, and repair of energy efficiency equipment

These activities are carried out at four locations of Rompetro Well Services, in Moinești and Ploiești localities, Prahova county, Mihăești, Vâlcea county and Videle, Teleorman county. These activities are eligible for taxonomy.

The current field of activity of Rompetro Energy SA is the production and distribution of thermal energy, demineralized water, and the distribution of electricity. After the completion and commissioning of the cogeneration plant, the field of activity will be completed by the production and sale of electricity.

Thus, the main Activity of the company is Electricity trading according to NACE code 3514. *This activity is eligible for Taxonomy namely:*

- activity 4.9. Transmission and distribution of electricity

Secondary activity:

- activity 4.30. High-efficiency co-generation of heat/cool and power from fossil gaseous fuels - complements Rompetro Energy's main activity. The activity has been analyzed and identified to be eligible

Rominserv SRL was established and operates according to Romanian laws, with the headquarter in Bucharest. The main activity since its establishment, is the installation of industrial machinery and equipment, offering solutions for industrial investment projects, maintenance works, technical and technological modernizations according to NACE code 3320 – Installation of industrial machinery and equipment. *This activity is not eligible for Taxonomy.*

Other activities that complement the main activity of Rominserv have been analyzed. Thus, the following activity has been identified as eligible:

- activity 7.3. Installation, maintenance, and repair of energy efficiency equipment

These activities are eligible for Taxonomy.

Economic activities eligible for taxonomy and their assessment for alignment

KMG International has implemented EU taxonomy reporting requirements in accordance with EU Regulation 2020/852 and the delegated acts relating to art. 8, art.10 (climate change mitigation), art.11 (climate change adaptation), art.16 (enabling activities), art. 17 (significant harm to environmental objectives) and art. 18 (minimum safeguards).

In continuation to this section, the eligible economic activities of KMG entities, identified in accordance with Annexes I and II to the Delegated Acts and annexes I, II, III, IV to the Delegated Act 2023/2486 are presented. Furthermore, the results of the analysis carried out in order to align the activities with taxonomy are also presented.

The table below indicates the environmental objective for which the activities qualify as eligible and contains the results of the alignment assessment.

Our activities primarily contribute to climate change adaptation, and to a lesser extent to climate change mitigation, as the activities carried out within KMG are activities specific to the oil and gas sector.

Activities of the KMG International Group - Economic activities assessed for Taxonomy

Entity	Eligible activity	Environmental objective	Aligned	Substantial contribution	DNSH*	Minimum guarantees*			
Rompetro Rafinare SA	2.3 Remediation of legally non-conforming landfills and abandoned or illegal waste dumps**	Climate change mitigation	no	-	no				
		Climate change adaptation							
		Sustainable use and protection of water and marine resources							
		Transition to a circular economy							
		Pollution prevention and control							
		Protection and restoration of biodiversity and ecosystems							
	3.10 Manufacture of hydrogen	Climate change mitigation					-	no	
		Climate change adaptation					yes	-	
		Sustainable use and protection of water and marine resources					-	yes	yes
		Transition to a circular economy					-	n/a	
		Pollution prevention and control					-	yes	
		Protection and restoration of biodiversity and ecosystems					-	yes	
3.14 Manufacture of organic basic chemicals	Climate change mitigation	-	no						
	Climate change adaptation (T)	yes	-						
	Sustainable use and protection of water and marine resources	-	yes	yes					
	Transition to a circular economy	-	n/a						
	Pollution prevention and control	-	yes						
	Protection and restoration of biodiversity and ecosystems	-	yes						
Rompetro Energy SA	4.9 Transmission and distribution of electricity	Climate change mitigation (E)	yes	-					
		Climate change adaptation	-	yes					
		Sustainable use and protection of water and marine resources	-	n/a					
		Transition to a circular economy	-	yes	yes				
		Pollution prevention and control	-	yes					
		Protection and restoration of biodiversity and ecosystems	-	yes					

Activity introduced by Delegated Act 2023/2486 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council. It will be assessed for alignment in the next financial year.

Entity	Eligible activity	Environmental objective	Aligned	Substantial contribution	DNSH*	Minimum guarantees*
Rompetro Raffinare SA	4.9 Transmission and distribution of electricity	Climate change mitigation (E)		-	yes	yes
		Climate change adaptation		yes	-	
		Sustainable use and protection of water and marine resources	yes	-	n/a	
		Transition to a circular economy		-	yes	
		Pollution prevention and control		-	yes	
		Protection and restoration of biodiversity and ecosystems		-	yes	
Rompetro Raffinare SA	4.15 District heating/cooling distribution	Climate change mitigation		-	n/a	yes
		Climate change adaptation		yes	-	
		Sustainable use and protection of water and marine resources	yes	-	yes	
		Transition to a circular economy		-	n/a	
		Pollution prevention and control		-	yes	
		Protection and restoration of biodiversity and ecosystems		-	yes	
Rompetro Energy SA	4.30 High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	Climate change mitigation (T)		-	-	yes
		Climate change adaptation		yes	yes	
		Sustainable use and protection of water and marine resources	yes	-	yes	
		Transition to a circular economy		-	n/a	
		Pollution prevention and control		-	yes	
		Protection and restoration of biodiversity and ecosystems		-	yes	
Rompetro Raffinare SA	4.31 Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	Climate change mitigation (T)		-	yes	yes
		Climate change adaptation		yes	-	
		Sustainable use and protection of water and marine resources	yes	-	yes	
		Transition to a circular economy		-	n/a	
		Pollution prevention and control		-	yes	
		Protection and restoration of biodiversity and ecosystems		-	yes	
Rompetro Raffinare SA	5.1 Construction, extension and operation of water collection, treatment and supply systems	Climate change mitigation		-	n/a	yes
		Climate change adaptation		yes	-	
		Sustainable use and protection of water and marine resources	yes	-	yes	
		Transition to a circular economy		-	n/a	
		Pollution prevention and control		-	n/a	
		Protection and restoration of biodiversity and ecosystems		-	yes	
Rompetro Downstream SRL	5.1 Construction, extension and operation of water collection, treatment and supply systems	Climate change mitigation		-	n/a	yes
		Climate change adaptation		yes	-	
		Sustainable use and protection of water and marine resources		-	yes	
		Transition to a circular economy		-	n/a	
		Pollution prevention and control		-	n/a	
		Protection and restoration of biodiversity and ecosystems		-	yes	

Entity	Eligible activity	Environmental objective	Aligned	Substantial contribution	DNSH*	Minimum guarantees*
Rompetro Raffinare SA	5.3 Construction, extension and operation of waste water collection and treatment	Climate change mitigation		-	yes	yes
		Climate change adaptation		yes	-	
		Sustainable use and protection of water and marine resources	yes	-	yes	
		Transition to a circular economy		-	n/a	
		Pollution prevention and control		-	yes	
		Protection and restoration of biodiversity and ecosystems		-	yes	
Rompetro Well Services SA	6.6 Freight transport services by road	Climate change mitigation (T)		-	yes	yes
		Climate change adaptation		no	-	
		Sustainable use and protection of water and marine resources	no	-	n/a	
		Transition to a circular economy		-	yes	
		Pollution prevention and control		-	yes	
		Protection and restoration of biodiversity and ecosystems		-	n/a	
Rompetro Downstream SRL	6.14 Infrastructure for rail transport	Climate change mitigation (T)		-	no	yes
		Climate change adaptation		no	-	
		Sustainable use and protection of water and marine resources	no	-	no	
		Transition to a circular economy		-	no	
		Pollution prevention and control		-	no	
		Protection and restoration of biodiversity and ecosystems		-	yes	
Rompetro Downstream SRL	7.1 Construction of new buildings	Climate change mitigation		-	no	yes
		Climate change adaptation		yes	-	
		Sustainable use and protection of water and marine resources	no	-	no	
		Transition to a circular economy		-	yes	
		Pollution prevention and control		-	no	
		Protection and restoration of biodiversity and ecosystems		-	yes	
Rompetro Well Services SA	7.2 Renovation of existing buildings	Climate change mitigation (T)		-	yes	yes
		Climate change adaptation		yes	-	
		Sustainable use and protection of water and marine resources	no	-	no	
		Transition to a circular economy		-	no	
		Pollution prevention and control		-	no	
		Protection and restoration of biodiversity and ecosystems		-	n/a	
Rompetro Well Services SA	7.3 Installation, maintenance and repair of energy efficiency equipment	Climate change mitigation (E)		yes	-	yes
		Climate change adaptation		-	yes	
		Sustainable use and protection of water and marine resources	yes	-	n/a	
		Transition to a circular economy		-	n/a	
		Pollution prevention and control		-	yes	
		Protection and restoration of biodiversity and ecosystems		-	n/a	

Entity	Eligible activity	Environmental objective	Aligned	Substantial contribution	DNSH*	Minimum guarantees*
Rominserv SRL	7.3 Installation, maintenance and repair of energy efficiency equipment	Climate change mitigation (E)		yes	-	yes
		Climate change adaptation		-	no	
		Sustainable use and protection of water and marine resources	no	-	n/a	
		Transition to a circular economy		-	n/a	
		Pollution prevention and control		-	yes	
		Protection and restoration of biodiversity and ecosystems		-	n/a	
Rompotrol Downstream SRL	7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	Climate change mitigation (E)		yes	-	yes
		Climate change adaptation		-	yes	
		Sustainable use and protection of water and marine resources	yes	-	n/a	
		Transition to a circular economy		-	n/a	
		Pollution prevention and control		-	n/a	
		Protection and restoration of biodiversity and ecosystems		-	n/a	
Rompotrol Downstream SRL	8.1 Data processing, hosting and related activities	Climate change mitigation (T)		-	no	yes
		Climate change adaptation		no	-	
		Sustainable use and protection of water and marine resources	no	-	no	
		Transition to a circular economy		-	no	
		Pollution prevention and control		-	n/a	
		Protection and restoration of biodiversity and ecosystems		-	n/a	
	8.3 Programming and broadcasting activities	Climate change mitigation (T)		-	n/a	yes
		Climate change adaptation		no	-	
		Sustainable use and protection of water and marine resources	no	-	n/a	
		Transition to a circular economy		-	n/a	
		Pollution prevention and control		-	n/a	
		Protection and restoration of biodiversity and ecosystems		-	n/a	

* See DNSH assessment results and social criteria tables below

** For the environmental objective protection and restoration of biodiversity and ecosystems, activity 2.3., according to Delegated Act 2023/2486 to the Taxonomy Regulation, its alignment, implicitly the DNSH assessment and compliance with the minimum safeguards, is considered for the reporting period related to the financial year 2024.

The section. 1.2.2.2 (c) from annex I to art. 8 Delegated act (no double counting in case of contribution to several objectives)

Legend:

N/A – there are no technical requirements for DNSH

(E) – enabling activity

(T) – transitional activity

Decisions in identifying the alignment of our activities

According to the analysis carried out, during the reporting period 01.01.2023 – 31.12.2023 the following activities carried out by KMG International NV entities contribute significantly to one of the two climate objectives (Climate change adaptation / Mitigation of climate change) and do not significantly harm any of the other five environmental objectives defined according to art.17 of Regulation (EU) 2020/852 and subsequent delegated acts.

The activities aligned to taxonomy (sustainable) are:

Rompotrol Rafinare SA:

- 4.9. Transmission and distribution of electricity

- 4.15. District heating/cooling distribution

- 4.31 Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system

- 5.1. Construction, extension and operation of water collection, treatment and supply systems

- 5.3. Construction, extension and operation of waste water collection and treatment

Rompotrol Downstream SA:

- 5.1. Construction, extension and operation of water collection, treatment and supply systems

- 7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)

Rompotrol Well Services SA:

- 7.3. Installation, maintenance and repair of energy efficiency equipment

Rompotrol Energy SA:

- 4.9. Transmission and distribution of electricity

- 4.30. High-efficiency co-generation of heat/cool and power from fossil gaseous fuels

The results regarding the alignment of activities to taxonomy were obtained from the DNSH (Do No Significant Harm) and minimum social guarantees compliance assessments of eligible activities.

Result of DNSH analysis

In order to align the eligible activities, a DNSH (Do No Significant Harm) assessment was carried out. Based on this, the following were analysed:

- the substantial contribution of the two climate objectives (Climate change adaptation* and Climate Change Mitigation**)
- the potential harm that eligible activities could have on Climate Change Adaptation*, Climate Change Mitigation**, Sustainable Use and Protection of Water and Marine Resources, Transition to a Circular Economy, Pollution Prevention and Control and Protection and Restoration of Biodiversity and Ecosystems

* In order to analyze the substantial contribution, but also the potential damage that an activity has on Climate change adaptation, a Climate Risk and Vulnerability Assessment Study associated with eligible KMG International activities was carried out. Thus, based on the sensitivity, exposure and vulnerability analyses, it appears that there are no significant vulnerabilities or risks following the measures already implemented at the site or river basin level for Rompotrol Rafinare SA (Vega Refinery, Petromidia Refinery) and Rompotrol Energy SA, as well as for the others KMG I entities.

Potential exposure (medium or high risk) is already mitigated in the earlier construction stages of the buildings on the site, as well as equipping the site with fire-fighting equipment. The level of seismic risk is already taken into account in the design standards (regulatory norm) and implemented during the construction of the site buildings. Measures have already been implemented at the sites. There are also already implemented measures at river basin level.

** According to the obtained results, a series of eligible activities could not be aligned, primarily due to the absence of evaluations regarding the quantities of GHG emissions generated throughout the entire life cycle of the activity or the transportation/storage of petroleum products.

The DNSH evaluation of the six environmental objectives indicates that activities aligned with the taxonomy, conducted by entities

such as Rompetrol Rafinare SA, Rompetrol Downstream SA, Rompetrol Energy SA, and Rompetrol Well Services SA, meet the technical examination requirements, contributing to one of the two environmental objectives without harming any of the other five objectives.

The result of the verification of the fulfillment of the minimum safeguards

KMG International conducts economic activities aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (including gender equality and the prohibition of child labour, as well as the principles and rights established in the eight fundamental conventions identified in the ILO Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights).

Environmental objective	Result	
Commitment to respecting human rights	yes	
Human rights reflected in operational policies and procedures and embedded throughout the organization	yes	
Human rights background check process to identify, prevent and mitigate human rights impacts in operations and supply chain	yes	
Complaints mechanism (including legal rights of action in court)	yes	
External communication on how human rights impacts are addressed	yes	
Identifying and redressing adverse human rights impacts through legitimate processes	yes	
Health and Safety Policy	yes	
Labor Practices Policy (Labor Code + Collective Labor Agreement)	yes	
Policies that set standards for responsible business conduct:	GDPR - Processing of personal data	
	Anticorruption Policy	
	Warning mechanism/procedure	yes
	ESG procurement policy/procedure	
	Trade union policy - collective bargaining - employment contract	

For all activities eligible but not aligned to the taxonomy, KMG International entities consider implementing remedial actions to resolve any misalignment identified by reassessing eligible but not aligned activities for the next reporting year – financial year 2024.

CapEx Plan

CapEx plan includes the list of taxonomy-eligible economic activities in 2023 and provides information on the planned CapEx for their financing with the aim of increasing sustainability over the next 5 years. The CapEx plan for eligible activities is based on the most recent business plan approved by the company's management, while the time horizon reflects the five-year period for a CapEx plan referred to in Annexes 1-5 to Delegated Regulation (EU) 2020/852 of the Commission. Planned CapEx may be subject to revisions and changes.

For financial year 2023, the following eligible activities under KMGI have been included in a CapEx plan, as shown in the table below:

Rompetrol Rafinare SA eligible economic activity

	CAPEX 2023 in RON	The year of investment completion for which expenditures were made in 2023	Total CapEx planned to be invested until 2028 (next 5 years) in RON
Activity 2.3 – Remediation of legally non-conforming landfills and abandoned or illegal waste dumps	104,370	2023	-
Activity 3.10 – Manufacture of hydrogen	15,185,541	2024	30,392,861
Activity 3.14 – Manufacture of organic basic chemicals	-	-	-
Activity 4.9 – Transmission and distribution of electricity	902,416	2024	143,925,877
Activity 4.15 – District heating/cooling distribution	-	-	-
Activity 4.25 – Production of heat/cool using waste heat	-	-	5,893,365
Activity 4.31 – Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	2,051,569	2024	13,108,903
Activity 5.1 – Construction, extension and operation of water collection, treatment and supply systems	6,242,930	2024	558,796,472
Activity 5.2 – Renewal of water collection, treatment and supply systems	-	-	3,414,673
Activity 7.2 – Renovation of existing buildings	-	-	2,499,950
Activity 7.3 – Installation, maintenance and repair of energy efficiency equipment	-	-	22,769,088
TOTAL	24,486,825	-	780,801,191

Rompetrol Downstream SRL eligible economic activity

	CAPEX 2023 in RON	The year of investment completion for which expenditures were made in 2023	Total CapEx planned to be invested until 2028 (next 5 years) in RON
Activity 2.3 – Collection and transport of non-hazardous and hazardous waste	-	-	-
Activity 5.1 – Construction, extension and operation of water collection, treatment and supply systems	399,751	2023	-
Activity 6.14 – Infrastructure for rail transport	1,317,761	2023	-
Activity 7.1 – Construction of new buildings	6,640,166	2023	-
Activity 7.4 – Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	3,240,000	2023	-
Activity 8.1 – Data processing, hosting and related activities	1,170,510	2023	-
Activity 8.3 – Programming and broadcasting activities	-	-	-
TOTAL	12,768,188	-	-

Rompetrol Well Services SA eligible economic activity

	CAPEX 2023 in RON	The year of investment completion for which expenditures were made in 2023	Total CapEx planned to be invested until 2028 (next 5 years) in RON
Activity 6.6 – Freight transport services by road	-	-	-
Activity 7.2 – Renovation of existing buildings	198,027	2023	-
Activity 7.3 – Installation, maintenance and repair of energy efficiency equipment	-	-	-
TOTAL	198,027	-	0

Rominserv SRL eligible economic activity

	CAPEX 2023 in RON	The year of investment completion for which expenditures were made in 2023	Total CapEx planned to be invested until 2028 (next 5 years) in RON
-	-	-	-
TOTAL	0	-	0

Rompetrol Energy SA eligible economic activity

	CAPEX 2023 in RON	The year of investment completion for which expenditures were made in 2023	Total CapEx planned to be invested until 2028 (next 5 years) in RON
Activity 4.9 – Transmission and distribution of electricity	-	-	-
Activity 4.30 – High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	123,330,457	2024	155,704,679
TOTAL	123,330,457	-	155,704,679

TURNOVER, CAPEX and OPEX for TAXONOMY

Key Performance Indicators ("KPIs") include Turnover KPI, CAPEX KPI and the OPEX KPI. For the 2023 reporting period, the KPIs have to be disclosed in relation to our Taxonomy - eligible and aligned and Taxonomy non-eligible economic activities (Art. 10 (2) of the Art. 8 Delegated Act).

Section. 1.2.1 (a), (b) from annex I to art. 8 Delegated act

The establishment of KPIs is determined in accordance with Annex I to art. 8 Delegated act. We determine taxonomy eligible KPIs in accordance with the legal requirements and describe our accounting policy in this regard as follows:

Turnover KPI

Definition - The share of taxonomy-eligible/aligned economic activities in our total turnover was calculated as the share of net turnover derived from products and services associated with taxonomy-eligible economic activities (numerator) divided by net turnover (denominator), in each case for the financial year from 01.01.2023 to 31.12.2023.

For each entity in scope: The turnover KPI denominator is based on the net turnover according to the Profit and Loss Account (F20), row 1 (net turnover). The turnover KPI numerator is defined as the net turnover derived from products and services associated with economic activities eligible for the Taxonomy.

CAPEX KPI

Definition - The CAPEX KPI is defined as the taxonomy-eligible CAPEX (numerator) divided by the total CAPEX (denominator - Fixed assets situation (F40), column 2 - Increases 2023) for entities in scope - Rominserv and Rompetrol Well Services. In the case of Rompetrol Rafinare, Rompetrol Downstream and Rompetrol Energy, the total CAPEX costs have been adjusted to include technical equipment costs, fixed asset costs and fixed asset prepayments in fiscal year 2023.

OPEX KPI

Definition - OPEX KPI is defined as taxonomy-eligible OPEX (numerator) divided by total OPEX (denominator – Profit and Loss Account (F20), line 9 (Personnel expenses), line 11.1 External benefits Accounts – ct.611, 612, 624, 628 (excluding losses recorded on derivative/hedging instruments), see the Balance Sheet at 31.12.2023), environmental expenses for each entity within the scope of application.

Total OPEX consists of non-capitalized direct costs relating to research and development, building renovation measures, short-term rental, maintenance and repairs and any other direct costs related to the daily maintenance of real estate assets, facilities, and equipment.

KPI INDICATORS

Romp petrol Rafinare SA KPI - Turnover Economic activities	Year 2023			Substantial contribution criteria					DNSH criteria (Do No Significant Harm)					Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) turnover, year 2022	Category enabling activity	Category transitional activity		
	Code	Absolute turnover (RON)	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution					Circular economy	Biodiversity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Transmission and distribution of electricity	CCA 4.9	16,187,192	0.09%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.04%	E	-
District heating/cooling distribution	CCA 4.15	3,928,509	0.02%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	-	-
Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	CCA 4.31	0	0%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	-	T
Construction, extension and operation of water collection, treatment and supply systems	CCA 5.1	6,701,996	0.04%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.03%	-	-
Construction, extension and operation of waste water collection and treatment	CCA 5.3	9,230,072	0.05%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.04%	-	-
Turnover of environmentally sustainable activities, Taxonomy-aligned (A.1)		36,047,769	0.21%	0%	0.21%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0.11%		
of which enabling		0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	0%	E	
of which transitional		0	0%	0%						-	-	-	-	-	-	-	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Remediation of legally non-conforming landfills and abandoned or illegal waste dumps	PPC 2.3	0	0%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0%		
Manufacture of hydrogen	CCA 3.10	0	0%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
Manufacture of organic basic chemicals	CCA 3.14	30,457,966	0.18%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0.18%		
Turnover of Taxonomy eligible but not environmentally sustainable activities, not Taxonomy-aligned (A.2)		30,457,966	0.18%	0%	0.18%	0%	0%	0%	0%								0%		
Turnover of Taxonomy-eligible activities (A.1 + A.2)		66,505,735	0.39%	0%	0.39%	0%	0%	0%	0%								0.29%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy non-eligible activities (B)		17,054,197,592	99.61%	Y: Yes, N: No, EL: Eligible for Taxonomy, N/EL: Not Eligible for Taxonomy, E: Enabling activity, T: Transitional activity															
Total (A+B)		17,120,703,327	100%	Cells marked in grey do not need to be reported according to Delegated Regulation (EU) 2023/2486															

Romp petrol Rafinare SA KPI - CapEx Economic activities	Year 2023			Substantial contribution criteria					DNSH criteria (Do No Significant Harm)					Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) turnover, year 2022	Category enabling activity	Category transitional activity		
	Code	Absolute turnover (RON)	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution					Circular economy	Biodiversity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Transmission and distribution of electricity	CCA 4.9	902,416	0.33%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	8.01%	E	-
District heating/cooling distribution	CCA 4.15	0	0%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3.64%	-	-
Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	CCA 4.31	2,051,569	0.76%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3.64%	-	T
Construction, extension and operation of water collection, treatment and supply systems	CCA 5.1	6,242,930	2.31%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	-	-
Construction, extension and operation of waste water collection and treatment	CCA 5.3	0	0%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	-	-
CapEx of environmentally sustainable activities, Taxonomy-aligned (A.1)		9,196,915	3.40%	0%	3.40%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	15.29%		
of which enabling		0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	0%	E	
of which transitional		0	0%	0%						-	-	-	-	-	-	-	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Remediation of legally non-conforming landfills and abandoned or illegal waste dumps	PPC 2.3	104,370	0.04%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0%		
Manufacture of hydrogen	CCA 3.10	15,185,541	5.62%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
Manufacture of organic basic chemicals	CCA 3.14	0	0%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
CapEx of Taxonomy eligible but not environmentally sustainable activities, not Taxonomy-aligned activities (A.2)		15,289,911	5.66%	0%	5.62%	0%	0.04%	0%	0%								0%		
CapEx of Taxonomy-eligible activities (A.1 + A.2)		24,486,826	9.06%	0%	9.02%	0%	0.04%	0%	0%								15.29%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy non-eligible activities (B)		245,724,377	90.94 %	Y: Yes, N: No, EL: Eligible for Taxonomy, N/EL: Not Eligible for Taxonomy, E: Enabling activity, T: Transitional activity															
Total (A+B)		270,211,203	100%	Cells marked in grey do not need to be reported according to Delegated Regulation (EU) 2023/2486															

Romp petrol Raffinare SA KPI - OpEx Economic activities	Year 2023			Substantial contribution criteria					DNSH criteria (Do No Significant Harm)					Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) turnover, year 2022	Category enabling activity	Category transitional activity		
	Code	Absolute turnover (RON)	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution					Circular economy	Biodiversity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Transmission and distribution of electricity	CCA 4.9	24,782,489	3.70%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	2.89%	E	-
District heating/cooling distribution	CCA 4.15	1,875,760	0.28%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.20%	-	-
Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	CCA 4.31	10,831,832	1.62%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1.48%	-	T
Construction, extension and operation of water collection, treatment and supply systems	CCA 5.1	15,706,601	2.34%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1.87%	-	-
Construction, extension and operation of waste water collection and treatment	CCA 5.3	9,307,512	1.39%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1.35%	-	-
OpEx of environmentally sustainable activities, Taxonomy-aligned (A.1)		62,504,194	9.33%	0%	9.33%	0%	0%	0%	0%								7.79%		
of which enabling		0	0%	0%	0%	0%	0%	0%	0%								0%	E	
of which transitional		0	0%	0%													0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Remediation of legally non-conforming landfills and abandoned or illegal waste dumps	PPC 2.3	3,270,520	0.49%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0%		
Manufacture of hydrogen	CCA 3.10	22,540,691	3.36%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								4.13%		
Manufacture of organic basic chemicals	CCA 3.14	3,740,376	0.56%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0.44%		
OpEx of Taxonomy eligible but not environmentally sustainable activities, not Taxonomy-aligned activities (A.2)		29,551,587	4.41%	0%	3.92%	0%	0.49%	0%	0%								4.57%		
OpEx of Taxonomy-eligible activities (A.1 + A.2)		92,055,781	13.74%	0%	13.25%	0%	0.49%	0%	0%								12.36%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy non-eligible activities (B)		578,111,737	86.26%																
Total (A+B)		670,167,518	100%																

Y: Yes, N: No, EL: Eligible for Taxonomy, N/EL: Not Eligible for Taxonomy, E: Enabling activity, T: Transitional activity
Cells marked in grey do not need to be reported according to Delegated Regulation (EU) 2023/2486

Romp petrol Downstream SRL KPI - Turnover Economic activities	Year 2023			Substantial contribution criteria					DNSH criteria (Do No Significant Harm)					Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) turnover, year 2022	Category enabling activity	Category transitional activity		
	Code	Absolute turnover (RON)	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution					Circular economy	Biodiversity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Construction, extension and operation of water collection, treatment and supply systems	CCA 5.1	0	0	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	-	-
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	94,750	0.001	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E	-
Turnover of environmentally sustainable activities, Taxonomy-aligned (A.1)		94,750	0.001%	0.001%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%		
of which enabling		94,750	0.001%	0.001%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
of which transitional		0	0%	0%						-	-	-	-	-	-	-	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Infrastructure for rail transport	CCA 6.14	0	0%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
Construction of new buildings	CCA 7.1	0	0%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
Data processing, hosting and related activities	CCA 8.1	0	0%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
Programming and broadcasting activities	CCA 8.3	0	0%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
Turnover of Taxonomy eligible but not environmentally sustainable activities, not Taxonomy-aligned (A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
Turnover of Taxonomy-eligible activities (A.1 + A.2)		94,750	0.001%	0.001%	0%	0%	0%	0%	0%								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy non-eligible activities (B)		14,431,355,538	99.99%																
Total (A+B)		14,431,450,288	100%																

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Romp petrol Downstream SRL KPI - CapEx Economic activities	Year 2023			Substantial contribution criteria					DNSH criteria (Do No Significant Harm)					Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) turnover, year 2022	Category enabling activity	Category transitional activity		
	Code	Absolute turnover (RON)	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution					Circular economy	Biodiversity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Construction, extension and operation of water collection, treatment and supply systems	CCA 5.1	399,751	2.25%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	-	-
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	3,240,000	18.22%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3.5%	E	-
CapEx of environmentally sustainable activities, Taxonomy-aligned (A.1)		3,639,751	20.47%	18.22%	2.25%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	3.5%		
of which enabling		3,240,000	18.22%	18.22%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	3.5%	E	
of which transitional		0	0%	0%						-	-	-	-	-	-	-	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Infrastructure for rail transport	CCA 6.14	1,317,761	7.41%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								4.03%		
Construction of new buildings	CCA 7.1	6,640,166	37.34%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								7.91%		
Data processing, hosting and related activities	CCA 8.1	1,170,510	6.58%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								5.14%		
Programming and broadcasting activities	CCA 8.3	0	0%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
CapEx of Taxonomy eligible but not environmentally sustainable activities, not Taxonomy-aligned (A.2)		9,128,437	51.33%	0%	51.33%	0%	0%	0%	0%								17.08%		
CapEx of Taxonomy-eligible activities (A.1 + A.2)		12,768,188	71.79%	18.22%	53.57%	0%	0%	0%	0%								20.58%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy non-eligible activities (B)		5,016,373	28.21%	Y: Yes, N: No, EL: Eligible for Taxonomy, N/EL: Not Eligible for Taxonomy, E: Enabling activity, T: Transitional activity															
Total (A+B)		17,784,561	100%	Cells marked in grey do not need to be reported according to Delegated Regulation (EU) 2023/2486															

Romp petrol Downstream SRL KPI - OpEx Economic activities	Year 2023			Substantial contribution criteria					DNSH criteria (Do No Significant Harm)					Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) turnover, year 2022	Category enabling activity	Category transitional activity		
	Code	Absolute turnover (RON)	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution					Circular economy	Biodiversity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Construction, extension and operation of water collection, treatment and supply systems	CCA 5.1	0	0%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	-	-
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E	-
OpEx of environmentally sustainable activities, Taxonomy-aligned (A.1)		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%		
of which enabling		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
of which transitional		0	0%	0%						-	-	-	-	-	-	-	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Infrastructure for rail transport	CCA 6.14	0	0%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
Construction of new buildings	CCA 7.1	0	0%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
Data processing, hosting and related activities	CCA 8.1	36,126,151	4.02%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								7.38%		
Programming and broadcasting activities	CCA 8.3	11,707,577	1.30%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
OpEx of Taxonomy eligible but not environmentally sustainable activities, not Taxonomy-aligned (A.2)		47,833,728	5.32%	0%	5.32%	0%	0%	0%	0%								0%		
OpEx of Taxonomy-eligible activities (A.1 + A.2)		47,833,728	5.32%	0%	5.32%	0%	0%	0%	0%								7.38%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy non-eligible activities (B)		850,721,876	94.68%	Y: Yes, N: No, EL: Eligible for Taxonomy, N/EL: Not Eligible for Taxonomy, E: Enabling activity, T: Transitional activity															
Total (A+B)		898,555,604	100%	Cells marked in grey do not need to be reported according to Delegated Regulation (EU) 2023/2486															

Rompetro Well Services SA KPI - Turnover Economic activities	Code	Year 2023		Substantial contribution criteria						DNSH criteria (Do No Significant Harm)					Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) turnover, year 2022	Category enabling activity	Category transitional activity			
		Absolute turnover (RON)	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy					Biodiversity		
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1 Environmentally sustainable activities (Taxonomy-aligned)																					
Installation, maintenance and repair of energy efficiency equipment	CCA 7.3	0	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E	-		
Turnover of environmentally sustainable activities, Taxonomy-aligned (A.1)		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%				
of which enabling		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E			
of which transitional		0	0%	0%						-	-	-	-	-	-	-	0%		T		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
Freight transport services by road	CCA 6.6	0	0%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0%				
Renovation of existing buildings	CCA 7.2	0	0%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0%				
Turnover of Taxonomy eligible but not environmentally sustainable activities, not Taxonomy-aligned (A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%				
Turnover of Taxonomy-eligible activities (A.1 + A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
Turnover of Taxonomy non-eligible activities (B)		72,563,673	100%																		
Total (A+B)		72,563,673	100%																		

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Rompetro Well Services SA KPI - CapEx Economic activities	Code	Year 2023		Substantial contribution criteria						DNSH criteria (Do No Significant Harm)					Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) turnover, year 2022	Category enabling activity	Category transitional activity			
		Absolute turnover (RON)	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy					Biodiversity		
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1 Environmentally sustainable activities (Taxonomy-aligned)																					
Installation, maintenance and repair of energy efficiency equipment	CCA 7.3	0	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1%	E	-		
CapEx of environmentally sustainable activities, Taxonomy-aligned (A.1)		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%				
of which enabling		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E			
of which transitional		0	0%	0%						-	-	-	-	-	-	-	0%		T		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
Freight transport services by road	CCA 6.6	0	0%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								78.84%				
Renovation of existing buildings	CCA 7.2	198,027	21.29%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								1.16%				
CapEx of Taxonomy eligible but not environmentally sustainable activities, not Taxonomy-aligned (A.2)		198,027	21.29%	0%	21.29%	0%	0%	0%	0%								80%				
CapEx of Taxonomy-eligible activities (A.1 + A.2)		198,027	21.29%	0%	21.29%	0%	0%	0%	0%								0%				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
CapEx of Taxonomy non-eligible activities (B)		731,914	78.71%																		
Total (A+B)		929,941	100%																		

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Rompetro Well Services SA KPI - OpEx Economic activities	Code	Year 2023		Substantial contribution criteria						DNSH criteria (Do No Significant Harm)					Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) turnover, year 2022	Category enabling activity	Category transitional activity	
		Absolute turnover (RON)	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy					Biodiversity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Installation, maintenance and repair of energy efficiency equipment	CCA 7.3	6,450	0.02%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1%	E	-
OpEx of environmentally sustainable activities, Taxonomy-aligned (A.1)		6,450	0.02%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%		
of which enabling		6,450	0.02%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
of which transitional		0	0%	0%						-	-	-	-	-	-	-	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Freight transport services by road	CCA 6.6	2,816,953	9.07%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
Renovation of existing buildings	CCA 7.2	0	0%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
OpEx of Taxonomy eligible but not environmentally sustainable activities, not Taxonomy-aligned (A.2)		2,816,953	9.07%	0%	9.07%	0%	0%	0%	0%								0%		
OpEx of Taxonomy-eligible activities (A.1 + A.2)		2,823,403	9.09%	0.02%	9.07%	0%	0%	0%	0%								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy non-eligible activities (B)		28,231,989	90.91%																
Total (A+B)		31,055,392	100%																

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Rompetro Energy SA KPI - Turnover Economic activities	Code	Year 2023		Substantial contribution criteria						DNSH criteria (Do No Significant Harm)					Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) turnover, year 2022	Category enabling activity	Category transitional activity	
		Absolute turnover (RON)	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy					Biodiversity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Transmission and distribution of electricity	CCM 4.9	10,462,073	3.41	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E	-
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	0	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	-	T
Turnover of environmentally sustainable activities, Taxonomy-aligned (A.1)		10,462,073	3.41%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%		
of which enabling		10,462,073	3.41%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
of which transitional		0	0%	0%						-	-	-	-	-	-	-	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Turnover of Taxonomy eligible but not environmentally sustainable activities, not Taxonomy-aligned (A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
Turnover of Taxonomy-eligible activities (A.1 + A.2)		10,462,073	3.41%	0%	0%	0%	0%	0%	0%								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy non-eligible activities (B)		296,330,712	96.59%																
Total (A+B)		306,792,785	100%																

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Cells marked in grey do not need to be reported according to Delegated Regulation (EU) 2023/2486

Romp petrol Energy SA KPI - CapEx Economic activities	Code	Year 2023		Substantial contribution criteria						DNSH criteria (Do No Significant Harm)					Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) turnover, year 2022	Category enabling activity	Category transitional activity	
		Absolute turnover (RON)	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy					Biodiversity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Transmission and distribution of electricity	CCM 4.9	0	0%	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E	-
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	123,330,457	100%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	99.6%	-	T
CapEx of environmentally sustainable activities, Taxonomy-aligned (A.1)		123,330,457	100%	100%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%		
of which enabling		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
of which transitional		123,330,457	100%	0%						-	-	-	-	-	-	-	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
CapEx of Taxonomy eligible but not environmentally sustainable activities, not Taxonomy-aligned (A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
CapEx of Taxonomy-eligible activities (A.1 + A.2)		123,330,457	100%	0%	0%	0%	0%	0%	0%								99.6%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy non-eligible activities (B)		0	0%																
Total (A+B)		123,330,457	100%																

Y: Yes, N: No, EL: Eligible for Taxonomy, N/EL: Not Eligible for Taxonomy, E: Enabling activity, T: Transitional activity
Cells marked in grey do not need to be reported according to Delegated Regulation (EU) 2023/2486

Romp petrol Energy SA KPI - OpEx Economic activities	Code	Year 2023		Substantial contribution criteria						DNSH criteria (Do No Significant Harm)					Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) turnover, year 2022	Category enabling activity	Category transitional activity	
		Absolute turnover (RON)	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy					Biodiversity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Transmission and distribution of electricity	CCM 4.9	14,820,872	4.73%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E	-
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	0	0%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	-	T
OpEx of environmentally sustainable activities, Taxonomy-aligned (A.1)		14,820,872	4.73%	4.73%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%		
of which enabling		14,820,872	4.73%	4.73%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
of which transitional		0	0%	0%						-	-	-	-	-	-	-	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
OpEx of Taxonomy eligible but not environmentally sustainable activities, not Taxonomy-aligned (A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
OpEx of Taxonomy-eligible activities (A.1 + A.2)		14,820,872	4.73%	4.73%	0%	0%	0%	0%	0%								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy non-eligible activities (B)		298,404,724	95.27%																
Total (A+B)		313,225,596	100%																

Y: Yes, N: No, EL: Eligible for Taxonomy, N/EL: Not Eligible for Taxonomy, E: Enabling activity, T: Transitional activity
Cells marked in grey do not need to be reported according to Delegated Regulation (EU) 2023/2486

Rominserv SRL KPI - Turnover Economic activities	Code	Year 2023		Substantial contribution criteria					DNSH criteria (Do No Significant Harm)					Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) turnover, year 2022	Category enabling activity	Category transitional activity
		Absolute turnover (RON)	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution				
A. TAXONOMY-ELIGIBLE ACTIVITIES																	
A.1 Environmentally sustainable activities (Taxonomy-aligned)																	
Turnover of environmentally sustainable activities, Taxonomy-aligned (A.1)		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	0%	
of which enabling		0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	0%	E
of which transitional		0	0%	0%						-	-	-	-	-	-	0%	T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																	
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	238,230	0.05%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0%	
Turnover of Taxonomy eligible but not environmentally sustainable activities, not Taxonomy-aligned (A.2)		238,230	0.05%	0%	0%	0%	0%	0%	0%							0%	
Turnover of Taxonomy-eligible activities (A.1 + A.2)		238,230	0.05%	0%	0%	0%	0%	0%	0%							0%	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																	
Turnover of Taxonomy non-eligible activities (B)		449,592,981	99.95%														
Total (A+B)		449,831,211	100%														

Y: Yes, N: No, EL: Eligible for Taxonomy, N/EL: Not Eligible for Taxonomy, E: Enabling activity, T: Transitional activity
Cells marked in grey do not need to be reported according to Delegated Regulation (EU) 2023/2486

Rominserv SRL KPI - CapEx Economic activities	Code	Year 2023		Substantial contribution criteria					DNSH criteria (Do No Significant Harm)					Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) turnover, year 2022	Category enabling activity	Category transitional activity
		Absolute turnover (RON)	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution				
A. TAXONOMY-ELIGIBLE ACTIVITIES																	
A.1 Environmentally sustainable activities (Taxonomy-aligned)																	
CapEx of environmentally sustainable activities, Taxonomy-aligned (A.1)		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	0%	
of which enabling		0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	0%	E
of which transitional		0	0%	0%						-	-	-	-	-	-	0%	T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																	
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0%	
CapEx of Taxonomy eligible but not environmentally sustainable activities, not Taxonomy-aligned (A.2)		0	0%	0%	0%	0%	0%	0%	0%							0%	
CapEx of Taxonomy-eligible activities (A.1 + A.2)		0	0%	0%	0%	0%	0%	0%	0%							0%	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																	
CapEx of Taxonomy non-eligible activities (B)		6,162,643	100%														
Total (A+B)		6,162,643	100%														

Y: Yes, N: No, EL: Eligible for Taxonomy, N/EL: Not Eligible for Taxonomy, E: Enabling activity, T: Transitional activity
Cells marked in grey do not need to be reported according to Delegated Regulation (EU) 2023/2486

Rominserv SRL KPI - OpEx Economic activities	Code	Year 2023		Substantial contribution criteria						DNSH criteria (Do No Significant Harm)						Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) turnover, year 2022	Category enabling activity	Category transitional activity
		Absolute turnover (RON)	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity				
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities, Taxonomy-aligned (A.1)		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%		
of which enabling		0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	0%	E	
of which transitional		0	0%	0%						-	-	-	-	-	-	-	0%	T	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	238,230	0.05%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
OpEx of Taxonomy eligible but not environmentally sustainable activities, not Taxonomy-aligned (A.2)		238,230	0.05%	0.05%	0%	0%	0%	0%	0%								0%		
OpEx of Taxonomy-eligible activities (A.1 + A.2)		238,230	0.05%	0.05%	0%	0%	0%	0%	0%								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy non-eligible activities (B)		443,430,338	99.95%																
Total (A+B)		443,668,568	100%																

Y: Yes, N: No, EL: Eligible for Taxonomy, N/EL: Not Eligible for Taxonomy, E: Enabling activity, T: Transitional activity
Cells marked in grey do not need to be reported according to Delegated Regulation (EU) 2023/2486

INFORMATION RELATING to the ACTIVITIES of ROMPETROL RAFINARE SA and ROMPETROL ENERGY SA

In accordance with Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022, which amends Delegated Regulation (EU) 2021/2139 concerning economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 regarding the publication of specific information about these economic activities, information related to the nuclear and fossil gas sectors is presented in the form of a table, using the models provided in Annex XII of the Regulation.

ACTIVITIES CARRIED OUT

For the reporting entity KMG International, the following activities carried out in the financial year 2023 and the associated KPIs were identified according to the requirements of Delegated Regulation (EU) 2022/1214 – Annex XII.

Template 1 Nuclear and fossil gas related activities

Fossil gas related activities	Status
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels	YES
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES

ONGOING ACTIVITIES – Turnover, CAPEX and OPEX

Eligible and aligned activity Rompetrol Refining: 4.31. Production of thermal energy for heating/cooling from fossil gaseous fuels in an efficient district heating and cooling system;

Activity description: There are three steam sources on the Petromidia platform: the COBoiler boiler, the 121 B petrochemical boiler and a flare boiler. The steam produced is used for technological purposes.



Aligned economic activities – Rompetrol Rafinare SA

Template 2 Taxonomy-aligned economic activities (denominator)

KPI - Total turnover Economic activities	CCM+CCA	Climate change mitigation (CCM)	Climate change adaptation (CCA)
Amount and proportion of taxonomy aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. Turnover related to the sale of thermal energy for heating/cooling from fossil gaseous fuels	RON 0 0%	RON 0 0%	RON 0 0%
Amount and proportion of other taxonomy-aligned economic activities** not referred to in rows 1 to 6 above in the denominator of the applicable KPI. Turnover related to the sale of thermal energy	RON 36,047,769 100%	RON 0 0%	RON 36,047,769 100%
Total applicable KPI total Rompetrol Rafinare SA turnover - for alignment (denominator)*	RON 36,047,769 100%	RON 0 0%	RON 36,047,769 100%

*According to Individual Financial Statements drawn up for the financial year ending on December 31, 2023.

The Individual Statement of the Profit and Loss Account for the financial year ended on December 31, 2023

** 4.9 - Transmission and distribution of electricity

4.15 - District heating/cooling distribution

5.1 - Construction, extension and operation of water collection, treatment and supply systems

5.3 - Construction, expansion and operation of waste water collection and treatment systems

KPI - CAPEX Economic activities	CCM+CCA	Climate change mitigation (CCM)	Climate change adaptation (CCA)
Amount and proportion of taxonomy aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. CAPEX - thermal energy	RON 2,051,569 28.71%	RON 0 0%	RON 2,051,569 28.71%
Amount and proportion of other taxonomy-aligned economic activities** not referred to in rows 1 to 6 above in the denominator of the applicable KPI	RON 7,145,346 71.29%	RON 0 0%	RON 7,145,346 71.29%
Total applicable KPI CAPEX Rompetrol Rafinare SA (denominator)	RON 9,196,915 100%	RON 0 0%	RON 9,196,915 100%

** 4.9 - Transmission and distribution of electricity

5.1 - Construction, extension and operation of water collection, treatment and supply systems

KPI - OPEX Economic activities	CCM+CCA	Climate change mitigation (CCM)	Climate change adaptation (CCA)
Amount and proportion of taxonomy aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI. OPEX related to expenses for the production of thermal energy	RON 10,831,832 0.2%	RON 0 0%	RON 10,831,832 0.2%
Amount and proportion of other taxonomy-aligned economic activities** not referred to in rows 1 to 6 above in the denominator of the applicable KPI. OPEX related to thermal energy production expenses	RON 51,672,362 99.8%	RON 0 0%	RON 51,672,362 99.8%
Total applicable KPI Total OPEX Rompetrol Rafinare - for alignment (denominator)*	RON 62,504,194 100%	RON 0 0%	RON 62,504,194 100%

** 4.9 - Transmission and distribution of electricity

4.15 - District heating/cooling distribution

5.1 - Construction, extension and operation of water collection, treatment and supply systems

5.3 - Construction, expansion and operation of waste water collection and treatment systems

Template 3 Taxonomy-aligned economic activities (numerator)

KPI - Total turnover Economic activities	CCM+CCA	Climate change mitigation (CCM)	Climate change adaptation (CCA)
Amount and proportion of taxonomy aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI. Turnover related to the sale of thermal energy for heating/cooling from fossil gaseous fuels	RON 0 0%	RON 0 0%	RON 0 0%
Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI. Turnover related to the sale of thermal energy	RON 36,047,769 100%	RON 0 0%	RON 36,047,769 100%
Total applicable KPI total Rompetrol Rafinare SA turnover - for alignment (numerator)	RON 36,047,769 100%	RON 0 0%	RON 36,047,769 100%

KPI - CAPEX Economic activities	CCM+CCA	Climate change mitigation (CCM)	Climate change adaptation (CCA)
Amount and proportion of taxonomy aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI. CAPEX - thermal energy	RON 2,051,569 28.71%	RON 0 0%	RON 2,051,569 28.71%
Amount and proportion of other taxonomy-aligned economic activities** not referred to in rows 1 to 6 above in the numerator of the applicable KPI	RON 7,145,346 71.29%	RON 0 0%	RON 7,145,346 71.29%
Total applicable KPI CAPEX Rompetrol Rafinare SA (numerator)	RON 9,196,915 100%	RON 0 0%	RON 9,196,915 100%

KPI - OPEX Economic activities	CCM+CCA	Climate change mitigation (CCM)	Climate change adaptation (CCA)
Amount and proportion of taxonomy aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI. OPEX related to expenses for the production of thermal energy	RON 10,831,832 0.2%	RON 0 0%	RON 10,831,832 0.2%
Amount and proportion of other taxonomy-aligned economic activities** not referred to in rows 1 to 6 above in the numerator of the applicable KPI. OPEX related to thermal energy production expenses	RON 51,672,362 99.8%	RON 0 0%	RON 51,672,362 99.8%
Total applicable KPI Total OPEX Rompetrol Rafinare - for alignment (numerator)*	RON 62,504,194 100%	RON 0 0%	RON 62,504,194 100%

Economic activities (carried out), eligible but not aligned – Rompetrol Rafinare SA

Template 4 Taxonomy-eligible but not aligned economic activities

KPI - Total turnover Economic activities	CCM+CCA	Climate change mitigation (CCM)	Climate change adaptation (CCA)
Amount and proportion of taxonomy eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	RON 0 0%	RON 0 0%	RON 0 0%
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	RON 30,457,966 100%	RON 0 0%	RON 30,457,966 100%
Total amount and proportion of taxonomy eligible but not taxonomy aligned economic activities in the denominator of the applicable KPI	RON 30,457,966 100%	RON 0 0%	RON 30,457,966 100%

KPI - CAPEX Economic activities	CCM+CCA	Climate change mitigation (CCM)	Climate change adaptation (CCA)
Amount and proportion of taxonomy eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	RON 0 0%	RON 0 0%	RON 0 0%
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	RON 15,289,911 100%	RON 0 0%	RON 15,289,911 100%
Total amount and proportion of taxonomy eligible but not taxonomy aligned economic activities in the denominator of the applicable KPI	RON 15,289,911 100%	RON 0 0%	RON 15,289,911 100%

KPI - OPEX Economic activities	CCM+CCA	Climate change mitigation (CCM)	Climate change adaptation (CCA)
Amount and proportion of taxonomy eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	RON 0 0%	RON 0 0%	RON 0 0%
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	RON 29,551,587 100%	RON 0 0%	RON 29,551,587 100%
Total amount and proportion of taxonomy eligible but not taxonomy aligned economic activities in the denominator of the applicable KPI	RON 29,551,587 100%	RON 0 0%	RON 29,551,587 100%

Economic activities (carried out), eligible but not aligned – Rompetrol Energy SA

No eligible but non-aligned economic activities carried out within Rompetrol Energy during the reporting period 01.01.2023 - 31.12.2023 were identified

Non-eligible economic activities – Rompetrol Energy SA

Template 5 Taxonomy non-eligible economic activities

KPI - Turnover Economic activities	Amount	Percent
Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	RON 0	0%
Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	RON 0	0%
Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	RON 0	0%
Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	RON 17,054,197,592	100%
Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	RON 17,054,197,592	100%

KPI - CAPEX Economic activities	Amount	Percent
Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	RON 0	0%
Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	RON 0	0%
Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	RON 0	0%
Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	RON 245,724,377	100%
Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	RON 245,724,377	100%

KPI - OPEX Economic activities	Amount	Percent
Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	RON 0	0%
Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	RON 0	0%
Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	RON 0	0%
Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	RON 298,404,724	100%
Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	RON 298,404,724	100%

INDEPENDENT PRACTITIONER'S ASSURANCE REPORT

To the MANAGEMENT of KMG INTERNATIONAL NV

Scope

We have been engaged by KMG International N.V. (the "Company") to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on KMG International's Selected Information (the "Subject Matter") for the period from 1 January 2023 to 31 December 2023 (the "Subject Matter"), contained in the KMG International 2023 Sustainability Report (the "Report").

Selected information:

The sustainability information refers to the following sustainability KPIs reported in the Sustainability Report and determined based on the results of the KMG 2021 materiality analysis as following:

- GRI 305-1 Direct (Scope 1) GHG emissions
- GRI 305-2 Energy indirect (Scope 2) GHG emissions
- GRI 305-3 Other indirect (Scope 3) GHG emissions
- GRI 305-7 Nitrogen Oxides (NOx), Sulphur Oxides (SOx), and other significant air emissions
- GRI 302-3 Energy intensity
- GRI 303-3 Water withdrawal
- GRI 303-4 Water discharge
- GRI 306-3 Significant spills
- GRI 306-3 Waste generated
- GRI 306-4 Waste diverted from disposal
- GRI 308-1 New suppliers that were screened using environmental criteria
- GRI 403-5 Worker training on occupational health and safety
- GRI 403-9 Work-related injuries
- GRI 404-1 Average hours of training per year per employee
- GRI 405-1 Diversity of governance bodies and employees
- GRI 414-1 New suppliers that were screened using social criteria

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, such as forward-looking information (e.g. targets, commitments, ambitions etc.), and accordingly, we do not express a conclusion on this information.

Criteria applied by KMG International

In preparing the Subject Matter, the Company applied the 2021 Global Reporting Initiative Standards (the "Criteria").

The Company's responsibilities

The company's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and the terms of reference for this engagement as agreed with the Company on 15 December 2023. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the



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Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not



provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information, and applying analytical and other appropriate procedures.

Our main procedures included:

- interviews with personnel to understand the business and reporting process;
- interviews with key personnel to understand the process for collecting, collating, and reporting the subject matter during the reporting period;
- Checks that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria;
- Analytical review of procedures to support the reasonableness of the data;
- Identification and test of assumptions supporting calculations;
- Test, on a sample basis, of underlying source information to check the accuracy of the data.

We also performed such other procedures as we considered necessary in the circumstances.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter for the year ended 31 December 2023, in order for it to be in accordance with the Criteria.

On behalf of,
 Ernst & Young Assurance Services S.R.L.
 Partner: Gelu Gherghescu
 28 June 2024
 Bucharest, Romania

STANDARDS ANNEX

GRI CONTENT INDEX

GRI standard / other source	Disclosure	Location in the Report: chapter, sub-chapter	Requirements omitted	Reason for omission	Explanation for omission	GRI sector ref. No.	Link to SASB	Link to IPIECA
GENERAL DISCLOSURES								
GRI 2: General Disclosures 2021	2-1 Organizational details	Profile Governance	A grey cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.				EM-EP-000.C	-
	2-2 Entities included in the organization's sustainability reporting	Governance Appendices Financial brief (IFRS)					-	-
	2-3 Reporting period, frequency and contact point	Introduction About this report Appendices Contacts					-	GOV-2 C3, A2
	2-4 Restatements of information	People Training and skill development					-	-
	2-5 External assurance	Introduction About this report Appendices Independent assurance report					-	GOV-1 A4
	2-6 Activities, value chain and other business relationships	Profile Operations overview Our brands Governance KMG International N.V. Marketplace Sustainable suppliers Procurement and supply chain operations					-	-
	2-7 Employees	People Workforce structure Marketplace Sustainable suppliers					-	-
	2-8 Workers who are not employees	People Workforce structure Marketplace Sustainable suppliers					2-8a. Report the total number of workers who are not employees and whose work is controlled by the organization 2-8c. Describe significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods.	Information unavailable/ incomplete

GRI standard / other source	Disclosure	Location in the Report: chapter, sub-chapter	Requirements omitted	Reason for omission	Explanation for omission	GRI sector ref. No.	Link to SASB	Link to IPIECA
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	Governance KMG International N.V - Mgmt Romp petrol Rafinare SA - Mgmt Romp petrol Well Services SA - Mgmt Rominserv SRL - Mgmt People Workforce structure <i>Composition and split by gender, nationality, region of the Group's Board of Directors is covered in the Diversity & inclusion sub-chapter.</i>	2-9c.vi Describe the composition of the highest governance body and its committees by under-represented social groups	Information unavailable/ incomplete	The Group does not report composition of the highest governance bodies and its committees by under-represented social groups		-	GOV-1 C1, C5, A1 SOC-5 C3 SOC 15 A2
	2-10 Nomination and selection of the highest governance body	Governance KMG International N.V - Mgmt. Romp petrol Rafinare SA - Mgmt. Romp petrol Well Services SA - Mgmt. Rominserv SRL - Mgmt.	2-10b.describe the criteria used for nominating and selecting highest governance body members, including whether and how the following are taken into consideration: views of stakeholders (including shareholders)	Information unavailable/ incomplete	The Group does not report views of stakeholders (including shareholders) as criteria in nominating and selecting the highest governance body.			GOV-1 C1, A1
	2-11 Chair of the highest governance body	Governance KMG International N.V - Mgmt. Romp petrol Rafinare SA - Mgmt. Romp petrol Well Services SA - Mgmt.						GOV-1 C1
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance KMG International N.V - Mgmt. Romp petrol Rafinare SA - Mgmt. Romp petrol Well Services SA - Mgmt.						*GOV-1 C1, C5, A1
	2-13 Delegation of responsibility for managing impacts	Governance KMG International N.V - Mgmt. Romp petrol Rafinare SA - Mgmt. Romp petrol Well Services SA - Mgmt.						GOV-1 C1, C5
	2-14 Role of the highest governance body in sustainability reporting	Introduction About this report Material issues within a global context						GOV-2 C3, A2, A4
	2-15 Conflicts of interest	Profile Compliance - Conflict of interest procedure						GOV-1 C2, A2, A3 GOV-2 A2 GOV-3 C1, C3, C4, A1
	2-16 Communication of critical concerns	Profile Compliance						
	2-17 Collective knowledge of the highest governance body	Governance KMG International N.V - Mgmt.						GOV-1 A1

GRI standard / other source	Disclosure	Location in the Report: chapter, sub-chapter	Requirements omitted	Reason for omission	Explanation for omission	GRI sector ref. No.	Link to SASB	Link to IPIECA
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	People Training and skill development	2-18 The organization shall: a. describe the processes for evaluating the performance of the highest governance body in overseeing the management of the organization's impacts on the economy, environment, and people; b. report whether the evaluations are independent or not, and the frequency of the evaluations; c. describe actions taken in response to the evaluations, including changes to the composition of the highest governance body and organizational practices	Information unavailable/incomplete	KMG International has yet to develop a dedicated internal policy for the evaluation of the highest governance body's performance. The Group will focus on developing such a procedure and commits itself to implement it across the Group in the upcoming period.			GOV-1 A6
	2-19 Remuneration policies	Governance KMG International NV - Mgmt. People Remuneration, compensation and benefits	2-19b. Describe how the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization's impacts on the economy, environment, and people	Information unavailable/incomplete	The Group does not report how the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization's impacts on the economy, environment, and people			
	2-20 Process to determine remuneration	People Remuneration, compensation and benefits	2-20a. describe the process for designing its remuneration policies and for determining remuneration, including iii. whether remuneration consultants are involved in determining remuneration and, if so, whether they are independent of the organization, its highest governance body and senior executives; b. report the results of votes of stakeholders (including shareholders) on remuneration policies and proposals, if applicable.	Not applicable	The Group does not use consultants in determining remuneration. Stakeholders do not vote on remuneration policies.			GOV-1 A5 SOC-5 A2
	2-21 Annual total compensation ratio	Not reported	2-21 The organization shall: a. report the ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual); b. report the ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual); c. report contextual information necessary to understand the data and how the data has been compiled.	Information unavailable/incomplete	Information is not reported by the Group			

GRI standard / other source	Disclosure	Location in the Report: chapter, sub-chapter	Requirements omitted	Reason for omission	Explanation for omission	GRI sector ref. No.	Link to SASB	Link to IPIECA
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	Letter from the CEO Message from the Chairman of the Board						
	2-23 Policy commitments	Profile Compliance	The organization shall: a. describe its policy commitments for responsible business conduct, including: iii. whether the commitments stipulate applying the precautionary principle	Information unavailable/incomplete	The Group does not report on applying the precautionary principle			GOV-1 C2, A2, A3 GOV-2 C3, A2 GOV-3 C1, C3, C4, A1 SOC-8 C1, A1-A4
	2-24 Embedding policy commitments	Profile Compliance Environment Approach to environmental protection and conservation KMG Decarbonization Strategy Environmental performance targets Marketplace Sustainable suppliers					EM-MD-160a.4	GOV-1 C2, A2, A3 GOV-3 C1, C3, C4, CCE-1 C1, A1 CCE-3 C1, A1, A2 ENV-6 C1-C4 SOC-2 C2, A2 SOC-8 C1, A1-A4 SOC-14 C1, A3, A7
	2-25 Processes to remediate negative impacts	Profile Compliance Environment KMG Decarbonization Strategy Marketplace Procurement and supply chain operations						SOC-2 A1 SOC-3 C1, C2, C3 SHS-7 C2, A1
	2-26 Mechanisms for seeking advice and raising concerns	Profile Compliance						GOV-2 C2 SOC-1 C2
	2-27 Compliance with laws and regulations	Environment Approach to environmental protection and conservation Marketplace Procurement and supply chain operations	2-27b. report the total number and the monetary value of fines for instances of noncompliance with laws and regulations that were paid during the reporting period, and a breakdown of this total	Information unavailable/incomplete	The report does not include a breakdown of the total number and monetary value of fines paid during the reporting period		EM-RM-520a.1	
	2-28 Membership associations	Profile Memberships & affiliations						GOV-5 A3
	2-29 Approach to stakeholder engagement	Introduction Material issues within a global context						GOV-2 A4 SOC-9 C1
	2-30 Collective bargaining agreements	Profile Compliance People Collective bargaining agreements & labor practices						SOC-14 A4

GRI standard / other source	Disclosure	Location in the Report: chapter, sub-chapter	Requirements omitted	Reason for omission	Explanation for omission	GRI sector ref. No.	Link to SASB	Link to IPIECA
MATERIAL TOPICS								
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Introduction Material issues within a global context	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.					
	3-2 List of material topics	Introduction Material issues within a global context						
Economic performance								
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context Appendices Financial brief (IFRS)				11.2.1 11.14.1 11.21.1		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Appendices Financial brief (IFRS) People Remuneration, compensation and benefits Community Introduction Marketplace Procurement and supply chain operations	201-1b Where significant, report EVG&D separately at country, regional, or market levels, and the criteria used for defining significance	Information unavailable/incomplete	KMGI reports Group figures regarding economic value generated and distributed	11.2.2 11.14.2 11.21.2		
	201-2 Financial implications and other risks and opportunities due to climate change	Approach Mapping our sustainable development risks Environment Climate change and climate related risks KMGI Decarbonization Strategy					EM-SV-110a.2 EM-SV-160a.2 EM-EP-420a.1 EM-EP-420a.4	CCE-1 C1, C4 CCE-2 C1, C2, A1
	201-3 Defined benefit plan obligations and other retirement plans	People Remuneration, compensation and benefits						GOV-1 A5 SOC-5 A2
	201-4 Financial assistance received from government	Not reported	201-4 a-b	Not applicable		KMGI did not receive financial assistance from the governments of the countries where it operates during the reporting period or prior to this interval. The stake held by states/ state institutions in the Group's companies is referenced in the Governance chapter.	11.21.3	

GRI standard / other source	Disclosure	Location in the Report: chapter, sub-chapter	Requirements omitted	Reason for omission	Explanation for omission	GRI sector ref. No.	Link to SASB	Link to IPIECA
Market presence								
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context Appendices Financial brief (IFRS) People Remuneration, compensation and benefits						
	GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage						SOC-5 A2
	202-2 Proportion of senior management hired from the local community	People Workforce structure				11.11.2 11.14.3		SOC-5 C3, A2, A4 SOC 15 C1, A1, A2
Indirect economic impacts								
GRI 3: Material Topics 2021	3-3 Management of material topics	Environment Approach to environmental protection and conservation Community Introduction Key projects						
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Community Introduction Key projects Environment Approach to environmental protection and conservation KMGI Decarbonization Strategy Profile Our Brands						11.14.4 SHS-2 A1, A2 SOC9-C1, C3 SOC13-C1,C2 SOC13-A1, A5
	203-2 Significant indirect economic impacts	Community Introduction Key projects Environment Approach to environmental protection and conservation Climate change and climate-related risks						11.14.5 SHS-2 A1, A2 SOC-9 C1, C3 SOC-13 C1,C2 SOC-13 A1, A5
Procurement practices								
GRI 3: Material Topics 2021	3-3 Management of material topics	Marketplace Sustainable suppliers Procurement & supply chain operations						

GRI standard / other source	Disclosure	Location in the Report: chapter, sub-chapter	Requirements omitted	Reason for omission	Explanation for omission	GRI sector ref. No.	Link to SASB	Link to IPIECA
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Marketplace Sustainable suppliers				11.14.6		SOC-2 C1, C2 SOC-14 C1, A2-A4, A5, A7, A8
Anti-corruption								
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context Profile Compliance				11.20.1		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Approach Mapping our sustainable development risks Profile Compliance				11.20.2	EM-SV-510a.2 EM-EP-510a.2	GOV-1 C2 GOV-2 C1, C2 GOV-3 C1, C3, C4, A1
	205-2 Communication and training about anti-corruption policies and procedures	Profile Compliance				11.20.3		GOV-1 A7 GOV-3 C3, A1, A4
	205-3 Confirmed incidents of corruption and actions taken	Profile Compliance				11.20.4		
Anti-competitive behavior								
GRI 3: Material Topics 2021	3-3 Management of material topics	Approach Mapping our sustainable development risks Profile Compliance				11.19.1		
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Marketplace Legal actions				11.19.2		
Tax								
GRI 3: Material Topics 2021	3-3 Management of material topics	Approach Tax transparency Mapping our sustainable development risks				11.21.1		
GRI 207: Tax 2019	207-1 Approach to tax	Approach Tax transparency				11.21.4		
	207-2 Tax governance, control, and risk management	Approach Tax transparency				11.21.5		
	207-3 Stakeholder engagement and management of concerns related to tax	Approach Tax transparency				11.21.6		

GRI standard / other source	Disclosure	Location in the Report: chapter, sub-chapter	Requirements omitted	Reason for omission	Explanation for omission	GRI sector ref. No.	Link to SASB	Link to IPIECA
GRI 207: Tax 2019	207-4 Country-by-country reporting	Not reported	207-4 a.b.c.	Information unavailable/incomplete	Information is not provided in the sustainability report	11.21.7		
Materials								
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context Environment <i>Environmental performance of KMG International Entities included in disclosures - dedicated "Materials" sub-chapters</i> Marketplace Procurement & supply chain operations						
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Environment Romp petrol Refinare Romp petrol Downstream & Rompetrol Gas Romp petrol Energy Rominserv Romp petrol Well Services Romp petrol Quality Control Marketplace Procurement & supply chain operations"					EM-RM-000.A EM-RM-000.B EM-MD-000.A	ENV-7 C1
	301-2 Recycled input materials used	Environment Environmental performance targets Romp petrol Refinare <i>For Rompetrol Refinare & Rompetrol Downstream, the recycled input materials are reported as total weight instead of percentage.</i>						
	301-3 Reclaimed products and their packaging materials	Environment Romp petrol Refinare Romp petrol Downstream	301-3 a.b.	Information unavailable/incomplete	Information on recycling or reuse of packaging is reported separately according to waste indicators			
Energy								
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context Approach Mapping our sustainable development risks Environment Approach to environmental protection and conservation				11.1.1		

GRI standard / other source	Disclosure	Location in the Report: chapter, sub-chapter	Requirements omitted	Reason for omission	Explanation for omission	GRI sector ref. No.	Link to SASB	Link to IPIECA
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Environment <i>Environmental performance of KMG International Entities included in disclosures - dedicated "Energy" sub-chapters</i>				11.1.2		CCE-6 C1, C2, A3, A4
	302-2 Energy consumption outside of the organization	Environment <i>Environmental performance of KMG International Entities included in disclosures - dedicated "Energy" sub-chapters</i>				11.1.3		CCE-6 C1
	302-3 Energy intensity	Environment <i>Environmental performance of KMG International Entities included in disclosures - dedicated "Energy" sub-chapters</i>						CCE-6 A2
	302-4 Reduction of energy consumption	Environment <i>Environmental performance of KMG International Entities included in disclosures - dedicated "Energy" sub-chapters</i>						CCE-6 C2
	302-5 Reductions in energy requirements of products and services	Environment Environmental performance targets Romp petrol Downstream & Rompetrol Gas	302-5 a. Reductions in energy requirements of sold products and services achieved during the reporting period, in joules or multiples	Information unavailable/incomplete				CCE-6 C2
Water and effluents								
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context Approach Mapping our sustainable development risks Environment Approach to environmental protection and conservation				11.6.1		
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Environment <i>Environmental performance of KMG International Entities included in disclosures - dedicated "Water" sub-chapters</i>	303-1d. An explanation of the process for setting any water-related goals and targets that are part of the organization's approach to managing water and effluents, and how they relate to public policy and the local context of each area with water stress	Not applicable	The Group does not carry out operations involving water as a shared resource in any areas with water stress	11.6.2		ENV-1 C1, C2, C5, A1 - A5, A8 - A11
	303-2 Management of water discharge-related impacts	Environment <i>Environmental performance of KMG International Entities included in disclosures - dedicated "Water" sub-chapters</i>				11.6.3		ENV-2 C1, C2, A2, A5, A6

GRI standard / other source	Disclosure	Location in the Report: chapter, sub-chapter	Requirements omitted	Reason for omission	Explanation for omission	GRI sector ref. No.	Link to SASB	Link to IPIECA
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	Environment <i>Environmental performance of KMG International Entities included in disclosures - dedicated "Water" sub-chapters</i>				11.6.4	EM-RM-140a.1 EM-SV-140a.1	ENV-1 C1, C4, A2, A4, A8
	303-4 Water discharge	Environment <i>Environmental performance of KMG International Entities included in disclosures - dedicated "Water" sub-chapters</i>				11.6.5		ENV-2 C2, A5, A6
	303-5 Water consumption	Environment <i>Environmental performance of KMG International Entities included in disclosures - dedicated "Water" sub-chapters</i>	303-5 b. Total water consumption from all areas with water stress in megaliters	Not applicable	The Group does not carry out operations involving water as a shared resource in any areas with water stress		11.6.6	
Biodiversity								
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context Sustainable Development Goals				11.4.1		
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Environment Romp petrol Rafinare Romp petrol Energy				11.4.2	EM-MD-160a.2	"ENV-4 C1 GOV-2: A5; ENV-3: C1, C2, A1, A2; ENV-4 C2, A2"
	304-2 Significant impacts of activities, products and services on biodiversity	Environment Romp petrol Rafinare Romp petrol Energy				11.4.3		"ENV-3 C1, C3, A4 ENV-4 C1, C2, A1"
	304-3 Habitats protected or restored	Environment Romp petrol Rafinare Romp petrol Energy				11.4.4		
GRI 304: Biodiversity 2016	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not reported	304-4 a Total number of IUCN Red List species and national conservation list species with habitats in areas affected by the operations of the organization, by level of extinction risk	Not applicable	There are no species in danger of extinction in the areas affected by the operations of the organization	11.4.5		
Emissions								
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context Environment Approach to environmental protection and conservation Climate change and climate-related risks Group Carbon Footprint KMG I Decarbonization Strategy				11.1.1 11.3.1		

GRI standard / other source	Disclosure	Location in the Report: chapter, sub-chapter	Requirements omitted	Reason for omission	Explanation for omission	GRI sector ref. No.	Link to SASB	Link to IPIECA
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Environment Group Carbon Footprint <i>Environmental performance of KMG International Entities included in disclosures - dedicated "Emissions" sub-chapter</i>	305-1c. Biogenic CO2 emissions in metric tons of CO2	Not applicable	KMGI does not use biomass in its operations	11.1.5	EM-RM-110a.1 EM-MD-110a.1 EM-EP-110a.1 EM-EP-110a.2	CCE-4 C1, C3, A1, A3 CCE-7 C1, C2, C4, A1
	305-2 Energy indirect (Scope 2) GHG emissions	Environment <i>Environmental performance of KMG International Entities included in disclosures - dedicated "Emissions" sub-chapter</i>				11.1.6	EM-SV-110a.1	CCE-4 C2
	305-3 Other indirect (Scope 3) GHG emissions	Environment <i>Environmental performance of KMG International Entities included in disclosures - dedicated "Emissions" sub-chapter</i>				11.1.7		CCE-4 A2
	305-4 GHG emissions intensity	Environment <i>Environmental performance of KMG International Entities included in disclosures - dedicated "Emissions" sub-chapter</i>				11.1.8		CCE-4 C4
	305-5 Reduction of GHG emissions	Environment <i>Environmental performance of KMG International Entities included in disclosures - dedicated "Emissions" sub-chapter</i>				11.2.3	EM-RM-110a.2 EM-MD-110a.2 EM-SV-110a.3	CCE-2 C1, C2, C4, A1 CCE-3 C1, A1, A2, A5, A8
	305-6 Emissions of ozone-depleting substances (ODS)	Not reported		305-6 a.b.c.d.	Not applicable	There are no emissions of ozone-depleting substances (ODS) generated within KMGI operations (the Group does not import, produce or export any ODS)		
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Environment Romp petrol Rafinare Romp petrol Downstream & Rompetrol Gas Romp petrol Energy Romp petrol HQ				11.3.2	EM-RM-120a.1 EM-MD-120a.1 EM-EP-120a.1	ENV-5 C1, C2, A1, A2, A3
Waste								
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context Environment Approach to environmental protection and conservation				11.5.1		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Environment <i>Environmental performance of KMG International Entities included in disclosures - dedicated "Waste" sub-chapter</i>				11.5.2		ENV-7 C2

GRI standard / other source	Disclosure	Location in the Report: chapter, sub-chapter	Requirements omitted	Reason for omission	Explanation for omission	GRI sector ref. No.	Link to SASB	Link to IPIECA
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	Environment <i>Environmental performance of KMG International Entities included in disclosures - dedicated "Waste" sub-chapter</i>				11.5.3		ENV-7 C2
	306-3 Waste generated	Environment <i>Environmental performance of KMG International Entities included in disclosures - dedicated "Waste" sub-chapter</i>				11.5.4 11.8.2	EM-RM-150a.1	ENV-7 C3, A1, A2
	306-4 Waste diverted from disposal	Environment <i>Environmental performance of KMG International Entities included in disclosures - dedicated "Waste" sub-chapter</i>				11.5.5		ENV-7 C3
	306-5 Waste directed to disposal	Environment <i>Environmental performance of KMG International Entities included in disclosures - dedicated "Waste" sub-chapter</i>				11.5.6		ENV-7 C3, ENV-8 C2, A1, A4
	Supplier environmental assessment							
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context Profile Compliance						
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Marketplace Sustainable suppliers						GOV-1 A2
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	Not reported	308-2 a.-e.	Information unavailable/incomplete	The information is not provided in the sustainability report			
Supplier environmental assessment								
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context Profile Compliance People Workforce structure Collective bargaining agreements & labor practices				11.10.1		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	People Workforce structure				11.10.2		SOC-6 A1

GRI standard / other source	Disclosure	Location in the Report: chapter, sub-chapter	Requirements omitted	Reason for omission	Explanation for omission	GRI sector ref. No.	Link to SASB	Link to IPIECA
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	People Remuneration, compensation and benefits				11.10.3		GOV-1 A5 SOC-5 A2
	401-3 Parental leave	People Workforce structure				11.10.4 11.11.3		
Labor/management relations								
GRI 3: Material Topics 2021	3-3 Management of material topics	Profile Compliance						
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	People Collective bargaining agreements and labor practices				11.7.2 11.10.5		
Occupational health and safety								
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context Safety Introduction Safety performance targets KMG International QHSE Framework				11.9.1		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Safety Introduction Safety performance targets KMG International QHSE Framework <i>Safety performance of KMG International Entities included in disclosures - dedicated "Approach to Safety" sub-chapters</i>	403-1a.i The system has been implemented because of legal requirements and, if so, a list of the requirements	Information unavailable/incomplete	The report mentions the legal requirements regarding QHSE, however, the very comprehensive list is not included in the report.	11.9.2	EM-RM-320a.2 EM-EP-320a.2 EM-SV-320a.2	SHS-1 C1-C3, A1 SHS-3 C3, C4, A2-A4 SHS-7 C1, C2, A1
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	Approach Mapping our sustainable development risks Safety <i>Safety performance of KMG International Entities included in disclosures - dedicated "Hazard identification and risk assessment" sub-chapters</i>				11.9.3	EM-RM-320a.2 EM-EP-320a.2 EM-SV-320a.2	SHS-1 C1-C3, A1 SHS-3 C3, C4, A2-A4 SHS-6 C3 SHS-7 C3, A2
	403-3 Occupational health services	Safety KMG International QHSE Framework				11.9.4		
	403-4 Worker participation, consultation, and communication on occupational health and safety	Safety <i>Safety performance of KMG International Entities included in disclosures - dedicated "Worker engagement & communication on occupational health and safety" sub-chapters</i>				11.9.5		SHS-1 C1

GRI standard / other source	Disclosure	Location in the Report: chapter, sub-chapter	Requirements omitted	Reason for omission	Explanation for omission	GRI sector ref. No.	Link to SASB	Link to IPIECA
GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	Safety <i>Safety performance of KMG International Entities included in disclosures - dedicated "OHS Training" sub-chapters</i>				11.9.6		SHS-1 C2
	403-6 Promotion of worker health	Safety Introduction KMG International QHSE Framework <i>Safety performance of KMG International Entities included in disclosures - dedicated "Promotion of worker health" sub-chapters</i> People People's health and wellbeing				11.9.7		SHS-2 C1, A4 SOC-6 A1-A4, C1-C3
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safety Introduction				11.9.8		
	403-8 Workers covered by an occupational health and safety management system	Safety KMG International QHSE Framework <i>Safety performance of KMG International Entities included in disclosures - dedicated "Approach to Safety" sub-chapter</i> <i>The Group reports workers covered by an occupational health and safety management system in numbers and not percentages"</i>	403-8b. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded	Information unavailable/incomplete	The information is not provided in the sustainability report	11.9.9		SHS-1 C3
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	"Safety Safety Performance Targets KMG International QHSE Framework <i>Safety performance of KMG International Entities included in disclosures"</i>				11.9.10	EM-RM-320a.1 EM-EP-320a.1 EM-SV-320a.1 EM-SV-000.D	SHS-3 C1, C2, C4 SHS-4: C1-C3, A1, A5
	403-10 Work-related ill health	"Safety Safety Performance Targets KMG International QHSE Framework <i>Safety performance of KMG International Entities included in disclosures"</i>				11.9.11	EM-RM-320a.1 EM-EP-320a.1 EM-SV-320a.1	SHS-3 A1
Training and education								
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context People Training and skill development						

GRI standard / other source	Disclosure	Location in the Report: chapter, sub-chapter	Requirements omitted	Reason for omission	Explanation for omission	GRI sector ref. No.	Link to SASB	Link to IPIECA
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	People Training and skill development				11.10.6 11.11.4		SOC-7 C1,C2
	404-2 Programs for upgrading employee skills and transition assistance programs	People Training and skill development				11.7.3 11.10.7		GOV-1 A5 SOC-7 A2, C1, C2 SOC-15 A3
	404-3 Percentage of employees receiving regular performance and career development reviews	People Training and skill development						
Diversity and equal opportunity								
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context Governance KMG International NV				11.11.1		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	People Workforce structure				11.11.5		SOC-5 C2, C3
	405-2 Ratio of basic salary and remuneration of women to men	People Remuneration, compensation and benefits				11.11.6		SOC-5 A2
Non-discrimination								
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context Sustainable Development Goals Profile Compliance People Workforce structure				11.11.1		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Profile Compliance People Workforce structure				11.11.7		
Freedom of association and collective bargaining								
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context Profile Compliance People Collective bargaining agreements and labor practices				11.13.1		

GRI standard / other source	Disclosure	Location in the Report: chapter, sub-chapter	Requirements omitted	Reason for omission	Explanation for omission	GRI sector ref. No.	Link to SASB	Link to IPIECA
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	People Collective bargaining agreements and labor practices				11.13.2		
Child labor								
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context Profile Compliance People Collective bargaining agreements and labor practices						
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	People Collective bargaining agreements and labor practices						
Forced or compulsory labor								
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context Profile Compliance				11.12.1		
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	People Collective bargaining agreements and labor practices Marketplace Sustainable suppliers				11.12.2		
Security practices								
GRI 3: Material Topics 2021	3-3 Management of material topics					11.18.1		
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Not reported	410 -1 a. Percentage of security personnel who have received formal training in the organization's human rights policies or specific procedures and their application to security b. Whether training requirements also apply to third-party organizations providing security personnel	Information unavailable/incomplete	Information is not provided in the sustainability report	11.18.2		
Rights of indigenous peoples								
GRI 3: Material Topics 2021	3-3 Management of material topics					11.17.1		
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Not reported	411-1a. & 411-1b.	Not applicable	KMG International activities have no impact related to the rights of indigenous peoples in any of its locations of operations	11.17.2		

GRI standard / other source	Disclosure	Location in the Report: chapter, sub-chapter	Requirements omitted	Reason for omission	Explanation for omission	GRI sector ref. No.	Link to SASB	Link to IPIECA
Local communities								
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context Community Introduction"				11.15.1		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Environment Romp petrol Downstream & Rompetrol Gas Romp petrol Bulgaria Romp petrol Moldova Romp petrol Energy Community Introduction Key projects <i>KMG International reports implemented local community engagement activities detailing major projects developed throughout the reporting period. However, the Group does not report these as percentage of its operations.</i>	413-1a.i. social impact assessments, including gender impact assessments, based on participatory processes	Information unavailable/incomplete	The Group does not report impact assessments by gender. All community engagement activities have been implemented following in-depth consultations with KMG stakeholders and representatives of local communities	11.15.2		SHS-2 A1, A2 SOC-9 C1-C3 SOC-13 C1, C2, A1, A2, A5
GRI 413: Local Communities 2016	413-2 Operations with significant actual and potential negative impacts on local communities	Environment Romp petrol Downstream & Rompetrol Gas Romp petrol Bulgaria Romp petrol Moldova				11.15.3		SHS-2 A1, A2 SOC-9 C1-C3 SOC-13 C1, C2, A1, A2, A5
	Report the number and type of grievances from local communities identified, including: • percentage of the grievances that were addressed and resolved; • percentage of the grievances that were resolved through remediation	Safety <i>Safety performance of KMG International Entities included in disclosures</i>				11.15.4		SOC-12 C1, C2, A1
Rights of indigenous peoples								
GRI 3: Material Topics 2021	3-3 Management of material topics							
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Marketplace Sustainable suppliers				11.10.8 11.12.3		SOC-2 C2, A2
	414-2 Negative social impacts in the supply chain and actions taken	Marketplace Sustainable suppliers				11.10.9		SOC-3 C3, A4

GRI standard / other source	Disclosure	Location in the Report: chapter, sub-chapter	Requirements omitted	Reason for omission	Explanation for omission	GRI sector ref. No.	Link to SASB	Link to IPIECA
Public policy								
GRI 3: Material Topics 2021	3-3 Management of material topics					11.22.1		
GRI 415: Public Policy 2016	415-1 Political contributions	Not reported			415-1a. Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary. b. If applicable, how the monetary value of in-kind contributions was estimated	11.22.2		
Customer health and safety								
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context Safety KMG QHSE framework						
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Safety KMG QHSE framework Marketplace Product sustainability				11.3.3	EM-RM-410a.1	SHS-5 C1, C2, C3, A1, A2, A3, A4
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Safety KMG QHSE framework Romp petrol Downstream & Rompetrol Gas						SHS-5 C1, C3, A1, A3
Marketing and labeling								
GRI 3: Material Topics 2021	3-3 Management of material topics	Introduction Material issues within a global context Marketplace Product sustainability						
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Marketplace Product sustainability						SHS-5 C2
	417-2 Incidents of non-compliance concerning product and service information and labeling	Marketplace Product sustainability						

GRI standard / other source	Disclosure	Location in the Report: chapter, sub-chapter	Requirements omitted	Reason for omission	Explanation for omission	GRI sector ref. No.	Link to SASB	Link to IPIECA
GRI 417: Marketing and Labeling 2016	417-3 Incidents of non-compliance concerning marketing communications	Marketplace Product sustainability	417-3a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by: i. incidents of non-compliance with regulations resulting in a fine or penalty; ii. incidents of non-compliance with regulations resulting in a warning; iii. incidents of non-compliance with voluntary codes. b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient					
Customer privacy								
GRI 3: Material Topics 2021	3-3 Management of material topics							
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Marketplace Customer satisfaction and privacy						SHS-5 C1, C2

Topics in the applicable GRI Sector Standards determined as not material

Topic	Explanation	Link to SASB	Link to IPIECA
11.8.2. For each significant spill, report the cause of the spill and the volume of spill recovered	<i>Topic was not determined as material following consultations with KMG International stakeholders & the materiality assessment for this report. However, given the potential risks and high impact of such incidents, the Group included the topic in its report, relevant information being provided in the following chapters and titles:</i> Environment Approach to environmental protection and conservation Environmental performance targets Romp petrol Rafinare Romp petrol Downstream & Rom petrol Gas Romp petrol Bulgaria Romp petrol Georgia Romp petrol Moldova Romp petrol Energy Rominserv Romp petrol Well Services Romp petrol Quality Control Midia Marine Terminal	EM-MD-160a.4 EM-EP-160a.2	ENV-6 C1- C4

GLOSSARY OF TERMS AND ABBREVIATIONS

Term / abbreviation	Definition	Term / abbreviation	Definition
BAT	Best Available Techniques	CCS	Carbon capture and storage
BAT BREF	Best Available Techniques Reference Document	CCU	Carbon capture and utilization
bbl	barrel	CCUS	Carbon capture, utilization and storage
BoD	Board of Directors	CEO	Chief Executive Officer
boe	barrel of oil equivalent	CH4	methane
BSE	Bucharest Stock Exchange	Circular economy	Circular economy is a model for production and consumption where existing materials and products are shared, reused, repaired, reprocessed and recycled for as long as possible
CAPEX	Capital expenditure	CLA	Collective labor agreement
Carbon dioxide (CO ₂) emissions	CO ₂ released to the atmosphere as a result of operations, including CO ₂ emissions from energy generation, heat production, flaring, and remaining emissions from CO ₂ released to the atmosphere as a result of operations, including carbon capture and treatment CO ₂ emissions from energy generation, heat production, flaring, and plants	CLP	Classification, Labelling, and Packaging
Carbon dioxide (CO ₂) emission reductions	The total estimated quantity of CO ₂ emissions achieved by implementing a specific measure compared to the expected emissions at an installation without the measure (or best available technology for greenfield developments)	CO	carbon monoxide
Carbon dioxide (CO ₂) equivalents	Carbon dioxide equivalent is a quantity that describes, for a given mixture and amount of greenhouse gas, the amount of CO ₂ that would have the same global warming potential	CO ₂	carbon dioxide
Carbon neutrality	Carbon neutrality means having a balance between emitting carbon dioxide and absorbing carbon from the atmosphere in carbon sinks such as soil, forests and oceans. The aim is to prevent emissions exceeding the levels that can be reabsorbed	Compliance	Compliance in the narrower sense means that the company and its employees obey the law and regulations. A company's compliance management thus includes the structured development of internal rules and guidelines that are observed by the company's employees
CB05	5-day biochemical oxygen consumption	Corporate Social Responsibility	CSR describes companies' responsibility for their impact on society. This includes social, environmental and economic aspects
CCOCr	Determination of chemical oxygen consumption	CSRD	The Corporate Sustainability Reporting Directive (CSRD) is European Union (EU) legislation, effective from 5 January 2023, that requires EU businesses—including qualifying EU subsidiaries of non-EU companies—to disclose their environmental and social impacts, and how their environmental, social and governance (ESG) actions affect their business.
CCRF	Climate Change Framework	CSSM	Work Health and Safety Committee

Term / abbreviation	Definition
Decarbonization	Decarbonization is the term used for removal or reduction of carbon dioxide (CO2) output into the atmosphere. Decarbonization is achieved by switching to usage of low carbon energy sources.
Double materiality	Double materiality acknowledges risks and opportunities from both financial and nonfinancial perspectives. This concept requires companies to disclose not only how sustainability issues affect them, but also how their operations and activities affect the environment and society at large.
DN	Diameter nominal (DN) denotes the size of a pipe (specifically, its inside diameter) in millimeters (mm)
DWS	Rompetrol Downstream
EC	European Commission
EGMS	Extraordinary General Meeting of the Shareholders
ELV	Emission limit value
EMEP/EEA	The EMEP/EEA air pollutant emission inventory guidebook provides guidance on estimating emissions from both anthropogenic and natural emission sources. It is an essential tool allowing the compilation of comparable and consistent air pollutant emissions inventory data in Europe
Emissions factor	It indicates the average greenhouse gas emissions caused by an activity. As emissions can often not be directly measured, the amount of greenhouse gases is calculated by multiplying this factor and the activity rate
Energy consumption	Energy used for power generation and heat production in combustion processes, unused energy from flaring, energy sold/ delivered to third parties and gross energy purchased
ESG	Environmental, social, and governance
ESRS	The European Sustainability Reporting Standards (ESRS) are standards that define the rules of the Corporate Sustainability Reporting Directive (CSRD). They set the structure and disclosure requirements that companies, banks and insurance companies in scope will need to report on.
EU	European Union

Term / abbreviation	Definition
EUA	EU Allowances (EUA) are climate credits (or carbon credits) used in the European Union Emissions Trading Scheme (EU ETS)
EU ETS	EU Emissions Trading System
EU Taxonomy	The EU taxonomy is a classification system, establishing a list of environmentally sustainable economic activities. It could play an important role helping the EU scale up sustainable investment and implement the European green deal
Flared hydrocarbons	Weight of hydrocarbons combusted in operational flare systems
Freshwater	Naturally occurring water with a low concentration of salts, or generally accepted as suitable for abstraction and treatment to produce potable water. Includes water from public installations, wells (including groundwater reservoirs), lakes, streams, rivers and purchased freshwater.
GD	Government Decree
GDPR	General Data Protection Regulation
GED	Government Emergency Decree
GHG	Greenhouse gases - carbon dioxide, methane, nitrous oxide and other greenhouse gases are a major driver of climate change
GHG Scope 1	Direct emissions from operations that are owned or controlled by the organization
GHG Scope 2	Energy indirect emissions resulted from the generation of purchased or acquired electricity, heating, cooling or steam
GHG Scope 3	Other indirect emissions that occur outside the organization
GJ	gigajoule
GMS	General Meeting of Shareholders
GRI	Global Reporting Initiative
GWh	gigawatt hour
H2	Hydrogen
H2S	Hydrogen sulfide

Term / abbreviation	Definition
Hazardous waste	Waste is considered to be hazardous waste according to the regulations under which the activity operates or where the waste can pose a substantial hazard to human health and/or the environment when improperly managed
HAZID	HAZID (Hazard Identification) is a general risk analysis tool designed to alert management of any threats and hazards on the jobsite
HAZOP	HAZOP (Hazard and Operability Study) is used to identify abnormalities in the work environment and pinpoint their root causes
HDPE	High density polyethylene
HFCs	Hydrofluorocarbons
HR	Human Resources
HSE	Health, Safety, and Environment
HVO	Hydrogenated vegetable oil
IFRS	International Financial Reporting Standards
IPCC	The Intergovernmental Panel on Climate Change (IPCC) is an intergovernmental body of the United Nations responsible for advancing knowledge on human-induced climate change
IPIECA	International Petroleum Industry Environmental Conservation Association
ISO	International Organization for Standardization
JSA	Job Safety Analysis (JSA) is a formal process to identify the dangers of specific job tasks in order to reduce the risk of injury to workers
kt	kiloton
KWh	Kilowatt-hour
KYC	Know Your Customer
L	liter
LDAR	Leak Detection and Repair
LDPE	Low density polyethylene

Term / abbreviation	Definition
LPG	Liquefied Petroleum Gas
LRF	Linear Reduction Factor
LTIR	Lost-Time Injury Rate
LTSA	Long-Term Service Agreement
M	million
m2	square meter
m3	cubic meter
Materiality analysis	This analysis identifies important sustainability issues for companies and their stakeholders. The results of partial analyses (external, internal, stakeholders) are combined in a materiality matrix
ML	megaliters
MSDs	Material safety data sheet
MW	megawatt
Mwe	megawatt electrical
NC	Non-conformity
NEG	National Environmental Guard
Net-zero emissions	Net zero means reducing Earth's carbon footprint to zero in net terms (after removing emissions through natural or artificial sinks)
NGO	Non-governmental organization. A non-profit organization that operates independently of any government
NF3	Nitrogen trifluoride
Nm3	Normal meter cube (Nm3) is the value that a matter whether solid, liquid or gas of a constant mass occupies under normal or standard conditions and that is at 0 degree centigrade or 273 degree K and at 1 atmosphere pressure or 1013.25 mbar
NOx	Nitrogen oxides
NPP	Nuclear Power Plant
OGMS	Ordinary General Meeting of the Shareholders

Term / abbreviation	Definition
OPEC	The Organization of the Petroleum Exporting Countries is a multinational organization that was established to coordinate the petroleum policies of its members and to provide member states with technical and economic aid.
OPEX	Operating Expenses
OSH	Occupational safety and health
Paris Agreement	It is the first-ever universal, legally binding global climate change agreement signed by 190 parties. It was adopted at the Paris Climate Change Conference (COP21) in December 2015 and sets out a global framework to tackle climate change
PE	Polyethylene
PET	Polyethylene terephthalate
PFCs	Perfluorocarbons
PM	Particulate matter
Polyolefins	Polyolefins are made from oil and gas and are some of the most commonly used plastics thanks to their versatility. Examples of use include films, bottles, food containers and food packaging
PP	Polypropylene
PPE	Personal protective equipment
PV	Photovoltaic
PVC	Polyvinyl chloride
REACH	Registration, Evaluation, Authorization, and Restriction of Chemicals
QHSE	Quality, Health, Safety and Environment Management (QHSE) generally refers to a management operation mode which integrates the common elements of the ISO9001, OHSAS18001 and ISO14001 standards
RED	Renewable Energy Directive
RGF	Flare Gas Recovery Facility
RPE	Romp petrol Energy

Term / abbreviation	Definition
RRC	Romp petrol Rafinare
SAP ERP	Enterprise resource planning software - modular software made to integrate the main functions of an organization's core business processes into a unified system
SASB	Sustainability Accounting Standards Board
SDGs	Sustainable Development Goals
SDS	Safety data sheet
SEVESO	European "Seveso" Directive which requires the identification of industrial establishments with major risks. A Seveso establishment is an establishment which has an activity linked to handling, manufacturing, using or storing dangerous substances (i.e. refineries, petrochemical sites, oil depots or explosives depots)
SF6	Sulfur hexafluoride
SOx	Sulfur oxides
SR	Severity Rate
SRU	Sulfur Recovery Unit
t	ton
TJ	terajoule
toe	ton of oil equivalent
TRIR	Total Recordable Injury Rate
UNGC	UN Global Compact
USD	Unites States Dollar
value chain	The value chain describes the steps along the production chain in order
VD	Vacuum distillation
VOC	Volatile organic compound
VRU	Vapor Recovery Unit

STAKEHOLDER FEEDBACK FORM

Please take a few minutes to fill out this questionnaire on the 2023 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:

(choose five)

- Safety
- Workplace
- Protecting the environment
- Caring for society and the environment
- Programs to support the local communities
- Transparency
- Emissions
- Economic performance
- Decarbonization

To which of these groups of stakeholders do you belong?

(single choice)

- Employees
- Local community
- NGOs
- Media
- Suppliers
- Customers
- Business partners
- Authority representatives
- Others

How was your opinion of KMG International influenced by reading the 2021 Sustainability Report?

(single choice)

- Positively influenced
- Not influenced
- Negatively influenced

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LAST NAME

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