

## ANNUAL REPORT ON SPONSORSHIP AND PATRONAGE FOR 2018

January 2019

Romgaz activities in the field of social responsibility are performed voluntarily, beyond the legal responsibilities, for the company is aware of the role of corporations in society.

Social responsibility means for Romgaz a business culture including business ethics, customer rights, economic and social equity, environmental friendly technologies, fair treatment of workforce, transparent relationship with the public authorities, moral integrity and investment in the community.

Also, Romgaz supports the sustainable development of the company and the community, through financial support/ full or partial sponsorship of some actions and initiatives in the following main domains: education, social, sport, health and environment.

Supporting such social projects, within the limits of budgeted financial resources, Romgaz has been pro-active in the field of social responsibility and has increased the awareness of the involved parties as regards the importance and the benefits of social responsibility.

Romgaz supported in 2018, fully or partially, actions and initiatives provided under the Government Emergency Ordinance no.2/2015, in compliance with the budget, as follows:

| <b>Sponsoring costs under Government Emergency Ordinance no.2/2015, out of which:</b>                  | <b>2018 Budget</b> | <b>Achieved in 2018</b> |
|--|--------------------|-------------------------|
| Medical and health sponsorships (article XIV letter a) (minimum 40%)                                   | <b>5,600,000</b>   | <b>5,599,461</b>        |
| Education, training, social and sport sponsorships (article XIV letter b), (minimum 40%) out of which: | <b>6,900,000</b>   | <b>6,900,000</b>        |
| ▪ for sports clubs   | <b>5,990,000</b>   | <b>5,990,000</b>        |
| Sponsorships for other actions and activities (article XIV letter c) (maximum 20%)                     | <b>1,500,000</b>   | <b>1.500.000</b>        |
| <b>Total sponsorship</b>   | <b>14,000,000</b>  | <b>13,999,460</b>       |

A careful assessment of the level reached in the process of undertaking the CSR policy by Romgaz indicates a high degree of social involvement highlighted by the consistency of carried out programs which had a positive response to the expectations of involved parties.

In order to become a good practice model relying on the balance between exploitation of natural resources and quality of life in harmony with the natural environment, Romgaz is a company opened to the initiatives of interested parties looking to harmonize the efforts undertaken to improve the quality of life and well-being of current and future generations and to the initiatives consistent with the business strategy of the company.

Below are the main social responsibility projects for each sponsorship category provided under Government Emergency Ordinance no. 2/2015, for amending and supplementing certain laws and other measures.

➤ ***Sponsorship of projects and actions, social responsibility initiatives in the following fields: medical, health, medical treatments and interventions***

Romgaz provides support for the implementation of projects improving health services and for health specific projects, identified as a priority of the interested parties, especially in communities where the company operates without excluding broadening the intervention area.

- **County Emergency Clinical Hospital of Targu Mures**  
“Medical equipment and instruments for the Paediatric Clinic I of Targu Mures” Project
- **Town Hospital of Medias**  
“Acquisition and setting up of a Roentgen digital radiology device” Project  
“Rehabilitation of operating room and birth room of Gynaecology and Obstetrics Ward” Project
- **Grigore T. Popa Medical and Pharmacy University of Iasi**  
“Advanced method for early diagnose through THz imagery of neoplasia in early stage” Project
- **County Emergency Hospital of Valcea**  
“Acquisition of medical equipment for Forensic Medicine Department - Gas-Chromatograph” Project
- **County Emergency Clinical Hospital of Sibiu**  
“High performance medical equipment – orthopaedics operating room, anaesthesia and intensive care unit and cardiology II” Project  
“Endovascular treatments in stable and acute arterial and venous pathologies – within the Testing Laboratory in the field of adult vascular and heart pathology” Project
- **Hope for Romanian Children Foundation, Bucharest**  
“Equipping the operating room of the Otorhinolaryngology Clinic of the M. S. Curie Emergency Clinical Hospital for Children” Project
- **County Clinical Hospital of Targu Mures**  
“Medical equipment and instruments for Gynaecology and Obstetrics Clinic no.2 in Targu Mures” Project

**Benefits for the community:**

Through Romgaz’ support, the projects implemented in the above mentioned communities improve the quality and efficiency of medical acts, broaden the range of medical interventions with the help of state of the art equipment and, most of all, with a minimum level of invasion for the patients and contribute towards improving the working environment of doctors by implementing new techniques with the help of modern equipment.



The results of these projects will enhance the education in university hospitals and/or in research medical units by facilitating access to highly performant medical practices for students trained in these hospitals.

Romgaz action has considerable benefits for stimulating medical education and research, improving conditions for good medical practices. Patients have access to the best treatment and medical intervention to increase their life quality and their families' life quality.

➤ ***Sponsored projects and actions, social responsibility initiatives in the following fields: education, social and sport***

Education and/or sports and other social actions destined for the communities are part of the identified priority directions with high expectance from the members of the community. Therefore, we tried to support projects that have an educational component, even if they do not fit only in this category.

- **Lucian Blaga" University, Sibiu**

*The project „Setting up a gas exploitation modelling and simulation laboratory for the Engineering Faculty of "Lucian Blaga" University, Sibiu, Medias University centre, consisting of graphics workstations, equipment for the laboratory*

- **Hoghilag, Sibiu**

*"Rehabilitating the Middle School" Project*

- **Higher Commercial School Nicolae Kretzulescu, Bucharest**

*"Entrepreneurship education by means of the entrepreneurship study circle" Project*

- **Povestasi Association, Bucharest**

*Financial support for "School full of energy"*

- **Pacenta Foundation, Sibiu**

*Project "Sibiu presents itself on the Great Union Centenary"*

- **Rază de Soare Association, Iernut, Mureş**

*Project "Change the destiny of a person with special needs" – adjusting the home for people with disabilities in Iernut, Gh Doja str. no. 62; loc. Iclănzul no. 42, Mureş county"*

**Benefits for the community:**

Romgaz understands the value of an innovative and robust educational strategy, appreciates and encourages important projects for the progress of the young and wishes to get involved in projects that contribute to fulfilling the essential role of the school in educating the young generation. Today's educational system has to adapt rapidly to new knowledge and communication technologies.

Romgaz takes advantage of every real opportunity to get involved in supporting Romanian education, supporting tangible and relevant projects. This confirms Romgaz involvement in acknowledging the needs of the present society.

Romgaz considers social involvement as integral part of its strategy, therefore supporting projects for preventing, minimizing and even eliminating risks with negative social impact become real instruments for supporting and stimulating actions with positive impact on the community members confronted with social vulnerabilities. The social projects supported by Romgaz represent an ethical foundation placing the man and its social issues in the centre of its activity, hoping to reduce the negative effects on the development of a healthy society.

- **Sports Club AMC RACING Association, Arad**  
*"Mihai Leu participates in the National Hillclimb Championship 2017" with a Ferrari 458. Promoting Arad Rally an international competition of the national rally Championship Project*
- **"Elisabeta Polihroniade" Sports Club Bucharest**  
*„Romgaz Kings Tournament - In Memoriam Elisabeta Polihroniade, XII<sup>th</sup> edition" Project*  
*„National School Chess Championship "Elisabeta Polihroniade" – mixed teams" Project*
- **Gaz Metan Mediaş Sports Club**  
*"Football team participation in the 1<sup>st</sup> League" Project*
- **Electromureş Sports Club, Mureş County**  
*"Financial support for the high-performance level in the activity of the feminine bowling team Romgaz Electromureş, in 2018" Project*
- **Romanian Olympic and Sports Committee**  
*Organisational support and participation in the World Wrestling Championship U23, Bucharest*
- **"Handball Club Dinamo" Association Bucharest**  
*"Promote handball for children, junior and senior, education through sport and improving general health" Project*
- **Mediaş Sports Club**  
*"Developing basketball and table tennis departments of Medias Sports Club" Project*
- **Romgaz Mediaş Table Tennis Sports Club**  
*"Costel Totan Cup" II<sup>nd</sup> edition, male and female seniors*

#### **Benefits for the community:**

Ensure a positive perception of competitive sports, acknowledge the importance of sports in the community's life, making sport a daily behaviour by promoting values as will, perseverance, leadership, discipline, health and competitiveness.

The results of sportsmen seize the community's attention, create values that are passed on to those who wish to become athletes and represent an incentive for choosing a healthy life style.

Promoting sports and competitions leads to the development of humans as society members, and the values represented by sports become essential instruments for social integration and life quality improvement.



➤ **Sponsored projects and actions, social responsibility initiatives in other fields: cultural, energy, environment, others**

Romgaz involvement in projects or programs of interest for the community's progress is motivated by the desire to meet the society's expectations and to sustain the multilateral initiatives that could contribute to a sustainable development for the benefit of present and future generations. In 2018, Romgaz also supported a series of cultural projects.

- **Oil and Gas University of Ploiești**  
*"70 years anniversary of the Oil and Gas University of Ploiești" Project*
- **Society of Petroleum Engineers Romanian section**  
*Financial support for organizing technical events specific for oil and gas industry*
- **CNR-CME Association (National Romanian Committee of the World Energy Council)**  
*"Central&Eastern Europe Regional Energy Forum-FOREN 2018" – event*
- **De Bun Gust (Fine Taste) Sibiu Association**  
*Financial support for organising the Christmas Concert performed in Sibiu by the Johann Strauss Ensemble from Vienna*
- **Focus Sibiu Association**  
*"Focus Sibiu Photography International Festival 2018" project consisting in the costs for communication (communication campaign, events, PR)*
- **Astra Film Foundation, Sibiu**  
*"Astra Film Festival 2018" Project*
- **Association for Promoting the Romanian Film**  
*Financial support for "Tiff Movies Caravan" Project*
- **"Cindrelul-Junii Sibiu" County Centre for Preservation and Promotion of Traditional Culture**  
*Ioan Macrea National Folklore Festival – XXth edition*
- **Constantin Foundation, in Bucharest**  
*"Cenaclul Flacăra – Adrian Păunescu" Project*
- **Rotary Club Mediaș Association**  
*Rotary Plants! Project*
- **Municipal Department for Culture, Sports, Tourism and Youth, in Mediaș**  
*"Christmas Market" Project*

**Benefits for the community:**

Local civic involvement and development of local community identity and respect towards cultural heritage are values that Romgaz wishes to promote by supporting the projects with a positive impact on the community and which contribute to its harmonious development. Cultural-artistic projects facilitate the access of the members of the community to cultural events and lead to an increase in the interest of the community in good quality cultural-artistic acts; moreover, many of these projects will contribute to the development of our country brand by promoting traditions/folklore and young talents remarkable for their cultural-artistic performance and excellence.

Being aware of the importance of responsibility towards the environment, prevention and mitigation of the impact on the environment by educating the young generation with regard to environmental aspects are objectives of projects supported by Romgaz due to the fact that environmental protection represents an essential component that the company wishes to promote and to draw attention on the importance of it to the community and sustainability.

Romgaz showed social solidarity towards NGO's, institutions, schools, kindergartens, places of worship, by supporting the implementation of a various range of social aid programs, educational, cultural-artistic programs such as publication of books and publications, workshops, conferences, shows, exhibitions, folk groups, festivals, local events, etc.

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**Romgaz benefits**

The above mentioned projects had besides the positive impact on the community an important benefit for the Company, due to the positive effect of animating the organisational culture and the goodwill of being a responsible employer but also an involved social partner, promoter of an open and transparent relation. This is positively reflected in Romgaz' image, locally, nationally and internationally, for the investors, central and local authorities and other stakeholders.

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When supporting/performing projects, actions, social responsibility initiatives, Romgaz took into consideration the provisions of Sponsorship Policy and Sponsorship Guide applicable in 2018, published on the company's website at Social Responsibility section (link: <https://www.romgaz.ro/ro/content/responsabilitate-sociala>).

In accordance with the principles of corporate social responsibility, Romgaz intends to undertake similar activities in 2019 as well.

**Chairman of the Board of Directors**

