

CURRENT REPORT**In compliance with the Bucharest Stock Exchange Rulebook**Report date: **January 5, 2016**Company name: **Societatea Nationala de Gaze Naturale ROMGAZ S.A.**Address: **Medias, 4 Constantin I. Motas Square, Sibiu County - Romania, 551130**Phone/fax no: **004-0269-201020 / 004-0269-846901**Fiscal Code: **RO14056826**Trade Register registration number: **J32/392/2001**Subscribed and paid in share capital: **385,422,400 RON**Regulated market where the issued securities are traded: **Bucharest Stock Exchange (BVB), London Stock Exchange (LSE)*****Significant event to be reported:***

- **Compliance with the new Bucharest Stock Exchange (BSE) Code of Corporate Governance, applicable from January 4, 2016**

S.N.G.N. ROMGAZ S.A., as company listed at Bucharest Stock Exchange, applies the provisions of BSE Code of Corporate Governance since November 12, 2013.

The issue of the new BSE Code of Corporate Governance has determined ROMGAZ to assess the compliance with this new code. The nonconformities are mainly due to the characteristics of the company.

S.N.G.N. ROMGAZ S.A. elaborated its own Code of Corporate Governance, updated according to the provisions of the new BSE Code of Corporate Governance. This document will be reviewed and approved by the Board of Directors of ROMGAZ during the following period. As soon as the Board of Directors approves the document, it will be published on the company's website.

The Terms of Reference of the Board of Directors and of BoD Advisory Committees will be amended according to the requirements of the new BSE Code of Corporate Governance and of the updated ROMGAZ Code of Corporate Governance.

Attached:***Table of Compliance with the Bucharest Stock Exchange Code of Corporate Governance***

Director General
Virgil - Marius METEA



Table of Compliance with the Bucharest Stock Exchange Code of Corporate Governance

Code provisions		Complies	Does not comply or partially complies	Reason for non-compliance
1		2	3	4
A.1	The BoD and the Advisory Committees should be regulated by ToR, that apply the General Principles of Section A		x partially	This provision will be implemented by the Terms of Reference of the Board of Directors, as per Art. 8 of the Code of Corporate Governance of S.N.G.N. ROMGAZ S.A. (documents to be approved during the following period - see <i>Note1</i> and <i>Note2</i>)
A.2	The ToR of BoD should include provisions on the management of conflict of interest stating that members of the Board should notify any conflicts of interest which have arisen or may arise, to the Board and should refrain from taking part in the discussion and from voting on the adoption of a resolution on the issue which gives rise to such a conflict of interest		x partially	The conflict of interests is mentioned under the current Code of Corporate Governance of Romgaz, as well as under the company's Code of Conduct. The provision on the conflict of interest management will be provided under the Terms of Reference of the Board of Directors, in compliance with Art. 8 of CCG ROMGAZ (documents to be approved during the following period - see <i>Note1</i> and <i>Note2</i>)
A.3	The BoD has at least five members	x		
A.4	The majority of the members of the BoD is non-executive; not less than two non-executive members of the BoD are independent	x		
A.5	A Board member's other relatively permanent professional commitments and engagements, including executive and non-executive Board positions in companies and not-for-profit institutions, should be disclosed to shareholders and to potential investors	x		
A.6	Any member of the BoD should submit to the Board information on any relationship with a shareholder who holds, directly or indirectly, shares representing more than 5% of all voting rights		x	This provision, mentioned at Art. 6, par. 13 of CCG ROMGAZ, will be implemented once this document is adopted and it will be developed by the Terms of Reference of the Board of Directors (documents to be approved during the following period - see <i>Note1</i> and <i>Note2</i>)
A.7	The company should appoint a Board secretary responsible for supporting the work of the BoD	x		
A.8	The corporate governance statement should inform on whether an evaluation of the Board has taken place under the leadership of the chairman or the nomination committee and, if it has, summarize key action points and changes resulting from it. The company should have a policy/guidance regarding the evaluation of the BoD containing the purpose, criteria and frequency of the evaluation process. The first self-assessment of the Board has been done in December 2015.	x		
A.9	The corporate governance statement should contain information on the number of meetings of the Board and the committees during the past year, attendance by directors and a report of the Board and committees on their activities	x		

	1	2	3	4
A.10	The corporate governance statement should contain information on the precise number of the independent members of the Board of Directors	x		
A.11	The BoD should set up a nomination committee formed of non-executives, which will lead the process for Board appointments and make recommendations to the Board. The majority of the members of the nomination committee should be independent	x		
B.1	The Board should set up an Audit Committee and at least one member should be an independent non-executive. The majority of members, including the chairman, should have proven an adequate qualification relevant to the functions and responsibilities of the Committee; the Audit Committee should be composed of at least three members and the majority should be independent	x		
B.2	The audit committee should be chaired by an independent non-executive member	x		
B.3	Among its responsibilities, the audit committee should undertake an annual assessment of the system of internal control	x		
B.4	The Audit Committee should consider the effectiveness and scope of the internal audit function, the adequacy of risk management and internal control reports to the Audit Committee of the Board, and management's responsiveness and effectiveness in dealing with identified internal control failings or weaknesses and submit relevant reports to the Board	x		
B.5	The Audit Committee should review conflicts of interests in transactions of the company and its subsidiaries with related parties		x partially	This provision, mentioned under Art. 8, par. 2, letter g) of CCG ROMGAZ, will be implemented by the Terms of Reference of the Board of Directors (documents to be approved during the following period - see <i>Note1</i> and <i>Note2</i>).
B.6	The Audit Committee should evaluate the efficiency of the internal control system and risk management system	x		
B.7	The Audit Committee should monitor the application of statutory and generally accepted standards of internal auditing and should receive and evaluate the reports of the internal audit team.	x		
B.8	The ToR of the Audit Committee should include a provision on reporting to the BoD on its activities	x		
B.9	No shareholder may be given undue preference over other shareholders with regard to transactions and agreements made by the company with shareholders and their related parties	x		
B.10	The BoD should adopt a policy ensuring that any transaction of the company with any of the companies with which it has close relations, that is equal to or more than 5% of the net assets of the company (as stated in the latest financial report), should be approved by the Board following an obligatory opinion of the Audit Committee and fairly disclosed to the shareholders and potential investors, to the extent that such transactions fall under the category of events subject to disclosure requirements		x	The provision, mentioned under Art. 9 of CCG ROMGAZ, will be implemented under a separate regulation (CCG ROMGAZ will be approved during the following period - see <i>Note1</i>).

	1	2	3	4
B.11	The internal audits should be carried out by a separate structural division (internal audit department) within the company or by retaining an independent third-party entity	x		
B.12	The Internal Audit Department should report functionally to the BoD via the Audit Committee. For administrative purposes and in the scope related to the obligations of the management to monitor and mitigate risks, the Internal Audit Department should report directly to the chief executive officer		x partially	The provision on reporting to the Board of Directors is implemented by Art. 27, par. 5 of the Articles of Incorporation. But such reporting is related directly to the Board of Directors, as Art. 50 of the GED (Government Emergency Ordinance) No. 109/2011 on public companies corporate governance provides the rule on direct reporting of internal auditors to the BoD. This provision is also provided under Art. 15, par. 3 of the CCG ROMGAZ and it is going to be developed by the Terms of Reference of the BoD and by the Internal Regulations of ROMGAZ and, as the case may be, under the specific rules on performance of internal public audit within the company (CCG ROMGAZ will be approved during the following period - see Note1).
C.1	The company should publish a remuneration policy on its website and include in its annual report a remuneration statement on the implementation of this policy during the annual period under review (the remuneration policy should apply all the aspects mentioned at this provision)		x	This provision is mentioned under Art. 11, par. 5, Art. 23, par. 2 letter c) and Art. 23 par. 3 of CCG ROMGAZ, and it will be implemented both by publishing it on the company's website and by including it in the Annual Report 2015 (CCG ROMGAZ will be approved during the following period - see Note1).
D.1	The company should establish an investor relations organizational unit and should include on its corporate website a dedicated Investor Relations section, both in Romanian and English, with all relevant information of interest for investors, including:	x		
D.1.1	Principal corporate regulations: the articles of association, general shareholders' meeting procedures	x		
D.1.2	Professional CVs of the members of its governing bodies, a Board member's other professional commitments, including executive and non-executive Board positions in companies and not-for-profit institutions	x		
D.1.3	Current reports and periodic reports (quarterly, semi-annual and annual reports), including current reports with detailed information related to non-compliance with the Bucharest Stock Exchange Code of Corporate Governance	x		
D.1.4	Information related to general meetings of shareholders: the agenda and supporting materials, the procedure approved for the election of BoD members, the rationale for the proposal of candidates for the election to the Board (together with their professional CVs), shareholders' questions related to the agenda and the company's answers, the decisions taken by the GMS	x		
D.1.5	Information on corporate events, such as payment of dividends and other distributions to shareholders, or other events leading to the acquisition or limitation of rights of a shareholder, including the deadlines and principles applied to such operations	x		
D.1.6	The names and contact data of the persons who should be able to provide knowledgeable information on request	x		

	1	2	3	4
D.1.7	Corporate presentations, financial statements (quarterly, semi-annual, annual), auditor reports and annual reports	x		
D.2	The BoD should adopt an annual cash distribution or dividend policy, that shall be published on the corporate website	x		
D.3	The company should have adopted a policy with respect to forecasts, whether they are distributed or not		x	This provision is mentioned under Art. 23 paragraph 2, letter d) of CCG ROMGAZ (to be approved during the following period - see <i>Note1</i>).
D.4	GSM rules and procedures should not restrict the participation of shareholders in general meetings and the exercising of their rights	x		
D.5	The external auditors should attend the shareholders' meetings when their reports are presented there	x		
D.6	The BoD should present to the annual GMS a brief assessment of the internal controls and significant risk management system, as well as opinions on issues subject to resolution at the general meeting	x		
D.7	Any professional, consultant, expert, financial analyst, accredited journalist may participate in the shareholders' meeting upon prior invitation from the BoD or if the Chairman of the Board decides this	x		
D.8	The quarterly and semi-annual financial reports should include information (in both Romanian and English) regarding the key drivers influencing the change in sales, operating profit, net profit and other relevant financial indicators, both on quarter-on-quarter and year-on-year terms	x		
D.9	The company should organize at least two meetings/conference calls with analysts and investors each year and the information presented on these occasions should be published of the company website in the IR section	x		
D.10	If the company supports various forms of artistic and cultural expression, sport activities, educational or scientific activities, and considers the resulting impact on the innovativeness and competitiveness of the company part of its business mission and development strategy, it should publish the policy guiding its activity in this area	x		

Legend:

ToR = Terms of Reference

BoD = Board of Directors

CV = Curriculum Vitae

GMS = General Meeting of Shareholders

CCG = Code of Corporate Governance

CCG ROMGAZ = the Code of Corporate Governance of S.N.G.N. ROMGAZ S.A., updated (see *Note 1*)

Note1: S.N.G.N. ROMGAZ S.A. elaborated its own Code of Corporate Governance, updated according to the provisions of the new BVB CCG. This document will be reviewed and approved by the Board of Directos of ROMGAZ during the following period.

Note2: The Terms of Reference of the Board of Directors and of BoD Advisory Committees will be amended according to the requirements of the new BVB CCG and of the updated CCG ROMGAZ.