

2015 ROMGAZ SOCIAL RESPONSIBILITY

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 a redefined society as a result of market globalization and the emergence of social and environmental challenges.

Romgaz, being fully aware of its dynamic relationship with the business environment, the society and the environment, has increased its responsibility towards the shareholders and the social environment which it impacts on.

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.

In cooperation with the representatives of local authorities, organizations and educational institutions, Romgaz, by *Casa Gazelor Naturale Romgaz (Romgaz House of Natural Gas)*, hosts a series of events dedicated to the community, such as book launches, painting and plastic arts exhibitions, symposiums and manifestations dedicated to national and/or international celebrities.

Romgaz supports the sustainable development of the company and the community in the following main domains: sport, environment, social and economic.

Supporting social responsibility actions and initiatives, totally or partially, within the limits of budgeted financial resources, has revealed the pro-active attitude of the company in the field of social responsibility and has increased the awareness degree of the parties as regards the importance and the benefits of applying social responsibility.

Romgaz supported in 2015, totally or partially, actions and initiatives provided for in Government Emergency Ordinance no.2/2015, complying with the budget, as follows:

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A. **Social responsibility projects, actions, initiatives in the fields provided in G.E.O. no.2/2015 – Art. XIV letter b (education, social and sport)**

The educational project for high schoolers Cinema EDU

Cinema Edu, currently at its Vth edition, is the most developed project for cinematographic and social education in Romania targeting mostly high-schoolers. Year by year the most successful European films are presented followed by innovative talks among pupils and special guests from the film industry and other sectors. The discussion topics derived from the projected films and covered areas such as environmental responsibility, family, communication problems or the healing power of art.

By using films during the educational act, Cinema Edu implies several types of intelligence: visual, auditive, interpersonal and intrapersonal. This project brings the artistic cinematographic language to each high-schooler's vocabulary. Visual art is a basic tool for providing complex education and offers young people the courage to formulate own beliefs and to present them to the public. For more than six months of film projections young people learn to appreciate art films and, especially to understand their viewing modes.

Romgaz supported this project together with the Ministry for Education, Research, Youth and Sports, School Inspectorates and Macondo Cultural Association.

UNICEF Project "Social Inclusion through the provision of integrated social services at community level"

This project intends to test a model of providing integrated community services in Bacau county. The services will be, first of all, ensured by local specialists, namely social workers, community nurses, health and school mediators, supplemented by inclusive and quality pre-school and school education. Local authorities will manage these activities by receiving technical and methodological support from county authorities. The activity will be based on methodologies that will bring all services to work together engaging all partners at community level (local authorities, non-governmental organisations (NGOs), church organisations etc.). Special attention will be given to the early identification and prevention of risks for children and families.

The project will be implemented in 50 from the 85 rural and urban communities of Bacau county. According to estimations 54000 children and their families shall benefit from this model, wherefrom 5400 are children exposed at high risk of social exclusion. The families and their children shall be evaluated and afterwards they shall receive a set of basic social, health and educational services.

The concept of supplying integrated services for the community has been initiated last year by the Ministry of Labour, Family, Social Protection and Elderly together with the Ministry of Education, the Ministry of Health and UNICEF. This demo project will materialise the concept and will provide the necessary documentation and proof to be transformed into methodologies, practices, programs and legislation in order to be applied at a large scale to have a positive influence on the lives of many children and families. This concept is going to be the basis for national programs financed from public and European funds, and also the basis for future social inclusion strategies.

“Young Leaders Club Summer School”

Young Leaders Club summer school aims at interactive debates mainly on the financial crisis, investments, providing a full and deep analysis of current financial markets. It addresses to a young public eager to evolve.

Such program, both complex and well known, implied up to date participants from all over the world as Germany, France, Poland etc.

Young Leaders Club slogan is the continuous education and its courses intend to develop the knowledge and the practical abilities of participants in order to be able to develop businesses.

Other education related actions/initiatives

Romgaz supported in 2015: the National Math Contest 2015-2016 for grades V-VI and VII-XII and the Romanian Language and Literature Contest organised by Mures County School Inspectorate. Besides showing the talent, creativity and perseverance of pupils, the significance of such contests goes, without any doubt, beyond the narrow frame of a small contest.

Organised for generations, school contests crown the long, perseverant, silent education activities, creating the competitive spirit stimulating the wish to be the best of the best. We have therefore an authorised appraisal of the value and talent, a confirmation of their high education. These national contests highlight that a large number of schools successfully belong to an elite.

Social projects/actions/initiatives

Romgaz continued to support ONG's, institutions by implementing extensive social programs, educational-cultural-artistic projects (book editing and publishing, shows, festivals etc.) such as: George Enescu International Festival the 22nd edition; Medias Central European Film Festival 7+1, 5th edition; Sibiu Jazz Festival 45th edition; Sibiu International Theatre Festival 22nd edition; 2016 Energy Mirror of Romania consisting in elaborating a catalogue for the Romanian energy industry.

Projects/Actions/ Initiatives in the Field of Sport

National Team Chess Championship

The National Team Chess Championship is a project under a collaboration protocol with the Ministry of Education, the Romanian Chess Federation, the National Authority for Sport and Youth and the *Elisabeta Polihroniade* Association. By supporting such a project, emphasis is laid on the importance of chess for young people's education and development of intelligence.

The project has national coverage and supports education. According to a Romgaz social responsibility questionnaire such project is the second preference chosen by the respondents. Romgaz brand associated with performance and excellence, and the interest in ensuring the necessary background to develop children's abilities by chess playing render confidence in the company and its management, which cares for the young generation's education.

Kings Tournament - ROMGAZ

An event of success, where Romgaz is involved together with the *Elisabeta Polihroniade* Sports Club Association and the Romanian Chess Federation, is the International Chess Championship *Kings Tournament*, which has reached its 9th edition, and since its 5th edition it has become one of the most appreciated competition of its kind worldwide, being recognized by the Romanian Chess Federation as well as by the International Chess Federation (FIDE).

As the competition has gained more and more recognition under the aegis of performance, Romgaz has been increasing its support of the Kingsport, becoming one of the most important supporters in the country for all the 9 editions. By choosing to support the organization of such a prestigious tournament, Romgaz proves its commitment to true values and to mind performance, the competition becoming part of the company's actions of social responsibility.

The national prestige of the competition, which is included in the Grand Slam, renders success to diplomatic relations in the field of Romanian economics. Romgaz international visibility, emphasized by the credibility and distinction of the competition, has a positive influence upon future cooperation agreements and economic relations.

Projects, Actions, Initiatives in the Field of Sport and the Local Community

Romgaz supports performance in the Romanian sport, and the company's involvement in the sports community includes a diversified range of sport activities such as football, basketball, nine-pin bowling, table tennis, volley and bodybuilding.

Supporting community representatives with sports performances, is a result of the company's wish to invest in the development of a healthy community, as sports contributes to the development and perfecting of individuals as members of the society, and the values of sport become essential tools of social and educational integration.

Gaz Metan Medias Sport Club (Football and Basketball)

Gaz Metan Medias Sport Club is composed of several sports departments, the Basketball and Football Teams, Gaz Metan Medias develop their activities under the colours of the club. The basketball and football teams, Gaz Metan Medias, financially supported by Romgaz, have held top ranks in Romania national championships during previous years.

"Romgaz Table Tennis Sport Club" Medias

Due to Romgaz's involvement in sports, "Romgaz Table Tennis Sport Club" Medias, which plays in "Super-League" and develops its activity according to modern standards, facilitates their members' ascension to performance, proven by several prizes received by the club's members.

Here are the Records for 2015 of the Sportsmen who belong to the "Romgaz Table Tennis Sport Club" Medias, from juniors to seniors, both internally and internationally:

Results at national level:

- 1st Place – National Cadet Individual Championship, 25-26 April 2015, in Bistrita,;
- 1st Place – National Cadet Double Championship, 23-24 April, in Bistrita;
- 2nd Place – TOP 12 Juniors, 17-18 January 2015, in Bistrita;

Results at European level:

- 3rd Place – Dragoman Andreea, World Junior Team Championship, in France;
- 3rd Place – Dragoman Andreea, European Cadet Individual Championship, in Bratislava;
- 3rd Place – Dragoman Andreea, European Cadet Team Championship, in Bratislava;
- 1st Place – Dragoman Andreea, Bahrein Open, Junior Teams;
- 1st Place – Dragoman Andreea, Bahrein Open, Cadet Individuals;
- 1st Place – France Open, Junior Double;
- 1st Place – Dragoman Andreea, Croatia Open, Junior Teams;
- 2nd Place – Dragoman Andreea, Croatia Open, Junior Individuals;
- 1st Place – Dragoman Andreea, Serbia Open, Junior Individuals;
- 1st Place – Dragoman Andreea, TOP 10 Europe Cadet, in Buzau;
- 2nd Place – Dragoman Andreea, World Cadet Challenge, in Egypt.

Romgaz Sport Club Electromures, Nine-Pin Bowling

The women's nine-pins bowling team of Romgaz – Electromures plays in the National Championship being one of the most emblematic bowling teams in Romania. Along time, the team has won several national and international titles, with a very impressive record: 19 national champion titles, 15 World Cup titles, as well as other international cups.

Here are the special performances which the women's nine-pins bowling team of Romgaz – Electromures obtained during the competition year 2015:

- National Champions with Senior Team;
- National Champions with Junior Teams;
- 2nd Place – Romanian Cup with Senior Team;
- National Cadet Individual Championship – U 18 – 2 bronze medals;
- National Individual Junior Championship U 23 – 9 medals/ 3 gold, 1 silver, 5 bronze;
- National Individual Senior Championship – 3 medals/ 1 gold, 2 bronze;
- Senior Team qualified in the quarter finals of 2016 Champions League;
- Two U 18 juniors selected for the National Team who participated in the World Championship in Speichersdorf, Germany.

Romgaz also granted Sponsorships to other sports associations and clubs, for infrastructure development and modernization, ensuring competition equipment or implementation of certain sport programs (national championships, tournaments, competitions, expeditions, training camps etc.) with internal and international actions.

B. Social responsibility projects, actions and initiatives in the fields provided under Government Emergency Ordinance no.2/2015 – article XIV letter a (medical, health, medical treatments and interventions)

In 2015 Romgaz continued to offer its support to NGOs and institutions in order to support and implement a great variety of medical programs (equipping hospitals/medical units with medical equipment, performing surgical interventions, medical investigations

and treatments), among which: equipping 4 hospitals in Medias, Targu Mures, Sibiu and Blaj with medical equipment of high performance, performing special therapy for autism diagnosed children, surgical interventions and medical treatments for serious illness.

Social responsibility actions and initiatives in the humanitarian and social field

S.N.G.N. ROMGAZ S.A. offered its support for the development and modernization of infrastructure in centers for disabled people, schools and kindergartens, rehabilitation of access roads, bridges and playgrounds.

Actions, Initiatives in the Field of Cults

Romgaz acknowledges the importance of religion as a determinant element of the community's consciousness, which is why it constantly supports the construction and rehabilitation of religious buildings or restauration of some parts of the religious buildings, as well as the infrastructure development and modernization (renovation, improvement and restauration works, construction of new buildings, social centres, painting works specific to religious buildings etc.) social programs of Christian education and help programs for the under-privileged people or young people with low incomes.

In accordance with the corporate social responsibility principles, Romgaz aims at obtaining economic success in an ethical manner, respecting its employees thus providing in accordance with the Collective Labour Contract for its employees and/or their families (spouse, children), under specific circumstances, social aids for professional diseases and labour or labour-related accidents, for treating serious labour-related or labour-generated medical conditions as well as for medical treatments and relating medical-services in specialized units in Romania and abroad.

Romgaz supporting actions and participation in the performance of social responsibility projects, actions and initiatives were based, without being limited to, the following sponsoring criteria:

- the importance of sports in the education and intelligence development of youth, in the development of diplomatic, cooperation and even economic relations;
- the necessity to support the Romanian sport as a result of financial difficulties faced by a great number of local and national sports clubs;
- company's wish to invest in the development of a healthy community as sport helps people develop and improve within a society while the values promoted by sport become essential instruments of social and educational integration;
- contribution to the development of public policies regarding prevention and control of school absence and abandonment mainly in the communities where Romgaz performs its production activities, the company benefiting from an improved image and positive feelings towards Romgaz brand;
- encouraging young people/students who, through their effort, became an example of excellence and motivation and who promote success based on education;
- social difficulties and issues which determined the Company to support and implement a great variety of social programs, to help under-privileged people and low income young people, to support educational, cultural and artistic projects (publication of books and publications, organization of Olympics, workshops,

conferences, performances, festivals, symposiums, exhibitions, local events, folk dance groups etc) as well as medical programs (equipping hospitals/medical units with medical equipment, performance of surgical interventions, medical treatments);

- the necessity to develop and modernize infrastructures for community centres, hospitals, centres for disabled people, schools, kindergartens, rehabilitation of roads, bridges and playgrounds in the communities where Romgaz performs its production activities;
- working together with the representatives of local authorities, with educational organizations and institutions in order to organize events dedicated to the community such as book signings, official openings of art exhibitions, symposiums or events dedicated to national/international celebrations;
- community development by supporting cultural, artistic, musical events, scientific conferences or publications;
- development of local communities where Romgaz performs its production activities by modernizing the infrastructure (renovation, improvement, restauration works, construction of new buildings, building new social centres, etc), through educational programs, rehabilitation of religious buildings and by helping under-privileged people and low income young people.

Approvals/allocation of expenditures in connection with sponsoring took in consideration, besides the above mentioned sponsorship granting criteria, the following aspects provided under the Sponsoring Policy/Strategy of the company:

- Main fields supported by S.N.G.N. ROMGAZ S.A. (education, teaching, sport, culture, medical and health, environmental protection, energy efficiency, social, under-privileged groups/communities);
- Project evaluation criteria (target group of beneficiaries, project area, impact of the project on community, applicant's reputation, applicant's organizational capacity, experience in delivering results);
- Priority in project analysis (whether they are within Romgaz field of activity or, within the geographical area out company operates, whether it may involve Romgaz employees as volunteers, whether they add value in local communities or they supplement our ongoing or completed projects);
- Analysis of, at least, the followings: objectives proposed by projects should be realist and tangible, the action plan as well as the duration of project performance should be clearly explained, the project should point out the expected results and it should be sustainable, the NGO/applicant should have experience in similar actions that were successfully completed.

**2015 Implemented Social Responsibility Projects, Actions, Initiatives
(Sponsorships)**

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		2015 Income and Expenditure Budget	2015 Sponsorships
d)	Total sponsoring out of which:	11,831,000.00	11,755,225.50
	d1) Expenses in connection with sponsoring of sports clubs and fields provided under Government Emergency Ordinance no. 2/2015 – article XIV, letter b	6,890,000.00	6,822,058.62
	d3) Expenses with humanitarian aid and fields provided under Government Emergency Ordinance no. 2/2015 – article XIV, letter a	4,411,000.00	4,403,737.10
	d4) Other expenses in connection with sponsoring	530,000.00	529,429.78