



rompetrol

KazMunayGas
International
Group Member

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Rompetrol publishes its 2021 Sustainability Report

Rompetrol publishes its eighth sustainability report, drafted according to international reporting standards and shows the environmental, social, governance and market performance of the Group for the 2021 interval; the report bears the assurance of an audit firm.

"2021 continued to be defined by challenges and changes, with the pandemic, deepening economic uncertainties, volatile refining margins and soaring crude prices. In addition to that, the incident from Petromidia leading to the tragic loss of 3 people and a shutdown of 83 days translated into reduced processing power and decreased financial results. Despite that, the lessons we learnt solidified our commitment to our sustainability principles, our people, communities and the future, and we developed an extensive decarbonization strategy to provide our company a technology outlook on the transition to lower carbon and renewable energy" – Iskander Abdibaitov, Chief Officer Corporate Development.

The Sustainability Report shows the company's role and impact in the Romanian economy, with a focus on Rompetrol Rafinare and its affiliated companies and other relevant companies. Group consolidated results in areas such as corporate governance, human resources (education and development, safety, diversity, human rights), environmental management (emissions reduction, water consumption, and waste), local community investments and relations, market performance are being presented in the context of 2021.

KMG International, to align to Paris Climate Agreement and the Green Deal requirements, identified and classified future decarbonization projects which address the production of biofuels and the extension of the electrical energy value chain. Projects with total value of 600 million USD which include the expansion of the Group's retail network, charging electric vehicles in own network, on-site generation, renewable energy production, biodiesel and bioethanol production.

One of the major projects that fall within the scope of this strategy is the cogeneration plant on the Petromidia platform, with the construction works starting in 2021. The cogeneration plant will play a major role in stabilizing electricity production and distribution in the region, by providing the platform's energy needs and injecting surplus electricity into the national system. The plant will also provide heat for the Petromidia Refinery and around 1,500 homes in the town of Năvodari.



Among the key achievements of 2021 –

- The Group workforce structure evolution had a stable trend, with a total headcount at the end of the year of 5,322 employees, 63% of them being located in Romania, the country with the largest base of operations. Additionally, Rompetrol Downstream generates over 5,000 direct jobs in the retail network of CODO stations (company owned, dealer operated).
- The level of taxes paid in 2021 to the state budget of Romania exceeds 1.7 billion USD.
- The Refining and Petrochemicals sectors have a vital role in supporting the national and regional economy, both through ensuring fuels and special products such as bitumen, polymers, hexane, and despite having the temporary shutdown at Petromidia we achieved the highest diesel and jet fuel efficiency ever of 54.3% wt (total throughput of Petromidia in 2021 was 4.59 million tons, while Vega – 321,052 tons).
- 98,5% of the total waste that left the Petromidia platform in 2021 was sent for recovery, higher than in 2020, when 93% of all waste was recovered.
- The GHG emissions level is on a decreasing trend, due to the investments from the past years in technology, development, maintenance and environmental projects. Among the projects from 2021 - upgrade of DGRS plant, which led to SO2 emissions decrease, replacement of furnace burners with lox-NOx ones, etc.
- The proportion of local suppliers during the reporting period was 66% (not including local subsidiaries of multinationals), while the proportion of spending on local suppliers exceeds 80%.
- 2021 marked the 20th anniversary of the internship program “Ready for Your Career”, with students from Constanța, Ploiești, Bucharest, Cluj and Iași being enrolled. In the past years we have been training over 1,500 graduates to become industry professionals, most of them joining the company as employees.
- At the level of community engagement and support – over 1.5 million USD was allocated to support projects in health, environment, education and culture.

To read the full Rompetrol sustainability report for 2021, visit <https://www.rompetrol.com/ro/mediaroom/rapoarte-de-grup> or

<https://rompetrol-rafinare.kmginternational.com/relatia-cu-investitorii/rezultate-financiare-si-rapoarte/rapoarte-de-sustenabilitate>.



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The Group uses the GRI sustainability reporting system (Global Reporting Initiative), a benchmark globally recognized as a best practice, and also other reporting frameworks such as the IPIECA voluntary guidance for the oil and gas industry, the EU Taxonomy, Sustainability Accounting Standards Board (SASB) framework etc.