

Following high business principles

The Petrom Code of Conduct

By adhering to the spirit and principles of the 'OMV Code of Conduct', our company, in accordance with the entire OMV Group, declares that all its objectives and actions will be in line with the principles of the United Nations Global Compact. This forms a fundamental commitment to making efforts directed towards compliance with high standards in business ethics and the applicable legal requirements wherever we operate.

The Code of Conduct provides rules and clear guidance in the key areas relating to Employees, Human Rights, Environmental Management, Social Responsibility, and Governance.

The Code of Conduct constitutes the compass that helps the company live its values. Our values and the Code of Conduct are guides for our corporate culture and they are applied in any activity conducted within the company.

Driving Values

Petrom is driven by **Professionalism, Pioneering, and Partnership**:

- ▶ **Professionalism** - Professional excellence ensures lasting success. In this regard, we learn, we perform, we succeed.
- ▶ **Pioneering** - Spirit of change aids continuous development. In this regard, we explore, we move, we grow.
- ▶ **Partnership** - Responsible relationships for mutual benefit. In this regard, we respect, we connect, we care.

Shaping behaviours to values

Petrom strongly believes that translating these values into action creates long-term benefits for our stakeholders - shareholders, clients, employees, suppliers, as well as for the interested communities.

Living Petrom's values

Demonstrating high levels of professionalism, pioneering and partnership is an important part of being successful in our company. These driving values support our development

as individuals and as a team. At Petrom we constantly encourage people to think about these values and their relevance to their own personal activities. We think that being a good professional, a good partner and a pioneer lie at the heart of inspiring people, creating a team and delivering high performance, on a continuous basis.

In 2009 we continued to ensure, through communication, a climate where people are encouraged to live the values in their day-to-day activity and support the development of the company through personal change. In order to generate clarity regarding the role of the values at Petrom, we used the sports metaphor in a series of interactive workshops for managers and a caravan touring the main locations in the country. Our message was that success depends on our attitude and values, and it was delivered as a parallel between sport and professional life.



Customized activities built around the values allowed interaction with the people and were supported by two powerful external endorsers: Octavian Belu – a role model for managers, and the boxing champion Leonard Doroftei – a true role model for the blue collar staff.

For people working in the field we rediscovered the pride of being part of the oil workers' community and talked about how the values support them in their activity. Over 360 oil workers proudly shared their working life stories as inspired by their greater experience developed in our company. The most touching

stories were awarded on September 8, on Oilmen's International Day.

The Driving Values also offer an opportunity for our employees to be rewarded for their performance and excellence at work. Therefore we aimed at increasing the levels of engagement of our employees by demonstrating, through firm recognition, that living the values is appreciated by all of us.

For several months, an internal campaign, organized as a competition sought out examples of the values in action with the message 'the best in us'. People had been invited to nominate their colleagues or teams that embodied the spirit of the values. At the Annual General Meeting, we awarded 9 'the best in us' awards for employees living the Driving Values. We also celebrated 'the best in us' Champion, a colleague who demonstrated to apply in her/his work a combination of all three company values in day-to-day activities, and 'the volunteer of the year', a colleague who was involved in volunteering activities during 2009.

Corporate Governance

A decision making process which is transparent and relies on clear and objective rules enhances stakeholders' confidence in the company. It also contributes to the protection of shareholders' rights, improving the overall performance of the company, offering better access to capital, and risk mitigation. Petrom has therefore always attached great importance to the principles of good corporate governance and has constantly aimed at adhering to the applicable Code of Corporate Governance.

As of April 2007, our company's governance has followed the two-tier system, comprising of an Executive Board, which manages the daily operations, and a Supervisory Board elected by the shareholders to act as a monitoring body. The powers and duties of such corporate bodies are detailed in the company's Articles of Association, available on our website, Corporate Governance Section, and in the relevant internal regulations.

The approval requirements, powers of individual Executive Board members, procedures and the approach to conflicts of interest are governed by the Internal Rules of the Executive Board. The Internal Rules of the Supervisory Board contain detailed procedures for the treatment of conflicts of interest and own account dealing on the part of the members of this corporate body. Other provisions regarding the operation of the two corporate bodies are included in both sets of rules, complementary to those already existing in the Articles of Association. This entire regulatory framework which applies to Petrom's governance system was revised at the end of 2009 so as to take into consideration the latest developments in domestic and European corporate legislation, but also to address the expiry of some clauses included in the Privatization Agreement of Petrom.

In accordance with the principles of good corporate governance, Petrom is managed in a climate of openness, based on honest discussions between the Executive Board and the Supervisory Board, as well as within each of these corporate bodies. Members of the aforementioned corporate bodies have a duty of care and loyalty towards the company. Hence, the Executive Board and the Supervisory Board pass their resolutions without conflict of interests, as required for the welfare of the company, primarily in consideration of the interests of shareholders and employees.

The Executive Board coordinates the strategic orientation of Petrom with the Supervisory Board and reports to the latter regularly, in a timely and comprehensive manner, about all relevant issues concerning the course of business and strategy implementation. In this context, any deviation from expected performance, as well as circumstances which are of considerable importance for the profitability and liquidity of the company are immediately communicated to the Supervisory Board. As required by the Companies Law, none of the Supervisory Board members holds an executive position in the company. Moreover, some of the Supervisory Board members were identified as meeting the independence criteria of the Companies Law, having no connection with core shareholders.

Commitment to good governance