

10.12.2021

TO: Business & Human Rights Resource Centre
REF: Allegations Related to BCR Investments

Banca Comerciala Romana took note of your notification and expresses appreciation for the opportunity to clarify any misunderstandings, which, unfortunately, did occur with regard to BCR's investments.

We also express appreciation for the mission of your organization and consider it a matter of responsibility to provide further business information, despite BCR's lack of involvement in the matter you signaled to us.

As such, BCR has no investments nor financings agreements to any of the companies referred to in the investor summary and the report. BCR had had a previous years long business relationship with Rompetrol Group, a state company founded in 1974 in Romania, later privatized in 1998 and afterwards acquired by Kaz Munai Gas in 2007 and rebranded under the corporate holding identity (multiple business operations) as KMG International, while continuing Romanian market operations under its historical brand: Rompetrol (acronym of Romanian Petroleum).

Thus, neither BCR, nor its shareholder, has had business relationship with any of the companies and the issues mentioned in your report, nor has it encountered directly or indirectly any of the issues outlined in the report, since the business relationship pertains strictly to the Romanian entity, which has proven a sound and respectable corporate presence on the Romanian market.

As we value legitimate journalistic inquires and the citizens' right to accurate information, we can inform you our bank is part of a syndicate (group of lenders) together with other 3 international banks, which concluded a lending facility with the Rompetrol Group, for activities strictly concerning the Romanian market, in regard to strategic projects for the Romanian oil and gas industry.

In all activity BCR remains true to our statements and purpose, in the context where the bank and the majority shareholder are operating and investing within borders of the European Union, with an unabated commitment towards the observance of ESG guidelines, including human rights.

We hope to have been able to clarify our standpoint, as well as any misunderstanding on the matter.

Email correspondence following the above letter

Dear Ashley,
Dear Ella,

Thank you for the opportunity to clarify matters around allegations on BCR's involvement with KMG. Our response is attached, with further information on our relationship to Rompetrol, the Romanian subsidiary of KMG International N.V., at its turn a subsidiary of KazMunayGas.

In short, we do not finance, nor have a business relationship other than the Romanian operations of Rompetrol Group, which also fall under Romanian and EU legislation and requirements. Rompetrol (a company founded by the Romanian state in 1974) has proven sound and solid business behavior in terms of human rights and overall corporate conduct for almost 50 years, providing us with full confidence to engage a business relationship with them.

Kind regards,
[BCR]

Dear [BCR],

Thank you for your response; we appreciate the clarification on your previous relationship to KMG.

[KMG's financial documents](#) list BCR as a current investor, as part of a syndicate of banks. Could you please clarify further, from BCR's perspective?

Thank you,



Ashley Nancy Reynolds

Research Assistant, Eastern Europe & Central Asia

[Business & Human Rights Resource Centre](#)

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Dear Ashley,

the facility referenced in KGM financial report follows the international reporting standards, whereby the Group has certain obligations to report and consolidate subsidiaries where it holds controlling interests (*please see attached their reporting policy as per the referenced financial report*).

KazMunaiGas is the sole owner of Kaz Munai International, which is not the sole owner, but it is the majority shareholder of Rompetrol Rafinare (*shareholder structure also attached*), therefore holding a controlling interest which it has to report and consolidate.

As of the credit facility granted by a syndicate of Romanian Banks to the Romanian entity, please find attached the Romanian Stock Exchange financial disclosure posted by Rompetrol Rafinare. The facility has no utilization, nor does it command guarantees from companies outside the KMG International (the holding company for the Romanian operations) perimeter.

<https://www.bvb.ro/FinancialInstruments/SelectedData/NewsItem/RRC-Prelungirea-unei-Facilitati-de-credit/BFC5F>

As previously stated, we do not finance, nor have a business relationship other than the Romanian operations of Rompetrol Group, which fall under Romanian and EU legislation.

I hope this clarifies all matters.

Best regards,

[BCR]



No. 6143/ October 28, 2021

To: **Financial Supervisory Authority**
Bucharest Stock Exchange

From: **ROMPETROL RAFINARE S.A.**

CURRENT REPORT
prepared according to Law no. 24/2017 on issuers of financial instruments and market operations and the F.S.A. no. 5/2018 on issuers of financial instruments and market operations

Report date: **28 October 2021**

ROMPETROL RAFINARE S.A.

Head office: Navodari, 215 Navodari Boulevard, Administrative Building, Constanta County

Phone number: 0241/506100

Fax number: 0241/506930; 506901

Serial number in the Trade Register: J13/534/1991

Unique Registration Code: 1860712

Subscribed and Paid-in capital: RON 4,410,920,572.60

Regulated market on which securities are traded: Bucharest Stock Exchange (RRC market symbol)

Important event to report: Signing of related documents for the extension until April 23rd, 2022 of Facility C in the amount of USD 75 million, component part of the existing Credit Facility in the amount of USD 435 million

ROMPETROL RAFINARE S.A. (hereinafter referred to as “**the Company**” or “**RRC**”) informs the Shareholders and Investors that on October 28th, 2021 it extended the duration until April 23rd, 2022 and amended accordingly a multicurrency credit facility (USD, RON, EUR) in the amount of USD 75 million (Facility C), component part of the Credit Facility concluded on April 23, 2015, with subsequent amendments and completions (“**Existing Credit Facility Agreement**”), in the total amount of 435 million USD. The extension of Facility C within the existing USD 435 million Facility was arranged by the following banks as Mandated Lead Arrangers and made available by



them as Creditors: Banca Comerciala Romana S.A., ING Bank N.V. through ING Bank N.V. Amsterdam – Bucharest Branch and Raiffeisen Bank S.A.

UniCredit Bank AG, London Branch acts as a Facility Agent, and UniCredit Bank S.A. plays the roles of Security Agent and Paying Agent.

Lending financial institutions were assisted by the international law firm Clifford Chance, through its Bucharest office, Clifford Chance Badea SPRL.

The Company together with KMG International N.V., acting on behalf of other Group companies, i.e. KMG Rompetrol S.R.L., Rompetrol Downstream S.R.L, KazMunayGas Trading AG, concluded on October 28th, 2021 with, among others, the Creditors who extended the above mentioned facility, namely, ING Bank N.V. through ING Bank NV Amsterdam – Bucharest Branch, Banca Comerciala Romana SA, Raiffeisen Bank S.A. and, respectively, with UniCredit Bank AG, the London Branch as Facility Agent and UniCredit Bank S.A. as Security Agent and Paying Agent a fifth Supplemental Agreement (the “**Fifth Supplemental Agreement**”) to the Existing Credit Facility Agreement to extend the maturity of Facility C and to reconfirm the guarantees established in relation thereto.

This credit is guaranteed by KMG International N.V. and, regarding facilities A and B, may also be used by other companies such as KMG Rompetrol S.R.L., Rompetrol Downstream S.R.L., KazMunayGas Trading AG. Moreover, to guarantee the Existing Credit Facility Agreement and the Second Supplemental Agreement and any related documents, mortgages are set up on several assets held by KMG International subsidiaries such as fuel distribution stations, warehouses, stocks of petroleum products, trade receivables but also bank accounts. The purpose of this loan is to cover the general needs of borrowers, excluding investment financing. With regard to Credit Facility C, its purpose is in the interest of the activity carried out by the Company, contributes to the Company's success, is to its advantage and is in no way disproportionate to the benefits of concluding the above-mentioned addenda and there is no conflict of interest between the interests of the Company and those of any of its Directors.

KMG International N.V., a wholly owned subsidiary of JSC National Company KazMunayGas, the national company of Kazakhstan, is an integrated oil company with most assets and operations based in Romania and other Southeast European countries.

The document will be posted on the RRC website, www.Rompetrol-Rafinare.ro, in the Investor Relations/ Financial Results and Reports/ Current Reports section.

Rompetrol Rafinare S.A.

**General Manager and
Member of the Board of Directors**

Economic Manager

Felix CRUDU-TESLOVEANU

Ramona-Georgiana GALATEANU