



**SOCIETATEA NAȚIONALĂ DE TRANSPORT
GAZE NATURALE "TRANSGAZ" SA MEDIAȘ**
Capital social: 117 738 440,00 LEI
ORC: J32/301/2000; C.I.F.: RO13068733
P-ța C. I. Motaș nr. 1, cod: 551130, Mediaș, Jud. Sibiu
Tel.: 0040 269 803333, 803334; Fax: 0040 269 839029
http://www.transgaz.ro; E-mail: cabinet@transgaz.ro



CURRENT REPORT

according to the provisions of Article 297/2004 on the capital market, CNVM Reulation no. 1/2006 and the Bucharest Stock Exchange Corporate Governance Code

Date of report: **13 January 2016**

Name of issuing entity: **SNTGN TRANSGAZ SA MEDIAȘ**

Headquarters: **Mediaș, 1 Constantin I. Motaș Square, Sibiu County**

Telephone/fax number: **0269803333/0269839029**

Tax identification code: **RO 13068733**

Trade Register number: **J32/301/2000**

Subscribed and paid-up capital: **RON 117.738.440**

Regulated market on which issued securities are traded: **Bucharest Stock Exchange.**

REPORTED EVENTS: *The state of compliance with the provisions of the new Corporate Governance Code of the Bucharest Stock Exchange, applicable as of 04 January 2016*

SNTGN TRANSGAZ SA as a company listed to the Bucharest Stock Exchange in the Premium category, voluntarily adopted the provisions of the CGC of the Bucharest Stock Exchange and has been reporting, starting with 2010, the complete or partial compliance by the **Statement on the compliance or non-compliance with the provisions of CGC** (the 'submit or explain' Statement) included in the Annual Report of the Administrators.

In compliance with the principles of a good corporate governance and striving to fulfil their objectives related to operational efficiency, optimization of performances and viable development of the company, the company's management performs their activity responsibly and efficiently in a transparent and professional manner in relation to the shareholders, the business environment and the community.

Transgaz fully complies with most of the provisions of the new Corporate Governance Code of the Bucharest Stock Exchange. The provisions in the code that our company does not comply with are explicitly presented below and any ulterior compliance the company achieves will be reported to the capital market.

Section	Provisions of the CGC	Clarifications regarding the non-compliance
A.2.	Provisions for the management of conflict of interest should be included in Board regulation. In any event, members of the Board should notify the Board of any conflicts of interest which have arisen or may arise, and should refrain from taking part in the discussion (including by not being present where this does not render the meeting non-quorate) and from voting on the adoption of a resolution on the issue which gives rise to such conflict of interest.	Provision included in the Rules of procedure of the Board of Administration to be approved in the near future.



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A.6.	Any member of the Board 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. This obligation concerns any kind of relationship which may affect the position of the member on issues decided by the Board.	Provision included in the Rules of procedure of the Board of Administration to be approved in the near future.
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 Board containing the purpose, criteria and frequency of the evaluation process	The activity of the Board of Administration is evaluated based on the performance criteria included in the administration plan and in the mandate contracts, their degree of fulfillment is included in the Annual report of the BA. The company does not have a policy/guide for the evaluation of the activity of the BA, its evaluation is performed based on the abovementioned criteria. TGN will send a current report for the compliance when this policy is elaborated.
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 be formulated in such a way that allows stakeholders to understand the principles and rationale behind the remuneration of the members of the Board and the CEO, as well as of the members of the Management Board in two-tier board systems. It should describe the remuneration governance and decision-making process, detail the components of executive remuneration (i.e. salaries, annual bonus, long term stock-linked incentives, benefits in kind, pensions, and others) and describe each component's purpose, principles and assumptions (including the general performance criteria related to any form of variable remuneration). In addition, the remuneration policy should disclose the duration of the executive's contract and their notice period and eventual compensation for revocation without cause. The remuneration report should present	Transgaz applies this provision by complying with the provisions of GEO 109/2011 art. 39 and art. 55 (2). The remuneration policy for the remuneration of TGN' administrators and of TGN' Director general will be approved in the near future.



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	the implementation of the remuneration policy vis-à-vis the persons identified in the remuneration policy during the annual period under review. Any essential change of the remuneration policy should be published on the corporate website in a timely fashion.	
D.1.4	Information related to general meetings of shareholders: the agenda and supporting materials; the procedure approved for the election of Board 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, including the decisions taken;	The company partially applies this provision in accordance with art. 29 of GEO 109/2011 regarding corporate governance of public enterprises, as amended and supplemented, the procedure for appointing board members will be approved in the near future.
D.2.	A company should have an annual cash distribution or dividend policy, proposed by the CEO or the Management Board and adopted by the Board, as a set of directions the company intends to follow regarding the distribution of net profit. The annual cash distribution or dividend policy principles should be published on the corporate website.	The company's profit distribution shall be performed in accordance with the provisions of GEO 64/2001 regarding profit distribution of national companies and companies completely or majority state owned, and the autonomous companies. The annual dividend distribution policy or other benefits to TGN shareholders will be approved in the near future.
D.3.	A company should have adopted a policy with respect to forecasts, whether they are distributed or not. Forecasts means the quantified conclusions of studies aimed at determining the total impact of a list of factors related to a future period (so called assumptions): by nature such a task is based upon a high level of uncertainty, with results sometimes significantly differing from forecasts initially presented. The policy should provide for the frequency, period envisaged, and content of forecasts. Forecasts, if published, may only be part of annual, semi-annual or quarterly reports. The forecast policy should be published on the corporate website.	The company's activity is regulated by NERA. Transgaz' administration plan includes the administration strategy during the mandate. It is rigorously structured and it includes action strategies for the administration of all the resources, operational and management processes related to the company for the efficient achievement of the performance objectives set.

**Director General
Petru Ion Văduva**